

## SMALL BUSINESS ADMINISTRATION

### Federal Funds

#### General and special funds:

#### SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the Small Business Administration as authorized by Public Law 101-574, including hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344, and not to exceed \$3,500 for official reception and representation expenses, [\$258,175,000 of which \$15,000,000 shall be available to implement section 24 of the Small Business Act as amended, including \$500,000 to be made available only to the City of Buffalo, New York: *Provided*, That section 24(e) of the Small Business Act (15 U.S.C. 651(e)) is amended by striking "fiscal years 1992 through 1994" and inserting in lieu thereof "fiscal years 1995 through 1997": *Provided further*, That section 112(c)(2) of the Small Business Administration Reauthorization and Amendment Act of 1988 (102 Stat. 2996) is amended by striking "October 1, 1994" and inserting "October 1, 1997"] \$263,958,000: *Provided further*, That the Administrator is authorized to charge fees to cover the cost of publications developed by the Small Business Administration[;], and certain loan servicing activities[;] and installing and servicing the agency's computer-based electronic bulletin board[;]: *Provided further*, That notwithstanding 31 U.S.C. 3302, revenues received from all such activities shall be credited to this account, to be available for carrying out these purposes without further appropriations. Of the total amount appropriated in this paragraph, [\$77,375,000] \$74,000,000 shall be available for grants for performance in fiscal year [1995] 1996 or fiscal year [1996] 1997 for Small Business Development Centers as authorized by section 21 of the Small Business Act, as amended, [of which \$3,375,000 shall be available to carry out Defense economic transition technical assistance as authorized by 15 U.S.C. 648(c)(3)(G)]: *Provided further*, That not more than \$500,000 of the total amount in this paragraph shall be available to pay the expenses of the National Small Business Development Center Advisory Board and to reimburse Centers for participating in evaluations as provided in section 20(a) of such Act, and to maintain a clearinghouse as provided in section 21(g)(2) of such Act.

[None of the funds appropriated for the Small Business Administration under this Act may be used to impose any new or increased user fee or management assistance fee for the Small Business Development Center Program.] (*Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1995.*)

#### Program and Financing (in thousands of dollars)

Identification code 73-0100-0-1-376	1994 actual	1995 est.	1996 est.
<b>Program by activities:</b>			
00.01 Government Contracting and Minority Enterprise Development .....	54,629	49,200	32,839
00.02 Disaster assistance .....	189,619	165,774	20,163
00.03 Economic development .....	107,213	131,308	126,820
00.04 CFO/Management and administration .....	70,328	88,377	99,215
00.05 Executive direction .....	2,067	1,677	1,683
00.06 General Counsel .....	3,634	3,818	4,119
00.07 Congressional and legislative affairs .....	821	798	855
00.08 Hearings and appeals .....	791	856	580
00.09 Communications and Publications .....	2,920	2,008	1,917
00.10 National Advisory Council .....	42	.....	.....
00.11 Advocacy .....	6,090	8,209	6,073
00.12 Field Operations .....	866	993	1,285
00.13 Equal Employment Opportunity and Civil Rights Compliance .....	2,379	2,363	1,867
00.14 Regional and District Offices .....	141,865	141,589	150,092
10.00 Total obligations .....	583,264	596,970	447,508
<b>Financing:</b>			
21.40 Unobligated balance available, start of year: Treasury balance .....	-4,071	-32,966	.....
24.40 Unobligated balance available, end of year: Treasury balance .....	32,966	.....	.....
25.00 Unobligated balance expiring .....	10,679	.....	.....

39.00	Budget authority (gross) .....	622,838	564,004	447,508
<b>Budget authority:</b>				
<b>Current:</b>				
40.00	Appropriation .....	258,900	257,175	263,958
40.75	Procurement reduction pursuant to P.L. 103-317 .....	.....	-1,021	.....
43.00	Appropriation (total) .....	258,900	257,154	263,958
<b>Permanent:</b>				
68.00	Spending authority from offsetting collections .....	363,938	306,850	183,550
<b>Relation of obligations to outlays:</b>				
71.00	Total obligations .....	583,264	596,970	447,508
<b>Obligated balance, start of year:</b>				
72.10	Receivables from other government accounts .....	.....	.....	.....
72.40	Unpaid obligations: Treasury balance .....	157,438	135,348	105,127
<b>Obligated balance, end of year:</b>				
74.10	Receivables from other government accounts .....	.....	.....	.....
74.40	Unpaid obligations: Treasury balance .....	-135,348	-105,127	-105,127
87.00	Outlays (gross) .....	605,354	627,191	447,508
<b>Adjustments to gross budget authority and outlays:</b>				
<b>Offsetting collections from:</b>				
<b>Federal sources:</b>				
88.00	Payments from business loan program account .....	-94,976	-97,000	-99,910
88.00	Payments for disaster loan program account .....	-268,962	-200,500	-80,340
88.40	Non-Federal sources .....	.....	-9,350	-3,300
88.90	Total, offsetting collections .....	-363,938	-306,850	-183,550
89.00	Budget authority (net) .....	258,900	257,154	263,958
90.00	Outlays (net) .....	241,416	320,341	263,958

#### Summary of Budget Authority and Outlays

(in thousands of dollars)

	1994 actual	1995 est.	1996 est.
<b>Enacted/requested:</b>			
Budget Authority .....	258,900	257,154	263,958
Outlays .....	241,416	320,341	263,958
<b>Legislative proposal, not subject to PAYGO:</b>			
Budget Authority .....	.....	.....	-9,000
Outlays .....	.....	.....	-9,000
<b>Legislative proposal, subject to PAYGO:</b>			
Budget Authority .....	.....	.....	.....
Outlays .....	.....	.....	.....
<b>Rescission proposal:</b>			
Budget Authority .....	.....	-15,000	.....
Outlays .....	.....	-11,925	-3,075
<b>Total:</b>			
Budget Authority .....	258,900	242,154	254,958
Outlays .....	241,416	308,416	251,883

The Small Business Administration (SBA) provides assistance to small businesses and to victims of physical disasters. These efforts are conducted through the following activities:

**Economic Development.**—The Associate Deputy Administrator for this function exercises direction over Financial Assistance, Surety Guarantees, Investment, International Trade, Women's Business Ownership, Small Business Development Centers (SBDC), Veteran's Affairs, and Business Initiatives, which includes the Service Corps of Retired Executives (SCORE) and the Small Business Institutes (SBI). These offices are responsible for the administration of all SBA finance and business assistance programs. In 1996, SBA plans to continue providing management training and tools for the small business community through Export Assistance Centers, Empowerment Zone One Stop Capital Shops, and Business Information Centers. In addition,

**General and special funds—Continued**

**SALARIES AND EXPENSES—Continued**

through new programs such as LowDoc and Small Loan Express, SBA has begun targeting financial assistance to segments of the population that have historically been under represented in SBA's credit programs. SBA's efforts to reduce unnecessary paperwork and make the agency more customer-friendly has attracted new banks interested in establishing partnerships with SBA.

*Government Contracting and Minority Enterprise Development.*—The Associate Deputy Administrator for this function exercises direction over Government Contracting, Minority Enterprise Development, Technology, Native American Affairs, and Size Standards. These offices are responsible for effectively advocating for small businesses in the area of government contracting. Government Contracting activities are aimed at ensuring that small businesses receive a fair share of government contracts. The Minority Enterprise Development programs provide assistance to minority small business concerns, primarily in the area of Federal procurement. Through this office, SBA assists in the establishment or expansion of firms that are owned by minority or other disadvantaged business persons and that have the potential to develop into viable competitive businesses in a reasonable period of time. The Minority Enterprise Development office also evaluates the overall agency performance in promoting minority business development.

*Disaster Assistance.*—The Associate Administrator for the Office of Disaster Assistance oversees the Disaster Loan Program, which provides physical disaster loans to individuals and businesses of any size, and economic injury loans to small businesses without credit available elsewhere. In addition to Presidentially-declared disasters, the program provides loans when a declaration is made by the SBA Administrator. Program eligibility is based on financial criteria, and interest rates are set according to statutory formulas. In recent years, the average interest rate on disaster loans has been about four percent. The budget proposes to reduce the cost of disaster loan subsidies by increasing the interest rate on disaster loans to Treasury's cost of borrowing plus two percent.

*Advocacy.*—This office is responsible for the development and implementation of a Small Business Administration Advocacy program. Activities include the representation of small business interests, the analysis of the effects of federal law and regulation on small business, the development and utilization of a small business data base to aid in this analysis, and liaison with small business and small business organizations and the public.

*1996 Proposals.*—The budget proposes moderate funding increases for a number of SBA's non-credit initiatives, including U.S. Export Assistance Centers, Micro Loan Technical Assistance, and One Stop Capital Shops located in Empowerment Zones. The budget also proposes full funding for Small Business Development Centers (SBDC) and the Service Corps of Retired Executives (SCORE) program. In addition, the budget includes funding for financial management system improvements and upgrades which SBA vitally needs to keep pace with the recent growth in their loan programs.

