

DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY

Federal Funds

PRODUCTION, PROCESSING AND MARKETING

OFFICE OF THE SECRETARY

For necessary expenses of the Office of the Secretary of Agriculture, \$5,883,000: Provided, That not to exceed \$11,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

For necessary expenses of the Office of the Assistant Secretary for Administration, \$820,000.

OFFICE OF TRIBAL RELATIONS

For necessary expenses of the Office of Tribal Relations, \$1,015,000, to support communication and consultation activities with Federally Recognized Tribes, as well as other requirements established by law.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of the Assistant Secretary for Congressional Relations to carry out the programs funded by this Act, including programs involving intergovernmental affairs and liaison within the executive branch, \$4,041,000: Provided, That these funds may be transferred to agencies of the Department of Agriculture funded by this Act to maintain personnel at the agency level.

OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS

For necessary expenses of the Office of the Under Secretary for Research, Education and Economics, \$911,000.

OFFICE OF THE UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

For necessary expenses of the Office of the Under Secretary for Marketing and Regulatory Programs, \$911,000.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

For necessary expenses of the Office of the Under Secretary for Food Safety, \$828,000.

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

For necessary expenses of the Office of the Under Secretary for Farm and Foreign Agricultural Services, \$911,000.

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

For necessary expenses of the Office of the Under Secretary for Natural Resources and Environment, \$911,000.

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

For necessary expenses of the Office of the Under Secretary for Rural Development, \$911,000.

OFFICE OF THE UNDER SECRETARY FOR FOOD, NUTRITION AND CONSUMER SERVICES

For necessary expenses of the Office of the Under Secretary for Food, Nutrition and Consumer Services, \$828,000.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-9913-0-1-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Office of the Secretary	3	3	4
0002 Under/Assistant Secretaries	12	12	11
0003 Trade negotiations and biotechnology resources	2	2	2
0004 Office of Tribal Relations	1	1	1

0005 Office of Environmental Markets	1		
0091 Direct program activities, subtotal	19	18	18
0802 Reimbursable program	4	9	9
0900 Total new obligations	23	27	27

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	3	4
1021 Recoveries of prior year unpaid obligations			1
1050 Unobligated balance (total)	1	3	5
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	18	18	18
Spending authority from offsetting collections, discretionary:			
1700 Collected		5	5
1701 Change in uncollected payments, Federal sources	9	5	5
1750 Spending auth from offsetting collections, disc (total)	9	10	10
1900 Budget authority (total)	27	28	28
1930 Total budgetary resources available	28	31	33
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-2		
1941 Unexpired unobligated balance, end of year	3	4	6

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	5	9	9
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-5	-14	-19
3020 Obligated balance, start of year (net)		-5	-10
3030 Obligations incurred, unexpired accounts	23	27	27
3031 Obligations incurred, expired accounts	2		
3040 Outlays (gross)	-19	-27	-28
3050 Change in uncollected pymts, Fed sources, unexpired	-9	-5	-5
3080 Recoveries of prior year unpaid obligations, unexpired			-1
3081 Recoveries of prior year unpaid obligations, expired	-2		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	9	9	7
3091 Uncollected pymts, Fed sources, end of year	-14	-19	-24
3100 Obligated balance, end of year (net)	-5	-10	-17

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	27	28	28
Outlays, gross:			
4010 Outlays from new discretionary authority	17	25	25
4011 Outlays from discretionary balances	2	2	3
4020 Outlays, gross (total)	19	27	28
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources		-5	-5
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-9	-5	-5
4070 Budget authority, net (discretionary)	18	18	18
4080 Outlays, net (discretionary)	19	22	23
4180 Budget authority, net (total)	18	18	18
4190 Outlays, net (total)	19	22	23

The Office of the Secretary is responsible for the overall planning, coordination and administration of the Department's programs. This includes the Secretary, Deputy Secretary, Under Secretaries, Assistant Secretaries, and their immediate staffs, who provide top policy guidance for the Department; maintain relationships with agricultural organizations and others in the development of farm programs; and provide liaison with the Executive Office of the President and Members of Congress on all matters pertaining to agricultural policy.

Funds are proposed for the Office of the Secretary's account for (1) negotiating and monitoring trade agreements; and (2) for technical trade support in the areas of biotechnology, sanitary and phyto-sanitary issues.

PRODUCTION, PROCESSING AND MARKETING—Continued

Object Classification (in millions of dollars)

Identification code 12-9913-0-1-352	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	12	11	11
12.1 Civilian personnel benefits	3	3	2
21.0 Travel and transportation of persons	1	1	2
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services from non-federal sources	2	2	2
99.0 Direct obligations	18	18	18
99.0 Reimbursable obligations	5	9	9
99.9 Total new obligations	23	27	27

Employment Summary

Identification code 12-9913-0-1-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	75	82	82
2001 Reimbursable civilian full-time equivalent employment	21	32	32

HEALTHY FOOD FINANCING INITIATIVE

For necessary expenses of the Secretary to carry out demonstration projects to increase access to healthy foods through retail outlets in rural and urban areas, \$35,000,000, to remain available until September 30, 2013, which the Secretary may use for the cost of grants (including for technical assistance), loans, and loan guarantees (as defined in section 502 of the Congressional Budget Act of 1974); and may use, not to exceed \$2,000,000, for the Federal administrative costs of carrying out and evaluating such demonstration projects: Provided, That the Secretary, in carrying out such demonstration projects, may make or guarantee loans notwithstanding any applicable legal limitations regarding participant eligibility that the Secretary determines would interfere with the objectives of such demonstration projects: Provided further, That the Secretary, to carry out such demonstration projects, may use one or more consolidated solicitation and application processes: Provided further, That any funds provided for under this heading for such demonstration projects shall be in addition to any other funds that the Secretary may use for carrying out such projects.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-0015-0-1-451	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Direct program activity			35
0900 Total new obligations (object class 41.0)			35
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			35
1930 Total budgetary resources available			35
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts			35
3040 Outlays (gross)			-35
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			35
Outlays, gross:			
4010 Outlays from new discretionary authority			35
4180 Budget authority, net (total)			35
4190 Outlays, net (total)			35

The "Healthy Food Financing Initiative" is designed to support local and regional efforts to increase access to healthy food, particularly for the development of grocery stores and other healthy

food retailers in urban and rural food deserts and other low-income/underserved areas. Through the initiative, funds will be made available from a number of loan, grant, promotion, and other programs to provide financial and technical assistance to support market planning and promotion efforts as well as infrastructure and operational improvements designed to stimulate consumer demand, enhance marketing, and increase availability of locally and regionally produced foods.

Trust Funds

GIFTS AND BEQUESTS

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-8203-0-7-352	2010 actual	CR	2012 est.
0100 Balance, start of year			
Receipts:			
0220 Gifts and Bequests, Departmental Administration	1	1	1
0299 Total receipts and collections	1	1	1
0400 Total: Balances and collections	1	1	1
Appropriations:			
0500 Gifts and Bequests	-1	-1	-1
0599 Total appropriations	-1	-1	-1
0799 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-8203-0-7-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Gifts and bequests	1	1	1
0900 Total new obligations (object class 99.5)	1	1	1
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	3	3	3
Budget authority:			
Appropriations, mandatory:			
1202 Appropriation (trust fund)	1	1	1
1930 Total budgetary resources available	4	4	4
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	3	3	3
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts	1	1	1
3040 Outlays (gross)	-1	-1	-1
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	1	1	1
Outlays, gross:			
4100 Outlays from new mandatory authority	1	1	1
4180 Budget authority, net (total)	1	1	1
4190 Outlays, net (total)	1	1	1

The Secretary is authorized to accept and administer gifts and bequests of real and personal property to facilitate the work of the Department. Property and the proceeds thereof are used in accordance with the terms of the gift or bequest (7 U.S.C. 2269).

EXECUTIVE OPERATIONS

Federal Funds

COMMON COMPUTING ENVIRONMENT

Program and Financing (in millions of dollars)

Identification code 12-0113-0-1-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Common computing environment	9	4	

0900	Total new obligations (object class 25.2)	9	4	
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	13	4	
1930	Total budgetary resources available	13	4	
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	4		
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	6	6	6
3030	Obligations incurred, unexpired accounts	9	4	
3040	Outlays (gross)	-9	-4	
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	6	6	6
Budget authority and outlays, net:				
Discretionary:				
Outlays, gross:				
4011	Outlays from discretionary balances	9	4	
4180	Budget authority, net (total)			
4190	Outlays, net (total)	9	4	

4020	Outlays, gross (total)	711	743	738
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	-682	-744	-738
4033	Non-Federal sources	-12		
4040	Offsets against gross budget authority and outlays (total)	-694	-744	-738
Additional offsets against gross budget authority only:				
4050	Change in uncollected pymts, Fed sources, unexpired	-119		
4070	Budget authority, net (discretionary)	7		
4080	Outlays, net (discretionary)	17	-1	
4180	Budget authority, net (total)	7		
4190	Outlays, net (total)	17	-1	

This fund finances, by advances or reimbursements, certain central services in the Department of Agriculture, including duplicating and other visual information services; broadcast media services; supply services; centralized financial management systems; centralized automated data processing systems for payroll, personnel, and related services; voucher payments services; telecommunications services; and information technology systems.

Object Classification (in millions of dollars)

Identification code 12-4609-0-4-352	2010 actual	CR	2012 est.
Reimbursable obligations:			
Personnel compensation:			
11.1	167	195	199
11.5	7	6	6
11.9	174	201	205
12.1	52	55	55
21.0	6	6	6
22.0	1	1	1
23.1	6	5	5
23.2	17	3	4
23.3	80	80	80
23.3		22	22
24.0	1	1	1
25.2	377	8	6
25.3		2	2
25.3		155	155
25.3		68	57
25.3		9	9
25.4		2	2
25.7		93	94
26.0	15	12	12
31.0	77	9	8
31.0		12	14
31.0		45	22
99.0	806	789	760
99.9	806	789	760

Employment Summary

Identification code 12-4609-0-4-352	2010 actual	CR	2012 est.
2001	2,179	2,515	2,525

OFFICE OF CHIEF ECONOMIST
Federal Funds

OFFICE OF THE CHIEF ECONOMIST

For necessary expenses of the Office of the Chief Economist, \$15,196,000.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-0123-0-1-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001	13	13	13
0002			2

WORKING CAPITAL FUND

Program and Financing (in millions of dollars)

Identification code 12-4609-0-4-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0801	40	51	48
0802	4	5	5
0803	319	280	275
0804	396	404	406
0805	3	4	4
0809	762	744	738
0811	1		
0812	30	33	16
0813	13	12	6
0819	44	45	22
0900	806	789	760
Budgetary Resources:			
Unobligated balance:			
1000	68	82	37
Budget authority:			
Appropriations, discretionary:			
1121	7		
Spending authority from offsetting collections, discretionary:			
1700	694	744	738
1701	119		
1750	813	744	738
1900	820	744	738
1930	888	826	775
Memorandum (non-add) entries:			
1941	82	37	15
Change in obligated balance:			
Obligated balance, start of year (net):			
3000	168	263	309
3010	-97	-216	-216
3020	71	47	93
3030	806	789	760
3040	-711	-743	-738
3050	-119		
Obligated balance, end of year (net):			
3090	263	309	331
3091	-216	-216	-216
3100	47	93	115
Budget authority and outlays, net:			
Discretionary:			
4000	820	744	738
Outlays, gross:			
4010	611	644	638
4011	100	99	100

OFFICE OF THE CHIEF ECONOMIST—Continued
Program and Financing—Continued

Identification code 12-0123-0-1-352	2010 actual	CR	2012 est.
0091 Direct program activities, subtotal	13	13	15
0801 Reimbursable program activity - other		1	1
0802 Reimbursable program activity (Biodiesel Fuel Education Program)		1	1
0899 Total reimbursable obligations		2	2
0900 Total new obligations	13	15	17
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1			1
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	13	13	15
Appropriations, mandatory:			
1221 Appropriations transferred from other accounts	1	1	1
Spending authority from offsetting collections, discretionary:			
1700 Collected		2	2
1900 Budget authority (total)	14	16	18
1930 Total budgetary resources available	14	16	19
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-1		
1941 Unexpired unobligated balance, end of year		1	2
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	6	6	6
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-1	-1	-1
3020 Obligated balance, start of year (net)	5	5	5
3030 Obligations incurred, unexpired accounts	13	15	17
3031 Obligations incurred, expired accounts	2		
3040 Outlays (gross)	-13	-15	-18
3081 Recoveries of prior year unpaid obligations, expired	-2		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	6	6	5
3091 Uncollected pymts, Fed sources, end of year	-1	-1	-1
3100 Obligated balance, end of year (net)	5	5	4
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	13	15	17
Outlays, gross:			
4010 Outlays from new discretionary authority	9	14	16
4011 Outlays from discretionary balances	4		1
4020 Outlays, gross (total)	13	14	17
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources		-2	-2
4070 Budget authority, net (discretionary)	13	13	15
4080 Outlays, net (discretionary)	13	12	15
Mandatory:			
4090 Budget authority, gross	1	1	1
Outlays, gross:			
4100 Outlays from new mandatory authority		1	1
4180 Budget authority, net (total)	14	14	16
4190 Outlays, net (total)	13	13	16

Object Classification (in millions of dollars)

Identification code 12-0123-0-1-352	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	6	7	7
12.1 Civilian personnel benefits	2	2	2
25.2 Other services from non-federal sources	5	4	6
99.0 Direct obligations	13	13	15
99.0 Reimbursable obligations		2	2
99.9 Total new obligations	13	15	17

Employment Summary

Identification code 12-0123-0-1-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	52	59	60

NATIONAL APPEALS DIVISION
Federal Funds

NATIONAL APPEALS DIVISION

For necessary expenses of the National Appeals Division, \$15,254,000.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-0706-0-1-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 National Appeals Division	14	15	15
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1		1	1
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	15	15	15
1930 Total budgetary resources available	15	16	16
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1	1	1
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	2	2	2
3030 Obligations incurred, unexpired accounts	14	15	15
3031 Obligations incurred, expired accounts	1		
3040 Outlays (gross)	-14	-15	-15
3081 Recoveries of prior year unpaid obligations, expired	-1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	2	2	2
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	15	15	15
Outlays, gross:			
4010 Outlays from new discretionary authority	12	12	12
4011 Outlays from discretionary balances	2	3	3
4020 Outlays, gross (total)	14	15	15
4180 Budget authority, net (total)	15	15	15
4190 Outlays, net (total)	14	15	15

The Office of the Chief Economist advises the Secretary of Agriculture on the economic implications of Department policies, programs and proposed legislation. The Office serves as a focal point for USDA's economic intelligence and analysis, risk assessment, and cost-benefit analysis related to domestic and international food and agriculture; development of technical guidelines for environmental services; provides policy direction for renewable energy development; conducts analyses of climate change impacts on agriculture and forestry; and is responsible for coordination and review of all commodity and aggregate agricultural and food-related data used to develop outlook and situation material within the Department.

The National Appeals Division (NAD) is responsible for listening to farmers and other rural program participants concerning their disputes with certain agencies within the Department of Agriculture (USDA) through fair and impartial administrative hearings and appeals.

Object Classification (in millions of dollars)

Identification code 12-0706-0-1-352	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	11	11	11
12.1 Civilian personnel benefits	2	2	2
25.1 Advisory and assistance services	1	2	2
99.9 Total new obligations	14	15	15

Employment Summary

Identification code 12-0706-0-1-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	91	103	103

**DEPARTMENTAL MANAGEMENT
Federal Funds**

DEPARTMENTAL MANAGEMENT

DEPARTMENTAL ADMINISTRATION

(INCLUDING TRANSFERS OF FUNDS)

For Departmental Administration, \$35,787,000, to provide for necessary expenses for management support services to offices of the Department and for general administration and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department: Provided, That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558: Provided further, That of the funds made available under this heading, \$6,500,000 is for strengthening the Department's acquisition workforce capacity and capabilities: Provided further, That with respect to the previous proviso, such funds shall be available for training, recruitment, retention, and hiring members of the acquisition workforce as defined by the Office of Federal Procurement Policy Act, as amended (41 U.S.C. 401 et seq.): Provided further, That with respect to the second proviso, such funds shall be available for information technology in support of acquisition workforce effectiveness or for management solutions to improve acquisition management.

OFFICE OF THE CHIEF INFORMATION OFFICER

For necessary expenses of the Office of the Chief Information Officer, \$63,579,000.

OFFICE OF THE CHIEF FINANCIAL OFFICER

For necessary expenses of the Office of the Chief Financial Officer, \$6,566,000: Provided, That no funds made available by this appropriation may be obligated for FAIR Act or Circular A-76 activities until the Secretary has submitted to the Committees on Appropriations of both Houses of Congress and the Committee on Oversight and Government Reform of the House of Representatives a report on the Department's contracting out policies, including agency budgets for contracting out.

OFFICE OF CIVIL RIGHTS

For necessary expenses of the Office of Civil Rights, \$24,922,000.

OFFICE OF THE ASSISTANT SECRETARY FOR CIVIL RIGHTS

For necessary expenses of the Office of the Assistant Secretary for Civil Rights, \$895,000.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

For necessary expenses of the Office of Budget and Program Analysis, \$9,436,000.

OFFICE OF HOMELAND SECURITY

For necessary expenses of the Office of Homeland Security, \$4,272,000.

OFFICE OF ADVOCACY AND OUTREACH

For necessary expenses of the Office of Advocacy and Outreach, \$7,000,000.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continu-

ing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-9915-0-1-350	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Office of Advocacy and Outreach	2	2	7
0002 Assistant Secretary for Civil Rights	1	1	1
0003 Office of Civil Rights	24	24	25
0004 Office of the Chief Financial Officer	6	6	7
0005 Office of Budget and Program Analysis	8	8	10
0006 Office of the Chief Information Officer	61	61	64
0007 Departmental Administration	44	41	36
0008 Office of Homeland Security and Emergency Coordination	2	4	4
0009 2008 Farm Bill (Section 14004)	22	22	22
0010 Grants 2501	18	.....	.....
0091 Direct program activities, subtotal	165	169	176
0801 Reimbursable program activity	98	98	98
0900 Total new obligations	263	267	274

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	4	4
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	146	147	152
1120 Appropriations transferred to other accounts	-1	.....	.....
1121 Appropriations transferred from other accounts	4	.....	.....
1160 Appropriation, discretionary (total)	149	147	152
Appropriations, mandatory:			
1221 Appropriations transferred from other accounts	22	22	22
Spending authority from offsetting collections, discretionary:			
1700 Collected	13	98	98
1701 Change in uncollected payments, Federal sources	95	.....	.....
1750 Spending auth from offsetting collections, disc (total)	108	98	98
1900 Budget authority (total)	279	267	272
1930 Total budgetary resources available	280	271	276
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-13	.....	.....
1941 Unexpired unobligated balance, end of year	4	4	2

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	84	149	147
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-69	-162	-162
3020 Obligated balance, start of year (net)	15	-13	-15
3030 Obligations incurred, unexpired accounts	263	267	274
3031 Obligations incurred, expired accounts	18	.....	.....
3040 Outlays (gross)	-199	-269	-272
3050 Change in uncollected pymts, Fed sources, unexpired	-95	.....	.....
3051 Change in uncollected pymts, Fed sources, expired	2	.....	.....
3081 Recoveries of prior year unpaid obligations, expired	-17	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	149	147	149
3091 Uncollected pymts, Fed sources, end of year	-162	-162	-162
3100 Obligated balance, end of year (net)	-13	-15	-13

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	257	245	250
Outlays, gross:			
4010 Outlays from new discretionary authority	149	239	244
4011 Outlays from discretionary balances	46	5	6
4020 Outlays, gross (total)	195	244	250
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-21	-98	-98
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-95	.....	.....
4052 Offsetting collections credited to expired accounts	8	.....	.....
4060 Additional offsets against budget authority only (total)	-87	.....	.....
4070 Budget authority, net (discretionary)	149	147	152
4080 Outlays, net (discretionary)	174	146	152
Mandatory:			
4090 Budget authority, gross	22	22	22
Outlays, gross:			
4100 Outlays from new mandatory authority	1	22	22

DEPARTMENTAL MANAGEMENT—Continued
Program and Financing—Continued

Identification code 12-9915-0-1-350	2010 actual	CR	2012 est.
4101 Outlays from mandatory balances	3	3	.....
4110 Outlays, gross (total)	4	25	22
4180 Budget authority, net (total)	171	169	174
4190 Outlays, net (total)	178	171	174

Summary of Budget Authority and Outlays (in millions of dollars)

	2010 actual	CR	2012 est.
Enacted/requested:			
Budget Authority	171	169	174
Outlays	178	171	174
Legislative proposal, subject to PAYGO:			
Budget Authority .....	.....	.....	.....
Outlays .....	.....	.....	-1
Total:			
Budget Authority	171	169	174
Outlays	178	171	173

Departmental Management is compromised of the following offices:

Departmental Administration is comprised of offices that provide staff support to policy officials and overall direction and coordination of the Department. These activities include Department-wide programs for human resources management, ethics, occupational safety and health management, real and personal property management, acquisitions and contracting, motor vehicle and aircraft management, supply management, participation of small and disadvantaged businesses, service-disabled veterans programs, emergency coordination and security services, and the regulatory hearing and administrative proceedings conducted by the Administrative Law Judges, and Judicial Officer. The 2012 request for Departmental Administration includes \$6.5 million for training, recruitment, retention, and hiring members of the acquisition workforce pursuant to the President's March 4, 2009 Memorandum on Government Contracting.

The Clinger-Cohen Act of 1996 required the establishment of a Chief Information Officer (CIO) for all major Federal agencies. The Act requires USDA to maximize the value of information technology acquisitions to improve the efficiency and effectiveness of USDA programs. To meet the intent of the law and to provide a Departmental focus for information resources management issues, Secretary's Memorandum 1030-30, dated August 8, 1996, established the Office of the Chief Information Officer (OCIO). The CIO serves as the primary advisor to the Secretary on Information Technology (IT) issues. OCIO provides leadership for the Department's information and IT management activities in support of USDA program delivery.

The Office of the Chief Financial Officer (OCFO) was established in 1995 under authority provided in Reorganization Plan Number 2 of 1953 (7 U.S.C. 2201) to comply with the Chief Financial Officers Act of 1990. The OCFO focuses on the Department's financial and performance management activities to improve program delivery and assure maximum contribution to the Secretary's Strategic Goals.

The Office of Civil Rights provides overall leadership responsibility for all Department-wide civil rights activities, including employment opportunity and program non-discrimination policy development, analysis, coordination, and compliance. The Office is responsible for providing leadership in the implementation of best practices that will create an environment where a diverse workforce is valued as a source of strength. The Office has the responsibility for monitoring program activities to ensure that all USDA programs are delivered in a non-discriminatory manner.

The Office of Budget and Program Analysis (OBPA) coordinates the preparation of Departmental budget estimates, regulations, and legislative reports; administers systems for the allotment and apportionment of funds; provides analysis of U.S. Department of Agriculture (USDA) program issues, draft regulations, and budget proposals; participates in strategic planning; and provides assistance to USDA policy makers in the development and execution of desired policies and programs.

The Office of Homeland Security and Emergency Coordination formulates emergency preparedness policies and objectives for USDA. The Staff directs and coordinates all of the Department's program activities that support USDA emergency programs and liaison functions with the Congress, the Department of Homeland Security, and other Federal Departments and agencies involving homeland security, natural disasters, other emergencies, and agriculture-related international civil emergency planning and intelligence activities.

The Office of Advocacy and Outreach (OAO) improves access to USDA programs and enhances the viability and profitability of small farms and ranches, beginning farmers and ranchers, and socially disadvantaged farmers and ranchers ensuring that the Department and its programs are open and transparent. The Department is committed to ensuring that all USDA constituents, including historically underserved groups, have the opportunity to participate in and benefit from the programs offered by the Department.