**Object Classification (in thousands of dollars)**

Identification code 73-0100-0-1-376	1994 actual	1995 est.	1996 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	158,749	164,000	169,000
11.3 Other than full-time permanent .....	6,069	6,000	6,000
11.5 Other personnel compensation .....	2,378	1,820	1,835
11.9 Total personnel compensation .....	167,196	171,820	176,835

12.1	Civilian personnel benefits .....	36,057	36,615	38,665
21.0	Travel and transportation of persons .....	5,528	7,374	7,578
22.0	Transportation of things .....	395	339	343
23.1	Rental payments to GSA .....	27,189	31,040	34,092
23.2	Rental payments to others .....	270		
23.3	Communications, utilities, and miscellaneous charges .....	11,560	14,390	15,999
24.0	Printing and reproduction .....	1,577	1,908	2,154
25.2	Other services .....	22,807	29,284	32,348
26.0	Supplies and materials .....	2,556	2,251	2,299
31.0	Equipment .....	2,868	992	1,689
41.0	Grants, subsidies, and contributions .....	115,642	135,183	115,343
92.0	Undistributed (disaster assistance) .....	189,619	165,774	20,163
99.9	Total obligations .....	583,264	596,970	447,508

**Personnel Summary**

Identification code 73-0100-0-1-376	1994 actual	1995 est.	1996 est.
1001 Total compensable workyears: Full-time equivalent employment .....	6,241	5,986	4,664

Note.—The personnel summary includes regular (non-disaster) full-time equivalents (FTEs) of 3,719, 3,750, and 3,780 in 1994, 1995, and 1996, respectively.

**SALARIES AND EXPENSES**

(Legislative proposal, not subject to PAYGO)

Program and Financing (in thousands of dollars)

Identification code 73-0100-2-1-376	1994 actual	1995 est.	1996 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.2) .....			-9,000
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....			-9,000
<b>Relation of obligations to outlays:</b>			
71.00 Total obligations .....			-9,000
90.00 Outlays .....			-9,000

The schedule above shows the change to SBA's request for general fund appropriations that would result if SBA is given authority to establish a servicing fee. This fee is described further in the "Legislative proposal, subject to PAYGO" schedule below.

**SALARIES AND EXPENSES**

(Legislative proposal, subject to PAYGO)

Program and Financing (in thousands of dollars)

Identification code 73-0100-4-1-376	1994 actual	1995 est.	1996 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.2) .....			9,000
<b>Financing:</b>			
39.00 Budget authority (gross) .....			9,000
68.00 Budget authority (gross): Spending authority from off-setting collections .....			9,000
<b>Relation of obligations to outlays:</b>			
71.00 Total obligations .....			9,000
87.00 Outlays (gross) .....			9,000
<b>Adjustments to gross budget authority and outlays:</b>			
88.40 Offsetting collections from: Non-Federal sources .....			-9,000
89.00 Budget authority (net) .....			
90.00 Outlays (net) .....			

The 1996 Budget includes a servicing fee, consistent with standard commercial practices, which will help recover direct administrative expenses incurred by SBA to properly maintain and service its existing loan portfolio. This fee will be

in lieu of, and not in addition to, fees authorized by section 5(b)(12) (A) and (B) of the Small Business Act. Approximately \$9 million will be generated in 1996 through the implementation of an up-front 1/8 percent servicing fee on the guaranteed portion of loans made through the 7(a) General Business Loan Guarantee program. In addition, SBA will continue to collect SBIC and CDC servicing fees through its fiscal and transfer agents.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. App. 1-11 as amended by Public Law 100-504), [**\$8,500,000**] \$9,200,000. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

Identification code 73-0200-0-1-376	1994 actual	1995 est.	1996 est.
<b>Program by activities:</b>			
00.01 Management and counsel .....	1,353	1,437	1,634
00.02 Audit .....	3,003	3,260	3,473
00.03 Investigations .....	3,530	3,803	4,093
00.04 Disaster .....	169	2,839	
10.00 Total obligations .....	8,055	11,339	9,200
<b>Financing:</b>			
21.40 Unobligated balance available, start of year: Treasury balance .....		-2,839	
24.40 Unobligated balance available, end of year: Treasury balance .....	2,839		
25.00 Unobligated balance expiring .....	68		
39.00 Budget authority .....	10,962	8,500	9,200
<b>Budget authority:</b>			
40.00 Appropriation .....	10,462	8,500	9,200
42.00 Transferred from other accounts .....	500		
43.00 Appropriation (total) .....	10,962	8,500	9,200
<b>Relation of obligations to outlays:</b>			
71.00 Total obligations .....	8,055	11,339	9,200
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance .....	1,021	958	2,986
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance .....	-958	-2,986	-3,217
90.00 Outlays .....	8,118	9,311	8,969

This appropriation provides agency-wide audit, investigative, and inspection/evaluative functions to identify and recommend corrections of management or program deficiencies which may create conditions for fraud, waste, or abuse. The audit function provides internal audit, external audit, and inspection/evaluation oversight activities. Internal audits assess the general management and efficiency of SBA program operations; external audits review all program participants and their compliance with SBA regulations and procedural requirements; and inspection/evaluations address specific requirements of program management and effectiveness. The investigative function detects and investigates allegations of illegal and improper activities involving agency personnel, programs, and operations.

Object Classification (in thousands of dollars)

Identification code 73-0200-0-1-376	1994 actual	1995 est.	1996 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	6,130	6,069	6,522
11.3 Other than full-time permanent .....		145	152
11.5 Other personnel compensation .....	1,124	274	288
11.9 Total personnel compensation .....	7,254	6,488	6,962
12.1 Civilian personnel benefits .....		1,161	1,343
21.0 Travel and transportation of persons .....	293	350	367

22.0 Transportation of things .....	12	10	11
23.2 Rental payments to others .....	3		
24.0 Printing and reproduction .....	7	7	7
25.2 Other services .....	260	413	434
26.0 Supplies and materials .....	18	26	26
31.0 Equipment .....	39	45	50
92.0 Undistributed .....	169	2,839	
99.9 Total obligations .....	8,055	11,339	9,200

Personnel Summary

Identification code 73-0200-0-1-376	1994 actual	1995 est.	1996 est.
1001 Total compensable workyears: Full-time equivalent employment .....	103	104	102

Public enterprise funds:

SURETY BOND GUARANTEES REVOLVING FUND

For additional capital for the "Surety Bond Guarantees Revolving Fund", authorized by the Small Business Investment Act, as amended, [**\$5,369,000**] \$5,530,000, to remain available without fiscal year limitation as authorized by 15 U.S.C. 631 note. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1995.)

Program and Financing (in thousands of dollars)

Identification code 73-4156-0-3-376	1994 actual	1995 est.	1996 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 42.0) .....	19,691	18,100	19,722
<b>Financing:</b>			
21.90 Unobligated balance available, start of year: Fund balance .....	-1,013	-1,938	-3,907
24.90 Unobligated balance available, end of year: Fund balance .....	1,938	3,907	4,715
39.00 Budget authority (gross) .....	20,616	20,069	20,530
<b>Budget authority:</b>			
<b>Current:</b>			
40.00 Appropriation .....	7,000	5,369	5,530
<b>Permanent:</b>			
68.00 Spending authority from offsetting collections .....	13,616	14,700	15,000
<b>Relation of obligations to outlays:</b>			
71.00 Total obligations .....	19,691	18,100	19,722
72.90 Obligated balance, start of year: Fund balance .....	39,765	38,535	30,000
74.90 Obligated balance, end of year: Fund balance .....	-38,535	-30,000	-25,000
87.00 Outlays (gross) .....	20,921	26,635	24,722
<b>Adjustments to gross budget authority and outlays:</b>			
88.40 Offsetting collections from: Non-Federal sources .....	-13,616	-14,700	-15,000
89.00 Budget authority (net) .....	7,000	5,369	5,530
90.00 Outlays (net) .....	7,304	11,935	9,722

Under this program, the Small Business Administration guarantees a portion of the losses sustained by a surety company as a result of the issuance of a bid, payment, and/or performance bond to a small business concern.

In 1996, the budget proposes a program level anticipated to accommodate expected demand from the preferred surety bond program authorized in P.L. 100-590. The SBA will continue to rely increasingly on preferred sureties to deliver this program, with SBA oversight taking place through its headquarters office.