Object Classification (in millions of dollars)

Identification code 12-9915-0-1-350	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	61	61	61
12.1 Civilian personnel benefits	16	16	16
21.0 Travel and transportation of persons	2	2	2
23.3 Communications, utilities, and miscellaneous charges	4	4	4
24.0 Printing and reproduction	1	1	1
25.2 Other services from non-federal sources	34	34	35
25.3 Other goods and services from federal sources	25	26	32
26.0 Supplies and materials	1	1	1
31.0 Equipment	4	4	4
41.0 Grants, subsidies, and contributions	19	20	20
99.0 Direct obligations	167	169	176
99.0 Reimbursable obligations	95	98	98
99.5 Below reporting threshold	1	.....	.....
99.9 Total new obligations	263	267	274

Employment Summary

Identification code 12-9915-0-1-350	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	447	545	545
2001 Reimbursable civilian full-time equivalent employment	138	147	147

DEPARTMENTAL ADMINISTRATION
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-9915-4-1-350	2010 actual	CR	2012 est.
Budgetary Resources:			
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	1
1930 Total budgetary resources available	1
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	1

Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123	Non-Federal sources		-1
4160	Budget authority, net (mandatory)		
4170	Outlays, net (mandatory)		-1
4180	Budget authority, net (total)		
4190	Outlays, net (total)		-1

25.2	Other services from non-federal sources	4	4	4
99.9	Total new obligations	5	5	5

Employment Summary

Identification code 12-0500-0-1-304	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	7	7	7

HAZARDOUS MATERIALS MANAGEMENT

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, to comply with the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 et seq.) and the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq.), \$5,125,000, to remain available until expended: Provided, That appropriations and funds available herein to the Department for Hazardous Materials Management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-0500-0-1-304	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Hazardous materials management	5	5	5
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	5	5	5
1930 Total budgetary resources available	5	5	5
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	18	20	
3030 Obligations incurred, unexpired accounts	5	5	5
3040 Outlays (gross)	-3	-25	-5
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	20		
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	5	5	5
Outlays, gross:			
4010 Outlays from new discretionary authority	1	5	5
4011 Outlays from discretionary balances	2	20	
4020 Outlays, gross (total)	3	25	5
4180 Budget authority, net (total)	5	5	5
4190 Outlays, net (total)	3	25	5

Under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and the Resource Conservation and Recovery Act (RCRA), the Department has the responsibility to meet the same standards for environmental cleanup and regulatory compliance regarding hazardous wastes and hazardous substances as private businesses. With substantial commitments under these Acts, the Hazardous Materials Management account was established as a central fund so that the Department's agencies may be reimbursed for their cleanup efforts. The Department determines what projects to fund by using objective criteria that identify what sites pose the greatest threats to public health and the environment.

Object Classification (in millions of dollars)

Identification code 12-0500-0-1-304	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	1	1	1

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92-313, including authorities pursuant to the 1984 delegation of authority from the Administrator of General Services to the Department of Agriculture under 40 U.S.C. 486, for programs and activities of the Department which are included in this Act, and for alterations and other actions needed for the Department and its agencies to consolidate unneeded space into configurations suitable for release to the Administrator of General Services, and for the operation, maintenance, improvement, and repair of Agriculture buildings and facilities, and for related costs, \$255,191,000, to remain available until expended, of which \$164,470,000 shall be available for payments to the General Services Administration for rent; of which \$13,800,000 for payment to the Department of Homeland Security for building security activities; and of which \$76,921,000 for buildings operations and maintenance expenses: Provided, That the Secretary may use unobligated balances from prior years to cover shortfalls incurred in prior year rental payments: Provided further, That the Secretary is authorized to transfer funds from a Departmental agency to this account to recover the full cost of the space and security expenses of that agency that are funded by this account when the actual costs exceed the agency estimate which will be available for the activities and payments described herein.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-0117-0-1-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Rental payments to GSA: Non-recurring repairs	142	184	164
0002 Building operations and maintenance	23	82	64
0003 Homeland Security	9	13	13
0004 DHS building security	13	14	14
0005 Building renovations	6	1	
0091 Direct program activities, subtotal	193	294	255
0802 Reimbursable program	3	3	3
0900 Total new obligations	196	297	258
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	45	130	129
1012 Expired unobligated bal transferred to unexpired acts		30	
1050 Unobligated balance (total)	45	160	129
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	293	293	255
1136 Appropriations applied to deficiency by law	-16		
1160 Appropriation, discretionary (total)	277	293	255
Spending authority from offsetting collections, discretionary:			
1700 Collected	2	3	3
1701 Change in uncollected payments, Federal sources	4		
1750 Spending auth from offsetting collections, disc (total)	6	3	3
1900 Budget authority (total)	283	296	258
1901 Adjustment for budgetary resources applied to liquidate deficiencies		-30	
1930 Total budgetary resources available	328	426	387
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-2		
1941 Unexpired unobligated balance, end of year	130	129	129

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS—Continued
Program and Financing—Continued

Identification code 12-0117-0-1-352	2010 actual	CR	2012 est.
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	29	13	12
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-4	-8	-8
3020 Obligated balance, start of year (net)	25	5	4
3030 Obligations incurred, unexpired accounts	196	297	258
3040 Outlays (gross)	-212	-298	-258
3050 Change in uncollected pymts, Fed sources, unexpired	-4		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	13	12	12
3091 Uncollected pymts, Fed sources, end of year	-8	-8	-8
3100 Obligated balance, end of year (net)	5	4	4
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	283	296	258
Outlays, gross:			
4010 Outlays from new discretionary authority	203	293	255
4011 Outlays from discretionary balances	9	5	3
4020 Outlays, gross (total)	212	298	258
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-2	-3	-3
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-4		
4070 Budget authority, net (discretionary)	277	293	255
4080 Outlays, net (discretionary)	210	295	255
4180 Budget authority, net (total)	277	293	255
4190 Outlays, net (total)	210	295	255

Identification code 12-0117-0-1-352	2010 actual	CR	2012 est.
Unfunded deficiencies:			
7000 Unfunded deficiency, start of year	-46	-30	
Change in deficiency during the year:			
7011 Appropriations available expressly to liquidate deficiencies	16		
7012 Available budgetary resources used to liquidate deficiencies		30	
7020 Unfunded deficiency, end of year	-30		

This account finances the General Services Administration's fees for rental of space and the Department of Homeland Security's security-related fees. The appropriation covers all fees for all regular appropriated accounts within the Department of Agriculture with the exception of the Forest Service. This account also finances the day to day operations, repair, improvement and maintenance activities of two buildings in the Headquarters complex.

Deficiency in Rental Payments

\$ Millions	FY2010	FY2011	FY2012
Deficiency, start of year	-68	-30	—
Unobligated balances applied to deficiency	22	—	—
Adjusted deficiency	-46	—	—
Appropriation applied to deficiency	16	—	—
Anticipated reduction of deficiency	—	30	—
Deficiency, end of year	-30	—	—

This account has a deficiency due to prior year shortfalls in rental payments incurred between 2004 and 2008. In 2010, USDA reduced this deficiency by over half through applying \$15,911,000 in appropriated funds and \$21.5 million in unobligated balances. The Department anticipates reducing the deficiency to zero by the end of 2011. (Note: the \$51 million deficiency listed in the 2011 President's Budget on line 91.90 reflected net negative balances which included other program figures besides rental payments. The figures above represent only the deficiency associated with rental payments.)

Object Classification (in millions of dollars)

Identification code 12-0117-0-1-352	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	8	8	8
12.1 Civilian personnel benefits	2	2	2
23.1 Rental payments to GSA	145	184	164
23.3 Communications, utilities, and miscellaneous charges	7	11	11
25.2 Other services from non-federal sources	18	76	57
25.3 Other goods and services from federal sources	13	13	13
99.0 Direct obligations	193	294	255
99.0 Reimbursable obligations	3	3	3
99.9 Total new obligations	196	297	258

Employment Summary

Identification code 12-0117-0-1-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	88	94	94

OFFICE OF COMMUNICATIONS

Federal Funds

OFFICE OF COMMUNICATIONS

For necessary expenses of the Office of Communications, \$9,722,000.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-0150-0-1-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Public affairs	10	10	10
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	10	10	10
1930 Total budgetary resources available	10	10	10

Identification code 12-0150-0-1-352	2010 actual	CR	2012 est.
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	1	1	
3030 Obligations incurred, unexpired accounts	10	10	10
3031 Obligations incurred, expired accounts	1		
3040 Outlays (gross)	-10	-11	-10
3081 Recoveries of prior year unpaid obligations, expired	-1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1		

Identification code 12-0150-0-1-352	2010 actual	CR	2012 est.
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	10	10	10
Outlays, gross:			
4010 Outlays from new discretionary authority	9	10	10
4011 Outlays from discretionary balances	1	1	
4020 Outlays, gross (total)	10	11	10
4180 Budget authority, net (total)	10	10	10
4190 Outlays, net (total)	10	11	10

The mission of the Office of Communications (OC) is to provide leadership, expertise, management and coordination to develop and implement successful communication strategies and products that advance the mission of the U. S. Department of Agriculture (USDA) and priorities of the Government, while serving and engaging the public in a fair, equal, transparent and easily accessible manner. OC delivers information about U.S. Department of Agriculture (USDA) programs and policies in a consistent, timely fashion.

Object Classification (in millions of dollars)

Identification code 12-0150-0-1-352	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	7	7	7
12.1 Civilian personnel benefits	2	2	2
99.0 Direct obligations	9	9	9
99.0 Reimbursable obligations	1	1	1
99.9 Total new obligations	10	10	10

Employment Summary

Identification code 12-0150-0-1-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	67	72	72

OFFICE OF THE INSPECTOR GENERAL

Federal Funds

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General, including employment pursuant to the Inspector General Act of 1978, \$90,755,000, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(9) of the Inspector General Act of 1978, and including not to exceed \$125,000 for certain confidential operational expenses, including the payment of informants, to be expended under the direction of the Inspector General pursuant to Public Law 95-452 and section 1337 of Public Law 97-98.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-0900-0-1-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Office of the Inspector General	102	89	91
0801 Reimbursable program	3	3	3
0900 Total new obligations	105	92	94

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	24	16	17
1021 Recoveries of prior year unpaid obligations	1		
1050 Unobligated balance (total)	25	16	17
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	89	89	91
Spending authority from offsetting collections, discretionary:			
1700 Collected	3	4	4
1701 Change in uncollected payments, Federal sources	4		
1750 Spending auth from offsetting collections, disc (total)	7	4	4
1900 Budget authority (total)	96	93	95
1930 Total budgetary resources available	121	109	112
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	16	17	18

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	19	22	15
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-4	-8	-5
3020 Obligated balance, start of year (net)	15	14	10
3030 Obligations incurred, unexpired accounts	105	92	94
3040 Outlays (gross)	-99	-99	-98
3050 Change in uncollected pymts, Fed sources, unexpired	-4		
3051 Change in uncollected pymts, Fed sources, expired		3	3
3080 Recoveries of prior year unpaid obligations, unexpired	-1		
3081 Recoveries of prior year unpaid obligations, expired	-2		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	22	15	11

3091 Uncollected pymts, Fed sources, end of year	-8	-5	-2
3100 Obligated balance, end of year (net)	14	10	9

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	96	93	95
Outlays, gross:			
4010 Outlays from new discretionary authority	80	85	87
4011 Outlays from discretionary balances	19	14	11
4020 Outlays, gross (total)	99	99	98
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-3	-4	-4
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-4		
4070 Budget authority, net (discretionary)	89	89	91
4080 Outlays, net (discretionary)	96	95	94
4180 Budget authority, net (total)	89	89	91
4190 Outlays, net (total)	96	95	94

The Office of Inspector General (OIG) provides the Secretary and Congress with information or intelligence about fraud, other serious problems, mismanagement, and deficiencies in Department programs and operations, recommends corrective action, and reports on the progress made in correcting the problems. The Office reviews existing and proposed legislation and regulations and makes recommendations to the Secretary and Congress regarding the impact these laws have on the Department's programs and the prevention and detection of fraud and mismanagement in such programs. The Office provides policy direction and conducts, supervises, and coordinates all audits and investigations. The Office supervises and coordinates other activities in the Department and between the Department and other Federal, State and local government agencies whose purposes are to: (a) promote economy and efficiency; (b) prevent and detect fraud and mismanagement; and (c) identify and prosecute people involved in fraud or mismanagement.

Object Classification (in millions of dollars)

Identification code 12-0900-0-1-352	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	58	58	59
12.1 Civilian personnel benefits	20	18	19
21.0 Travel and transportation of persons	6	4	4
23.3 Communications, utilities, and miscellaneous charges	4	2	2
25.2 Other services from non-federal sources	5	4	4
25.3 Other goods and services from federal sources	2	1	1
26.0 Supplies and materials	2	1	1
31.0 Equipment	2	1	1
99.0 Direct obligations	99	89	91
99.0 Reimbursable obligations	6	3	3
99.9 Total new obligations	105	92	94

Employment Summary

Identification code 12-0900-0-1-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	593	600	600

OFFICE OF THE GENERAL COUNSEL

Federal Funds

OFFICE OF THE GENERAL COUNSEL

For necessary expenses of the Office of the General Counsel, \$46,058,000.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

OFFICE OF THE GENERAL COUNSEL—Continued
Program and Financing (in millions of dollars)

Identification code 12-2300-0-1-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Office of the General Counsel	44	44	46
0801 Reimbursable program activity	4	4	4
0900 Total new obligations	48	48	50
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	44	44	46
Spending authority from offsetting collections, discretionary:			
1700 Collected	4	4	4
1701 Change in uncollected payments, Federal sources	4		
1750 Spending auth from offsetting collections, disc (total)	4	4	4
1900 Budget authority (total)	48	48	50
1930 Total budgetary resources available	48	48	50
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	5	6	2
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-1	-5	-5
3020 Obligated balance, start of year (net)	4	1	-3
3030 Obligations incurred, unexpired accounts	48	48	50
3040 Outlays (gross)	-47	-52	-50
3050 Change in uncollected pymts, Fed sources, unexpired	-4		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	6	2	2
3091 Uncollected pymts, Fed sources, end of year	-5	-5	-5
3100 Obligated balance, end of year (net)	1	-3	-3
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	48	48	50
Outlays, gross:			
4010 Outlays from new discretionary authority	43	46	48
4011 Outlays from discretionary balances	4	6	2
4020 Outlays, gross (total)	47	52	50
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources		-4	-4
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-4		
4052 Offsetting collections credited to expired accounts			
4060 Additional offsets against budget authority only (total)	-4		
4070 Budget authority, net (discretionary)	44	44	46
4080 Outlays, net (discretionary)	47	48	46
4180 Budget authority, net (total)	44	44	46
4190 Outlays, net (total)	47	48	46

The Office of the General Counsel of the Department of Agriculture provides all legal advice, counsel, and services to the Secretary and to all agencies, offices, and corporations of the Department on all aspects of their operations. It represents the Department in administrative proceedings; nonlitigation debt collection proceedings; State water rights adjudications; proceedings before the Environmental Protection Agency, Federal Maritime Administration, International Trade Commission, and other Federal agencies; and, in conjunction with the Department of Justice, in judicial proceedings and litigation. All attorneys and related support personnel devoted to those efforts are under the supervision of the General Counsel.

Object Classification (in millions of dollars)

Identification code 12-2300-0-1-352	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	33	33	35
12.1 Civilian personnel benefits	9	9	9
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services from non-federal sources	1	1	1

99.0 Direct obligations	44	44	46
99.0 Reimbursable obligations	4	4	4
99.9 Total new obligations	48	48	50

Employment Summary

Identification code 12-2300-0-1-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	294	289	298
2001 Reimbursable civilian full-time equivalent employment	15	29	29

ECONOMIC RESEARCH SERVICE
Federal Funds

ECONOMIC RESEARCH SERVICE

For necessary expenses of the Economic Research Service, \$85,971,000.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-1701-0-1-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Economic Research Service	82	82	86
0801 Reimbursable program activity	5	1	1
0900 Total new obligations	87	83	87
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1		
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	82	82	86
Spending authority from offsetting collections, discretionary:			
1700 Collected		1	1
1701 Change in uncollected payments, Federal sources	5		
1750 Spending auth from offsetting collections, disc (total)	5	1	1
1900 Budget authority (total)	87	83	87
1930 Total budgetary resources available	88	83	87
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-1		
1941 Unexpired unobligated balance, end of year			
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	27	45	35
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-1	-5	-5
3020 Obligated balance, start of year (net)	26	40	30
3030 Obligations incurred, unexpired accounts	87	83	87
3040 Outlays (gross)	-69	-93	-93
3050 Change in uncollected pymts, Fed sources, unexpired	-5		
3051 Change in uncollected pymts, Fed sources, expired	1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	45	35	29
3091 Uncollected pymts, Fed sources, end of year	-5	-5	-5
3100 Obligated balance, end of year (net)	40	30	24
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	87	83	87
Outlays, gross:			
4010 Outlays from new discretionary authority	56	67	70
4011 Outlays from discretionary balances	12	26	23
4020 Outlays, gross (total)	68	93	93
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-1	-1	-1
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-5		
4052 Offsetting collections credited to expired accounts	1		
4060 Additional offsets against budget authority only (total)	-4		
4070 Budget authority, net (discretionary)	82	82	86

4080	Outlays, net (discretionary)	67	92	92
	Mandatory:			
	Outlays, gross:			
4101	Outlays from mandatory balances	1		
4180	Budget authority, net (total)	82	82	86
4190	Outlays, net (total)	68	92	92

Employment Summary

Identification code 12-1701-0-1-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	400	400	405
2001 Reimbursable civilian full-time equivalent employment	1	1	1

The Economic Research Service provides economic and other social science research and analysis for public and private decisions on agriculture, food, natural resources, and rural America. The 2012 Budget request, while funding most of ERS' core programs, includes total increases of \$8.4 million, including increases of \$2.4 million to develop a Center of Excellence for Behavioral Economics, \$2 million to support community access to local foods, and \$4 million to strengthen the Department's statistical protocols and tools. These increases are offset by reductions of \$4.9 million in lower priority activities.

The Center of Excellence for Behavioral Economics will conduct both intramural and extramural behavioral economic research, which will inform food, farm, rural development, or natural resource policy decision making. Behavioral economics offers the capability to analyze ex ante policy impacts, before proposed policy solutions have been implemented. ERS will apply this new approach to policy questions for farm program participation, resource use, technology adoption, and risk management, in addition to on-going work on food assistance. USDA and its customers will benefit from this analysis to the extent that it informs how programs are designed for cost efficiencies and greatest effectiveness.

The \$4 million for statistical protocol and tools includes \$2 million to establish a structure among statistical agencies, managed through ERS, to improve data access, develop tools for data processing, and increase the utility and coordination of statistical protocols and tools for Federal data; and \$2 million for an administrative data pilot project involving three statistical agencies that are jointly implementing OMB's statistical system-wide pilot test on uses, and barriers to appropriate use, of administrative data with statistical data. Administrative data, information already collected in conjunction with administering government programs, provide an opportunity for increasing the statistical ability to understand and address critical policy issues.

Miscellaneous funds received from States, local organizations, and others are available for support of economic research and analysis (7 U.S.C. 450b, 450h, 3318b).

Object Classification (in millions of dollars)

Identification code 12-1701-0-1-352	2010 actual	CR	2012 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	40	41	41
11.3	Other than full-time permanent	1	1	1
11.5	Other personnel compensation	1	1	1
11.9	Total personnel compensation	42	43	43
12.1	Civilian personnel benefits	9	9	9
21.0	Travel and transportation of persons	1	1	1
23.3	Communications, utilities, and miscellaneous charges	1	1	1
25.2	Other services from non-federal sources	6	5	8
25.3	Other goods and services from federal sources	12	14	14
25.5	Research and development contracts	8	6	6
26.0	Supplies and materials	1	1	1
41.0	Grants, subsidies, and contributions	2	2	3
99.0	Direct obligations	82	82	86
99.0	Reimbursable obligations	5	1	1
99.9	Total new obligations	87	83	87

NATIONAL AGRICULTURAL STATISTICS SERVICE
Federal Funds

NATIONAL AGRICULTURAL STATISTICS SERVICE

For necessary expenses of the National Agricultural Statistics Service, \$165,421,000, of which up to \$41,639,000 shall be available until expended for the Census of Agriculture.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-1801-0-1-352	2010 actual	CR	2012 est.	
Obligations by program activity:				
0001	Agricultural estimates	109	117	117
0002	Statistical research and service	7	7	7
0003	Census of agriculture	43	46	41
0091	Direct program activities, subtotal	159	170	165
0801	Reimbursable program	28	22	22
0900	Total new obligations	187	192	187
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	5	8	
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	162	162	165
1120	Appropriations transferred to other accounts	-38	-38	-41
1121	Appropriations transferred from other accounts	38	38	41
1160	Appropriation, discretionary (total)	162	162	165
Spending authority from offsetting collections, discretionary:				
1700	Collected	18	19	19
1701	Change in uncollected payments, Federal sources	10	3	3
1750	Spending auth from offsetting collections, disc (total)	28	22	22
1900	Budget authority (total)	190	184	187
1930	Total budgetary resources available	195	192	187
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	8		
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	24	33	24
3010	Uncollected pymts, Fed sources, brought forward, Oct 1	-3	-10	-13
3020	Obligated balance, start of year (net)	21	23	11
3030	Obligations incurred, unexpired accounts	187	192	187
3031	Obligations incurred, expired accounts	2		
3040	Outlays (gross)	-180	-201	-191
3050	Change in uncollected pymts, Fed sources, unexpired	-10	-3	-3
3051	Change in uncollected pymts, Fed sources, expired	3		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	33	24	20
3091	Uncollected pymts, Fed sources, end of year	-10	-13	-16
3100	Obligated balance, end of year (net)	23	11	4
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	190	184	187
Outlays, gross:				
4010	Outlays from new discretionary authority	157	166	169
4011	Outlays from discretionary balances	23	35	22
4020	Outlays, gross (total)	180	201	191
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	-18	-18	-18
4033	Non-Federal sources	-3	-3	-3

NATIONAL AGRICULTURAL STATISTICS SERVICE—Continued
Program and Financing—Continued

Identification code 12-1801-0-1-352	2010 actual	CR	2012 est.
4040 Offsets against gross budget authority and outlays (total)	-21	-21	-21
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-10	-3	-3
4052 Offsetting collections credited to expired accounts	3	2	2
4060 Additional offsets against budget authority only (total)	-7	-1	-1
4070 Budget authority, net (discretionary)	162	162	165
4080 Outlays, net (discretionary)	159	180	170
4180 Budget authority, net (total)	162	162	165
4190 Outlays, net (total)	159	180	170

The 2012 request for the National Agricultural Statistics Service (NASS) is a net increase of \$3.6 million from the 2011 Annualized Continuing Resolution. The request includes total increases of \$11.9 million, of which a cyclical increase of \$8.5 million would finalize preparations for the Census of Agriculture scheduled to be mailed to potential respondents in December 2012 and an additional \$3.4 million would be used to improve the quality of county estimates. These increases are largely offset by reductions of \$8.3 million in lower priority activities, such as the elimination of the Farm Estimates labor program and the tenure, ownership, and transition of land survey.

The Service provides the official National and State estimates of acreage, yield, and production of crops, stocks, value and expenditures associated with farm commodities, and inventory, values, and expenditures of livestock items. Data on approximately 120 crops and 45 livestock products are covered in over 500 reports issued each year. In addition, the Census of Agriculture is conducted every five years, which provides comprehensive data on the Nation's agricultural industry down to the county level. Incentives and promotional items are used by National Agricultural Statistics Service (NASS) to support outreach efforts to maximize response rates on surveys and the Census of Agriculture.

Agricultural Estimates.—The work under this activity is conducted through 46 field offices serving the 50 States and Puerto Rico; most of these offices are operated as joint State and Federal services. Cooperative arrangements with State agencies provide additional State and county data. NASS proposes an increase of \$3.4 million for a critical county estimates program improvement initiative. NASS has carefully reviewed existing programs to determine where reductions could be taken. To support this critical initiative, the 2012 Budget proposes to eliminate lower priority surveys, such as the July Sheep and Goats Estimate, Livestock County Estimates, State Level Livestock Price Received, and Farm Labor Survey for a savings of \$3.6 million.