Bond Guarantees (in thousands of dollars)

	1994 actual	1995 est.	1996 est.
SBA contingent liability for new bond guarantees .....	\$871,154	\$1,449,000	\$1,476,000

**Public enterprise funds—Continued**

**SURETY BOND GUARANTEES REVOLVING FUND—Continued**

Statement of Operations (in thousands of dollars)

Identification code 73-4156-0-3-376	1993 actual	1994 actual	1995 est.	1996 est.
0101 Revenue .....	11,956	13,616	14,700	15,000
0102 Expense .....	-37,532	-19,691	-18,100	-19,722
0109 Net loss .....	-25,576	-6,075	-3,400	-4,722

Balance Sheet (in thousands of dollars)

Identification code 73-4156-0-3-376	1993 actual	1994 actual	1995 est.	1996 est.
<b>ASSETS:</b>				
1101 Federal assets: Fund balances with Treasury .....	40,656	40,473	40,000	40,000
1206 Non-Federal assets: Receivables, net .....	1,217	1,506	1,500	1,500
1801 Other Federal assets: Cash and other monetary assets .....	122			
1999 Total assets .....	41,995	41,979	41,500	41,500
<b>LIABILITIES:</b>				
2201 Non-Federal liabilities: Accounts payable .....	40,801	40,041	41,000	41,000
2999 Total liabilities .....	40,801	40,041	41,000	41,000
<b>NET POSITION:</b>				
3100 Appropriated capital .....	306,631	313,631	319,000	324,530
3300 Cumulative results of operations .....	-305,619	-311,693	-318,500	-324,030
3999 Total net position .....	1,012	1,938	500	500
4999 Total liabilities and net position .....	41,813	41,979	41,500	41,500

**Credit accounts:**

**BUSINESS LOANS PROGRAM ACCOUNT**

For the cost of direct loans, [\$9,596,000] \$12,428,000, and for the cost of guaranteed loans, [\$278,305,000] \$252,295,000, as authorized by 15 U.S.C. 631 note, of which [\$1,216,000] \$1,700,000, to be available until expended, shall be for the Microloan Guarantee Program, and of which the following shall remain available until September 30, [1996: \$15,990,000] 1997: \$50,835,000 for the Small Business Investment Company Debentures Program[; \$7,398,000 for], the Specialized Small Business Investment Company Program[;], and [\$20,457,000 for] the Small Business Investment Company Participating Securities Program[, and of which \$30,000,000 shall be used to pre-pay the Federal Financing Bank for debentures guaranteed by the Administration pursuant to section 503 of the Small Business Investment Act: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974. In addition, for expenses not otherwise provided for, of the Small Business Administration, \$27,350,000 of which: \$750,000 shall be available for a grant to the North Carolina Biotechnology Center for a demonstration project which would integrate small business formation and preparation of a biotechnology workforce; \$500,000 shall be available for continuation of a grant to the Van Emmons Population Marketing Analysis Center, Towanda, Pennsylvania, for an integrated small business data base to assist Appalachian Region small businesses; \$1,000,000 shall be available for continuation of a grant to the City of Prestonsburg, Kentucky, for small business development assistance; \$375,000 shall be available for a grant to the State of Nebraska for establishing the Nebraska Micro Enterprise Initiative to include a clearinghouse and training and counseling programs; \$3,000,000 shall be available for continuation of a grant to the National Center for Genome Resources in New Mexico to provide consulting assistance, information and related services to small businesses and for related purposes; \$1,000,000 shall be available for continuation of a grant for the Genesis Small Business Incubator Facility, Fayetteville, Arkansas; \$500,000 shall be available for a grant to an entity in Bozeman, Montana, to establish a small business assistance center to assist small businesses to qualify and participate in the Small Business Innovation Research (SBIR) program; \$1,000,000 shall be

available for continuation of a grant to the Center for Entrepreneurial Opportunity in Greensburg, Pennsylvania, to provide for a small business consulting and assistance center for entrepreneurial opportunities; \$1,500,000 for a grant to a consortium in Buffalo, New York, to provide assistance to small businesses for technical improvement of commercial industrial products; \$250,000 shall be available for a grant to the Western Massachusetts Enterprise Fund to expand microlending to entrepreneurs and small businesses; \$400,000 shall be available for continuation of a grant to the State of Ohio, Department of Development, International Trade Division to assist small businesses to expand export opportunities; \$1,000,000 shall be available for continuation of a grant to assist the development of a small business consulting, information and assistance center in Hazard, Kentucky; \$2,000,000 shall be available for continuation of a grant to the WVHTC Foundation for build-out, equipment, and operations costs for a small business incubator facility and for an outreach grant program to assist small business economic development; \$125,000 shall be available for a grant to an organization in Bowling Green, Kentucky, to establish a small business pilot program to convert municipal waste into a marketable product; \$2,500,000 shall be available for a grant to the City of Carbondale, Pennsylvania, to establish and operate a small business incubator facility; \$500,000 shall be available for continuation of a grant to the New York City Public Library for construction and related costs for the Industry and Business Library; \$200,000 shall be available for continuation of a grant to assist the Small Business Institute program of the Small Business Administration to establish and operate a National Data Center Small Business Institute program in Conway, Arkansas; \$4,000,000 shall be available for a grant to the Unified Technology Center in Cleveland, Ohio, to assist small businesses in the design of high quality environmentally sound processes; \$1,250,000 shall be available for a grant to the City of Whitesburg, Kentucky, to develop and equip a facility to promote the development of small businesses and enhance economic development; \$2,500,000 shall be available for a grant to the City of Wheeling, West Virginia, for the Oglebay Small Business Rural Development Center; \$1,000,000 shall be available for a grant for a Small Business Development Institute in North Philadelphia, Pennsylvania, for a facility to assist and train minority small businesses; \$250,000 shall be available for continuation of a grant to the City of Espanola, New Mexico, for the second phase of the development of the Espanola Plaza project to assist small businesses and enhance economic development; \$1,000,000 shall be available for a grant to North Central West Virginia Community Action to establish a small business rural enterprise training institute and microloan demonstration program; \$500,000 shall be available for a grant to the Mississippi Delta Small Business Technology Project, Little Rock, Arkansas, for technology education for small business owners and employees; and \$250,000 shall be available for a grant to establish a small business incubator facility in West Charlotte, North Carolina].

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, [\$97,000,000] \$99,910,000, which may be transferred to and merged with the appropriations for Salaries and Expenses. (*Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1995*).

Program and Financing (in thousands of dollars)

Identification code 73-1154-0-1-376	1994 actual	1995 est.	1996 est.
<b>Program by activities:</b>			
00.01 Direct loan subsidy .....	13,993	14,965	12,428
00.02 Guaranteed loan subsidy .....	209,397	268,836	252,295
00.03 Section 503 prepayments .....		30,000	
00.04 Grants .....		27,350	
00.09 Administrative expenses .....	94,737	97,000	99,910
10.00 Total obligations .....	318,127	438,151	364,633
<b>Financing:</b>			
21.90 Unobligated balance available, start of year: Fund balance .....	-44,320	-25,900	
24.90 Unobligated balance available, end of year: Fund balance .....	25,900		
25.00 Unobligated balance expiring .....	3,677		
40.00 Budget authority (appropriation) .....	303,384	412,251	364,633
<b>Relation of obligations to outlays:</b>			
71.00 Total obligations .....	318,127	438,151	364,633
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance .....	168,795	147,173	157,413

74.40	Obligated balance, end of year: Unpaid obligations:			
	Treasury balance .....	-147,173	-157,413	-164,673
90.00	Outlays .....	339,749	427,911	357,373

**Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in thousands of dollars)**

Identification code 73-1154-0-1-376	1994 actual	1995 est.	1996 est.
<b>Direct loan levels supportable by subsidy budget authority:</b>			
1150 Handicapped loans .....	9,499	4,065	
1150 Economic opportunity loans .....	8,484		
1150 Section 8(a) loans .....	2,440		
1150 Veterans' loans .....	11,963		
1150 Specialized SBIC loans .....	15,000	5,877	15,001
1150 Micro loans .....	8,235	27,348	30,211
1159 Total direct loan levels .....	55,621	37,290	45,212
<b>Direct loan subsidy (in percent):</b>			
1320 Handicapped loans .....	34.04	41.82	0.00
1320 Economic opportunity loans .....	21.89	23.16	0.00
1320 Section 8(a) loans .....	13.29	14.49	0.00
1320 Veterans' loans .....	25.05	26.21	0.00
1320 Specialized SBIC loans .....	31.64	43.10	42.85
1320 Micro loans .....	10.15	19.61	19.86
1329 Weighted average subsidy rate .....	25.16	23.14	27.49
<b>Direct loan subsidy budget authority:</b>			
1330 Handicapped loans .....	3,265	1,700	
1330 Economic opportunity loans .....	1,861		
1330 Section 8(a) loans .....	663		
1330 Veterans' loans .....	3,006		
1330 Specialized SBIC loans .....	4,746	2,533	6,428
1330 Micro loans .....	2,000	5,363	6,000
1339 Total subsidy budget authority .....	15,541	9,596	12,428
<b>Direct loan subsidy outlays:</b>			
1340 Handicapped loans .....	3,104	2,467	850
1340 Economic opportunity loans .....	1,548	836	
1340 Section 8(a) loans .....	522	146	
1340 Veterans' loans .....	2,639	1,348	
1340 Specialized SBIC loans .....	4,746	2,533	6,428
1340 Micro loans .....	2,457	8,753	6,946
1349 Total subsidy outlays .....	15,016	16,083	14,224
<b>Guaranteed loan levels supportable by subsidy budget authority:</b>			
2150 General business loans .....	7,833,472	7,849,661	6,875,362
2150 Section 502 development company loans .....	44,529	44,267	
2150 Section 504 development company loans .....	1,290,942	1,408,772	1,754,386
2150 SBIC debenture guarantees .....	100,000	109,147	152,398
2150 SBIC participating security guarantees .....	149,662	229,854	270,000
2150 Specialized SBIC guarantees .....	13,240	26,564	15,000
2150 Micro loan guarantees .....		10,331	14,444
2159 Total loan guarantee levels .....	9,431,845	9,678,596	9,081,590
<b>Guaranteed loan subsidy (in percent):</b>			
2320 General business loans .....	2.15	2.74	2.76
2320 Section 502 development company loans .....	1.60	1.50	1.50
2320 Section 504 development company loans .....	0.51	0.57	0.57
2320 SBIC debenture guarantees .....	16.25	14.65	14.76
2320 SBIC participating security guarantees .....	9.00	8.90	8.94
2320 Specialized SBIC guarantees .....	29.92	27.85	28.02
2320 Micro loan guarantees .....	0.00	11.77	11.77
2329 Weighted average subsidy rate .....	2.22	2.78	2.78
<b>Guaranteed loan subsidy budget authority:</b>			
2330 General business loans .....	168,420	194,550	189,760
2330 Section 502 development company loans .....	712	664	
2330 Section 504 development company loans .....	6,584	8,030	10,000
2330 SBIC debenture guarantees .....	16,250	15,990	22,494
2330 SBIC participating securities guarantees .....	13,470	20,457	24,138
2330 Specialized SBIC guarantees .....	3,961	7,398	4,203
2330 Micro loan guarantees .....		1,216	1,700
2339 Total subsidy budget authority .....	209,397	248,305	252,295
<b>Guaranteed loan subsidy outlays:</b>			
2340 General business loans .....	241,015	202,013	187,868
2340 Section 502 development company loans .....	1,058	683	202
2340 Section 504 development company loans .....	4,301	5,959	7,503
2340 SBIC debenture guarantees .....	13,489	15,269	19,418
2340 SBIC participating securities guarantees .....		26,767	21,827
2340 Specialized SBIC guarantees .....	3,531	5,997	4,951
2340 Micro loan guarantees .....		790	1,470