Census of Agriculture.—The Census of Agriculture is conducted every five years to take a snapshot of America's agriculture. This picture, when compared to earlier censuses, helps to measure trends and new developments in the agricultural sector of our Nation's economy. The Census is critical because it provides the only source of comparable and consistent detailed data about agriculture at the county level. In order to support Administration priorities, NASS carefully reviewed existing programs to determine where reductions could be taken. The 2012 Budget request includes an increase of \$8.5 million reflecting the normal activity levels resulting from the cyclical nature of the 5-year Census of Agriculture program. Funding will be used to collect data to measure coverage of the census mail list, prepare census mail packages, and to prepare for data collection activities to occur in 2013.

Miscellaneous funds received from local organizations, commodity groups, and others are available for dissemination of reports and for survey work conducted under cooperative agreements (7 U.S.C. 450b, 450h, 3318b).

Object Classification (in millions of dollars)

Identification code 12-1801-0-1-352	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	70	78	86
11.3 Other than full-time permanent	1	1	1
11.5 Other personnel compensation	1	1	1
11.9 Total personnel compensation	72	80	88
12.1 Civilian personnel benefits	21	24	26
21.0 Travel and transportation of persons	3	3	3
22.0 Transportation of things	1	6	3
23.3 Communications, utilities, and miscellaneous charges	5	5	6
24.0 Printing and reproduction	1	1	1
25.2 Other services from non-federal sources	30	30	23
25.3 Other goods and services from federal sources	18	12	9
25.7 Operation and maintenance of equipment	2	1	1
26.0 Supplies and materials	1	1	1
31.0 Equipment	5	7	4
99.0 Direct obligations	159	170	165
99.0 Reimbursable obligations	28	22	22
99.9 Total new obligations	187	192	187

Employment Summary

Identification code 12-1801-0-1-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	1,004	1,044	1,104
2001 Reimbursable civilian full-time equivalent employment	106	106	106

AGRICULTURAL RESEARCH SERVICE

Federal Funds

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Agricultural Research Service and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed \$100, and for land exchanges where the lands exchanged shall be of equal value or shall be equalized by a payment of money to the grantor which shall not exceed 25 percent of the total value of the land or interests transferred out of Federal ownership, \$1,137,690,000: Provided, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: Provided further, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building shall not exceed \$375,000, except for headhouses or greenhouses which shall each be limited to \$1,200,000, and except for 10 buildings to be constructed or improved at a cost not to exceed \$750,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building or \$375,000, whichever is greater: Provided further, That the limitations on alterations contained in this Act shall not apply to modernization or replacement of existing facilities at Beltsville, Maryland: Provided further, That appropriations hereunder shall be available for granting easements at the Beltsville Agricultural Research Center: Provided further, That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): Provided further, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing or operating any research facility or research project of the Agricultural Research Service, as authorized by law.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-1400-0-1-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Product quality/value added	110	111	106
0002 Livestock production	87	88	75
0003 Crop production	239	240	237
0004 Food safety	98	98	96
0005 Livestock protection	69	70	62
0006 Crop protection	196	197	189
0007 Human nutrition research	90	90	89
0008 Environmental stewardship	207	208	196
0009 National Agricultural Library	24	22	23
0010 Repair and maintenance of facilities	17	17	21
0012 Homeland security	39	39	44
0013 H1N1 Transfer From HHS	1	1	.....
0014 Miscellaneous Fees	1	4	.....
0091 Direct program activities, subtotal	1,178	1,185	1,138
0881 Reimbursable program activity	118	118	118
0889 Reimbursable program activities, subtotal	118	118	118
0900 Total new obligations	1,296	1,303	1,256
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	4	5	.....
1011 Unobligated balance transferred from other accounts	2	.....	.....
1050 Unobligated balance (total)	6	5	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,180	1,180	1,138
Spending authority from offsetting collections, discretionary:			
1700 Collected	21	118	118
1701 Change in uncollected payments, Federal sources	97	.....	.....
1750 Spending auth from offsetting collections, disc (total)	118	118	118
1900 Budget authority (total)	1,298	1,298	1,256
1930 Total budgetary resources available	1,304	1,303	1,256
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-3	.....	.....
1941 Unexpired unobligated balance, end of year	5	.....	.....
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	389	408	354
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-90	-140	-140
3020 Obligated balance, start of year (net)	299	268	214
3030 Obligations incurred, unexpired accounts	1,296	1,303	1,256
3031 Obligations incurred, expired accounts	18	.....	.....
3040 Outlays (gross)	-1,277	-1,357	-1,313
3050 Change in uncollected pymts, Fed sources, unexpired	-97	.....	.....
3051 Change in uncollected pymts, Fed sources, expired	47	.....	.....
3081 Recoveries of prior year unpaid obligations, expired	-18	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	408	354	297
3091 Uncollected pymts, Fed sources, end of year	-140	-140	-140
3100 Obligated balance, end of year (net)	268	214	157
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	1,298	1,298	1,256
Outlays, gross:			
4010 Outlays from new discretionary authority	1,001	991	957
4011 Outlays from discretionary balances	276	366	356
4020 Outlays, gross (total)	1,277	1,357	1,313
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-64	-98	-98
4033 Non-Federal sources	-13	-20	-20
4040 Offsets against gross budget authority and outlays (total)	-77	-118	-118
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-97	.....	.....
4052 Offsetting collections credited to expired accounts	56	.....	.....
4060 Additional offsets against budget authority only (total)	-41	.....	.....
4070 Budget authority, net (discretionary)	1,180	1,180	1,138
4080 Outlays, net (discretionary)	1,200	1,239	1,195
4180 Budget authority, net (total)	1,180	1,180	1,138
4190 Outlays, net (total)	1,200	1,239	1,195

The Agricultural Research Service (ARS) is the principal in-house research agency of the U.S. Department of Agriculture (USDA). The ARS mission is to conduct research to develop and transfer solutions to agricultural problems of high national priority and to provide information access and dissemination to: ensure high-quality, safe food, and other agricultural products; assess the nutritional needs of Americans; sustain a competitive agricultural economy; enhance the natural resource base and the environment; and provide economic opportunities for rural citizens, communities, and society as a whole. The ARS' mission is carried out through its major research program areas and other activities listed below (in italics).

ARS major research programs—New Products/Product Quality/Value Added; Livestock/Crop Production; Food Safety; Livestock/Crop Protection; Human Nutrition; and Environmental Stewardship—address the Department's priorities.

ARS' 2012 Salaries and Expenses Budget proposes high priority increases of \$55.7 million for new and expanded research initiatives in food safety; crop/animal breeding and protection; child and human nutrition; bioenergy/biomass; plant, animal, and microbial collections; production systems for sustainable agriculture; global climate change; and the National Agricultural Library. In addition, the agency is requesting an increase of \$3 million for the repair and maintenance of its laboratories/facilities.

Offsetting ARS' requested increases are \$100.7 million in proposed decreases for lower priority projects. The proposed reductions—\$41.9 million in Congressional earmarks, \$38.7 million in project terminations, and \$20.1 million in extramural research terminations—will provide the necessary funding for the critical research priorities proposed by the agency for 2012.

New Products / Product Quality / Value Added.—ARS has active research programs directed toward (1) improving the efficiency and reducing the cost for the conversion of agricultural products into biobased products and biofuels, (2) developing new and improved products to help establish them in domestic and foreign markets, and (3) providing higher quality, healthy foods that satisfy consumer needs in the United States and abroad. The 2012 Budget proposes an additional \$6 million for the establishment of five regional biofuel feedstocks research and demonstration centers.

Environmental Stewardship—Water Quality; Air / Soil Quality; Global Climate Change; Range / Grazing Lands; Agricultural Systems Integration.—ARS research programs in environmental stewardship support scientists at more than 70 locations. Emphasis is given to developing technologies and systems that support profitable production and enhance the Nation's vast renewable natural resource base. ARS is currently developing the scientific knowledge and technologies needed to meet the challenges and opportunities facing U.S. agriculture in managing water resource quality and quantity under different climatic regimes, production systems, and environmental conditions. ARS air resources research is developing measurement, prediction, and control technologies for emissions of greenhouse gases, particulate matter, ammonia, hydrogen sulfide, and volatile organic compounds affecting air quality and land surface climate interactions. The agency is a leader in developing measurement and modeling techniques for characterizing gaseous and particulate matter emissions from agriculture. In addition, ARS is evaluating strategies for enhancing the health and productivity of soils, including developing predictive tools to assess the sustainability of alternative land management practices. Finding mechanisms to aid agriculture in adapting to changes in atmospheric composition and climatic variations is also an important component of ARS research program. ARS range and grazing land research

AGRICULTURAL RESEARCH SERVICE—Continued

includes the conservation and restoration of the Nation's range land and pasture ecosystems and agroecosystems through improved management of fire, invasive weeds, grazing, global change, and other agents of ecological change. The agency is currently developing improved grass and forage legume germplasm for livestock, conservation, bioenergy, and bioproduct systems as well as grazing-based livestock systems that reduce risk and increase profitability. In addition, ARS is developing whole system management strategies to reduce production costs and risks. The 2012 Budget proposal includes increases that total \$8.5 million to help adapt American agriculture to a changing global climate, and for the development of production systems to support sustainable agriculture.

Livestock Production.—ARS' livestock production program is directed toward: (1) safeguarding and utilizing animal genetic resources, associated genetic and genomic databases, and bioinformatic tools; (2) developing a basic understanding of the physiology of livestock and poultry; and (3) developing information, tools, and technologies that can be used to improve animal production systems. The research is heavily focused on the development and application of genomics technologies to increase the efficiency and product quality of beef, dairy, swine, poultry, aquaculture, and sheep systems. Current areas of emphasis include increasing efficiency of nutrient utilization, increasing animal well-being and reducing stress in production systems, increasing reproductive rates and breeding animal longevity, developing and evaluating non-traditional production systems (e.g., organic, natural), and evaluating and conserving animal genetic resources. The 2012 Budget includes proposed increases that total \$4.5 million for improvements to production to optimize genetic potential to protect the environment, including enhancements to animal and microbial collections.

Crop Production.—ARS' crop production program focuses on developing and improving ways to reduce crop losses while protecting and ensuring a safe and affordable food supply. The research program concentrates on effective production strategies that are environmentally friendly, safe to consumers, and compatible with sustainable and profitable crop production systems. Research activities are directed at safeguarding and utilizing plant genetic resources and their associated genetic, genomic, and bioinformatic databases that facilitate selection of varieties and/or germplasm with significantly improved traits. Current research activities attempt to minimize the impacts of crop pests while maintaining healthy crops and safe commodities that can be sold in markets throughout the world. ARS is conducting research to discover and exploit naturally occurring and engineered genetic mechanisms for plant pest control, develop agronomic germplasm with durable defensive traits, and transfer genetic resources for commercial use. ARS provides taxonomic information on invasive species that strengthens prevention techniques, aids in detection/identification of invasive pests, and increases control through management tactics that restore habitats and biological diversity. The 2012 Budget proposal includes increases that total \$7.8 million to improve crop breeding, and to enhance the capacity to conserve a broad diversity of plant germplasm system resources through research on plant and microbial collections.

Livestock Protection.—ARS animal health program is directed at protecting and ensuring the safety of the Nation's agriculture and food supply through improved disease detection, prevention, control, and treatment. Basic and applied research approaches are used to solve animal health problems of high national priority. Emphasis is given to methods and procedures to control animal

diseases. The research program has ten strategic objectives: (1) establish ARS laboratories into a fluid, highly effective research network to maximize use of core competencies and resources; (2) access specialized high containment facilities to study zoonotic and emerging diseases; (3) develop an integrated animal and microbial genomics research program; (4) establish centers of excellence in animal immunology; (5) launch a biotherapeutic discovery program providing alternatives to animal drugs; (6) build a technology driven vaccine and diagnostic discovery research program; (7) develop core competencies in field epidemiology and predictive biology; (8) develop internationally recognized expert collaborative research laboratories; (9) establish a best-in-class training center for our Nation's veterinarians and scientists; and (10) develop a model technology transfer program to achieve the full impact of ARS research discoveries. ARS current animal research program includes eight core components: (1) biodefense research, (2) animal genomics and immunology, (3) zoonotic diseases, (4) respiratory disease, (5) reproductive and neonatal diseases, (6) enteric diseases, (7) parasitic diseases, and (8) transmissible spongiform encephalopathies. The 2012 Budget includes proposed increases that total \$4.1 million for research on host/pathogen interactions, on countering biological threats and living animal and microbial germplasm collections.

Crop Protection.—ARS research on crop protection is directed toward epidemiological investigations to understand pest and disease transmission mechanisms, and to identify and apply new technologies that increase understanding of virulence factors and host defense mechanisms. Currently, ARS research priorities include: (1) identification of genes that convey virulence traits in pathogens and pests; (2) factors that modulate infectivity, gene functions, and mechanisms; (3) genetic profiles that provide specified levels of disease and insect resistance under field conditions; and (4) mechanisms that facilitate the spread of pests and infectious diseases. ARS is developing new knowledge and integrated pest management approaches to control pest and disease outbreaks as they occur. Its research will improve the knowledge and understanding of the ecology, physiology, epidemiology, and molecular biology of emerging diseases and pests. This knowledge will be incorporated into pest risk assessments and management strategies to minimize chemical inputs and increase production. Strategies and approaches will be available to producers to control emerging crop diseases and pest outbreaks. The 2012 Budget proposal includes increases that total \$5.2 million to discover and deploy new resistant genes to pests and pathogens, strengthen grain research to protect the world grain supply, and enhance existing plant and microbial collections including insect germplasm and insect systematics capacity.

Food Safety.—Assuring that the United States has the highest levels of affordable, safe food requires that the food system be protected at each stage from production through processing and consumption from pathogens, toxins, and chemical contaminants that cause diseases in humans. The U.S. food supply is very diverse, extensive, easily accessible, and thus vulnerable to the introduction of biological and chemical contaminants through natural processes, intentional means, or by global commerce. ARS' current food safety research is designed to yield science-based knowledge on the safe production, storage, processing, and handling of plant and animal products, and on the detection and control of toxin producing and/or pathogenic bacteria and fungi, parasites, chemical contaminants, and plant toxins. All of ARS' research activities involve a high degree of cooperation and collaboration with USDA's Research, Education, and Economics agencies, as well as with FSIS, APHIS, FDA, CDC, DHS, and the EPA. ARS also collaborates in international research pro-

grams to address and resolve global food safety issues. Specific research efforts are directed toward developing new technologies that assist ARS stakeholders and customers, that is, regulatory agencies, industry, and commodity and consumer organizations, in detecting, identifying, and controlling foodborne diseases that affect human health. The 2012 Budget proposal includes increases of \$10.7 million for research on emerging chemical threat agents, improvements to the detection of pathogens, toxins and chemical contaminants, alternatives to antibiotics in food animals, and the evaluation of current policies for antibiotic use, and the pathogenesis, risk factors and interventions in produce.

Human Nutrition.—Maintenance of health throughout the lifespan along with prevention of obesity and chronic diseases via food-based recommendations are the major emphases of ARS human nutrition research program. These health-related goals are based on the knowledge that deficiency diseases are no longer important public health concerns. Excessive consumption has become the primary nutrition problem in the American population. This is reflected by increased emphasis on prevention of obesity from basic science through intervention studies to assessments of large populations. ARS' research program also actively studies bioactive components of foods that have no known requirement but have health promoting activities. Four specific areas of research are currently emphasized: (1) nutrition monitoring and the food supply, e.g., a national diet survey and the food composition databank; (2) dietary guidance for health promotion and disease prevention, i.e., specific foods, nutrients, and dietary patterns that maintain health and prevent disease; (3) prevention of obesity and related diseases, including research as to why so few of the population follow the Dietary Guidelines for Americans; and (4) life stage nutrition and metabolism, in order to better define the role of nutrition in pregnancy and growth of children, and for healthier aging. The 2012 Budget proposes increases of \$7.5 million to evaluate factors affecting adherence to the "Dietary Guidelines for Americans," determine the nutrient requirements for children, personalize prevention through diet, behavior and genomics, establish health promoting properties of specialty crops and whole grains, and strengthen the nutrition.gov web site.

Library and Information Services (NAL).—The National Agricultural Library (NAL) is the largest and most accessible agricultural research library in the world. It provides services directly to the staff of USDA and to the public, primarily via the NAL web site, <http://www.nal.usda.gov>. NAL was created with the USDA in 1862 and was named in 1962 a national library by Congress, as the primary agricultural information resource of the United States. NAL is the premier library for collecting, managing, and disseminating agricultural knowledge. The Library is the repository of our Nation's agricultural heritage, the provider of world class information, and the wellspring for generating new fundamental knowledge and advancing scientific discovery. It is a priceless national resource that, through its services, programs, information products, and web-based tools and technologies, serves anyone who needs agricultural information. The Library's vision is "advancing access to global information for agriculture." The 2012 Budget includes a proposed increase of \$1.5 million to provide access to sustainability and environmental data sets for the scientific community.

Repair and Maintenance of Facilities.—Funds are used to restore, upgrade, and maintain ARS' facilities to meet Occupational Safety and Health Administration and EPA requirements, provide suitable workspace for in-house research programs, and to retrofit existing structures for better energy utilization. The 2012 Budget proposal includes an additional \$3 million to address and reduce the backlog of needed facilities' repair and maintenance.

Collaborative Research Program.—Funds from the Department of State enable USDA/ARS to support collaborative research projects with scientists from the former Soviet Union and South/Southeast Asia. Through scientific cooperation in agricultural research, the USDA/ARS program supports the State Department's nonproliferation mission while advancing agricultural science by establishing new expertise in these regions, enhancing the effectiveness and productivity of ARS research programs, and helping improve the economy of these regions through advances in agricultural technology.

Reimbursements.—ARS performs research activities and services for other USDA, Federal, and non-Federal agencies. These activities and services are paid for on a reimbursable basis.

Object Classification (in millions of dollars)

Identification code 12-1400-0-1-352	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	506	506	496
11.3 Other than full-time permanent	11	11	11
11.5 Other personnel compensation	46	46	45
11.9 Total personnel compensation	563	563	552
12.1 Civilian personnel benefits	170	170	166
21.0 Travel and transportation of persons	18	19	18
22.0 Transportation of things	1	1	1
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	48	49	46
24.0 Printing and reproduction	2	2	1
25.1 Advisory and assistance services	1	1	1
25.2 Other services from non-federal sources	17	17	16
25.4 Operation and maintenance of facilities	36	36	34
25.5 Research and development contracts	165	167	155
25.6 Medical care	1	1	1
25.7 Operation and maintenance of equipment	8	8	7
26.0 Supplies and materials	86	88	81
31.0 Equipment	40	41	37
32.0 Land and structures	5	5	5
41.0 Grants, subsidies, and contributions	16	16	16
99.0 Direct obligations	1,178	1,185	1,138
99.0 Reimbursable obligations	118	118	118
99.9 Total new obligations	1,296	1,303	1,256

Employment Summary

Identification code 12-1400-0-1-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	7,770	7,995	7,813
2001 Reimbursable civilian full-time equivalent employment	475	250	250

BUILDINGS AND FACILITIES

Program and Financing (in millions of dollars)

Identification code 12-1401-0-1-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Building and facilities projects	181	30	4
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	372	258	299
1021 Recoveries of prior year unpaid obligations	1		
1050 Unobligated balance (total)	373	258	299
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	71	71	
1131 Unobligated balance of appropriations permanently reduced			-224
1160 Appropriation, discretionary (total)	71	71	-224
1930 Total budgetary resources available	444	329	75
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-5		

BUILDINGS AND FACILITIES—Continued
Program and Financing—Continued

Identification code 12-1401-0-1-352	2010 actual	CR	2012 est.
1941 Unexpired unobligated balance, end of year	258	299	71
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	38	162	99
3030 Obligations incurred, unexpired accounts	181	30	4
3031 Obligations incurred, expired accounts		5	
3040 Outlays (gross)	-56	-98	-81
3080 Recoveries of prior year unpaid obligations, unexpired	-1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	162	99	22
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	71	71	-224
Outlays, gross:			
4010 Outlays from new discretionary authority			-34
4011 Outlays from discretionary balances	56	98	115
4020 Outlays, gross (total)	56	98	81
4180 Budget authority, net (total)	71	71	-224
4190 Outlays, net (total)	56	98	81

Under its Buildings and Facilities account, ARS funds the acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by ARS. No new funding is requested in 2012. In addition, the budget proposes to cancel \$223.7 million in balances from projects that were not requested in prior budget requests, including projects that have only been partially-funded, and projects that have leftover funding after completion.

Object Classification (in millions of dollars)

Identification code 12-1401-0-1-352	2010 actual	CR	2012 est.
Direct obligations:			
25.2 Other services from non-federal sources	30	30	4
25.4 Operation and maintenance of facilities	147		
31.0 Equipment	1		
32.0 Land and structures	3		
99.9 Total new obligations	181	30	4

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-8214-0-7-352	2010 actual	CR	2012 est.
0100 Balance, start of year			
Receipts:			
0220 Deposits of Miscellaneous Contributed Funds, Science and Education Administration	14	18	18
0299 Total receipts and collections	14	18	18
0400 Total: Balances and collections	14	18	18
Appropriations:			
0500 Miscellaneous Contributed Funds	-14	-18	-18
0599 Total appropriations	-14	-18	-18
0799 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-8214-0-7-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Miscellaneous contributed funds	18	18	18

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	21	17	17
Budget authority:			
Appropriations, mandatory:			
1202 Appropriation (trust fund)	14	18	18
1930 Total budgetary resources available	35	35	35
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	17	17	17

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	4	3	1
3030 Obligations incurred, unexpired accounts	18	18	18
3040 Outlays (gross)	-19	-20	-18
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	3	1	1

Budget authority and outlays, net:

Mandatory:			
4090 Budget authority, gross	14	18	18
Outlays, gross:			
4100 Outlays from new mandatory authority		13	13
4101 Outlays from mandatory balances	19	7	5
4110 Outlays, gross (total)	19	20	18
4180 Budget authority, net (total)	14	18	18
4190 Outlays, net (total)	19	20	18

Miscellaneous contributed funds received from States, local organizations, individuals, and others are available for work under cooperative agreements on research activities.

Object Classification (in millions of dollars)

Identification code 12-8214-0-7-352	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	2	2	2
11.3 Other than full-time permanent	1	1	1
11.9 Total personnel compensation	3	3	3
12.1 Civilian personnel benefits	1	1	1
21.0 Travel and transportation of persons		1	1
25.2 Other services from non-federal sources	12	11	11
25.5 Research and development contracts	1	1	1
26.0 Supplies and materials	1	1	1
99.9 Total new obligations	18	18	18

Employment Summary

Identification code 12-8214-0-7-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	37	37	37

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

Federal Funds

INTEGRATED ACTIVITIES

For the integrated research, education, and extension grants programs, including necessary administrative expenses, \$29,874,000, as follows: for a competitive organic transition program authorized under section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7626), \$5,000,000; for a competitive international science and education grants program authorized under section 1459A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3292b), \$3,000,000, to remain available until expended; for grants programs authorized under section 2(c)(1)(B) of Public Law 89-106, as amended, for the rapid response to pests and pathogens program, \$732,000, to remain available until September 30, 2013, and for the regional rural development centers program, \$1,312,000; for grants authorized under section 1624 (7 U.S.C. 5813), \$10,000,000; and for the Food and Agriculture Defense Initiative authorized under section 1484

of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, \$9,830,000, to remain available until September 30, 2013.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12–1502–0–1–352	2010 actual	CR	2012 est.
Obligations by program activity:			
0010 Organic research and extension init.	20	20	20
0020 Water quality	13	13	
0030 Food safety	15	15	
0040 Regional pest management centers	4	4	
0050 Crops at risk from food quality protection act implementation	1	1	
0060 Food quality protection act risk mitigation program	4	4	
0070 Methyl bromide transition program	3	3	
0071 Homeland Security	10	10	10
0072 Sustainable Agriculture Federal-State Matching Grant Program			10
0085 Specialty Crop Research Initiative	50	50	50
0086 International science and education grants	3	3	3
0087 Regional Rural development centers	1	1	1
0088 Organic transition	5	5	5
0089 Critical issues - plant and animal diseases		2	1
0900 Total new obligations	129	131	100
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	1	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	60	60	30
Appropriations, mandatory:			
1221 Appropriations transferred from other accounts	70	70	70
1900 Budget authority (total)	130	130	100
1930 Total budgetary resources available	131	131	100
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-1		
1941 Unexpired unobligated balance, end of year	1		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	225	274	282
3030 Obligations incurred, unexpired accounts	129	131	100
3031 Obligations incurred, expired accounts	43		
3040 Outlays (gross)	-78	-123	-152
3081 Recoveries of prior year unpaid obligations, expired	-45		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	274	282	230
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	60	60	30
Outlays, gross:			
4010 Outlays from new discretionary authority	4	8	6
4011 Outlays from discretionary balances	67	47	62
4020 Outlays, gross (total)	71	55	68
Mandatory:			
4090 Budget authority, gross	70	70	70
Outlays, gross:			
4100 Outlays from new mandatory authority	3	4	4
4101 Outlays from mandatory balances	4	64	80
4110 Outlays, gross (total)	7	68	84
4180 Budget authority, net (total)	130	130	100
4190 Outlays, net (total)	78	123	152

Under the Integrated Activities account, research, education and/or extension grants are awarded for competitive and non-competitive programs.