2349	Total subsidy outlays .....	263,394	257,478	243,239
------	-----------------------------	---------	---------	---------

**SMALL BUSINESS ADMINISTRATION'S SHARE OF DIRECT LOAN LEVELS**

	[In thousands of dollars]		
	1994 actual	1995 est.	1996 est.
Handicapped loans .....	9,499	4,065	0
Economic opportunity loans .....	8,484	0	0
Section 8(a) loans .....	2,440	0	0
Veterans loans .....	11,963	0	0
Specialized SBIC loans .....	15,000	5,877	15,001
Micro loans .....	8,235	27,348	30,211
Total direct loans .....	55,621	37,290	45,212

**SMALL BUSINESS ADMINISTRATION'S SHARE OF GUARANTEED LOAN LEVELS**

	[In thousands of dollars]		
	1994 actual	1995 est.	1996 est.
General business loans .....	5,992,050	6,052,089	7,278,854
Development company loans (Section 502) .....	32,629	35,413	0
Development company loans (Section 504) .....	1,290,942	1,408,772	1,754,386
SBIC debenture guarantees .....	100,000	109,147	152,398
SBIC participating security guarantees .....	149,662	229,854	270,000
Specialized SBIC loans .....	13,240	26,564	15,000
Micro loan guarantees .....	0	10,331	14,444
Total guaranteed loans .....	7,578,523	7,872,170	9,485,082

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the direct loans obligated and loan guarantees committed in 1992 and beyond (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis. Given the significant recent growth in SBA's credit programs, and the need for additional data on loan performance, during 1995 SBA will be conducting a study to test the reliability of its current credit subsidy estimates for its major credit programs.

**General Business Assistance.**—The Small Business Administration (SBA) guarantees loans to small businesses that are unable to obtain private financing. These loans must be of such value or so secured as to reasonably assure repayment. No loan may be made unless the financial assistance is not otherwise available on reasonable terms. Under the guarantee plan, the SBA agrees to purchase the guaranteed portion of the loan only upon default. The SBA's share of loans guaranteed by private lenders averages about 77 percent.

**Investment Company Assistance.**—A primary function of small business investment companies is to provide a source of equity capital or long-term loans to new or expanding small businesses. The Small Business Investment Act, as amended, authorizes the SBA to purchase or to guarantee the timely payment of all principal and interest, as scheduled, on debentures issued by such companies. In addition, since 1994, the SBA has guaranteed the performance of participating securities issued by these companies.

**Development Company Assistance.**—Under the Small Business Investment Act, the SBA makes loans through State and local development companies to small businesses. Through these programs, the SBA promotes economic development and job creation and maintenance by stimulating the flow of long-term financing to small business concerns for projects that involve fixed assets. These projects are designed to create or retain a meaningful number of jobs in the communities affected, with a special emphasis on distressed areas. Approximately 130,000 jobs were created or maintained through the \$1.3 billion in loans guaranteed under the Development Company programs in 1994.

**1996 Proposal.**—The budget proposes modest increases in funding for the Section 504 Certified Development Company,

**Credit accounts—Continued**

**BUSINESS LOANS PROGRAM ACCOUNT—Continued**

**Small Business Investment Company, and Micro loan programs.**

**Object Classification (in thousands of dollars)**

Identification code 73-1154-0-1-376	1994 actual	1995 est.	1996 est.
25.2 Other services .....	94,737	97,000	99,910
41.0 Grants, subsidies, and contributions .....	223,390	341,151	264,723
99.9 Total obligations .....	318,127	438,151	364,633

**BUSINESS LOAN PROGRAM ACCOUNT  
(Legislative proposal, not subject to PAYGO)**

**Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in thousands of dollars)**

Identification code 73-1154-2-1-376	1994 actual	1995 est.	1996 est.
Guaranteed loan levels supportable by subsidy budget authority:			
2159 Total loan guarantee levels .....			2,565,434
Guaranteed loan subsidy (in percent):			
2329 Weighted average subsidy rate .....	0.00	0.00	-0.75
Guaranteed loan subsidy budget authority:			
2339 Total subsidy budget authority .....			
Guaranteed loan subsidy outlays:			
2349 Total subsidy outlays .....			

The budget proposes a new annual fee to be collected by SBA equal to 30 basis points on the unpaid balance of 7(a) General Business loans excluding those loans sold in the secondary market. In addition, the budget proposes to eliminate the existing one percent guarantee fee rebate for approved loans under \$50,000. The rebate, which was originally established to offset the heavy paperwork burden of processing small loans, is no longer necessary due to the new LowDoc program which requires significantly less paperwork. These reforms would reduce the subsidy rate from 2.76 to 2.01 in 1996. They would allow the 7(a) program level to increase to meet expected demand while lowering the credit subsidy budget authority needed to support the program.

**BUSINESS DIRECT LOAN FINANCING ACCOUNT**

**Program and Financing (in thousands of dollars)**

Identification code 73-4148-0-3-376	1994 actual	1995 est.	1996 est.
<b>Program by activities:</b>			
00.01 Direct loans .....	55,620	64,670	45,213
00.02 Interest on Treasury borrowing .....	4,812	7,674	10,182
10.00 Total obligations .....	60,432	72,344	55,395
<b>Financing:</b>			
39.00 Financing authority (gross) .....	60,432	72,344	55,395
<b>Financing authority:</b>			
67.15 Authority to borrow (indefinite) .....	51,250	55,478	38,197
68.00 Spending authority from offsetting collections .....	35,476	37,327	37,659
68.47 Portion applied to debt reduction .....	-26,294	-20,461	-20,461
68.90 Spending authority from offsetting collections (total) .....	9,182	16,866	17,198

**Relation of obligations to financing disbursements:**

71.00 Total obligations .....	60,432	72,344	55,395
Obligated balance, start of year:			
72.10 Receivables from program account .....	-7,442	-6,297	-6,734
72.90 Fund balance .....	51,201	35,237	29,102
Obligated balance, end of year:			
74.10 Receivables from program account .....	6,297	6,734	5,592
74.90 Fund balance .....	-35,237	-29,102	-20,346

87.00 Financing disbursements (gross) .....	75,251	78,916	63,009
Adjustments to financing authority and financing disbursements:			
Offsetting collections from:			
88.00 Federal sources: Payments from program account .....	-13,993	-14,965	-12,428
Non-Federal sources:			
88.40 Repayments of principal, net .....	-11,181	-9,119	-9,934
88.40 Interest received on loans .....	-10,302	-13,243	-15,297
88.90 Total, offsetting collections .....	-35,476	-37,327	-37,659
89.00 Financing authority (net) .....	24,956	35,017	17,736
90.00 Financing disbursements (net) .....	39,775	41,589	25,350

**Status of Direct Loans (in thousands of dollars)**

Identification code 73-4148-0-3-376	1994 actual	1995 est.	1996 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans .....			
1131 Direct loan obligations exempt from limitation .....	55,620	64,670	45,213
1150 Total direct loan obligations .....	55,620	64,670	45,213
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	94,889	138,767	167,482
1231 Disbursements: Direct loan disbursements .....	61,920	58,380	51,255
1251 Repayments: Repayments and prepayments .....	-14,612	-19,388	-23,872
1264 Write-offs for default: Other adjustments, net .....	-3,430	-10,277	-14,624
1290 Outstanding, end of year .....	138,767	167,482	180,241

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

**Balance Sheet (in thousands of dollars)**

Identification code 73-4148-0-3-376	1993 actual	1994 actual	1995 est.	1996 est.
<b>ASSETS:</b>				
Investments in US securities:				
1106 Federal assets: Receivables, net .....	7,442	6,297	6,734	5,593
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross .....	94,889	138,767	167,482	180,241
1405 Allowance for subsidy cost (-) .....	-6,207	-9,079	-10,957	-11,792
1499 Net present value of assets related to direct loans .....	88,682	129,688	156,525	168,449
1999 Total assets .....	96,124	135,985	163,259	174,042
<b>LIABILITIES:</b>				
2104 Federal liabilities: Resources payable to Treasury .....	88,682	129,688	156,525	168,449
2999 Total liabilities .....	88,682	129,688	156,525	168,449
<b>NET POSITION:</b>				
3100 Appropriated capital .....	7,442	6,297	6,734	5,593
3999 Total net position .....	7,442	6,297	6,734	5,593
4999 Total liabilities and net position .....	96,124	135,985	163,259	174,042