Organic Transition Program.—This program supports the development and implementation of biologically based pest management practices that mitigate the ecological, agronomic, and economic risks associated with the transition from conventional to organic agricultural production systems.

International Science and Education grants program.—This program focuses on incorporating substantive international

activities into programs related to food systems, agriculture and natural resources at U.S. land-grant colleges and universities.

Rapid Response to Pests and Pathogens.—Funds are proposed to develop early intervention strategies to prevent, manage or eradicate new and emerging diseases, both plant and animal, which would prevent loss of revenue to growers or producers.

Regional rural development centers.—Funding supports activities that pursue a holistic development strategy that tailors programming to meet regional and local needs and addresses areas of opportunity arising from a consumer-driven agricultural economy.

Sustainable Agriculture Federal-State Matching Grant Program.—This competitive program will assist in the creation or enhancement of State sustainable agriculture research, extension, and education programs. The matching requirement will leverage State and/or private money, and build the long-term capacity to guide the evolution of American agriculture to a more highly productive, sustainable system. Funding will support activities that integrate sustainable agriculture in all State research, extension, and education projects; support new research at sustainable agriculture centers at the nation's land grant and other colleges and universities; build stronger Statewide farmer-to-farmer networks and outreach and technical assistance strategies; and incorporate sustainable agriculture studies and curriculum in undergraduate and graduate degree programs.

Food and agriculture defense initiative (homeland security).—The program provides support to an unified network of public agricultural institutions to identify and respond to high risk biological pathogens in the food and agricultural system. In particular, funding will maintain and enhance risk management tools for Asian soybean rust and other pathogens of legumes. Additional funding for these laboratories is included in the Animal and Plant Health Inspection Service.

Organic Agriculture Research and Extension Initiative.—This mandatory program, authorized by section 7206 of the Food, Conservation, and Energy Act of 2008 (FCEA), 2008 Farm Bill, supports research and extension programs that enhance the ability of producers and processors who have already adopted organic standards to grow and market high quality organic agricultural products.

Specialty Crop Research Initiative.—This mandatory program, authorized by section 7311 of the FCEA, 2008 Farm Bill, provides funding to solve critical industry issues through research and extension activities that focus on research in plant breeding, genetics, and genomics to improve crop characteristics; efforts to identify and address threats from pests and diseases, including threats to specialty crop pollinators; efforts to improve production efficiency, productivity, and profitability over the long term; new innovations and technology, including improved mechanization and technologies that delay or inhibit ripening; and methods to prevent, detect, monitor, control, and respond to potential food safety hazards in the production and processing of specialty crops.

Object Classification (in millions of dollars)

Identification code 12–1502–0–1–352	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	1	1	1
12.1 Civilian personnel benefits	1	1	1
25.2 Other services from non-federal sources	1	1	1
25.5 Research and development contracts	1	1	1
41.0 Grants, subsidies, and contributions	125	127	96
99.9 Total new obligations	129	131	100

INTEGRATED ACTIVITIES—Continued
Employment Summary

Identification code 12–1502–0–1–352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	10	10	10

INITIATIVE FOR FUTURE AGRICULTURE AND FOOD SYSTEMS

1998 Research Act.— Adequate funding for similar research is proposed through other USDA research programs.

BIOMASS RESEARCH AND DEVELOPMENT
Program and Financing (in millions of dollars)

Identification code 12–1003–0–1–271	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Biomass research and development	28	30	40
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	3	3	3
Budget authority:			
Appropriations, mandatory:			
1221 Appropriations transferred from other accounts	28	30	40
1930 Total budgetary resources available	31	33	43
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	3	3	3
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	38	53	64
3030 Obligations incurred, unexpired accounts	28	30	40
3040 Outlays (gross)	–13	–19	–34
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	53	64	70
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	28	30	40
Outlays, gross:			
4100 Outlays from new mandatory authority	9	2	2
4101 Outlays from mandatory balances	4	17	32
4110 Outlays, gross (total)	13	19	34
4180 Budget authority, net (total)	28	30	40
4190 Outlays, net (total)	13	19	34

Biomass Research and Development is authorized by the Biomass Research and Development Act of 2000. The program provides competitive grants for research, development, and demonstration to encourage innovation and development related to biomass, and improved commercialization of biobased products and energy. USDA and the Department of Energy jointly administer the program.

Current priorities focus on the following: feedstock development and production; biobased products emphasizing environmental and economic performance and gasification of animal manure; integrated resource management and biomass use; demonstration projects that use biodiesel for all operations in the supply chain to produce corn grain ethanol; and effective and targeted incentive systems for biomass commercialization and adoption. The 2012 Budget funds the program at the authorized level of \$40 million, an increase of \$10 million from the \$30 million that was authorized and funded in 2011. In 2012, the program will continue to focus on feedstocks development; biofuels and biobased products development with attention to biobased products and gasification of animal manure; and biofuels development analysis with an expanded emphasis to require applicants to collect specific data that measures sustainability of the technology being proposed.

Object Classification (in millions of dollars)

Identification code 12–1003–0–1–271	2010 actual	CR	2012 est.
Direct obligations:			
25.2 Other services from non-federal sources	1	1	1
41.0 Grants, subsidies, and contributions	27	29	39
99.9 Total new obligations	28	30	40

RESEARCH AND EDUCATION ACTIVITIES

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, \$708,107,000, as follows: to carry out the provisions of the Hatch Act of 1887 (7 U.S.C. 361a-i), \$204,250,000; for grants for cooperative forestry research (16 U.S.C. 582a through a-7), 27,550,000; for payments to eligible institutions (7 U.S.C. 3222), \$48,500,000, provided that each institution receives no less than \$1,000,000; for special grants (7 U.S.C. 450i(c)), \$1,837,000; for competitive grants on improved pest control (7 U.S.C. 450i(c)), \$16,185,000; for competitive grants (7 U.S.C. 450i(b)), \$324,655,000, to remain available until expended; for the 1994 research grants program for 1994 institutions pursuant to section 536 of Public Law 103–382 (7 U.S.C. 301 note), \$1,805,000, to remain available until expended; for rangeland research grants (7 U.S.C. 3333), \$983,000; for a program pursuant to section 1415A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3151a), \$4,800,000, to remain available until expended; for a higher education multicultural scholars program (7 U.S.C. 3152(b)(5)), \$1,241,000, to remain available until expended (7 U.S.C. 2209b); for an education grants program for Hispanic-serving Institutions (7 U.S.C. 3241), \$10,161,000; for competitive grants for the purpose of carrying out all provisions of 7 U.S.C. 3156 to individual eligible institutions or consortia of eligible institutions in Alaska and in Hawaii, with funds awarded equally to each of the States of Alaska and Hawaii, \$3,200,000; for secondary education, 2-year post-secondary education, and agriculture in the K-12 classroom (7 U.S.C. 3152(j)), \$3,483,000; for aquaculture grants (7 U.S.C. 3322), \$3,928,000; for sustainable agriculture research and education (7 U.S.C. 5811), \$15,000,000; for a program of capacity building grants (7 U.S.C. 3152(b)(4)) to institutions eligible to receive funds under 7 U.S.C. 3221 and 3222, \$20,075,000, to remain available until expended (7 U.S.C. 2209b); for payments to the 1994 Institutions pursuant to section 534(a)(1) of Public Law 103–382, \$3,676,000; for resident instruction grants for insular areas under section 1491 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3363), \$900,000; for distance education grants for insular areas under section 1490 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3362), \$750,000; for a new era rural technology program pursuant to section 1473E of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319e), \$875,000; and for necessary expenses of Research and Education Activities, \$14,253,000, of which \$2,704,000 for the Research, Education, and Economics Information System and \$5,136,000 for the Electronic Grants Information System, are to remain available until expended.

HISPANIC-SERVING AGRICULTURAL COLLEGES AND UNIVERSITIES ENDOWMENT FUND

For the Hispanic-Serving Agricultural Colleges and Universities Endowment Fund under section 1456 (7 U.S.C. 3243) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, \$10,000,000, to remain available until expended.

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

For the Native American Institutions Endowment Fund authorized by Public Law 103–382 (7 U.S.C. 301 note), \$11,880,000, to remain available until expended.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-1500-0-1-352	2010 actual	CR	2012 est.
0100 Balance, start of year	12	24	36
Receipts:			
0240 Earnings on Investments, Native American Institutions Endowment Fund	4	4	5
0400 Total: Balances and collections	16	28	41
Appropriations:			
0500 Research and Education Activities	-4	-4	-5
0501 Research and Education Activities	12	12	12
0502 Research and Education Activities			10
0599 Total appropriations	8	8	17
0799 Balance, end of year	24	36	58

Program and Financing (in millions of dollars)

Identification code 12-1500-0-1-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Payments under the Hatch Act	215	215	204
0002 Cooperative forestry research	29	29	28
0003 Payments to 1890 colleges and Tuskegee Univ. and West Virginia State University	49	49	49
0004 Special research grants	129	129	39
0005 Agriculture Food and Research Initiative	211	477	325
0006 Animal health and disease research	3	3	
0007 Federal Administration	45	45	14
0008 Higher education	60	55	43
0009 Native American Institutions Endowment Fund	4	4	5
0012 Veterinary Medical Services Act	5	9	5
0014 New Era Rural Technology	1	1	1
0015 Sun Grant Program	2	2	
0016 Farm Business Management and Benchmarking	2	2	
0017 Food Products to Improve Nutritional Delivery of Food Aid	4	4	
0091 Direct program activities, subtotal	759	1,024	713
0801 Reimbursable program activity	1	12	12
0900 Total new obligations	760	1,036	725
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	192	228	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	804	804	730
1101 Appropriation (Native American Endowment Interest)	4	4	5
1134 Portion precluded from obligation (-) (N.A. Endowment Fund)	-12	-12	-12
1134 Portion precluded from obligation (-) Hispanic-Serving Agricultural Colleges and Universities Endowment Fund			-10
1160 Appropriation, discretionary (total)	796	796	713
Spending authority from offsetting collections, discretionary: Collected		12	12
1900 Budget authority (total)	796	808	725
1930 Total budgetary resources available	988	1,036	725
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	228		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	884	1,016	1,161
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-23	-17	-17
3020 Obligated balance, start of year (net)	861	999	1,144
3030 Obligations incurred, unexpired accounts	760	1,036	725
3031 Obligations incurred, expired accounts	149		
3040 Outlays (gross)	-617	-891	-922
3051 Change in uncollected pymts, Fed sources, expired	6		
3081 Recoveries of prior year unpaid obligations, expired	-160		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1,016	1,161	964
3091 Uncollected pymts, Fed sources, end of year	-17	-17	-17
3100 Obligated balance, end of year (net)	999	1,144	947
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	796	808	725
Outlays, gross:			
4010 Outlays from new discretionary authority	282	420	378

4011 Outlays from discretionary balances	335	471	544
4020 Outlays, gross (total)	617	891	922
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-6	-12	-12
Additional offsets against gross budget authority only:			
4052 Offsetting collections credited to expired accounts	6		
4070 Budget authority, net (discretionary)	796	796	713
4080 Outlays, net (discretionary)	611	879	910
4180 Budget authority, net (total)	796	796	713
4190 Outlays, net (total)	611	879	910

Memorandum (non-add) entries:

5000 Total investments, SOY: Federal securities: Par value	104	122	134
5001 Total investments, EOY: Federal securities: Par value	122	134	156

The National Institute of Food and Agriculture (NIFA) participates in a nationwide system of agricultural research and education program planning and coordination between State institutions and the U.S. Department of Agriculture. It assists in maintaining cooperation among the State institutions, and between the State institutions and their Federal research partners. The agency administers grants and payments to State institutions to supplement State and local funding for agricultural research and higher education.

Agriculture and Food Research Initiative competitive grants.—Section 7406 of FCEA establishes the Agriculture and Food Research Initiative (AFRI). AFRI is a competitive grant program to provide funding for fundamental and applied research, extension, and education to address food and agricultural sciences. AFRI projects will address critical issues in U.S. agriculture in the areas of global food security and hunger; climate change; sustainable bioenergy; childhood obesity; and food safety. Addressing these critical issues will engage scientists and educators with expertise in plant health and production and plant products; animal health and production and animal products; food safety, nutrition, and health; renewable energy, natural resources, and environment; agricultural systems and technology; and agriculture economics and rural communities. AFRI allows greater flexibility in the types of projects funded to include: single function projects in research, education, and extension, and integrated research, education and/or extension awards. AFRI is the core competitive grant program for research, education, and extension. The 2012 Budget proposes to increase funding for AFRI from \$262 million to \$325 million, a 61 percent increase in this program from 2009, and includes within the total a redirection of \$12 million from the Graduate Fellowships Program and the Institution Challenge Grants Program into the AFRI program to support activities similar to those previously funded through those two programs to train the next generation of agriculture scientists. This redirection will allow efficiency in management and alignment of medium to long-term research goal with scientific training opportunities and directions.

Payments under the Hatch Act.—Funds under the Hatch Act are allocated on a formula basis to agricultural experiment stations of the land-grant colleges in the 50 States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, Micronesia, and Northern Mariana Islands. In light of constrained budget levels, funding for the Hatch Act is requested at five percent below 2011.

Cooperative forestry research.—These funds are allocated by formula to land-grant colleges or agricultural experiment stations in the 50 States, Puerto Rico, Guam, the Virgin Islands, and other State-supported colleges and universities having a forestry school and offering graduate training in forestry sci-

RESEARCH AND EDUCATION ACTIVITIES—Continued

ences. In light of constrained budget levels, funding is requested at five percent below 2011.

Animal health and disease research.—Funds, distributed by formula, support livestock and poultry disease research in approximately sixty-seven colleges of veterinary medicine and in eligible agricultural experiment stations.

Payments to 1890 colleges and Tuskegee University and West Virginia State University.—Funds allocated on a formula basis support agricultural research and broaden the curricula at the eighteen 1890 land-grant colleges, including Tuskegee University and West Virginia State University.

Special research grants.—This program addresses research areas of national interest. Funding is proposed for grant programs in IR-4 minor crop pest management, and sustainable agriculture. The 2012 Budget proposes to consolidate funding for the Expert Integrated Pest Management Decision Support System, Pest Management Alternatives, and Integrated Pest Management and Biological Control into a single program. This consolidation will improve the efficiency of program implementation and will result in research investments with greater focus, more appropriate scale and enhanced impact. Funding for integrated pest management will provide producers with safe, alternative pest control methods resulting in more farmers increasing the number of acres on which Integrated Pest Management (IPM) methods are used. Funding proposed for IR-4 minor crop pest management and minor use animal drugs will address the growing need for registration of safe pesticides and drugs for minor crops and animals and lead to a reduction by half in the levels of chemical and drug residues in food products. These pest management programs will be coordinated to address Food Quality and Protection Act issues. The IR-4 and IPM programs are contained under improved pest control funding. A grant program for global change is proposed for research at universities as part of a coordinated Federal initiative. Funding is also proposed for aquaculture centers, Joe Skeen Institute for rangeland restoration, and New Era Rural Technology Program. The 2012 Budget does not contain funding for earmarks.

1994 Institutions Research.—Funding is proposed to continue the competitive research grants program to build the research capacity at the thirty-four 1994 institutions by supporting agricultural research activities that address tribal, national and multistate priorities.

Federal administration.—A coordinating and review staff assists in maintaining cooperation within and among the States, and between the States and their Federal research partners. This staff also administers research and education grants and payments to States. Federal administration is funded from a combination of program set-asides from formula and grant programs and from direct appropriation for administration.

Higher education.—Funding is proposed for Hispanic-serving institutions education grants program, and a multicultural scholars program. Funding is also proposed for Native American institutions, Alaska Native-serving and Native Hawaiian-serving Institutions, Secondary Education, Two-Year Postsecondary Education, Agriculture in the K-12 Classroom, Distance Education Grants for Insular Areas and Resident Instruction Grants for Insular Areas programs. These programs enable universities to broaden their curricula; increase faculty development; student research projects; and the number of new scholars recruited in the food and agricultural sciences. In addition, an increased number of graduate students, including minority graduate students, will be enrolled in the agricultural sciences. Funding is also proposed for a capacity building pro-

gram at the 1890 institutions as part of the USDA initiative to strengthen these institutions through a broadening of curricula, increased faculty development and student research projects. Funding is proposed in the 2012 Budget for the Veterinary Medical Services Act to provide incentives to hire Federal veterinarians to work in shortage areas. In 2012, the Budget proposes that activities formerly supported under the Graduate Fellowships Program and the Institution Challenge Grants Program be supported under the AFRI program. This will allow efficiency in management and alignment of medium to long-term research goal with scientific training opportunities and directions.

Reimbursable program.—Funds support basic and applied agriculture research and activities performed for other USDA, Federal, and non-Federal agencies.

Native American Institutions Endowment Fund.—This program provides for an endowment for the 1994 land-grant institutions (34 Tribally controlled colleges) to strengthen the infrastructure of these institutions and develop Indian expertise for the food and agricultural sciences and businesses and their own communities. At the termination of each fiscal year, the Secretary withdraws the income from the endowment fund for the fiscal year, and after making adjustments for the cost of administering the fund, distributes the adjusted income on a formula basis to the 1994 land-grant institutions.

Hispanic-Serving Agricultural Colleges and Universities Endowment Fund.—This endowment fund for Hispanic-Serving Agricultural Colleges and Universities will launch the production of skilled and marketable Hispanic student population for employment in the food and agriculture sector. Over the next ten years, the Endowment will lead to significant and measurable enhanced competence and marketability of Hispanic students in the food and agricultural sciences.

Object Classification (in millions of dollars)

Identification code 12-1500-0-1-352	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	17	17	17
12.1 Civilian personnel benefits	5	5	5
21.0 Travel and transportation of persons	1	1	1
25.2 Other services from non-federal sources	3	3	3
25.5 Research and development contracts	3	3	3
41.0 Grants, subsidies, and contributions	730	995	684
99.0 Direct obligations	759	1,024	713
99.0 Reimbursable obligations	1	12	12
99.9 Total new obligations	760	1,036	725

Employment Summary

Identification code 12-1500-0-1-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	220	241	233

BUILDINGS AND FACILITIES

Program and Financing (in millions of dollars)

Identification code 12-1501-0-1-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Direct program activity	3	.....	.....
0900 Total new obligations (object class 41.0)	3	.....	.....
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	1	1

1021	Recoveries of prior year unpaid obligations	3		
1050	Unobligated balance (total)	4	1	1
	Budget authority:			
	Appropriations, discretionary:			
1131	Unobligated balance of appropriations permanently reduced			-1
1930	Total budgetary resources available	4	1	
	Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year	1	1	
Change in obligated balance:				
	Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)	4	4	4
3030	Obligations incurred, unexpired accounts	3		
3080	Recoveries of prior year unpaid obligations, unexpired	-3		
	Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)	4	4	4
Budget authority and outlays, net:				
	Discretionary:			
4000	Budget authority, gross			-1
4180	Budget authority, net (total)			-1
4190	Outlays, net (total)			

Funds provide grants to States and other eligible recipients for the acquisition of land, construction, repair, improvement, extension, alteration and purchase of fixed equipment or facilities to carry out agricultural research, extension, and teaching programs. No funding has been appropriated to this account since 1997. The 2012 Budget proposes to rescind unobligated balances remaining that are no longer needed.

EXTENSION ACTIVITIES

For payments to States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, Micronesia, the Northern Marianas, and American Samoa, \$466,788,000, as follows: payments for cooperative extension work under the Smith-Lever Act, to be distributed under sections 3(b) and 3(c) of said Act, and under section 208(c) of Public Law 93-471, for retirement and employees' compensation costs for extension agents, \$282,625,000; payments for extension work at the 1994 Institutions under the Smith-Lever Act (7 U.S.C. 343(b)(3)), \$5,321,000; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, \$68,070,000; payments for the pest management program under section 3(d) of the Act, \$9,938,000; payments for New Technologies for Ag Extension under section 3(d) of the Act, \$1,750,000; payments to upgrade research, extension, and teaching facilities at institutions eligible to receive funds under 7 U.S.C. 3221 and 3222, \$19,770,000, to remain available until expended; payments for youth-at-risk programs under section 3(d) of the Smith-Lever Act, \$8,412,000; for youth farm safety education and certification extension grants, to be awarded competitively under section 3(d) of the Act, \$486,000; payments for carrying out the provisions of the Renewable Resources Extension Act of 1978 (16 U.S.C. 1671 et seq.), \$4,068,000; payments for the federally-recognized Tribes Extension Program under section 3(d) of the Smith-Lever Act, \$8,000,000; payments for sustainable agriculture programs under section 3(d) of the Act, \$4,968,000; payments for rural health and safety education as authorized by section 502(i) of Public Law 92-419 (7 U.S.C. 2662(i)), \$1,738,000; payments for cooperative extension work by eligible institutions (7 U.S.C. 3221), \$42,677,000, provided that each institution receives no less than \$1,000,000; payments to carry out section 1672(e)(49) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925), as amended, \$400,000; and for necessary expenses of Extension Activities, \$8,565,000.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-0502-0-1-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Smith-Lever Act, 3(b) and 3(c)	298	298	283
0002 Youth at risk	8	8	8

0004	Expanded food and nutrition education program (EFNEP)	68	68	68
0005	Pest management	10	10	10
0006	Farm Safety	5	5	
0009	Federally Recognized Tribes Extension Program	3	3	8
0013	Payments to 1890 colleges and Tuskegee Univ. and West Virginia State University	43	43	43
0015	Renewable resources extension act	4	4	4
0016	Federal administration	20	20	9
0019	1890 facilities (section 1447)	19	20	20
0021	Sustainable agriculture	5	5	5
0022	1994 institutions activities	4	4	5
0024	Rural health and safety education	2	2	2
0025	Grants to youth serving organizations	2	2	
0026	Risk management education	10	5	5
0027	New technologies for ag. extension	2	2	2
0028	Healthy Urban Enterprise Development	1	1	
0029	Beginning Farmers and Ranchers Development Program	19	19	19
0030	Food Animal Residue Avoidance Database	1	1	
0091	Direct program activities, subtotal	524	520	491
0801	Reimbursable program activity	4	56	56
0900	Total new obligations	528	576	547

Budgetary Resources:

Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	5	1	1
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	495	495	467
Appropriations, mandatory:				
1200	Appropriation	1	1	
1221	Appropriations transferred from other accounts	24	24	24
1260	Appropriations, mandatory (total)	25	25	24
Spending authority from offsetting collections, discretionary:				
1700	Collected	28	56	56
1701	Change in uncollected payments, Federal sources	-24		
1750	Spending auth from offsetting collections, disc (total)	4	56	56
1900	Budget authority (total)	524	576	547
1930	Total budgetary resources available	529	577	548
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	1	1	1

Change in obligated balance:

Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	514	568	453
3010	Uncollected pymts, Fed sources, brought forward, Oct 1	-64	-46	-46
3020	Obligated balance, start of year (net)	450	522	407
3030	Obligations incurred, unexpired accounts	528	576	547
3031	Obligations incurred, expired accounts	56		
3040	Outlays (gross)	-467	-691	-685
3050	Change in uncollected pymts, Fed sources, unexpired	24		
3051	Change in uncollected pymts, Fed sources, expired	-6		
3081	Recoveries of prior year unpaid obligations, expired	-63		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	568	453	315
3091	Uncollected pymts, Fed sources, end of year	-46	-46	-46
3100	Obligated balance, end of year (net)	522	407	269

Budget authority and outlays, net:

Discretionary:				
4000	Budget authority, gross	499	551	523
Outlays, gross:				
4010	Outlays from new discretionary authority	190	352	336
4011	Outlays from discretionary balances	270	319	323
4020	Outlays, gross (total)	460	671	659
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	-29	-56	-56
4033	Non-Federal sources	-3		
4040	Offsets against gross budget authority and outlays (total) ...	-32	-56	-56
Additional offsets against gross budget authority only:				
4050	Change in uncollected pymts, Fed sources, unexpired	24		
4052	Offsetting collections credited to expired accounts	4		
4060	Additional offsets against budget authority only (total)	28		
4070	Budget authority, net (discretionary)	495	495	467
4080	Outlays, net (discretionary)	428	615	603
Mandatory:				
4090	Budget authority, gross	25	25	24
Outlays, gross:				
4100	Outlays from new mandatory authority	1	5	5

EXTENSION ACTIVITIES—Continued
Program and Financing—Continued

Identification code 12-0502-0-1-352	2010 actual	CR	2012 est.
4101 Outlays from mandatory balances	6	15	21
4110 Outlays, gross (total)	7	20	26
4180 Budget authority, net (total)	520	520	491
4190 Outlays, net (total)	435	635	629

The Cooperative Extension System, a national educational network, is a dynamic organization pledged to meeting the country's needs for research-based educational programs that will enable people to make practical decisions to improve their lives. To accomplish its mission, the Cooperative Extension System adjusts programs to meet the shifting needs and priorities of the people it serves.

The nonformal educational network combines the expertise and resources of Federal, State, and local partners. The partners in this unique System are: (a) The National Institute of Food and Agriculture at the U.S. Department of Agriculture; (b) Extension professionals at land-grant universities throughout the United States and its territories; and (c) Extension professionals in nearly all of the Nation's 3,150 counties. Thousands of paraprofessionals and nearly 3 million volunteers support this partnership and magnify its impact. Strong linkages with both public and private external groups are also crucial to the Cooperative Extension System's strength and vitality.

Programs supported with Smith-Lever 3(b) and (c) legislated formula funds are the major educational efforts central to the mission of the System and common to most Extension units. These programs are the foundation of the Extension organization and partnership that are intended to increase the number of community-based projects, families, and individuals reached to disseminate research findings as widely and quickly as possible. The use of electronic mail, satellite transmission of courses, and computer-assisted instruction are encouraged to communicate ideas.

Extension resources are provided to the States by these formula funds and competitively-awarded programs such as sustainable agriculture. Smith-Lever 3(b) and (c) funds and payments to the 1890 colleges and Tuskegee University and West Virginia State University provide funds to support the Extension's infrastructure. Funding for these programs is included in the 2012 Budget request. Due to budget constraints, Smith-Lever 3(b) and (c) is funded at five percent below 2011.

Funds for designated programs, funded by Smith-Lever 3(d) such as the Expanded Food and Nutrition Education Program, Pest Management, New Technologies for Agricultural Extension, Children, Youth and Families at Risk, Youth Farm Safety Education and Certification, Sustainable Agriculture, and Federally-Recognized Tribes Extension Program are proposed for funding in 2012. Other Extension programs supported in the 2012 Budget include Extension Services at 1994 Institutions, Renewable Resources Extension Act, Rural Health and Safety, 1890 Facilities, and Women and Minorities in Science, Technology, Engineering, and Mathematics Fields.

Beginning Farmer and Rancher Development Program.—This mandatory program, authorized by section 7410 of the Food, Conservation, and Energy Act of 2008 (FCEA), 2008 Farm Bill, provides funding to support the development of education, outreach, curricula, workshops, educational teams, training, and technical assistance programs to assist beginning farmers and ranchers in the United States and its territories in entering, building, and managing successful farm and ranch enterprises.

This program also will provide support for an online electronic and library clearinghouse to provide associated support to individually funded projects, and the overall program.

Object Classification (in millions of dollars)

Identification code 12-0502-0-1-352	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	11	11	11
12.1 Civilian personnel benefits	3	3	3
21.0 Travel and transportation of persons	1	1	1
25.2 Other services from non-federal sources	3	3	3
25.5 Research and development contracts	2	2	2
41.0 Grants, subsidies, and contributions	504	500	471
99.0 Direct obligations	524	520	491
99.0 Reimbursable obligations	4	56	56
99.9 Total new obligations	528	576	547

Employment Summary

Identification code 12-0502-0-1-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	158	159	142

ANIMAL AND PLANT HEALTH INSPECTION
SERVICE

Federal Funds

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Animal and Plant Health Inspection Service, including up to \$30,000 for representation allowances and for expenses pursuant to the Foreign Service Act of 1980 (22 U.S.C. 4085), \$832,706,000, of which \$2,058,000, to be available until expended, shall be available for the control of outbreaks of insects, plant diseases, animal diseases and for control of pest animals and birds ("contingency fund") to the extent necessary to meet emergency conditions; of which \$8,977,000, to remain available until expended, shall be used for the cotton pests program for cost share purposes or for debt retirement for active eradication zones; of which \$14,150,000, to remain available until expended, shall be for Animal Disease Traceability; of which \$891,000 shall be for activities under the authority of the Horse Protection Act of 1970, as amended (15 U.S.C. 1831); of which \$55,733,000, to remain available until expended, shall be used to support avian health; of which \$4,474,000, to remain available until expended, shall be for information technology infrastructure; of which \$154,700,000, to remain available until expended, shall be for specialty crop pests; of which \$9,068,000, to remain available until expended, shall be for field crop and rangeland ecosystem pests; of which \$60,462,000, to remain available until expended, shall be for tree and wood pests; of which \$3,568,000, to remain available until expended, shall be for the National Veterinary Stockpile; of which up to \$1,500,000, to remain available until expended, shall be for the scrapie program for indemnities; of which \$1,000,000, to remain available until expended, shall be for wildlife services methods development; of which \$1,500,000, to remain available until expended, shall be for the wildlife damage management program for aviation safety; and of which \$5,045,000, to remain available until expended, shall be for the screwworm program : Provided , That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 percent: Provided further, That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed four, of which two shall be for replacement only: Provided further, That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as may be deemed necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious disease or pests of animals, poultry, or plants, and for expenses in accordance with sections

10411 and 10417 of the Animal Health Protection Act (7 U.S.C. 8310 and 8316) and sections 431 and 442 of the Plant Protection Act (7 U.S.C. 7751 and 7772), and any unexpended balances of funds transferred for such emergency purposes in the preceding fiscal year shall be merged with such transferred amounts: Provided further, That appropriations hereunder shall be available pursuant to law (7 U.S.C. 2250) for the repair and alteration of leased buildings and improvements, but unless otherwise provided the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

In fiscal year 2012, the agency is authorized to collect fees to cover the total costs of providing technical assistance, goods, or services requested by States, other political subdivisions, domestic and international organizations, foreign governments, or individuals, provided that such fees are structured such that any entity's liability for such fees is reasonably based on the technical assistance, goods, or services provided to the entity by the agency, and such fees shall be reimbursed to this account, to remain available until expended, without further appropriation, for providing such assistance, goods, or services.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12–1600–0–1–352	2010 actual	CR	2012 est.
0100 Balance, start of year			
Adjustments:			
0190 Adjustment - Treasury reconciliation	6		
0199 Balance, start of year	6		
Receipts:			
0200 1990 Food, Agricultural Quarantine Inspection Fees	507	507	515
0220 Fees, Animal and Plant Health Inspection User Fee Account - legislative proposal subject to PAYGO			20
0299 Total receipts and collections	507	507	535
0400 Total: Balances and collections	513	507	535
Appropriations:			
0500 Salaries and Expenses	-513	-507	-515
0799 Balance, end of year			20

Program and Financing (in millions of dollars)

Identification code 12–1600–0–1–352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Pest and disease exclusion	177	168	157
0002 Plant and animal health monitoring	257	253	242
0003 Pest and disease management programs	375	402	294
0004 Animal care	25	25	30
0005 Scientific and technical services	88	88	100
0006 Contingencies	3	3	2
0007 Emergency program funding	55	25	
0008 Information technology infrastructure	4	4	4
0010 Physical/operational security	6	6	6
0012 Agricultural Quarantine Inspection User Fees	189	206	205
0013 VHS Supplemental	5		
0014 H1N1 transfer from HHS	4	11	11
0015 2008 Farm Bill, Sections 10201 and 10202	51	54	56
0091 Direct program activities, subtotal	1,239	1,245	1,107
0100 Total direct program	1,239	1,245	1,107
0801 Reimbursable program	138	139	140
0900 Total new obligations	1,377	1,384	1,247

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	239	245	153
1010 Unobligated balance transferred to other accounts	-51		
1011 Unobligated balance transferred from other accounts	26		
1021 Recoveries of prior year unpaid obligations	23		
1050 Unobligated balance (total)	237	245	153
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	908	908	833
1121 Appropriations transferred from other accounts	36		
1160 Appropriation, discretionary (total)	944	908	833

Appropriations, mandatory:			
1201 Appropriation (special fund)	513	507	515
1220 Appropriations transferred to other accounts	-261	-318	-323
1221 Appropriations transferred from other accounts	50	55	55
1260 Appropriations, mandatory (total)	302	244	247
Spending authority from offsetting collections, discretionary:			
1700 Collected	132	140	141
1701 Change in uncollected payments, Federal sources	9		
1750 Spending auth from offsetting collections, disc (total)	141	140	141
1900 Budget authority (total)	1,387	1,292	1,221
1930 Total budgetary resources available	1,624	1,537	1,374
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-2		
1941 Unexpired unobligated balance, end of year	245	153	127

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	380	432	478
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-27	-23	-23
3020 Obligated balance, start of year (net)	353	409	455
3030 Obligations incurred, unexpired accounts	1,377	1,384	1,247
3031 Obligations incurred, expired accounts	114		
3040 Outlays (gross)	-1,314	-1,338	-1,245
3050 Change in uncollected pymts, Fed sources, unexpired	-9		
3051 Change in uncollected pymts, Fed sources, expired	13		
3080 Recoveries of prior year unpaid obligations, unexpired	-23		
3081 Recoveries of prior year unpaid obligations, expired	-102		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	432	478	480
3091 Uncollected pymts, Fed sources, end of year	-23	-23	-23
3100 Obligated balance, end of year (net)	409	455	457

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	1,085	1,048	974
Outlays, gross:			
4010 Outlays from new discretionary authority	835	911	850
4011 Outlays from discretionary balances	270	171	148
4020 Outlays, gross (total)	1,105	1,082	998
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-45	-45	-45
4033 Non-Federal sources	-98	-95	-96
4040 Offsets against gross budget authority and outlays (total)	-143	-140	-141
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-9		
4052 Offsetting collections credited to expired accounts	11		
4060 Additional offsets against budget authority only (total)	2		
4070 Budget authority, net (discretionary)	944	908	833
4080 Outlays, net (discretionary)	962	942	857
Mandatory:			
4090 Budget authority, gross	302	244	247
Outlays, gross:			
4100 Outlays from new mandatory authority	181	200	202
4101 Outlays from mandatory balances	28	56	45
4110 Outlays, gross (total)	209	256	247
4180 Budget authority, net (total)	1,246	1,152	1,080
4190 Outlays, net (total)	1,171	1,198	1,104

The Secretary of Agriculture established the Animal and Plant Health Inspection Service (APHIS) on April 2, 1972, under the authority of Reorganization Plan No. 2 of 1953 and other authorities. The mission of the Agency is to protect the health and value of American agriculture and natural resources and is carried out using three major areas of activity, as follows:

Safeguarding and Emergency Preparedness/Response - APHIS monitors plant and animal health throughout the world and uses the information to set effective agricultural import policies to prevent the introduction of foreign plant and animal pests and diseases. Should a pest or disease enter the United States, APHIS works cooperatively with other Federal, State, and industry partners to conduct plant and animal health monitoring programs to rapidly diagnose them and determine if there is a need to establish new pest or disease management programs. APHIS, in conjunction with States, industry, and other stakehold-

SALARIES AND EXPENSES—Continued

ers, protects American agriculture by eradicating harmful pests and diseases or, where eradication is not feasible, by minimizing their economic impact. APHIS makes judicious use of resources in identifying instances when neither eradication nor management may be possible. The Agency monitors endemic pests and diseases through surveys to detect their location and through inspection to prevent their spread into non-infested parts of the country. The Agency maintains a cadre of trained professionals prepared to respond immediately to potential animal and plant health emergencies. Program personnel investigate reports of suspected exotic pests and diseases and take emergency action if necessary. Through its Wildlife Services program, APHIS protects agriculture from detrimental animal predators through identification, demonstration, and application of the most appropriate methods of control. The Agency's regulatory structure brings the benefits of genetic research to the marketplace, while protecting against the release of potentially harmful organisms into the environment. APHIS also conducts diagnostic laboratory activities that support the Agency's veterinary disease prevention, detection, control, and eradication programs. The Agency also provides and directs technology development in coordination with other groups in APHIS to support plant protection programs of the Agency and its cooperators at the State, national, and international levels.

Safe Trade and International Technical Assistance - Sanitary (animal) and phytosanitary (plant) (SPS) regulations can have a significant impact on market access for the United States as an exporter of agricultural products. APHIS plays a central role in resolving technical trade issues to ensure the smooth and safe movement of agricultural commodities into and out of the United States. APHIS helps to protect the United States from emerging plant and animal pests and diseases while meeting obligations under the World Trade Organization's SPS agreement by assisting developing countries in improving their safeguarding systems. APHIS develops and implements programs designed to identify and reduce agricultural pest and disease threats while still outside of U.S. borders, to enhance safe agricultural trade, and to strengthen emergency response preparedness.

Animal Welfare - The Agency conducts regulatory activities to ensure the humane care and treatment of animals and horses as required by the Animal Welfare Act of 1966 as amended (7 U.S.C. 2131–2159), and the Horse Protection Act of 1970 as amended (15 U.S.C. 1821–1831). These activities include inspection of certain establishments that handle animals intended for research, exhibition, and sale as pets, and monitoring of certain horse shows.

APHIS' 2012 Budget request of \$833 million is an overall reduction of \$75 million from 2011, and includes \$64 million in priority increases offset by reductions of \$138 million. Some reductions are a result of programs achieving success, such as cotton pests (-\$14.413 million), avian health (-\$9.3 million), screwworm (-\$7.534 million), and pseudorabies (-\$2.560 million). Other reductions are due to a change in focus for managing pests and diseases such as the emerald ash borer (-\$20 million), the glassy-winged sharpshooter/Pierces disease (-\$2 million), and chronic wasting disease (-\$12.229 million). The Budget also proposes to eliminate \$27 million in earmarks, and increases cooperator cost share rates to more appropriate levels for several programs.

The Agency is requesting several increases related to high priority activities. These priorities include continuing implementation of the revamped Animal Disease Traceability program (+\$8.85 million), addressing recommendations related to an Office of Inspector General audit on problematic dog dealers (+\$5.9

million), and enhancing the Agency's biotechnology regulatory program (+\$12.072 million). The Agency is also requesting appropriated funding to continue pest programs initiated using emergency funds. The light brown apple moth program has been operating using the \$1 million in appropriated funds and remaining emergency funding, which has since been obligated. APHIS is requesting an additional \$10 million to implement a sterile insect technique to control pest populations. The Agency is also requesting an increase to conduct surveys for the European grapevine moth (+\$2.5 million), a significant pest of grapes. Finally, APHIS is requesting funding for Asian longhorned beetle eradication efforts in Massachusetts (+\$16.57 million), the largest known outbreak of the pest in the United States.

Object Classification (in millions of dollars)

Identification code 12–1600–0–1–352	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	445	446	434
11.3 Other than full-time permanent	6	6	6
11.5 Other personnel compensation	6	6	6
11.9 Total personnel compensation	457	458	446
12.1 Civilian personnel benefits	144	144	141
13.0 Benefits for former personnel	1	1	2
21.0 Travel and transportation of persons	37	36	28
22.0 Transportation of things	2	2	3
23.1 Rent, Communications, and Utilities	42	42	45
24.0 Printing and reproduction	2	2	2
25.2 Other services from non-federal sources	409	421	333
26.0 Supplies and materials	62	61	60
31.0 Equipment	32	31	27
32.0 Land and structures	1	1	1
41.0 Other grants, subsidies, and contributions	46	42	16
42.0 Other insurance claims and indemnities	4	4	3
99.0 Direct obligations	1,239	1,245	1,107
99.0 Reimbursable obligations	138	139	140
99.9 Total new obligations	1,377	1,384	1,247

Employment Summary

Identification code 12–1600–0–1–352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	6,793	6,647	6,404
2001 Reimbursable civilian full-time equivalent employment	1,061	1,061	1,061

BUILDINGS AND FACILITIES

For plans, construction, repair, preventive maintenance, environmental support, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, \$4,712,000, to remain available until expended.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12–1601–0–1–352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Buildings and facilities	9	8	7
0900 Total new obligations (object class 25.2)	9	8	7
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	10	7	4
1021 Recoveries of prior year unpaid obligations	1		
1050 Unobligated balance (total)	11	7	4

Budget authority:			
Appropriations, discretionary:			
1100	Appropriation	5	5
1930	Total budgetary resources available	16	12
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year	7	4

Change in obligated balance:			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)	5	5
3030	Obligations incurred, unexpired accounts	9	8
3040	Outlays (gross)	-8	-6
3080	Recoveries of prior year unpaid obligations, unexpired	-1	
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)	5	7

Budget authority and outlays, net:			
Discretionary:			
4000	Budget authority, gross	5	5
Outlays, gross:			
4010	Outlays from new discretionary authority	4	1
4011	Outlays from discretionary balances	4	5
4020	Outlays, gross (total)	8	6
4180	Budget authority, net (total)	5	5
4190	Outlays, net (total)	8	6

The buildings and facilities account provides for plans, construction, repair, preventive maintenance, environmental support, improvement, extension, alteration, purchase of fixed equipment or facilities, and acquisition of land, as needed, for Animal and Plant Health Inspection Service (APHIS) operated facilities, which include animal quarantine stations, border inspection stations, sterile insect rearing facilities, and laboratories.

For these activities, the 2012 Budget proposes \$4.712 million which includes funding to address safety issues with several facilities.

Trust Funds

MISCELLANEOUS TRUST FUNDS

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-9971-0-7-352	2010 actual	CR	2012 est.
0100	Balance, start of year		
Receipts:			
0220	Deposits of Miscellaneous Contributed Funds, APHIS	18	17
0299	Total receipts and collections	18	17
0400	Total: Balances and collections	18	17
Appropriations:			
0500	Miscellaneous Trust Funds	-18	-17
0599	Total appropriations	-18	-17
0799	Balance, end of year		

Program and Financing (in millions of dollars)

Identification code 12-9971-0-7-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001	Miscellaneous trust funds	19	17
Budgetary Resources:			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1	16	17
1021	Recoveries of prior year unpaid obligations	2	
1050	Unobligated balance (total)	18	17
Budget authority:			
Appropriations, mandatory:			
1202	Appropriation (trust fund)	18	17
1930	Total budgetary resources available	36	34
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year	17	16

Change in obligated balance:			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)	2	1
3030	Obligations incurred, unexpired accounts	19	17
3040	Outlays (gross)	-18	-18
3080	Recoveries of prior year unpaid obligations, unexpired	-2	
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)	1	1

Budget authority and outlays, net:			
Mandatory:			
4090	Budget authority, gross	18	17
Outlays, gross:			
4100	Outlays from new mandatory authority	12	13
4101	Outlays from mandatory balances	6	5
4110	Outlays, gross (total)	18	18
4180	Budget authority, net (total)	18	17
4190	Outlays, net (total)	18	18

The following services are financed by fees and miscellaneous contributions advanced by importers, manufacturers, States, or organizations, individuals, and others:

Miscellaneous contributed funds.—Funds are received from States, local organizations, individuals, and others and are available for plant and animal quarantine inspection and cooperative plant and animal disease and pest control activities (7 U.S.C. 450b, 2220). Commencing in 1979, fees were collected for the importation of commercial birds.

Object Classification (in millions of dollars)

Identification code 12-9971-0-7-352	2010 actual	CR	2012 est.
Direct obligations:			
11.1	Personnel compensation: Full-time permanent	10	10
12.1	Civilian personnel benefits	3	3
21.0	Travel and transportation of persons	2	2
25.2	Other services from non-federal sources	1	1
26.0	Supplies and materials	2	1
41.0	Grants, subsidies, and contributions	1	
99.0	Direct obligations	19	17
99.9	Total new obligations	19	17

Employment Summary

Identification code 12-9971-0-7-352	2010 actual	CR	2012 est.
1001	Direct civilian full-time equivalent employment	150	150

FOOD SAFETY AND INSPECTION SERVICE

Federal Funds

FOOD SAFETY AND INSPECTION SERVICE

For necessary expenses to carry out services authorized by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act, including not to exceed \$50,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), \$1,011,393,000; and in addition, \$1,000,000 may be credited to this account from fees collected for the cost of laboratory accreditation as authorized by section 1327 of the Food, Agriculture, Conservation and Trade Act of 1990 (7 U.S.C. 138f): Provided, That funds provided for the Public Health Data Communication Infrastructure system shall remain available until expended: Provided further, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

FOOD SAFETY AND INSPECTION SERVICE—Continued
Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-3700-0-1-554	2010 actual	CR	2012 est.
0100 Balance, start of year			
Receipts:			
0220 Fees, Food Safety Inspection User Fee Account - legislative proposal subject to PAYGO			11
0400 Total: Balances and collections			11
0799 Balance, end of year			11

Program and Financing (in millions of dollars)

Identification code 12-3700-0-1-554	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Salaries and expenses	1,020	1,020	1,011
0801 Reimbursable program	147	142	142
0900 Total new obligations	1,167	1,162	1,153
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	16	24	23
1021 Recoveries of prior year unpaid obligations	1		
1050 Unobligated balance (total)	17	24	23
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,019	1,019	1,011
1120 Appropriations transferred to other accounts	-27		
1121 Appropriations transferred from other accounts	27		
1160 Appropriation, discretionary (total)	1,019	1,019	1,011
Spending authority from offsetting collections, discretionary:			
1700 Collected	140	142	142
1701 Change in uncollected payments, Federal sources	17		
1750 Spending auth from offsetting collections, disc (total)	157	142	142
1900 Budget authority (total)	1,176	1,161	1,153
1930 Total budgetary resources available	1,193	1,185	1,176
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-2		
1941 Unexpired unobligated balance, end of year	24	23	23

Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	185	199	200
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-17	-33	-33
3020 Obligated balance, start of year (net)	168	166	167
3030 Obligations incurred, unexpired accounts	1,167	1,162	1,153
3031 Obligations incurred, expired accounts	139		
3040 Outlays (gross)	-1,160	-1,161	-1,155
3050 Change in uncollected pymts, Fed sources, unexpired	-17		
3051 Change in uncollected pymts, Fed sources, expired	1		
3080 Recoveries of prior year unpaid obligations, unexpired	-1		
3081 Recoveries of prior year unpaid obligations, expired	-131		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	199	200	198
3091 Uncollected pymts, Fed sources, end of year	-33	-33	-33
3100 Obligated balance, end of year (net)	166	167	165

Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	1,176	1,161	1,153
Outlays, gross:			
4010 Outlays from new discretionary authority	1,005	1,015	1,009
4011 Outlays from discretionary balances	155	146	146
4020 Outlays, gross (total)	1,160	1,161	1,155
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-1	-1	-1
4033 Non-Federal sources	-140	-141	-141
4040 Offsets against gross budget authority and outlays (total)	-141	-142	-142
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-17		
4052 Offsetting collections credited to expired accounts	1		
4060 Additional offsets against budget authority only (total)	-16		
4070 Budget authority, net (discretionary)	1,019	1,019	1,011

4080 Outlays, net (discretionary)	1,019	1,019	1,013
4180 Budget authority, net (total)	1,019	1,019	1,011
4190 Outlays, net (total)	1,019	1,019	1,013

The primary objective of the Food Safety and Inspection Service (FSIS) is to ensure that meat, poultry, and egg products are wholesome, unadulterated, and properly labeled and packaged, as required by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act. In carrying out this mission, FSIS oversight responsibility covers a significant percentage of American spending on food. Providing adequate resources for Federal food safety agencies is a priority of the Administration, and the 2012 Budget proposes a \$7 million decrease from the 2011 proposed funding level for inspection of meat, poultry, and egg products. The proposed budget for 2012 contains increases for additional staffing costs associated with implementation of the Public Health Information System (PHIS), increased regulatory sampling, an additional baseline study to determine prevalence of pathogens, upgrades to the agency's information system infrastructure, and enhancement of the public health epidemiology program. The decreases for 2012 include reductions in shipping costs, the Food Emergency Response Network, and homeland security laboratory expenses. There are also decreases due to streamlining of agency operations for better efficiency, improvements in the laboratory sampling process, enhanced broadband efficiencies, and a reduction in funding for the catfish inspection program. In addition, legislation will be submitted for two user fees. The first is a performance-based user fee, which will be charged to plants that have sample failures or require additional inspection activities due to a pattern of regulatory non-compliance. The second one is a basic inspection user fee that would recover a part of the cost of providing basic inspections at covered establishments and plants, as determined by the Secretary.