**Object Classification (in thousands of dollars)**

Identification code 73-4148-0-3-376	1994 actual	1995 est.	1996 est.
33.0 Investments and loans .....	55,620	64,670	45,213
43.0 Interest and dividends .....	4,812	7,674	10,182
99.9 Total obligations .....	60,432	72,344	55,395

**BUSINESS GUARANTEED LOAN FINANCING ACCOUNT**

**Program and Financing (in thousands of dollars)**

Identification code 73-4149-0-3-376	1994 actual	1995 est.	1996 est.
<b>Program by activities:</b>			
00.01 Default claims	317,244	486,674	576,285
10.00 Total obligations	317,244	486,674	576,285
<b>Financing:</b>			
21.90 Unobligated balance available, start of year: Fund balance	-743,982	-919,712	-972,674
24.90 Unobligated balance available, end of year: Fund balance	919,712	972,674	1,002,011
68.00 Financing authority (gross): Spending authority from offsetting collections	492,974	539,636	605,622
<b>Relation of obligations to financing disbursements:</b>			
71.00 Total obligations	317,244	486,674	576,285
72.10 Obligated balance, start of year: Receivables from program account, start of year	-106,029	-62,819	-80,651
74.10 Obligated balance, end of year: Receivables from program account, end of year	62,819	80,651	75,689
87.00 Financing disbursements (gross)	274,034	504,506	571,323
<b>Adjustments to financing authority and financing disbursements:</b>			
<b>Offsetting collections from:</b>			
88.00 Federal sources: Payments from program account	-330,194	-298,836	-252,295
88.25 Interest on uninvested funds	-47,103	-55,218	-57,381
<b>Non-Federal sources:</b>			
88.40 Fees	-106,808	-113,572	-105,335
88.40 Recoveries	-8,869	-72,010	-190,611
88.90 Total, offsetting collections	-492,974	-539,636	-605,622
89.00 Financing authority (net)			
90.00 Financing disbursements (net)	-218,940	-35,130	-34,299

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code 73-4149-0-3-376	1994 actual	1995 est.	1996 est.
<b>Position with respect to appropriations act limitation on commitments:</b>			
2131 Guaranteed loan commitments exempt from limitation	9,431,845	9,678,596	9,081,590
2150 Total guaranteed loan commitments	9,431,845	9,678,596	9,081,590
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year	9,087,189	14,991,623	20,700,402
2231 Disbursements of new guaranteed loans	8,068,925	8,934,871	8,580,267
2251 Repayments and prepayments	-1,847,247	-2,739,418	-3,518,131
2261 Adjustments: Terminations for default that result in loans receivable	-317,244	-486,674	-576,285
2290 Outstanding, end of year	14,991,623	20,700,402	25,186,253
<b>Memorandum:</b>			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	11,993,298	16,353,318	19,645,277
<b>Addendum:</b>			
<b>Cumulative balance of defaulted guaranteed loans that result in loans receivable:</b>			
2310 Outstanding, start of year	89,921	379,470	779,209
2331 Disbursements for guaranteed loan claims	317,244	486,674	576,285
2351 Repayments of loans receivable	-20,304	-46,956	-81,391
2361 Write-offs of loans receivable	-7,391	-39,979	-158,621
2390 Outstanding, end of year	379,470	779,209	1,115,482

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1992 and beyond (including modifications of loan guarantees that resulted from commitments in any year). The amounts in this account are a means of financing and are not included in the budget totals.

**Balance Sheet (in thousands of dollars)**

Identification code 73-4149-0-3-376	1993 actual	1994 actual	1995 est.	1996 est.
<b>ASSETS:</b>				
<b>Federal assets:</b>				
1101 Fund balances with Treasury	743,982	919,712	972,674	1,002,011
Investments in US securities:				
1106 Receivables, net	106,029	62,819	80,651	75,689
<b>Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:</b>				
1501 Defaulted guaranteed loans receivable, gross	120,109	379,470	779,209	1,115,482
1502 Interest receivable	7,446	23,527	48,311	69,510
1505 Allowance for subsidy cost (-)	-48,044	-161,199	-331,008	-476,259
1599 Net present value of assets related to defaulted guaranteed loans	79,511	241,798	496,512	708,733
1999 Total assets	929,522	1,224,329	1,549,837	1,786,433
<b>LIABILITIES:</b>				
<b>Non-Federal liabilities: Liabilities for loan guarantees</b>				
2204 Total liabilities	823,493	1,161,510	1,469,186	1,710,744
2999 Total liabilities	823,493	1,161,510	1,469,186	1,710,744
<b>NET POSITION:</b>				
3100 Appropriated capital	106,029	62,819	80,651	75,689
3999 Total net position	106,029	62,819	80,651	75,689
4999 Total liabilities and net position	929,522	1,224,329	1,549,837	1,786,433

**BUSINESS GUARANTEED LOAN FINANCING ACCOUNT**

**(Legislative proposal, not subject to PAYGO)**

**Program and Financing (in thousands of dollars)**

Identification code 73-4149-2-3-376	1994 actual	1995 est.	1996 est.
<b>Program by activities:</b>			
10.00 Total obligations			5,952
<b>Financing:</b>			
21.40 Unobligated balance available, start of year: Treasury balance			
24.40 Unobligated balance available, end of year: Treasury balance			18,512
68.00 Financing authority (gross): Spending authority from offsetting collections			24,464
<b>Relation of obligations to financing disbursements:</b>			
71.00 Total obligations			5,952
87.00 Financing disbursements (gross)			5,952
<b>Adjustments to financing authority and financing disbursements:</b>			
<b>Offsetting collections from:</b>			
88.25 Interest on uninvested funds			-679
88.40 Non-Federal sources			-23,785
88.90 Total, offsetting collections			-24,464
89.00 Financing authority (net)			
90.00 Financing disbursements (net)			-18,512

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code 73-4149-2-3-376	1994 actual	1995 est.	1996 est.
<b>Position with respect to appropriations act limitation on commitments:</b>			
2131 Guaranteed loan commitments exempt from limitation			2,565,434
2150 Total guaranteed loan commitments			2,565,434

**Credit accounts—Continued**

**BUSINESS GUARANTEED LOAN FINANCING ACCOUNT—Continued**

**Status of Guaranteed Loans (in thousands of dollars)—Continued**

Identification code 73-4149-2-3-376	1994 actual	1995 est.	1996 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year			
2231 Disbursements of new guaranteed loans			1,667,532
2251 Repayments and prepayments			-117,376
2261 Adjustments: Terminations for default that result in loans receivable			-5,952
2290 Outstanding, end of year			1,544,204
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year			1,204,479
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year			
2331 Disbursements for guaranteed loan claims			5,952
2351 Repayments of loans receivable			-298
2361 Write-offs of loans receivable			
2390 Outstanding, end of year			5,654

**BUSINESS LOAN FUND LIQUIDATING ACCOUNT**

**Program and Financing (in thousands of dollars)**

Identification code 73-4154-0-3-376	1994 actual	1995 est.	1996 est.
<b>Program by activities:</b>			
Capital investments:			
00.01 Direct loans			
00.02 Defaults on guarantee loans—regular	360,124	360,000	260,000
00.02 Defaults on guarantee loans—SBIC	9,000	10,000	7,000
00.04 FFB loan commitments	-42,292	-30,000	-27,000
00.05 Other expenses	129,047	142,200	134,444
00.06 Section 503 prepayments		30,000	
00.91 Total capital expenses	455,879	512,200	374,444
01.01 Operating expenses: Interest expense to Treasury	36,369	36,264	31,572
10.00 Total obligations	492,248	548,464	406,016
<b>Financing:</b>			
Unobligated balance available, start of year:			
Fund balance:			
21.90 Committed	-2,233	-2,103	-2,000
21.90 Uncommitted	-304,285	-527,602	-455,797
Unobligated balance available, end of year:			
Fund balance:			
24.90 Committed	2,103	2,000	2,000
24.90 Uncommitted	527,602	455,797	466,235
31.00 Redemption of debt	89,216	451,090	78,649
39.00 Budget authority (gross)	804,651	927,646	495,103
Budget authority:			
60.05 Appropriation (indefinite)	164,710		
68.00 Spending authority from offsetting collections	639,941	927,646	495,103
<b>Relation of obligations to outlays:</b>			
71.00 Total obligations	492,248	548,464	406,016
72.90 Obligated balance, start of year: Fund balance	31,127	44,052	150,523
74.90 Obligated balance, end of year: Fund balance	-44,052	-150,523	-300,000
87.00 Outlays (gross)	479,323	441,993	256,539
Adjustments to gross budget authority and outlays:			
Offsetting collections from:			
Loan repayments:			
Non-Federal sources:			
88.40 Financing programs	-225,415	-180,066	-158,449
88.40 Investment programs	-31,488	-30,488	-29,488
88.40 SBIC obligations	-21,255	-20,000	-12,649
88.40 Section 503 development obligations	-24,540		-39,000
Interest income:			
88.40 Financing programs	-165,311	-152,000	-141,795
88.40 Investment programs	-13,037	-13,000	-13,000

88.40	Other income	-158,895	-132,092	-100,722
88.40	Section 503 prepayments		-400,000	
88.90	Total, offsetting collections	-639,941	-927,646	-495,103
89.00	Budget authority (net)	164,710		
90.00	Outlays (net)	-160,618	-485,653	-238,564

**Status of Direct Loans (in thousands of dollars)**

Identification code 73-4154-0-3-376	1994 actual	1995 est.	1996 est.
<b>BUSINESS LOAN FUND, DIRECT LOANS</b>			
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	2,229,663	1,986,778	1,813,115
Disbursements:			
1231 Direct loan disbursements	1,158		
1232 Purchase of loans assets from the public	332,742	334,908	225,186
1251 Repayments: Repayments and prepayments	-258,785	-210,554	-187,937
1263 Write-offs for default: Direct loans	-318,000	-298,017	-271,983
1290 Outstanding, end of year	1,986,778	1,813,115	1,578,381

**SMALL BUSINESS INVESTMENT COMPANY, DIRECT LOANS**

Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	90,414	56,649	24,649
Repayments:			
1251 Repayments and prepayments	-21,255	-20,000	-12,649
1252 Proceeds from loan asset sales to the public or discounted	-12,510	-12,000	-12,000
1290 Outstanding, end of year	56,649	24,649	

**SECTION 503 DEVELOPMENT COMPANY, DIRECT LOANS**

Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	576,440	523,010	105,010
Repayments:			
1251 Repayments and prepayments	-24,540	-400,000	-39,000
1252 Proceeds from loan asset sales to the public or discounted	-28,890	-18,000	-15,000
1290 Outstanding, end of year	523,010	105,010	51,010

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code 73-4154-0-3-376	1994 actual	1995 est.	1996 est.
<b>BUSINESS LOAN FUND, LOAN GUARANTEES</b>			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	11,732,815	9,479,156	7,801,156
2231 Disbursements of new guaranteed loans	54,785		
2251 Repayments and prepayments	-1,904,369	-1,403,000	-1,117,000
Adjustments:			
2261 Terminations for default that result in loans receivable	-391,000	-264,000	-176,000
2264 Other adjustments, net	-13,075	-11,000	-9,000
2290 Outstanding, end of year	9,479,156	7,801,156	6,499,156

**Memorandum:**

2299 Guaranteed amount of guaranteed loans outstanding, end of year	7,583,280	6,240,881	5,199,281
---	-----------	-----------	-----------

**Addendum:**

Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	397,432	788,487	1,052,487
2331 Disbursements for guaranteed loan claims	391,055	264,000	176,000
2390 Outstanding, end of year	788,487	1,052,487	1,228,487

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed prior to 1992. This account is shown on a cash basis. All new activity in this program in 1992 and beyond (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year) is recorded in corresponding program and financing accounts.

Statement of Operations (in thousands of dollars)

Identification code 73-4154-0-3-376	1993 actual	1994 actual	1995 est.	1996 est.
0101 Revenue .....	673,242	558,008	441,674	401,750
0102 Expense .....	-701,369	-499,402	-513,478	-391,311
0109 Net loss .....	-28,127	58,606	-71,804	10,439

Balance Sheet (in thousands of dollars)

Identification code 73-4154-0-3-376	1993 actual	1994 actual	1995 est.	1996 est.
<b>ASSETS:</b>				
Federal assets:				
1101 Fund balances with Treasury .....	272,826	511,719	532,826	550,000
Investments in US securities:				
1107 Advances and prepayments .....	46,647	17,310	19,576	20,000
Non-Federal assets:				
1206 Receivables, net .....	797,648	840,522	400,000	300,000
1207 Advances and prepayments .....	50,656	18,782	15,000	12,000
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross .....	2,320,984	1,986,778	1,813,115	1,578,381
1603 Allowance for estimated uncollectible loans and interest (-) .....	-1,114,146	-1,315,070	-610,000	-590,000
1699 Value of assets related to direct loans .....	1,206,838	671,708	1,203,115	988,381
1901 Other Federal assets: Other assets .....	89,883	487,798	74,277	7,087
1999 Total assets .....	2,464,498	2,547,839	2,244,794	1,877,468
<b>LIABILITIES:</b>				
Federal liabilities:				
2101 Accounts payable .....	2,108,196	1,460,968	1,300,517	1,105,381
2102 Interest payable .....	63,127	54,433	50,000	45,000
Debt:				
2103 Debt to the FFB .....		580,750	180,000	130,000
2103 SBIC and development company participation certificates .....	74,277	74,277	74,277	7,087
Non-Federal liabilities:				
2201 Accounts payable .....	41,608	17,813	10,000	10,000
2204 Liabilities for loan guarantees .....	177,290	321,912	600,000	550,000
2207 Unearned revenue (advances) .....		37,686	30,000	30,000
2999 Total liabilities .....	2,464,498	2,547,839	2,244,794	1,877,468
4999 Total liabilities and net position .....	2,464,498	2,547,839	2,244,794	1,877,468

Object Classification (in thousands of dollars)

Identification code 73-4154-0-3-376	1994 actual	1995 est.	1996 est.
33.0 Investments and loans .....	455,879	512,200	374,444
43.0 Interest and dividends .....	36,369	36,264	31,572
99.9 Total obligations .....	492,248	548,464	406,016

DISASTER LOANS PROGRAM ACCOUNT

For the cost of direct loans authorized by section 7(b) of the Small Business Act, as amended, **[\$52,153,000] \$34,432,000**, to remain available until expended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That none of the funds provided in this or any other Act may be used for the cost of direct loans to any borrower under section 7(b) of the Small Business Act to relocate voluntarily outside the business area in which the disaster has occurred].

In addition, for administrative expenses to carry out the direct loan program, **[\$78,000,000] \$80,340,000**, which may be transferred to and merged with the appropriations for Salaries and Expenses.

In addition, for the cost of emergency disaster loans and associated administrative expenses, **[\$125,000,000] \$100,000,000**, to remain available until expended: *Provided*, That these funds, or any portion thereof, shall be available beginning in fiscal year **[1995] 1996** to the extent that the President notifies the Congress of his designation of any or all of these amounts as emergency requirements under the Budget Enforcement Act of 1990: *Provided further*, That Congress hereby designates these amounts as emergency requirements pursuant to section 251(b)(2)(D)(i) of the *Balanced Budget and Emergency Deficit Control Act of 1985, as amended. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1995.)*

Program and Financing (in thousands of dollars)

Identification code 73-1152-0-1-453	1994 actual	1995 est.	1996 est.
<b>Program by activities:</b>			
00.01 Direct loan subsidy .....	875,059	363,499	34,432
00.09 Administrative expenses .....	268,962	200,500	80,340
10.00 Total obligations .....	1,144,021	563,999	114,772
<b>Financing:</b>			
21.40 Unobligated balance available, start of year: Treasury balance .....	-264,516	-433,846	
24.40 Unobligated balance available, end of year: Treasury balance .....	433,846		
39.00 Budget authority .....	1,313,351	130,153	114,772
Budget authority:			
40.00 Appropriation .....	1,163,351	130,153	114,772
42.00 Transferred from other accounts .....	150,000		
43.00 Appropriation (total) .....	1,313,351	130,153	114,772
<b>Relation of obligations to outlays:</b>			
71.00 Total obligations .....	1,144,021	563,999	114,772
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance .....	200,127	655,442	457,974
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance .....	-655,442	-457,974	-242,284
90.00 Outlays .....	688,706	761,467	330,462

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in thousands of dollars)

Identification code 73-1152-0-1-453	1994 actual	1995 est.	1996 est.
Direct loan levels supportable by subsidy budget authority:			
1159 Total direct loan levels .....	3,806,259	1,152,502	109,517
Direct loan subsidy (in percent):			
1329 Weighted average subsidy rate .....	22.99	31.54	31.44
Direct loan subsidy budget authority:			
1339 Total subsidy budget authority .....	875,059	363,499	34,432
Direct loan subsidy outlays:			
1349 Total subsidy outlays .....	580,831	560,967	250,122

As required by the Federal Credit Reform Act of 1990, this account records, for loans made pursuant to section 7(b) of the Small Business Act, as amended, the subsidy costs associated with the direct loans obligated in 1992 and beyond (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

*Physical Disaster Loans.*—Under this program, loans are made to individuals and businesses at favorable terms and conditions for uninsured losses of property, both real and personal, damaged by natural disasters such as tornadoes, floods, hurricanes, etc. Excluding catastrophic events, SBA makes about \$407 million, on average, in new loan obligations each year. The 1996 request, including the program reform proposal below, would support this average program level. The 1994 appropriation includes supplemental funds appropriated to meet the increased demand for the program due to the Northridge earthquake and the Southeast floods.

**Credit accounts—Continued**

**DISASTER LOANS PROGRAM ACCOUNT—Continued**

Object Classification (in thousands of dollars)				
Identification code 73-1152-0-1-453	1994 actual	1995 est.	1996 est.	
25.2 Other services	268,962	200,500	80,340	
41.0 Grants, subsidies, and contributions	875,059	363,499	34,432	
99.9 Total obligations	1,144,021	563,999	114,772	

**DISASTER LOANS PROGRAM ACCOUNT  
(Legislative proposal, not subject to PAYGO)**

The budget proposes that starting in 1996, to reduce the deep subsidy in this program, the interest rate be increased to the Treasury cost of borrowing plus two points.

**Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in thousands of dollars)**

Identification code 73-1152-2-1-453	1994 actual	1995 est.	1996 est.
Direct loan levels supportable by subsidy budget authority:			
1159 Total direct loan levels			297,483
Direct loan subsidy (in percent):			
1329 Weighted average subsidy rate	0.00	0.00	-22.98
Direct loan subsidy budget authority:			
1339 Total subsidy budget authority			
Direct loan subsidy outlays:			
1349 Total subsidy outlays			

**DISASTER DIRECT LOAN FINANCING ACCOUNT  
Program and Financing (in thousands of dollars)**

Identification code 73-4150-0-3-453	1994 actual	1995 est.	1996 est.
<b>Program by activities:</b>			
00.01 Direct loans	3,806,259	1,152,502	109,517
00.02 Interest on Treasury borrowing	124,126	228,890	285,849
10.00 Total obligations	3,930,385	1,381,392	395,366
<b>Financing:</b>			
39.00 Financing authority (gross)	3,930,385	1,381,392	395,366
Financing authority:			
67.15 Authority to borrow (indefinite)	2,931,200	789,003	75,085
68.00 Spending authority from offsetting collections	1,242,433	1,087,556	838,138
68.47 Portion applied to debt reduction (-)	-243,248	-495,167	-517,857
68.90 Spending authority from offsetting collections (total)	999,185	592,389	320,281
<b>Relation of obligations to financing disbursements:</b>			
71.00 Total obligations	3,930,385	1,381,392	395,366
Obligated balance, start of year:			
72.10 Receivables from program account	-145,970	-437,529	-181,750
72.90 Fund balance: Unpaid obligations	525,481	2,112,426	576,251
Obligated balance, end of year:			
74.10 Receivables from program account	437,529	181,750	17,216
74.90 Fund balance: Unpaid obligations	-2,112,426	-576,251	-54,758
87.00 Financing disbursements (gross)	2,634,999	2,661,788	752,325
Adjustments to financing authority and financing disbursements:			
Offsetting collections from:			
88.00 Payments from program account	-875,059	-363,499	-34,432
Non-Federal sources:			
88.40 Repayments of principal, net	-217,917	-487,143	-538,708
88.40 Interest received on loans	-149,457	-236,914	-264,998
88.90 Total, offsetting collections	-1,242,433	-1,087,556	-838,138
89.00 Financing authority (net)	2,687,952	293,836	-442,772
90.00 Financing disbursements (net)	1,392,565	1,574,232	-85,813

**Status of Direct Loans (in thousands of dollars)**

Identification code 73-4150-0-3-453	1994 actual	1995 est.	1996 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans			
1131 Direct loan obligations exempt from limitation	3,806,259	1,152,502	109,517
1150 Total direct loan obligations	3,806,259	1,152,502	109,517
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	1,308,368	3,585,523	5,213,312
1231 Disbursements: Direct loan disbursements	2,548,731	2,240,611	752,325
1251 Repayments: Repayments and prepayments	-244,406	-548,175	-645,915
1264 Write-offs for default: Other adjustments, net	-27,170	-64,647	-120,792
1290 Outstanding, end of year	3,585,523	5,213,312	5,198,930

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

**Balance Sheet (in thousands of dollars)**

Identification code 73-4150-0-3-453	1993 actual	1994 actual	1995 est.	1996 est.
<b>ASSETS:</b>				
Federal assets:				
1101 Fund balances with Treasury	525,481	2,112,426	576,251	54,758
Investments in US securities:				
1106 Program account	145,970	437,529	181,750	17,216
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	1,308,368	3,585,523	5,213,312	5,198,930
1405 Allowance for subsidy cost (-)	-85,594	-234,567	-341,058	-349,541
1499 Net present value of assets related to direct loans	1,222,774	3,350,956	4,872,254	4,849,389
1999 Total assets	1,894,225	5,900,911	5,630,255	4,921,363
<b>LIABILITIES:</b>				
2104 Federal liabilities: Resources payable to Treasury	1,222,774	3,350,956	4,872,254	4,849,389
2999 Total liabilities	1,222,774	3,350,956	4,872,254	4,849,389
<b>NET POSITION:</b>				
3100 Appropriated capital	671,451	2,549,955	758,001	71,974
3999 Total net position	671,451	2,549,955	758,001	71,974
4999 Total liabilities and net position	1,894,225	5,900,911	5,630,255	4,921,363

**Object Classification (in thousands of dollars)**

Identification code 73-4150-0-3-453	1994 actual	1995 est.	1996 est.
33.0 Investments and loans	3,806,259	1,152,502	109,517
43.0 Interest and dividends	124,126	228,890	285,849
99.9 Total obligations	3,930,385	1,381,392	395,366

**DISASTER DIRECT LOAN FINANCING ACCOUNT  
(Legislative proposal, not subject to PAYGO)**

**Program and Financing (in thousands of dollars)**

Identification code 73-4150-2-3-453	1994 actual	1995 est.	1996 est.
<b>Program by activities:</b>			
00.01 Direct loans			297,483

00.02	Interest on Treasury borrowing .....			5,159
10.00	Total obligations .....			302,642
<b>Financing:</b>				
39.00	Financing authority (gross) .....			302,642
Financing authority:				
67.15	Authority to borrow (indefinite) .....			297,483
68.00	Spending authority from offsetting collections .....			13,380
68.47	Portion applied to debt reduction .....			-8,221
68.90	Spending authority from offsetting collections (total) .....			5,159
<b>Relation of obligations to financing disbursements:</b>				
71.00	Total obligations .....			302,642
72.90	Obligated balance, start of year: Fund balance .....			
74.90	Obligated balance, end of year: Fund balance .....			-148,742
87.00	Financing disbursements (gross) .....			153,900
Adjustments to financing authority and financing disbursements:				
Offsetting collections from:				
Non-Federal sources:				
88.40	Repayments of principal (net) .....			-3,201
88.40	Interest received on loans .....			-10,179
88.90	Total, offsetting collections .....			-13,380
89.00	Financing authority (net) .....			289,262
90.00	Financing disbursements (net) .....			140,520

**Status of Direct Loans (in thousands of dollars)**

Identification code 73-4150-2-3-453	1994 actual	1995 est.	1996 est.
Position with respect to appropriations act limitation on obligations:			
1111	Limitation on direct loans .....		
1131	Direct loan obligations exempt from limitation .....		297,483
1150	Total direct loan obligations .....		297,483
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year .....		
1231	Disbursements: Direct loan disbursements .....		153,900
1251	Repayments: Repayments and prepayments .....		-3,179
1264	Write-offs for default: Other adjustments, net .....		-518
1290	Outstanding, end of year .....		150,203

**DISASTER LOAN FUND LIQUIDATING ACCOUNT**

**Program and Financing (in thousands of dollars)**

Identification code 73-4153-0-3-453	1994 actual	1995 est.	1996 est.
<b>Program by activities:</b>			
00.01	Capital investment: loan program .....	1,503	
Operating expenses:			
01.01	Interest expense to Treasury .....	40,489	38,276
01.03	Other expenses .....	15,887	14,000
01.91	Total operating expenses .....	56,376	52,276
44,318			
10.00	Total obligations .....	57,879	52,276
44,318			
<b>Financing:</b>			
Unobligated balance available, start of year:			
Fund balance:			
21.90	Committed .....	-7,443	-4,902
21.90	Uncommitted .....	-446,502	-372,730
			-342,241
Unobligated balance available, end of year:			
Fund balance:			
24.90	Committed .....	4,902	4,902
24.90	Uncommitted .....	372,730	342,241
27.00	Capital transfer to general fund .....	446,502	372,730
			342,241
68.00	Budget authority (gross): Spending authority from offsetting collections .....	428,068	394,516
			332,979
<b>Relation of obligations to outlays:</b>			
71.00	Total obligations .....	57,879	52,276
			44,318

72.90	Obligated balance, start of year: Fund balance .....	31,725	13,876	5,000
74.90	Obligated balance, end of year: Fund balance .....	-13,876	-5,000	-2,000
87.00	Outlays (gross) .....	75,728	61,152	47,318
Adjustments to gross budget authority and outlays:				
Offsetting collections from:				
Non-Federal sources:				
88.40	Loan repayments .....	-303,510	-288,591	-243,673
88.40	Interest income .....	-107,056	-93,925	-79,306
88.40	Other income .....	-17,502	-12,000	-10,000
88.90	Total, offsetting collections .....	-428,068	-394,516	-332,979
89.00	Budget authority (net) .....			
90.00	Outlays (net) .....	-352,340	-333,364	-285,661

**Status of Direct Loans (in thousands of dollars)**

Identification code 73-4153-0-3-453	1994 actual	1995 est.	1996 est.
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year .....	2,530,545	2,195,775
1231	Disbursements: Direct loan disbursements .....	10,032	
1251	Repayments: Repayments and prepayments .....	-303,510	-288,591
1263	Write-offs for default: Direct loans .....	-41,292	-53,173
1290	Outstanding, end of year .....	2,195,775	1,854,011
			1,565,442

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code 73-4153-0-3-453	1994 actual	1995 est.	1996 est.
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year .....	584	496
2251	Repayments and prepayments .....	-88	-74
2290	Outstanding, end of year .....	496	422
			359
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	447	380
			323

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from direct loans obligated prior to 1992. This account is shown on a cash basis. All new activity in this program in 1992 and beyond (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year) is recorded in corresponding program and financing accounts.