FEDERALLY FUNDED INSPECTION ACTIVITIES

FEDERALLY FUNDED INSPECTION ACTIVITIES	2010 actual	2011 est.	2012 est.
Federally inspected establishments:			
Slaughter plants	118	120	120
Processing plants	3,951	4,021	4,021
Combination slaughter and processing plants	854	869	869
Talmadge-Aiken plants	356	362	362
Import establishments	136	138	138
Egg plants	84	85	85
Other plants	779	793	793
Federally inspected and passed production (millions of pounds):			
Meat Slaughter	48,836	49,051	49,267
Poultry slaughter	56,669	56,918	57,169
Egg products	4,057	4,066	4,074
Import/export activity (millions of pounds):			
Meat and poultry imported	3,211	3,500	3,372
Meat and poultry exported	15,220	15,050	15,185
Intrastate inspection:¹			
Intrastate inspection	27	27	27
Talmadge-Aiken inspection	9	9	9
Number of slaughter and/or processing plants (excludes exempt plants)	1,709	1,731	1,731
Compliance activities:			
Investigations and surveillance activities	18,877	21,709	21,709
Enforcement actions completed	1,548	1,780	1,780
Product Testing (samples analyzed):			
Food Chemistry	1,716	1,716	1,716
Food Microbiology	93,046	112,046	112,046
Chemical Residues	31,101	31,101	31,101
Antibiotic Residues	212,779	212,779	212,779
Pathology Samples	5,573	5,573	5,573
Egg Products:			
Food microbiology	1,480	1,480	1,480
Consumer Education and public outreach:			
Meat and poultry hotline calls received	64,269	63,000	65,000
Website visits	16,127,650	17,000,000	17,000,000
Electronic messages received	4,807	7,000	7,000
Publications distributed ²	720,972	700,000	700,000
E-mail alert service subscribers	82,000	85,000	88,000
Epidemiological Investigations:			
Cooperative efforts with State and public health offices	59	59	59

Illnesses reported and treated ³	3,150	3,150	3,150
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¹States with cooperative agreements which are operating programs.

²Did not print or reprint publications due to financial constraints and increased use of social media and web-based publications.

³Data must be collected over a number of years to chart national trends and estimate the incidence of foodborne illness and treatment.

Object Classification (in millions of dollars)

Identification code 12-3700-0-1-554	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	545	556	550
11.3 Other than full-time permanent	12	12	12
11.5 Other personnel compensation	29	30	30
11.9 Total personnel compensation	586	598	592
12.1 Civilian personnel benefits	198	202	200
13.0 Benefits for former personnel	1	1	1
21.0 Travel and transportation of persons	39	39	39
22.0 Transportation of things	5	5	4
23.1 Rental payments to GSA	1	1	1
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	11	12	11
24.0 Printing and reproduction	1	1	1
25.1 Advisory and assistance services	3	3	3
25.2 Other services from non-federal sources	68	55	49
25.3 Other goods and services from federal sources	35	31	29
25.4 Operation and maintenance of facilities	1	1	1
25.7 Operation and maintenance of equipment	1	1	1
26.0 Supplies and materials	11	11	14
31.0 Equipment	7	7	13
41.0 Grants, subsidies, and contributions	49	51	51
42.0 Insurance claims and indemnities	1		
43.0 Interest and dividends	1		
99.0 Direct obligations	1,020	1,020	1,011
99.0 Reimbursable obligations	147	142	142
99.9 Total new obligations	1,167	1,162	1,153

Employment Summary

Identification code 12-3700-0-1-554	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	9,401	9,587	9,625
2001 Reimbursable civilian full-time equivalent employment	39	39	39

Trust Funds

EXPENSES AND REFUNDS, INSPECTION AND GRADING OF FARM PRODUCTS

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-8137-0-7-352	2010 actual	CR	2012 est.
0100 Balance, start of year			
Receipts:			
0220 Deposits of Fees, Inspection and Grading of Farm Products, Food Safety and Quality Service	10	9	9
0400 Total: Balances and collections	10	9	9
Appropriations:			
0500 Expenses and Refunds, Inspection and Grading of Farm Products	-10	-9	-9
0799 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-8137-0-7-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Expenses and refunds, inspection and grading of farm products	9	9	9
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	2	3	3
Budget authority:			
Appropriations, mandatory:			
1202 Appropriation (trust fund)	10	9	9

1900 Budget authority (total)	10	9	9
1930 Total budgetary resources available	12	12	12
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	3	3	3

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	1	1	1
3030 Obligations incurred, unexpired accounts	9	9	9
3040 Outlays (gross)	-9	-9	-9
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1	1	1

Budget authority and outlays, net:

Mandatory:			
4090 Budget authority, gross	10	9	9
Outlays, gross:			
4100 Outlays from new mandatory authority	8	9	9
4101 Outlays from mandatory balances	1		
4110 Outlays, gross (total)	9	9	9
4180 Budget authority, net (total)	10	9	9
4190 Outlays, net (total)	9	9	9

Under authority of the Agricultural Marketing Act of 1946, Federal meat and poultry inspection services are provided upon request and for a fee in cases where inspection is not mandated by statute. This service includes: certifying products for export beyond the requirements of export certificates; inspecting certain animals and poultry intended for human food where inspection is not required by statute, such as buffalo, rabbit, and quail; and inspecting products intended for animal consumption.

Object Classification (in millions of dollars)

Identification code 12-8137-0-7-352	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	4	4	4
11.5 Other personnel compensation	2	2	2
11.9 Total personnel compensation	6	6	6
12.1 Civilian personnel benefits	2	2	2
21.0 Travel and transportation of persons	1	1	1
99.0 Direct obligations	9	9	9
99.9 Total new obligations	9	9	9

Employment Summary

Identification code 12-8137-0-7-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	73	73	73

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Federal Funds

SALARIES AND EXPENSES

For necessary expenses of the Grain Inspection, Packers and Stockyards Administration, \$44,192,000: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-2400-0-1-352	2010 actual	CR	2012 est.
0100 Balance, start of year			

SALARIES AND EXPENSES—Continued
Special and Trust Fund Receipts—Continued

Identification code 12-2400-0-1-352	2010 actual	CR	2012 est.
Receipts:			
0220 Fees, Grain Inspection, Packers and Stockyards User Fee Account - legislative proposal subject to PAYGO			27
0400 Total: Balances and collections			27
0799 Balance, end of year			27

Program and Financing (in millions of dollars)

Identification code 12-2400-0-1-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Standardization	5	5	5
0002 Compliance	7	7	7
0003 Methods development	6	6	6
0004 Packers and stockyards program	23	24	26
0091 Direct program activities, subtotal	41	42	44
0801 Reimbursable program	1	3	3
0900 Total new obligations	42	45	47

Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1			1
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	42	43	44
Spending authority from offsetting collections, discretionary:			
1700 Collected	1	3	3
1900 Budget authority (total)	43	46	47
1930 Total budgetary resources available	43	46	48
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-1		
1941 Unexpired unobligated balance, end of year		1	1

Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	7	7	6
3030 Obligations incurred, unexpired accounts	42	45	47
3031 Obligations incurred, expired accounts	5		
3040 Outlays (gross)	-42	-46	-46
3081 Recoveries of prior year unpaid obligations, expired	-5		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	7	6	7

Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	43	46	47
Outlays, gross:			
4010 Outlays from new discretionary authority	37	39	39
4011 Outlays from discretionary balances	5	7	7
4020 Outlays, gross (total)	42	46	46
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-1	-3	-3
4070 Budget authority, net (discretionary)	42	43	44
4080 Outlays, net (discretionary)	41	43	43
4180 Budget authority, net (total)	42	43	44
4190 Outlays, net (total)	41	43	43

The Grain Inspection, Packers and Stockyards Administration's (GIPSA) Grain Regulatory Program promotes and enforces the accurate and uniform application of the United States Grain Standards Act (USGSA) and applicable provisions of the Agricultural Marketing Act of 1946. GIPSA identifies, evaluates, and implements new or improved techniques for measuring grain quality. GIPSA also establishes and updates testing and grading standards to facilitate the marketing of U.S. grain, oilseeds, and related products. GIPSA briefs foreign buyers, assesses foreign inspection and weighing techniques, and responds to foreign quality and quantity complaints. An advisory committee consisting of members from the grain industry exists to advise the

Agency regarding efficient and economical implementation of the USGSA. The Grain Quality Improvement Act of 1986 was enacted on November 10, 1986, to improve the quality of U.S. grain by prohibiting the introduction and reintroduction of dockage and foreign material to grain.

GIPSA's Packers and Stockyards Program (P&SP) promotes fair business practices, financial integrity, and competitive environments to market livestock, meat, and poultry. Through its oversight activities, including monitoring programs, reviews, and investigations, P&SP fosters fair competition, provides payment protection, and guards against deceptive and fraudulent trade practices that affect the movement and price of meat animals and their products. P&SP's work protects consumers and members of the livestock, meat, and poultry industries. P&SP enforces the Packers and Stockyards (P&S) Act, which prohibits unfair, deceptive, and unjust discriminatory practices by market agencies, dealers, stockyards, packers, swine contractors, and live poultry dealers in the livestock, meat packing, and poultry industries. The P&S Act provides an important safety net for livestock producers and poultry growers in rural America. P&SP conducts routine and ongoing regulatory inspections and audits to assess whether subject entities are operating in compliance with the Act, and conducts investigations of potential P&S Act violations identified by either industry complaints or previous GIPSA regulatory inspections. All activities are carried out by a cadre of specialists including economists, lawyers, accountants, and agricultural marketing professionals.

MAIN WORKLOAD FACTORS

	2010 actual	2011 est.	2012 est.
Grain Regulatory Program			
U.S. standards and factors (attribute tests) in effect at end of year	129	129	129
Standards reviews and factors in progress	3	5	8
Standards reviews and factors completed	0	2	5
On-site investigations	8	8	8
Designations renewed	19	17	20
Registration certificates issued	138	140	140
Packers and Stockyards Program			
Investigations	2,822	2,800	2,800
Regulatory Activities	2,703	2,700	2,700
Livestock market agencies/dealers registered	5,673	5,600	5,500
Stockyards posted	1,209	1,150	1,100
Slaughtering and processing packers subject to the Act (estimated)	3,233	3,265	3,298
Meat distributors, brokers, and dealers subject to the Act (estimated)	4,103	4,144	4,185
Poultry operations subject to the Act	117	120	115

Object Classification (in millions of dollars)

Identification code 12-2400-0-1-352	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	25	26	27
12.1 Civilian personnel benefits	7	7	8
21.0 Travel and transportation of persons	2	2	2
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services from non-federal sources	4	4	4
26.0 Supplies and materials	1	1	1
31.0 Equipment	1	1	1
99.0 Direct obligations	41	42	44
99.0 Reimbursable obligations	1	3	3
99.9 Total new obligations	42	45	47

Employment Summary

Identification code 12-2400-0-1-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	310	310	310
2001 Reimbursable civilian full-time equivalent employment	5	7	7

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

Not to exceed \$50,000,000 (from fees collected) shall be obligated during the current fiscal year for inspection and weighing services: Provided,

That if grain export activities require additional supervision and oversight, or other uncontrollable factors occur, this limitation may be exceeded by up to 10 percent with notification to the Committees on Appropriations of both Houses of Congress.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)			
Identification code 12-4050-0-3-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0801	45	50	50
Budgetary Resources:			
Unobligated balance:			
1000	10	15	15
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800	49	50	50
1801	1		
1850	50	50	50
1930	60	65	65
Memorandum (non-add) entries:			
1941	15	15	15
Change in obligated balance:			
Obligated balance, start of year (net):			
3000	4	4	4
3010	-4	-5	-5
Obligated balance, start of year (net) -1 -1			
3030	45	50	50
3040	-45	-50	-50
3050	-1		
Obligated balance, end of year (net):			
3090	4	4	4
3091	-5	-5	-5
3100	-1	-1	-1
Budget authority and outlays, net:			
Mandatory:			
4090	50	50	50
Outlays, gross:			
4100	42	50	50
4101	3		
4110	45	50	50
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120		-1	
4123	-49	-50	-50
4130	-49	-51	-50
Additional offsets against gross budget authority only:			
4140	-1		
4142		1	
4150	-1	1	
4160			
4170	-4	-1	
4180			
4190	-4	-1	

The Grain Inspection, Packers and Stockyards Administration (GIPSA) provides a uniform system for the inspection and weighing of grain. Services provided under this system are financed through a fee-supported revolving fund.

Fee-supported programs include direct services, supervision activities and administrative functions. Direct services include official grain inspection and weighing by GIPSA employees at certain export ports as well as the inspection of U.S. grain shipped through Canada. GIPSA supervises the inspection and weighing activities performed by its own employees. GIPSA also oversees the inspection and weighing of grain performed by employees of 5 delegated States and 51 designated State and private agencies. GIPSA provides an appeal service of original grain inspections

and a registration system for grain exporting firms. Through support from the Association of American Railroads and user fees, GIPSA conducts a railroad track scale testing program. In addition, GIPSA provides grading services, on request, for rice and grain related products under the authority of the Agricultural Marketing Act of 1946.

	2010 actual	2011 est.	2012 est.
Export grain inspected and/or weighed (million metric tons):			
By Federal personnel	77.7	83.2	75.0
By delegated States	29.7	30.1	27.1
Quantity of grain inspected (official inspections) domestically (million metric tons)	191.5	171.8	176.7
Number of grain official inspections and reinspections:			
By Federal personnel	121,710	106,600	109,823
By delegated state/official agency licenses	3,317,198	3,172,917	3,306,913
Number of appeals (Grain, Rice, and Pulses)	3,991	4,110	3,631
Number of appeals to the Board of Appeals and Review (Grain, Rice, and Pulses)	283	331	287
Quantity of rice inspected (million metric tons)	2.7	3.1	2.5
Quantity of rice exports (million metric tons)	4.3	4.4	3.8

Object Classification (in millions of dollars)			
Identification code 12-4050-0-3-352	2010 actual	CR	2012 est.
Reimbursable obligations:			
Personnel compensation:			
11.1	30	33	33
11.3	1	1	1
11.9	31	34	34
12.1	7	8	8
21.0	1	2	2
23.3	1	1	1
25.2	4	4	4
26.0	1	1	1
99.0	45	50	50
99.9	45	50	50

Employment Summary			
Identification code 12-4050-0-3-352	2010 actual	CR	2012 est.
2001	398	398	398

AGRICULTURAL MARKETING SERVICE

Federal Funds

MARKETING SERVICES

For necessary expenses of the Agricultural Marketing Service, \$94,755,000: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

Fees may be collected for the cost of standardization activities, as established by regulation pursuant to law (31 U.S.C. 9701).

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed \$62,101,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses: Provided, That if crop size is understated and/or other uncontrollable events occur, the agency may exceed this limitation by up to 10 percent with notification to the Committees on Appropriations of both Houses of Congress.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)			
Identification code 12-2500-0-1-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001	33	34	34

MARKETING SERVICES—Continued
Program and Financing—Continued

Identification code 12-2500-0-1-352	2010 actual	CR	2012 est.
0002 Inspection and standardization	8	8	8
0003 Market protection and promotion	44	43	46
0004 Transportation and market development	6	6	8
0005 Farmers market promotion program	5	10	10
0091 Direct program activities, subtotal	96	101	106
0801 Reimbursable program	45	65	66
0900 Total new obligations	141	166	172
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	25	22	22
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	92	91	96
1120 Appropriations transferred to other accounts	-1		
1160 Appropriation, discretionary (total)	91	91	96
Appropriations, mandatory:			
1221 Appropriations transferred from other accounts	5	10	10
Spending authority from offsetting collections, discretionary:			
1700 Collected	42	65	66
1701 Change in uncollected payments, Federal sources	1		
1750 Spending auth from offsetting collections, disc (total)	43	65	66
1900 Budget authority (total)	139	166	172
1930 Total budgetary resources available	164	188	194
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-1		
1941 Unexpired unobligated balance, end of year	22	22	22
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	34	42	31
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-2	-2	-2
3020 Obligated balance, start of year (net)	32	40	29
3030 Obligations incurred, unexpired accounts	141	166	172
3031 Obligations incurred, expired accounts	18		
3040 Outlays (gross)	-135	-177	-175
3050 Change in uncollected pymts, Fed sources, unexpired	-1		
3051 Change in uncollected pymts, Fed sources, expired	1		
3081 Recoveries of prior year unpaid obligations, expired	-16		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	42	31	28
3091 Uncollected pymts, Fed sources, end of year	-2	-2	-2
3100 Obligated balance, end of year (net)	40	29	26
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	134	156	162
Outlays, gross:			
4010 Outlays from new discretionary authority	110	146	151
4011 Outlays from discretionary balances	24	26	18
4020 Outlays, gross (total)	134	172	169
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources		-4	-4
4033 Non-Federal sources	-43	-61	-62
4040 Offsets against gross budget authority and outlays (total)	-43	-65	-66
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-1		
4052 Offsetting collections credited to expired accounts	1		
4060 Additional offsets against budget authority only (total)			
4070 Budget authority, net (discretionary)	91	91	96
4080 Outlays, net (discretionary)	91	107	103
Mandatory:			
4090 Budget authority, gross	5	10	10
Outlays, gross:			
4100 Outlays from new mandatory authority	1	1	1
4101 Outlays from mandatory balances		4	5
4110 Outlays, gross (total)	1	5	6
4180 Budget authority, net (total)	96	101	106
4190 Outlays, net (total)	92	112	109
Memorandum (non-add) entries:			
5000 Total investments, SOY: Federal securities: Par value	12	2	2

5001 Total investments, EOY: Federal securities: Par value	2	2	2
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Agricultural Marketing Service activities assist producers and handlers of agricultural commodities by providing a variety of marketing-related services. These services continue to become more complex as the volume of agricultural commodities increases, as a greater number of new processed commodities are developed, and as the agricultural market structure undergoes extensive changes. Marketing changes include increased concentration in food retailing, direct buying, decentralization of processing, growth of interregional competition, vertical integration, and contract farming.

The individual Marketing Services activities include:

Market news service.—The market news program provides the agricultural community with information pertaining to the movement of agricultural products. This nationwide service provides daily reports on the supply, demand, and price of over 700 commodities on domestic and foreign markets.

Inspection, grading and standardization.—Nationally uniform standards of quality for agricultural products are established and applied to specific lots of products to: promote confidence between buyers and sellers; reduce hazards in marketing due to misunderstandings and disputes arising from the use of nonstandard descriptions; and encourage better preparation of uniform quality products for market. Grading services are provided on request for cotton and tobacco.

Quarterly inspection of egg handlers and hatcheries is conducted to ensure the proper disposition of shell eggs unfit for human consumption.

MARKET NEWS PROGRAM

	2010 actual	2011 est.	2012 est.
Percentage of reports released on time	97%	97%	97%

COTTON AND TOBACCO USER FEE PROGRAM

	2010 actual	2011 est.	2012 est.
Cotton classed (bales in millions)	14.2	16.5	16.5
Domestic tobacco graded (million pounds)	15	15	15
Imported tobacco inspected (million kilograms)	71	71	71

FEDERALLY FUNDED INSPECTION AND MARKETING ACTIVITIES

	2010 actual	2011 est.	2012 est.
States and Commonwealths with cooperative agreements	33	33	33
Percentage of noncomplying shell egg lots that are reprocessed or diverted	100%	100%	100%

STANDARDIZATION ACTIVITIES

	2010 actual	2011 est.	2012 est.
International and U.S. standards in effect, end of fiscal year	581	583	583
Number of commodities covered	223	224	224

Market protection and promotion.—This program consists of: (1) the research and promotion programs which are designed to improve the competitive position and expand markets for cotton, eggs and egg products, honey, pork, beef, dairy products, potatoes, watermelons, mushrooms, soybeans, fluid milk, popcorn, blueberries, avocados, lamb, mangos and peanuts; (2) the Federal Seed Act; and (3) the administration of the Capper-Volstead Act and the Agricultural Fair Practices Act.

The pesticide recordkeeping program monitors compliance of private certified applicators with Federal regulations requiring them to keep records of restricted pesticides used in agricultural production.

The pesticide data program develops comprehensive, statistically defensible information on pesticide residues in food to improve government dietary risk procedures.

Federal seed inspectors conduct tests on seed samples to help ensure truthful labeling of agricultural and vegetable seeds sold in interstate commerce.

The Capper-Volstead Act and the Agricultural Fair Practices Act protect producers against discriminatory practices by handlers, permit producers to engage in cooperative efforts, and ensure that such cooperatives do not engage in practices that monopolize or restrain trade.

The National Organic Program certifies that organically produced food products meet national standards.

MARKET PROTECTION AND PROMOTION ACTIVITIES

	2010 actual	2011 est.	2012 est.
Pesticide data program (PDP):			
Number of children's food commodities included in PDP	47	48	48
Number of compounds reported by PDP labs	388	391	391
Pesticide recordkeeping:			
Number of State/Federal Inspections conducted	4000	4,000	4,000
Percentage of sampling goal attained	107%	109%	111%
Seed Act:			
Interstate investigations:			
Completed	400	400	400
Pending	327	327	327
Seed samples tested	1400	1400	1400
Percentage of cases submitted that are completed	100%	100%	100%
Plant Variety Protection Act:			
Number of applications received	492	492	492
Certificates of protection issued and abandoned	356	356	375
Research and promotion collections (dollars in millions)	583	583	583
Percentage of board budgets and marketing plans approved within time frame goal	100%	100%	100%

Wholesale market development.—This program is designed to enhance the marketing of domestic agricultural commodities by conducting research into more efficient marketing methods and by providing technical assistance to areas interested in improving their food distribution facilities.

Transportation Services.—The activities are designed to help ensure that the Nation's transportation systems will adequately serve the needs of agriculture and rural areas of the United States.