**Statement of Operations (in thousands of dollars)**

Identification code 73-4153-0-3-453	1993 actual	1994 actual	1995 est.	1996 est.
0101	Revenue .....	130,852	420,068	500,000
0102	Expense .....	-53,795	-57,879	-60,000
0109	Net income or loss (-) .....	77,057	362,189	440,000
			440,000	440,000

**Balance Sheet (in thousands of dollars)**

Identification code 73-4153-0-3-453	1993 actual	1994 actual	1995 est.	1996 est.
<b>ASSETS:</b>				
1101	Federal assets: Fund balances with Treasury .....	484,501	391,508	370,000
1206	Non-Federal assets: Receivables, net .....	106,403	83,379	80,000
	Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:			
1601	Direct loans, gross .....	2,530,545	2,195,775	1,854,011
1603	Allowance for estimated uncollectible loans and interest (-) .....	-190,428	-176,838	-170,000
1699	Value of assets related to direct loans .....	2,340,117	2,018,937	1,684,011
1801	Other Federal assets: Cash and other monetary assets .....	1,170	7,603	900
			900	900

**Credit accounts—Continued**

**DISASTER LOAN FUND LIQUIDATING ACCOUNT—Continued**

**Balance Sheet (in thousands of dollars)—Continued**

Identification code 73-4153-0-3-453	1993 actual	1994 actual	1995 est.	1996 est.
1999 Total assets	2,932,191	2,501,427	2,134,911	1,821,342
<b>LIABILITIES:</b>				
Federal liabilities:				
2102 Interest payable	50,509	40,490	37,327	32,318
2104 Resources payable to Treasury	276	1,276		
2201 Non-Federal liabilities: Accounts payable	2,881,406	2,459,661	2,097,584	1,789,024
2999 Total liabilities	2,932,191	2,501,427	2,134,911	1,821,342
4999 Total liabilities and net position	2,932,191	2,501,427	2,134,911	1,821,342

**Object Classification (in thousands of dollars)**

Identification code 73-4153-0-3-453	1994 actual	1995 est.	1996 est.
33.0 Investments and loans	17,390	14,000	12,000
43.0 Interest and dividends	40,489	38,276	32,318
99.9 Total obligations	57,879	52,276	44,318

**POLLUTION CONTROL EQUIPMENT FUND LIQUIDATING ACCOUNT**

**Program and Financing (in thousands of dollars)**

Identification code 73-4147-0-3-376	1994 actual	1995 est.	1996 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 42.0)	8,359	5,050	4,545
<b>Financing:</b>			
Unobligated balance available, start of year:			
Fund balance:			
21.90 Committed	-10,087	-12,225	-8,136
21.90 Uncommitted	-11,591	-2,539	-3,578
Unobligated balance available, end of year:			
Fund balance:			
24.90 Committed	12,225	8,136	7,136
24.90 Uncommitted	2,539	3,578	1,533
68.00 Budget authority (gross): Spending authority from offsetting collections	1,445	2,000	1,500
<b>Relation of obligations to outlays:</b>			
71.00 Total obligations	8,359	5,050	4,545
87.00 Outlays (gross)	8,359	5,050	4,545
Adjustments to gross budget authority and outlays:			
88.40 Offsetting collections from: Non-Federal sources	-1,445	-2,000	-1,500
89.00 Budget authority (net)			
90.00 Outlays (net)	6,914	3,050	3,045

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code 73-4147-0-3-376	1994 actual	1995 est.	1996 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	114,643	105,361	97,861
2251 Repayments and prepayments	-2,700	-2,500	-2,300
Adjustments:			
2261 Terminations for default that result in loans receivable	-6,582		
2263 Terminations for default that result in claim payments		-5,000	-4,500
2290 Outstanding, end of year	105,361	97,861	91,061
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	105,361	94,443	87,643

Addendum:

Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310 Outstanding, start of year	30,221	28,221	22,421	
2331 Disbursements for guaranteed loan claims	10,000	5,000	4,500	
2351 Repayments of loans receivable	-2,000	-1,800	-1,600	
2361 Write-offs of loans receivable	-10,000	-9,000	-8,000	
2390 Outstanding, end of year	28,221	22,421	17,321	

Public Law 94-305 established this fund to alleviate the adverse impact of pollution regulations on small businesses. As a result of the elimination of tax exempt financing associated with the Pollution Control Guaranteed program, no new activity is anticipated for this program.

During 1992, the Small Business Administration started the process of redeeming a large number of outstanding bonds on which it has taken over loan payments. Most of these targeted bonds are ten years old and voluntary redemption is now viable under the bond documents. Redemption of these obligations would preclude the SBA from paying excessive interest over the next ten years.

**Statement of Operations (in thousands of dollars)**

Identification code 73-4147-0-3-376	1993 actual	1994 actual	1995 est.	1996 est.
0101 Revenue	143	208	200	200
0102 Expense	-34	-497	-200	-200
0109 Net loss	109	-289		

**Balance Sheet (in thousands of dollars)**

Identification code 73-4147-0-3-376	1993 actual	1994 actual	1995 est.	1996 est.
<b>ASSETS:</b>				
1101 Federal assets: Fund balances with Treasury	21,678	14,730	11,714	8,669
1206 Non-Federal assets: Receivables, net	8,530	21,375	22,421	17,321
1701 Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable: Defaulted guaranteed loans, gross	50,444	5,646	5,000	4,000
1999 Total assets	80,652	41,751	39,135	29,990
<b>LIABILITIES:</b>				
2104 Federal liabilities: Resources payable to Treasury	26,450	20,033	19,000	18,000
2201 Non-Federal liabilities: Accounts payable	24,365	21,718	20,135	11,990
2999 Total liabilities	50,815	41,751	39,135	29,990
<b>NET POSITION:</b>				
3100 Appropriated capital	122,557	145,557	145,557	140,000
3300 Cumulative results of operations	-92,720	-145,557	-145,557	-140,000
3999 Total net position	29,837			
4999 Total liabilities and net position	80,652	41,751	39,135	29,990

**Trust Funds**

**BUSINESS ASSISTANCE TRUST FUND**

**Program and Financing (in thousands of dollars)**

Identification code 73-8466-0-8-376	1994 actual	1995 est.	1996 est.
<b>Program by activities:</b>			
01.01 Business development activities	480	300	300
10.00 Total obligations (object class 25.2)	480	300	300
<b>Financing:</b>			
21.40 Unobligated balance available, start of year: Treasury balance	-62	-67	-67

24.40	Unobligated balance available, end of year: Treasury balance .....	67	67	67
68.00	Budget authority (gross): Spending authority from offsetting collections .....	485	300	300
<b>Relation of obligations to outlays:</b>				
71.00	Total obligations .....	480	300	300
72.40	Obligated balance, start of year: Unpaid obligations: Treasury balance .....	159	144	48
74.40	Obligated balance, end of year: Unpaid obligations: Treasury balance .....	-144	-48	-48
87.00	Outlays (gross) .....	495	396	300
Adjustments to gross budget authority and outlays:				
88.40	Offsetting collections from: Non-Federal sources .....	-485	-300	-300
89.00	Budget authority (net) .....			
90.00	Outlays (net) .....	10	96	

1999	Total assets .....	220	210	210	210
<b>LIABILITIES:</b>					
2201	Non-Federal liabilities: Accounts payable .....	5	5	5	5
2999	Total liabilities .....	5	5	5	5
<b>NET POSITION:</b>					
3300	Cumulative results of operations .....	215	205	205	205
3999	Total net position .....	215	205	205	205
4999	Total liabilities and net position .....	220	210	210	210

This fund is used for the receipt of monetary gifts and expenditures by the Agency in conjunction with its Business Development program and Section 8(a) activities.

Statement of Operations (in thousands of dollars)

Identification code 73-8466-0-8-376	1993 actual	1994 actual	1995 est.	1996 est.
0101 Revenue .....	540	480	300	300
0102 Expense .....	-540	-480	-300	-300
0109 Net income or loss (-) .....				

Balance Sheet (in thousands of dollars)

Identification code 73-8466-0-8-376	1993 actual	1994 actual	1995 est.	1996 est.
<b>ASSETS:</b>				
1101 Federal assets: Fund balances with Treasury .....	220	210	210	210

ADMINISTRATIVE PROVISIONS—SMALL BUSINESS ADMINISTRATION

**[SEC. 401. (a) Of the budgetary resources available to the Small Business Administration during fiscal year 1995, \$1,021,000 are permanently canceled.**

**(b) The Administrator of the Small Business Administration shall allocate the amount of budgetary resources canceled among the agency's accounts available for procurement and procurement-related expenses. Amounts available for procurement and procurement-related expenses in each such account shall be reduced by the amount allocated to such account.**

**(c) For the purposes of this section, the definition of "procurement" includes all stages of the process of acquiring property or services, beginning with the process of determining a need for a product or services and ending with contract completion and closeout, as specified in 41 U.S.C. 403(2).]**

**SEC. [402] 401. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Small Business Administration in this Act may be transferred between such appropriations, but no such appropriation shall be increased by more than 10 percent by any such transfers: *Provided*, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section. (*Departments of Commerce, Justice, and State, the Judiciary and Related Agencies Appropriations Act, 1995.*)**