WHOLESALE MARKET DEVELOPMENT ACTIVITIES

	2010 actual	2011 est.	2012 est.
Number of projects completed	30	30	30

TRANSPORTATION SERVICES ACTIVITIES

	2010 actual	2011 est.	2012 est.
Number of projects completed	18	18	18

Object Classification (in millions of dollars)

Identification code 12-2500-0-1-352	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	33	33	34
11.3 Other than full-time permanent	1	1	2
11.5 Other personnel compensation	3	3	3
11.9 Total personnel compensation	37	37	39
12.1 Civilian personnel benefits	11	11	11
21.0 Travel and transportation of persons	2	2	2
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	2	2	2
24.0 Printing and reproduction	1	1	1
25.2 Other services from non-federal sources	20	19	23
25.3 Other goods and services from federal sources	14	14	14
26.0 Supplies and materials	2	2	2
31.0 Equipment	2	2	1
41.0 Grants, subsidies, and contributions	4	10	10
99.0 Direct obligations	96	101	106
99.0 Reimbursable obligations	45	65	66
99.9 Total new obligations	141	166	172

Employment Summary

Identification code 12-2500-0-1-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	457	464	464

2001 Reimbursable civilian full-time equivalent employment	419	391	391
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PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), \$2,634,000.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-2501-0-1-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Payments to states and possessions	2	2	3
0002 Specialty crop block grants	55	55	55
0900 Total new obligations (object class 41.0)	57	57	58
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	1	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	2	1	3
Appropriations, mandatory:			
1221 Appropriations transferred from other accounts	55	55	55
1900 Budget authority (total)	57	56	58
1930 Total budgetary resources available	58	57	58
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1		

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	59	98	116
3030 Obligations incurred, unexpired accounts	57	57	58
3040 Outlays (gross)	-18	-39	-53
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	98	116	121

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	2	1	3
Outlays, gross:			
4010 Outlays from new discretionary authority			1
4011 Outlays from discretionary balances	17	1	1
4020 Outlays, gross (total)	17	1	2
Mandatory:			
4090 Budget authority, gross	55	55	55
Outlays, gross:			
4100 Outlays from new mandatory authority	1		
4101 Outlays from mandatory balances		38	51
4110 Outlays, gross (total)	1	38	51
4180 Budget authority, net (total)	57	56	58
4190 Outlays, net (total)	18	39	53

Grants are made on a matching fund basis to State departments of agriculture to carry out specifically approved value-added programs designed to spotlight local marketing initiatives and enhance marketing efficiency. Under this activity, specialists work with farmers, marketing firms, and other agencies in solving marketing problems and in using research results.

Employment Summary

Identification code 12-2501-0-1-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	4	4	4

PERISHABLE AGRICULTURAL COMMODITIES ACT FUND

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-5070-0-2-352	2010 actual	CR	2012 est.
0100 Balance, start of year			
Receipts:			
0200 License Fees and Defaults, Perishable Agricultural Commodities Act Fund	7	12	12
0400 Total: Balances and collections	7	12	12
Appropriations:			
0500 Perishable Agricultural Commodities Act Fund	-7	-12	-12
0799 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-5070-0-2-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Perishable Agricultural Commodities Act	10	11	11
Budgetary Resources:			
1000 Unobligated balance:			
Unobligated balance brought forward, Oct 1	8	5	6
Budget authority:			
Appropriations, mandatory:			
1201 Appropriation (special fund)	7	12	12
1930 Total budgetary resources available	15	17	18
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	5	6	7
Change in obligated balance:			
3000 Obligated balance, start of year (net):			
3030 Unpaid obligations, brought forward, Oct 1 (gross)	1	1	
3030 Obligations incurred, unexpired accounts	10	11	11
3040 Outlays (gross)	-10	-12	-11
3090 Obligated balance, end of year (net):			
Unpaid obligations, end of year (gross)	1		
Budget authority and outlays, net:			
4090 Mandatory:			
Budget authority, gross	7	12	12
Outlays, gross:			
4100 Outlays from new mandatory authority	7	11	10
4101 Outlays from mandatory balances	3	1	1
4110 Outlays, gross (total)	10	12	11
4180 Budget authority, net (total)	7	12	12
4190 Outlays, net (total)	10	12	11
Memorandum (non-add) entries:			
5000 Total investments, SOY: Federal securities: Par value	2		1
5001 Total investments, EOY: Federal securities: Par value		1	

License fees are deposited in this special fund and are used to meet the costs of administering the Perishable Agricultural Commodities and the Produce Agency Acts (7 U.S.C. 491-497, 499a-499s).

The Acts are intended to ensure equitable treatment to farmers and others in the marketing of fresh and frozen fruits and vegetables. Commission merchants, dealers, and brokers handling these products in interstate and foreign commerce are licensed. Complaints of violations are investigated and violations dealt with by (a) informal agreements between the two parties, (b) formal decisions involving payment of reparation awards, and/or (c) suspension or revocation of license and/or publication of the facts.

The Perishable Agricultural Commodities Act requires traders to have trust assets on hand to meet their obligations to fruit and vegetable suppliers. To preserve their trust and establish their rights ahead of other creditors, unpaid suppliers file notice with both the Department and their debtors that payment is due. The Act provides permanent authority to the Secretary of Agriculture to set license and reparation complaint filing fees.

PERISHABLE AGRICULTURAL COMMODITIES ACT ACTIVITIES

	2010 actual	2011 est.	2012 est.
Percentage of informal reparation complaints completed within time frame goal	91%	91%	91%

Object Classification (in millions of dollars)

Identification code 12-5070-0-2-352	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	6	6	6
12.1 Civilian personnel benefits	2	2	2
23.2 Rental payments to others	1		
25.3 Other goods and services from federal sources	1	3	3
99.0 Direct obligations	10	11	11
99.9 Total new obligations	10	11	11

Employment Summary

Identification code 12-5070-0-2-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	78	85	85

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

(INCLUDING TRANSFERS OF FUNDS)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than \$20,056,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937 and the Agricultural Act of 1961.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-5209-0-2-605	2010 actual	CR	2012 est.
0100 Balance, start of year	13,823	13,057	15,057
Receipts:			
0200 30 Percent of Customs Duties, Funds for Strengthening Markets, Income and Supply (section 32)	7,561	8,544	9,347
0240 General Fund Payment, Funds for Strengthening Markets, Income, and Supply (section 32)		1	1
0299 Total receipts and collections	7,561	8,545	9,348
0400 Total: Balances and collections	21,384	21,602	24,405
Appropriations:			
0500 Funds for Strengthening Markets, Income, and Supply (section 32)	-8,061	-6,606	-7,947
0501 Funds for Strengthening Markets, Income, and Supply (section 32)	-375	-109	-170
0502 Funds for Strengthening Markets, Income, and Supply (section 32)	109	170	114
0599 Total appropriations	-8,327	-6,545	-8,003
0799 Balance, end of year	13,057	15,057	16,402

Program and Financing (in millions of dollars)

Identification code 12-5209-0-2-605	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Child nutrition program purchases	615	246	585
0002 Emergency surplus removal	301	51	227
0003 Direct Payments	83	550	
0004 State option contract		5	5
0005 Removal of defective commodities		3	3
0006 Disaster Relief		5	5
0007 2008 Farm Bill Specialty Crop Purchases	25	158	206
0091 Subtotal, Commodity program payments	1,024	1,018	1,031

0101	Administrative expenses	32	32	33
0102	Replacement of computer system	10	15	15
0191	Direct Program by Activities - Subtotal (1 level)	42	47	48
0192	Total direct program	1,066	1,065	1,079
0799	Total direct obligations	1,066	1,065	1,079
0811	Reimbursable program	1	1	1
0900	Total new obligations	1,067	1,066	1,080

Budgetary Resources:

Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	375		
1020	Adjustment of unobligated bal brought forward, Oct 1	-375		
1050	Unobligated balance (total)			
Budget authority:				
Appropriations, mandatory:				
1201	Appropriation (special fund)	8,061	6,606	7,947
1203	Appropriation (previously unavailable)	375	109	170
1220	Appropriations transferred to other accounts	-7,128	-5,480	-6,924
1231	Appropriations permanently reduced	-133		
1235	Appropriations precluded from obligation	-109	-170	-114
1260	Appropriations, mandatory (total)	1,066	1,065	1,079
Spending authority from offsetting collections, mandatory:				
1800	Collected	14	1	1
1802	Offsetting collections (previously unavailable)		13	13
1824	Spending authority from offsetting collections precluded from obligation (limitation on obligations)	-13	-13	-13
1850	Spending auth from offsetting collections, mand (total)	1	1	1
1900	Budget authority (total)	1,067	1,066	1,080
1930	Total budgetary resources available	1,067	1,066	1,080
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year			

Change in obligated balance:

Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	52	19	
3030	Obligations incurred, unexpired accounts	1,067	1,066	1,080
3040	Outlays (gross)	-1,100	-1,085	-1,080
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	19		

Budget authority and outlays, net:

Discretionary:				
4000	Budget authority, gross			
Mandatory:				
4090	Budget authority, gross	1,067	1,066	1,080
Outlays, gross:				
4100	Outlays from new mandatory authority	1,058	1,066	1,080
4101	Outlays from mandatory balances	42	19	
4110	Outlays, gross (total)	1,100	1,085	1,080
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4120	Federal sources	-14	-1	-1
4160	Budget authority, net (mandatory)	1,053	1,065	1,079
4170	Outlays, net (mandatory)	1,086	1,084	1,079
4180	Budget authority, net (total)	1,053	1,065	1,079
4190	Outlays, net (total)	1,086	1,084	1,079

Memorandum (non-add) entries:

5090	Unavailable balance, SOY: Offsetting collections		13	13
5091	Unavailable balance, EOY: Offsetting collections	13	13	13

The Agriculture Appropriations Act of 1935 established the Section 32 program (7 U.S.C. 612c) which provides that 30 percent of U.S. Customs receipts for each calendar year are transferred to this account within the Department of Agriculture. The purpose of the Section 32 program is three-fold: to encourage the exportation of agricultural commodities and products, to encourage domestic consumption of agricultural products by diverting them, and to reestablish farmers' purchasing power by making payments in connection with the normal production of any agricultural commodity for domestic consumption. There is also a requirement that the funds available under Section 32 shall be principally devoted to perishable agricultural commodities (e.g., fruits and vegetables). Program funds are used for a variety of purposes in support of the three primary purposes specified in

the program's authorizing legislation. Funds may be used to stabilize market conditions through purchasing surplus commodities which are in turn, distributed to nutrition assistance programs. Program funds are also used to purchase commodities that are distributed to schools as part of Child Nutrition Programs entitlements. Furthermore, funds are transferred to the Food and Nutrition Service for commodity purchases under section 6 of the National School Lunch Act and other authorities specified in the Child Nutrition Programs appropriation.

Object Classification (in millions of dollars)

Identification code 12-5209-0-2-605	2010 actual	CR	2012 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	16	18	18
11.5	Other personnel compensation	1	1	1
11.9	Total personnel compensation	17	19	19
12.1	Civilian personnel benefits	5	5	5
21.0	Travel and transportation of persons	1	1	1
22.0	Transportation of things	4	4	5
23.3	Communications, utilities, and miscellaneous charges	1	1	1
24.0	Printing and reproduction	1	1	1
25.2	Other services from non-federal sources	67	67	68
25.3	Other goods and services from federal sources	92	93	94
25.7	Operation and maintenance of equipment	1	1	1
26.0	Supplies and materials: Grants of commodities to States	873	869	880
31.0	Equipment	1	1	1
41.0	Grants, subsidies, and contributions	3	3	3
99.0	Direct obligations	1,066	1,065	1,079
99.0	Reimbursable obligations	1	1	1
99.9	Total new obligations	1,067	1,066	1,080

Employment Summary

Identification code 12-5209-0-2-605	2010 actual	CR	2012 est.	
1001	Direct civilian full-time equivalent employment	162	164	167
2001	Reimbursable civilian full-time equivalent employment	6	8	8

Trust Funds

EXPENSES AND REFUNDS, INSPECTION AND GRADING OF FARM PRODUCTS

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-8015-0-7-352	2010 actual	CR	2012 est.	
0100	Balance, start of year	3	3	7
Receipts:				
0220	Deposits of Fees, Inspection and Grading of Farm Products, AMS	152	148	151
0240	Interest on Investments in Public Debt Securities, AMS		1	1
0241	Payments from General Fund, Wool Research, Development, and Promotion Trust Fund	2	2	2
0299	Total receipts and collections	154	151	154
0400	Total: Balances and collections	157	154	161
Appropriations:				
0500	Expenses and Refunds, Inspection and Grading of Farm Products	-154	-147	-148
0799	Balance, end of year	3	7	13

Program and Financing (in millions of dollars)

Identification code 12-8015-0-7-352	2010 actual	CR	2012 est.	
Obligations by program activity:				
0001	Dairy products	6	6	6
0002	Fruits and vegetables	59	66	66
0003	Meat grading	33	29	31
0004	Poultry products	41	34	34
0005	Miscellaneous agricultural commodities	18	14	13
0900	Total new obligations	157	149	150

EXPENSES AND REFUNDS, INSPECTION AND GRADING OF FARM PRODUCTS—Continued
Program and Financing—Continued

Identification code 12-8015-0-7-352	2010 actual	CR	2012 est.
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	77	77	77
1021 Recoveries of prior year unpaid obligations	1		
1050 Unobligated balance (total)	78	77	77
Budget authority:			
Appropriations, mandatory:			
1202 Appropriation (trust fund and wool trust)	154	147	148
1221 Appropriations transferred from other accounts	2	2	2
1260 Appropriations, mandatory (total)	156	149	150
1930 Total budgetary resources available	234	226	227
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	77	77	77
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	24	23	12
3030 Obligations incurred, unexpired accounts	157	149	150
3040 Outlays (gross)	-157	-160	-156
3080 Recoveries of prior year unpaid obligations, unexpired	-1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	23	12	6
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	156	149	150
Outlays, gross:			
4100 Outlays from new mandatory authority	138	143	144
4101 Outlays from mandatory balances	19	17	12
4110 Outlays, gross (total)	157	160	156
4180 Budget authority, net (total)	156	149	150
4190 Outlays, net (total)	157	160	156
Memorandum (non-add) entries:			
5000 Total investments, SOY: Federal securities: Par value	40	20	35
5001 Total investments, EOY: Federal securities: Par value	20	35	35

Expenses and refunds, inspection and grading of farm products.—The Agricultural Marketing Service's commodity grading programs provide grading, examination, and certification services for a wide variety of fresh and processed food commodities using federally approved grade standards and purchase specifications. Commodities graded include poultry, livestock, meat, dairy products, and fresh and processed fruits and vegetables. These programs use official grade standards which reflect the relative quality of a particular food commodity based on laboratory testing and characteristics such as taste, color, weight, and physical condition. Producers voluntarily request grading and certification services which are provided on a fee for service basis.

WORKLOAD INDICATORS

	2010 actual	2011 est.	2012 est.
Weighted average cost per cwt. (1990 index)	\$0.21	\$0.21	\$0.21

Object Classification (in millions of dollars)

Identification code 12-8015-0-7-352	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	74	75	75
11.3 Other than full-time permanent	5	7	7
11.5 Other personnel compensation	9	11	11
11.9 Total personnel compensation	88	93	93
12.1 Civilian personnel benefits	28	28	28
13.0 Benefits for former personnel	1		
21.0 Travel and transportation of persons	9	4	4
23.2 Rental payments to others	2	1	1
23.3 Communications, utilities, and miscellaneous charges	3	4	4
25.2 Other services from non-federal sources	13	6	7
25.3 Other goods and services from federal sources	4	6	6
26.0 Supplies and materials	2	2	2

31.0 Equipment	1	1	1
41.0 Grants, subsidies, and contributions	6	4	4
99.9 Total new obligations	157	149	150

Employment Summary

Identification code 12-8015-0-7-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	1,324	1,348	1,348

MILK MARKET ORDERS ASSESSMENT FUND

Program and Financing (in millions of dollars)

Identification code 12-8412-0-8-351	2010 actual	CR	2012 est.
Obligations by program activity:			
0801 Administration	48	48	52
0802 Marketing service	8	8	8
0900 Total new obligations	56	56	60
Budgetary Resources:			
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	56	56	60
1930 Total budgetary resources available	56	56	60
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts	56	56	60
3040 Outlays (gross)	-56	-56	-60
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	56	56	60
Outlays, gross:			
4100 Outlays from new mandatory authority	56	56	60
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources	-56	-56	-60
4160 Budget authority, net (mandatory)			
4170 Outlays, net (mandatory)			
4180 Budget authority, net (total)			
4190 Outlays, net (total)			
Memorandum (non-add) entries:			
5010 Total investments, SOY: non-Fed securities: Market value			1
5011 Total investments, EOY: non-Fed securities: Market value		1	1

The Secretary of Agriculture is authorized by the Agricultural Marketing Agreement Act of 1937, as amended under certain conditions to issue Federal milk marketing orders establishing minimum prices which handlers are required to pay for milk purchased from producers. There are currently 10 Federally-sanctioned milk market orders in operation.

Market administrators are appointed by the Secretary and are responsible for carrying out the terms of specific marketing orders. Their operating expenses, partly financed by assessments on regulated handlers and partly by deductions from producers, are reported to the Agricultural Marketing Service. The majority of these funds are collected and deposited in checking and savings accounts in local banks, and disbursed directly by the market administrator. A portion of the funds collected are invested in securities such as certificates of deposit.

Expenses of local offices are met from an administrative fund and a marketing service fund, which are prescribed in each order. The administrative fund is derived from prorated handler assessments. The marketing service fund of the individual order disseminates market information to producers who are not members of a qualified cooperative. It also provides for the verification of the weights, sampling, and testing of milk from these producers. The cost of these services is borne by such producers.

The maximum rates for administrative assessment and for marketing services are set forth in each order and adjustments below these rates are made from time to time upon recommendations by the market administrator and upon approval of the Agricultural Marketing Service to provide reserves at about a six month operating level. Upon termination of any order, the statute provides for distributing the proceeds from net assets pro rata to contributing handlers or producers, as the case may be.

Object Classification (in millions of dollars)

Identification code 12-8412-0-8-351	2010 actual	CR	2012 est.
Reimbursable obligations:			
11.1 Personnel compensation: Full-time permanent	34	34	37
12.1 Civilian personnel benefits	9	9	10
21.0 Travel and transportation of persons	3	3	3
23.2 Rental payments to others	4	4	4
23.3 Communications, utilities, and miscellaneous charges	2	2	2
25.2 Other services from non-federal sources	1	1	1
26.0 Supplies and materials	2	2	2
31.0 Equipment	1	1	1
99.0 Reimbursable obligations	56	56	60
99.9 Total new obligations	56	56	60

Employment Summary

Identification code 12-8412-0-8-351	2010 actual	CR	2012 est.
2001 Reimbursable civilian full-time equivalent employment	378	378	378

RISK MANAGEMENT AGENCY

Federal Funds

RISK MANAGEMENT AGENCY

For necessary expenses of the Risk Management Agency, \$82,325,000: Provided, That the funds made available under section 522(e) of the Federal Crop Insurance Act (7 U.S.C. 1522(e)) may be used for the Common Information Management System: Provided further, That not to exceed \$1,000 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i).

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-2707-0-1-351	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Administrative and operating expenses	80	80	82
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	80	80	82
1930 Total budgetary resources available	80	80	82
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	16	18	18
3030 Obligations incurred, unexpired accounts	80	80	82
3031 Obligations incurred, expired accounts	3		
3040 Outlays (gross)	-78	-80	-82
3081 Recoveries of prior year unpaid obligations, expired	-3		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	18	18	18
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	80	80	82
Outlays, gross:			
4010 Outlays from new discretionary authority	64	64	66

4011 Outlays from discretionary balances	14	16	16
4020 Outlays, gross (total)	78	80	82
4180 Budget authority, net (total)	80	80	82
4190 Outlays, net (total)	78	80	82

The Risk Management Agency (RMA) was established under provisions of the Federal Agriculture Improvement and Reform Act of 1996 (1996 Act), P.L. 104-127, approved April 4, 1996. RMA is responsible for administration and oversight of programs authorized under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) and promotes the National welfare by improving the economic stability of agriculture through a secure system of crop insurance. This administrative expense account includes resources to maintain ongoing operations of the Federal crop insurance program and other functions assigned to RMA such as outreach and risk management education. This account covers expenses of national, regional and compliance offices located across the United States.

The Federal Crop Insurance program is delivered through private insurance companies. Certain administrative expenses incurred by the companies are reimbursed through mandatory funding that is reflected in the Federal Crop Insurance Corporation Fund account.

Object Classification (in millions of dollars)

Identification code 12-2707-0-1-351	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	44	44	44
11.3 Other than full-time permanent	1	1	1
11.9 Total personnel compensation	45	45	45
12.1 Civilian personnel benefits	11	11	11
21.0 Travel and transportation of persons	2	2	2
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services from non-federal sources	20	20	22
99.9 Total new obligations	80	80	82

Employment Summary

Identification code 12-2707-0-1-351	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	501	568	568

CORPORATIONS

The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 516 of the Federal Crop Insurance Act (7 U.S.C. 1516), such sums as may be necessary, to remain available until expended.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continu-

FEDERAL CROP INSURANCE CORPORATION FUND—Continued

ing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-4085-0-3-351	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Indemnities	3,117	5,601	3,083
0002 A&O reimbursements	1,371	1,325	.....
0003 ARPA obligations	53	68	59
0091 Direct program activities, subtotal	4,541	6,994	3,142
0801 Reimbursable program - indemnities	2,449	2,986	6,882
0900 Total new obligations	6,990	9,980	10,024
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	996	558	558
1020 Adjustment of unobligated bal brought forward, Oct 1	-444	.....	.....
1050 Unobligated balance (total)	552	558	558
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	4,546	6,993	3,141
1220 Appropriations transferred to other accounts	-5	-5	-5
1221 Appropriations transferred from other accounts	6	6	6
1260 Appropriations, mandatory (total)	4,547	6,994	3,142
Spending authority from offsetting collections, mandatory:			
1800 Collected	2,449	2,986	6,882
1900 Budget authority (total)	6,996	9,980	10,024
1930 Total budgetary resources available	7,548	10,538	10,582
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	558	558	558
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	376	211	216
3030 Obligations incurred, unexpired accounts	6,990	9,980	10,024
3040 Outlays (gross)	-7,155	-9,975	-10,217
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	211	216	23
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	6,996	9,980	10,024
Outlays, gross:			
4100 Outlays from new mandatory authority	6,779	9,630	9,867
4101 Outlays from mandatory balances	376	345	350
4110 Outlays, gross (total)	7,155	9,975	10,217
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources	-2,449	-2,986	-6,882
4160 Budget authority, net (mandatory)	4,547	6,994	3,142
4170 Outlays, net (mandatory)	4,706	6,989	3,335
4180 Budget authority, net (total)	4,547	6,994	3,142
4190 Outlays, net (total)	4,706	6,989	3,335

Summary of Budget Authority and Outlays (in millions of dollars)

	2010 actual	CR	2012 est.
Enacted/requested:			
Budget Authority	4,547	6,994	3,142
Outlays	4,706	6,989	3,335
Legislative proposal, subject to PAYGO:			
Budget Authority .....	.....	.....	-161
Outlays .....	.....	.....	-161
Total:			
Budget Authority	4,547	6,994	2,981
Outlays	4,706	6,989	3,174

The Federal Crop Insurance Corporation (FCIC) is a wholly owned government corporation created February 16, 1938 (7 U.S.C. 1501.) The program was amended by Public Law (P.L.) 96-365, dated September 26, 1980, to provide for nationwide expansion of a comprehensive crop insurance plan. The crop insurance program includes products involving yield and revenue insurance, pasture, rangeland and forage, livestock, and other

educational and risk mitigation initiatives/tools to manage risk. FCIC is administered by the Risk Management Agency (RMA), and provides economic stability to agriculture through a secure system of crop insurance. FCIC provides to farmers a risk management program that protects against agricultural production losses due to unavoidable causes such as drought, excessive moisture, hail, wind, hurricane, tornado, lightning, and insects. In addition to these causes, revenue insurance programs are available under which producers of certain crops are protected against loss of revenue stemming from low prices, poor yields, or a combination of both. Federal crop insurance is available to producers through private insurance companies that market and service policies and also share in the risk. Thus, the program delivery is a joint effort between the Federal government and the private insurance industry. There were over 1.1 million policies written in crop year 2010 with over \$7.5 billion in premiums and indemnities projected at about \$3.4 billion. Crop insurance is available for more than 350 different commodities in over 3,141 counties covering all 50 states, and Puerto Rico. RMA continues to pursue initiatives to make higher levels of crop insurance protection more affordable and useful to producers and improve program integrity.

Commercial insurance companies deliver crop insurance. For producers who obtain Catastrophic Crop Insurance (CAT), which compensates the farmer for losses exceeding 50 percent of the individual's average yield at 55 percent of the expected market price, the premium is entirely subsidized. The cost to the producer for this type of coverage is an annual administrative fee of \$300 per crop per county. For 2012 the Budget reflects a legislative proposal that would make the amount charged for the (CAT) coverage on crop insurance policies more closely reflect the experience of participants at this type and level of coverage. This change is expected to result in a savings of \$1.77B over 10 years. Because the premium for Catastrophic Crop Insurance is fully subsidized for the farmer, changing what we charge for the premium will effect only the payments to the Crop Insurance Companies.

Additional coverage is available to producers and is commonly referred to as "buy-up" coverage. Policyholders can elect to be paid up to 100 percent of the market price established by FCIC for each unit of production their actual yield is less than the individual yield guarantee. Premium rates for additional coverage depend on the level of protection selected and vary from crop to crop and county to county. Producers are assessed a fee of \$30 per crop, per county, in addition to a share of the premium. The additional levels of insurance coverage are more attractive to farmers due to availability of optional units, other policy provisions not available with CAT coverage, and the ability to obtain a level of protection that permits them to use crop insurance as loan collateral and to achieve greater financial security.

Revenue protection for specified products is provided by extending traditional multi-peril crop insurance protection, based on actual production history, to include price variability based on futures market prices. Revenue insurance provides a dollar amount of coverage, thereby insuring against losses due to low yields, low prices, or a combination of the two.

In FY 2010, Combined Policy (Combo) Regulations and Provisions were amended. FCIC published a Final Rule in the Federal Register to amend the Common Crop Insurance Regulations, Basic Provisions, Small Grains Crop Insurance Provisions, Cotton Crop Insurance Provisions, Coarse Grains Crop Insurance Provisions, Malting Barley Crop Insurance Provisions, Rice Crop Insurance Provisions, and Canola and Rapeseed Crop Insurance Provisions to provide both revenue protection and yield protection.

The final rule was published in time to be implemented for the 2011 crop year. The amended provisions will replace the Crop Revenue Coverage (CRC), Income Protection (IP), Indexed Income Protection (IIP), and the Revenue Assurance (RA) plans of insurance. Now producers have a choice of revenue protection (protection against loss of revenue caused by low prices, low yields, or a combination of both) or yield protection (protection for production losses only) within one Basic Provision and the applicable Crop Provision. This combined policy reduces the amount of information producers must read to determine the best risk management tool for their operation and to improve the prevented planting and other provisions to better meet the needs of insured producers.

Standard Reinsurance Agreement (SRA) Negotiations were formally completed on July 12, 2010, with the signing of the 2011 SRA by all insurance providers that had been approved for the 2010 reinsurance year. During the negotiations, RMA worked with recommendations from the insurance industry, analyzed various Office of General Counsel (OGC) and Office of Inspector General (OIG) reports, and briefed Congress. SRA negotiations were an iterative process of preparing draft documents, holding explanatory meetings, establishing comment periods, analyzing proposed revisions, and revising documents. The resulting SRA is projected by USDA to save the government \$6 billion over the next 10 years. The Administration applied \$4 billion of the savings for deficit reduction and the remaining \$2 billion was used to expand and improve select conservation and crop insurance programs.

The following table illustrates Crop Year statistics as of September 30, 2010. Crop Year is generally all activity for crops from July 1-June 30 of a given year.

	2010 CY est.	2011 CY est.	2012 CY est.
Number of States	50	50	50
Number of counties	3,141	3,141	3,141
Insurance in force (millions)	77,870	102,596	93,603
Insured acreage (millions)	256	294	281
Producer premium (millions)	2,875	3,895	3,493
Premium subsidy (millions)	4,695	6,348	5,739
Total premium (millions)	7,570	10,243	9,232
Indemnities (millions)	3,408	10,243	9,232
Loss ratio .....	.46	1.000	1.000

Financing.—The Corporation is authorized under the Federal Crop Insurance Act, as amended, to use funds from the issuance of capital stock which provides working capital for the Corporation.

Receipts, which are for deposit to this fund, mainly come from premiums paid by farmers. The principal payments from this fund are for indemnities to insured farmers, and administrative expenses for approved insurance providers.

Premium subsidies are authorized by section 508(b) of the Federal Crop Insurance Act, as amended, and are received through appropriations.

The following table illustrates premium subsidies and indemnities for all crop years as expected to occur during the period of October 1-September 30 for fiscal years 2011 and 2012 .

PREMIUM AND SUBSIDY

[In millions of dollars]

	FY 2011 est.	FY 2012 est.
Premiums:		
Additional coverage premium subsidy	4,280	5,982
Catastrophic coverage premium subsidy	284	306
Subtotal, premium subsidy	4,564	6,287
Producer premium	2,929	6,824

Total premiums	7,494	13,111
Indemnities:		
Additional coverage	7,229	9,580
Catastrophic coverage	282	309
Total indemnities	7,511	9,889

NET INCOME OR LOSS (-) ON INSURANCE OPERATIONS

[In millions of dollars]

	FY 2011 est.	FY 2012 est.
Producer premium less indemnities	-4,583	-3,065
Interest expense, net	0	0
Delivery expenses ¹	-1,325	0
Other income or expense, net	57	58
Federal Crop Insurance Act Initiatives	-69	-60
Reinsurance underwriting gain (+) or loss (-)	-999	0
Net income or loss (-)	-6,919	-3,067

¹Figures reflect delivery expenses borne by the Fund in accordance with the Food, Conservation, and Energy Act of 2008, P.L. 110-246.

Balance Sheet (in millions of dollars)

Identification code 12-4085-0-3-351	2009 actual	2010 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	1,243	668
1206 Non-Federal assets: Receivables, net	2,985	2,559
1999 Total assets	4,228	3,227
LIABILITIES:		
2105 Federal liabilities: Other	1	1
Non-Federal liabilities:		
2201 Accounts payable	152	30
2207 Other	6,633	5,225
2999 Total liabilities	6,786	5,256
NET POSITION:		
3100 Appropriated capital	1,452	-122
3300 Cumulative results of operations	-4,010	-1,907
3999 Total net position	-2,558	-2,029
4999 Total liabilities and net position	4,228	3,227

Object Classification (in millions of dollars)

Identification code 12-4085-0-3-351	2010 actual	CR	2012 est.
Direct obligations:			
25.2 Other services-ARPA requirements	53	68	59
25.2 Other services from non-federal sources	1,371	1,325	
42.0 Insurance claims and indemnities (reinsured buyup)	3,117	5,601	3,083
99.0 Direct obligations	4,541	6,994	3,142
Reimbursable obligations:			
42.0 Insurance claims and indemnities	2,449	2,986	6,882
99.0 Reimbursable obligations	2,449	2,986	6,882
99.9 Total new obligations	6,990	9,980	10,024

FEDERAL CROP INSURANCE CORPORATION FUND

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-4085-4-3-351	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Indemnities			-161
0900 Total new obligations (object class 42.0)			-161
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation			-161
1930 Total budgetary resources available			-161
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts			-161

FEDERAL CROP INSURANCE CORPORATION FUND—Continued
Program and Financing—Continued

Identification code 12-4085-4-3-351	2010 actual	CR	2012 est.
3040 Outlays (gross)			161
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross			-161
Outlays, gross:			
4100 Outlays from new mandatory authority			-161
4180 Budget authority, net (total)			-161
4190 Outlays, net (total)			-161

FARM SERVICE AGENCY
Federal Funds

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Farm Service Agency, \$1,397,065,000: Provided, That the Secretary is authorized to use the services, facilities, and authorities (but not the funds) of the Commodity Credit Corporation to make program payments for all programs administered by the Agency: Provided further, That other funds made available to the Agency for authorized activities may be advanced to and merged with this account: Provided further, That funds made available to county committees shall remain available until expended: Provided further, That of the funds provided, no less than \$20,000,000 is available until September 30, 2013, for administrative expenses related to settling existing claims of discrimination in the delivery of agency programs.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-0600-0-1-351	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Conservation	324	324	348
0002 Income support	920	908	975
0005 Commodity operations	27	31	34
0091 Direct program activities, subtotal	1,271	1,263	1,357
0300 Subtotal, direct program	1,271	1,263	1,357
0801 Farm loans	314	313	313
0802 Other programs	107	93	92
0899 Total reimbursable obligations	421	406	405
0900 Total new obligations	1,692	1,669	1,762
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	47	9	
1012 Expired unobligated bal transferred to unexpired accts	22		
1021 Recoveries of prior year unpaid obligations	3		
1050 Unobligated balance (total)	72	9	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,254	1,254	1,357
Spending authority from offsetting collections, discretionary:			
1700 Collected	408	406	405
1701 Change in uncollected payments, Federal sources	13		
1750 Spending auth from offsetting collections, disc (total)	421	406	405
1900 Budget authority (total)	1,675	1,660	1,762
1930 Total budgetary resources available	1,747	1,669	1,762
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-46		
1941 Unexpired unobligated balance, end of year	9		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	248	276	235

3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-12	-15	-15
3020 Obligated balance, start of year (net)	236	261	220
3030 Obligations incurred, unexpired accounts	1,692	1,669	1,762
3031 Obligations incurred, expired accounts	43		
3040 Outlays (gross)	-1,643	-1,710	-1,780
3050 Change in uncollected pymts, Fed sources, unexpired	-13		
3051 Change in uncollected pymts, Fed sources, expired	10		
3080 Recoveries of prior year unpaid obligations, unexpired	-3		
3081 Recoveries of prior year unpaid obligations, expired	-61		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	276	235	217
3091 Uncollected pymts, Fed sources, end of year	-15	-15	-15
3100 Obligated balance, end of year (net)	261	220	202

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	1,675	1,660	1,762
Outlays, gross:			
4010 Outlays from new discretionary authority	1,412	1,459	1,545
4011 Outlays from discretionary balances	231	251	235
4020 Outlays, gross (total)	1,643	1,710	1,780
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-418	-406	-405
4033 Non-Federal sources	-3		
4040 Offsets against gross budget authority and outlays (total)	-421	-406	-405
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-13		
4052 Offsetting collections credited to expired accounts	13		
4060 Additional offsets against budget authority only (total)			
4070 Budget authority, net (discretionary)	1,254	1,254	1,357
4080 Outlays, net (discretionary)	1,222	1,304	1,375
4180 Budget authority, net (total)	1,254	1,254	1,357
4190 Outlays, net (total)	1,222	1,304	1,375

Summary of Budget Authority and Outlays (in millions of dollars)

	2010 actual	CR	2012 est.
Enacted/requested:			
Budget Authority	1,254	1,254	1,357
Outlays	1,222	1,304	1,375
Legislative proposal, not subject to PAYGO:			
Budget Authority			40
Outlays			16
Total:			
Budget Authority	1,254	1,254	1,397
Outlays	1,222	1,304	1,391

The Farm Service Agency (FSA) was established October 3, 1994, pursuant to the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994, P.L. 103-354. The Department of Agriculture Reorganization Act of 1994 was amended on April 4, 1996, by the Federal Agriculture Improvement and Reform Act of 1996 (1996 Act), P.L. 104-127. The FSA administers a variety of activities, such as farm income support programs through various loans and payments; the Conservation Reserve Program (CRP); the Emergency Conservation Program; the Hazardous Waste Management Program; the Commodity Operation Programs including the warehouse examination function; farm ownership, farm operating, emergency disaster, and other loan programs; and the Noninsured Crop Disaster Assistance Program (NAP), which provides crop loss protection for growers of many crops for which crop insurance is not available. FSA also assists in the administration of several conservation cost-share programs financed by the Commodity Credit Corporation (CCC), including the Grasslands Reserve Program (GRP). In addition, FSA currently provides certain administrative support services to the Foreign Agricultural Service (FAS) and to the Risk Management Agency (RMA).

This consolidated administrative expenses account includes funds to cover expenses of programs administered by, and functions assigned to, FSA. The funds consist of a direct appropriation,

transfers from program loan accounts under credit reform procedures, user fees, and advances and reimbursements from other sources. This is a consolidated account for administrative expenses of national, regional, State, and county offices.

USDA's FSA, Natural Resources Conservation Service, and Rural Development offices act as separate franchises, with offices often located adjacent to each other. Prior efforts to improve the efficiency of USDA's county-based offices have resulted in significant co-location, and introduction of new information technology to simplify customer transactions.

Farm programs.—These programs provide an economic safety net through farm income support to eligible producers, cooperatives, and associations to help improve the economic stability and viability of the agricultural sector and to ensure the production of an adequate and reasonably priced supply of food and fiber. Objectives of the Agency include providing direct and counter-cyclical payments, providing marketing assistance loans and loan deficiency payments enabling recipients to continue farming operations without marketing their product immediately after harvest, and providing a financial assistance safety net to eligible producers when natural disasters result in a catastrophic loss of production or prevent planting of noninsured crops, and timely approval of crop prices, average yields, and payment factors for the NAP.

Farm program activities include the following functions dealing with the administration of programs carried out through the farmer committee system of the FSA: (a) developing program regulations and procedures; (b) collecting and compiling basic data for individual farms; (c) establishing individual farm allotments for farm planting history; (d) notifying producers of established allotments and farm planting histories; (e) conducting referendums and certifying results; (f) accepting farmer certifications and checking compliance for specific purposes; (g) processing commodity loan documents and issuing checks; (h) processing direct and counter-cyclical payments and issuing checks; (i) certifying payment eligibility and monitoring payment limitations; and (j) processing farm storage facility loans and issuing checks.

Conservation and environment.—These programs assist agricultural producers and landowners in implementing practices to conserve soil, water, air, and wildlife resources on America's farmland and ranches to help protect the human and natural environment. Objectives of the Agency include improving environmental quality, protecting natural resources, and enhancing habitat for fish and wildlife, including threatened and endangered species; providing Emergency Conservation Program funding for farmers and ranchers to rehabilitate damaged farmland and for carrying out emergency conservation measures during periods of severe drought or flooding; protecting the public health of communities through implementation of the Hazardous Waste Management Program; and implementing contracting, financial reporting, and other administrative operations processes. These activities include: (a) processing producer requests for conservation cost-sharing and issuing conservation reserve rental payments; and (b) transferring funds to the Natural Resources Conservation Service and other agencies for other conservation programs.

Commodity operations.—This activity includes: (a) overall management of CCC-owned commodities; (b) purchasing commodities; (c) donating commodities; (d) selling commodities; (e) accounting for loans and commodities; and (f) commercial warehouse activities, which include improving the effectiveness and efficiency of FSA's commodity acquisition, procurement, storage, and distribution activities to support domestic and international food

assistance programs and administering the U.S. Warehouse Act (USWA). FSA provides for the examination of warehouses licensed under the USWA and non-licensed warehouses storing CCC-owned or pledged commodities. Examiners perform periodic examinations of the facilities and the warehouse records to ensure protection of depositors against potential losses of the stored commodities and to ensure compliance with the USWA and any CCC storage agreements.

Farm loans (reimbursable).—Provides for administering the direct and guaranteed loan programs covered under the Agricultural Credit Insurance Fund (ACIF). Objectives of the Agency include improving the economic viability of farmers and ranchers, reducing losses in direct loan programs, responding to loan making and servicing requests, and maximizing financial and technical assistance to under-served groups. Activities include reviewing applications, servicing the loan portfolio, and providing technical assistance and guidance to borrowers. Funding for farm loan administrative expenses is transferred to this consolidated account from the ACIF. Appropriations representing subsidy amounts necessary to support the individual program loan levels under Federal Credit Reform are made to the ACIF account.

Other reimbursable activities.—FSA collects a fee or is reimbursed for performing a variety of services for other Federal agencies, CCC, industry, and others, including certain administrative support services for the Risk Management Agency and the Foreign Agricultural Service, and for county office services provided to Federal and non-Federal entities, including a variety of services to producers.

Civil Rights.—Within the 2012 level, this account requests \$20 million for administrative expenses for settling existing claims of discrimination. Separately, the account also requests \$40 million, to be made available contingent upon enactment of authorizing legislation, to settle written claims filed under the Equal Credit Opportunity Act from July 1, 1997 to October 31, 2009.

Object Classification (in millions of dollars)

Identification code 12-0600-0-1-351	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	155	168	125
11.3 Other than full-time permanent	3	3	3
11.5 Other personnel compensation	3	3	5
11.9 Total personnel compensation	161	174	133
12.1 Civilian personnel benefits	42	45	44
21.0 Travel and transportation of persons	7	6	6
22.0 Transportation of things	2	3	3
23.3 Communications, utilities, and miscellaneous charges	11	10	12
24.0 Printing and reproduction	1	2	1
25.2 Other services from non-federal sources	329	315	441
26.0 Supplies and materials	4	4	5
31.0 Equipment	2	2	7
41.0 Grants, subsidies, and contributions	712	702	705
99.0 Direct obligations	1,271	1,263	1,357
99.9 Reimbursable obligations	421	406	405
99.9 Total new obligations	1,692	1,669	1,762

Employment Summary

Identification code 12-0600-0-1-351	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	2,002	2,134	1,630
2001 Reimbursable civilian full-time equivalent employment	2,987	2,960	2,960

SALARIES AND EXPENSES

(Legislative proposal, not subject to PAYGO)

Contingent upon enactment of authorizing legislation, of the amount provided for the Farm Service Agency Salaries and Expenses account, \$40,000,000, to remain available until expended, shall be for the purpose

SALARIES AND EXPENSES—Continued
of settling written claims filed under the Equal Credit Opportunity Act from July 1, 1997 to October 31, 2009.

Program and Financing (in millions of dollars)

Identification code 12-0600-2-1-351	2010 actual	CR	2012 est.
Obligations by program activity:			
0006 Settlement of discrimination claims			30
0900 Total new obligations (object class 42.0)			30
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			40
1930 Total budgetary resources available			40
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year			10
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)			
3030 Obligations incurred, unexpired accounts			30
3040 Outlays (gross)			-16
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)			14
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			40
Outlays, gross:			
4010 Outlays from new discretionary authority			16
4180 Budget authority, net (total)			40
4190 Outlays, net (total)			16

STATE MEDIATION GRANTS

For grants pursuant to section 502(b) of the Agricultural Credit Act of 1987, as amended (7 U.S.C. 5101-5106), \$4,369,000.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-0170-0-1-351	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 State mediation grants	4	4	4
0900 Total new obligations (object class 41.0)	4	4	4
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	4	4	4
1930 Total budgetary resources available	4	4	4
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	3	2	2
3030 Obligations incurred, unexpired accounts	4	4	4
3040 Outlays (gross)	-5	-4	-4
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	2	2	2
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	4	4	4
Outlays, gross:			
4010 Outlays from new discretionary authority	2	2	2
4011 Outlays from discretionary balances	3	2	2
4020 Outlays, gross (total)	5	4	4
4180 Budget authority, net (total)	4	4	4
4190 Outlays, net (total)	5	4	4

This grant program is authorized by Title V of the Agricultural Credit Act of 1987, P.L. 100-233, as amended. Originally designed to address agricultural credit disputes, the program was expanded by the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (P.L. 103-354) to include other agricultural issues such as wetland determinations, conservation compliance, rural water loan programs, grazing on National Forest System lands, and pesticide use. Grants are made to States whose agricultural mediation programs have been certified by the Farm Service Agency. A grant will not exceed 70 percent of the total fiscal year funds that a qualifying State requires to operate and administer its agricultural mediation program. In no case will the total amount of a grant exceed \$500,000 annually. Current authority for the program under P.L. 111-233 expires September 10, 2015.

GRANT OBLIGATIONS

	2010 actual	2011 est.	2012 est.
Number of States receiving grants	36	36	37
Amount of grants (in millions of dollars)	4	4	4

DISCRIMINATION CLAIMS SETTLEMENT

Program and Financing (in millions of dollars)

Identification code 12-1144-0-1-351	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Discrimination Claims Settlement		230	920
0900 Total new obligations (object class 42.0)		230	920
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1			920
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation		1,150	
1900 Budget authority (total)		1,150	
1930 Total budgetary resources available		1,150	920
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year		920	
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts		230	920
3040 Outlays (gross)		-230	-920
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross		1,150	
Outlays, gross:			
4100 Outlays from new mandatory authority		230	
4101 Outlays from mandatory balances			920
4110 Outlays, gross (total)		230	920
4180 Budget authority, net (total)		1,150	
4190 Outlays, net (total)		230	920

The Claims Resolution Act of 2010, P.L. 111-291 that was signed into law on December 8, 2010 provides funding to settle claims of prior discrimination brought by black farmers against the Department of Agriculture. These funds supplement funding previously provided to USDA for this purpose by section 14012 of P.L. 110-246. Claimants that suffered discrimination between 1989 and 1997 and submitted a late-filing request can seek fast-track payments of up to \$50,000 plus debt relief, or choose a longer, more rigorous review and documentation process for damages of up to \$250,000. The actual value of awards may be reduced based on the total amount of funds made available and the number of successful claims.

USDA SUPPLEMENTAL ASSISTANCE

Program and Financing (in millions of dollars)

Identification code 12-2701-0-1-351	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Dairy economic loss assistance payments	290	290	.....
0002 Durum wheat quality program payments	3	3	.....
0003 Geographically disadvantaged farmers and ranchers program	3	3	.....
0900 Total new obligations (object class 41.0)	296	296	.....
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	776	779	957
1021 Recoveries of prior year unpaid obligations	3	178	5
1050 Unobligated balance (total)	779	957	962
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	296	296	.....
1930 Total budgetary resources available	1,075	1,253	962
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	779	957	962
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	192	211	10
3030 Obligations incurred, unexpired accounts	296	296	.....
3040 Outlays (gross)	-274	-319	.....
3080 Recoveries of prior year unpaid obligations, unexpired	-3	-178	-5
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	211	10	5
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	296	296	.....
Outlays, gross:			
4010 Outlays from new discretionary authority	273	296	.....
4011 Outlays from discretionary balances	1	23	.....
4020 Outlays, gross (total)	274	319	.....
4180 Budget authority, net (total)	296	296	.....
4190 Outlays, net (total)	274	319	.....

On May 25, 2007, the President signed into law the "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007" (2007 Act), P.L. 110-28. The 2007 Act provided \$2.8 billion in agricultural disaster aid for America's farmers and ranchers. Specifically, the 2007 Act provides funds for a Crop Disaster Program, Livestock Compensation Program, Livestock Indemnity Program, and Dairy Disaster Assistance Program. The USDA Farm Service Agency (FSA) published regulations in the Federal Register to implement the programs. In addition, FSA designed and developed software for sign-up and payment processes. The 2008 Consolidated Appropriations Act, P.L. 110-161, provided an additional \$602 million under Sec. 743, which extended the period of eligibility for disaster assistance from February 28, 2007 to December 31, 2007. Outlays were first made in 2008 and continued into 2009 and 2010.

The following table shows outlays for 2010 by program.

USDA Disaster Assistance Program

Programs	Outlays
Crop Disaster Assistance	1
Livestock Compensation Program	0
Livestock Indemnity	0
Total	1

This account also includes three other programs in 2010 authorized by the 2010 USDA Appropriations Act, P.L. 111-80. Section 748(a) appropriated \$290 million for loss assistance payments to eligible dairy producers. The USDA Farm Service Agency (FSA) published regulations in the Federal Register to implement the program. Eligible producers received a one-time direct pay-

ment based on the amount of milk both produced and commercially marketed by their operation during the months of February through July 2009. Payments to eligible Dairy Economic Loss Assistance Payment (DELAP) program producers were issued in three payment phases. Phase I payments were issued in mid-December 2009 to eligible dairy producers with production records from previous participation in dairy programs administered by the Farm Service Agency (FSA). Dairy producers who did not have production records at the FSA county office but submitted a request for DELAP benefits before the application deadline of Jan. 19, 2010, were issued payments in Phase II beginning June 18, 2010. DELAP Phase III will be disbursed to eligible dairy producers that received DELAP benefits under Phase I or Phase II. Of the \$290 million budgeted for DELAP, a total of \$273 million was dispersed to eligible dairy producers under DELAP Phase I and Phase II in fiscal year 2010. The remaining \$17 million minus a reserve established by FSA will be dispersed during Phase III in fiscal year 2011.

In addition, Section 741 of P.L. 111-80 appropriated \$3 million for a Durum Wheat Quality Program (DWQP) authorized by Section 1613 of the Food, Conservation, and Energy Act of 2008, P.L. 110-246. DWQP signup period was from July 21, 2010, through September 15, 2010. In the first quarter of FY 2011, FSA disbursed \$2,778,265 of the \$2,849,958 of 2010 DWQP funding allotted to approximately 1,020 eligible durum wheat producers in 5 States (Idaho, Minnesota, Montana, North Dakota, and South Dakota). FSA held \$150,042 of DWQP in reserve.

Section 741 also appropriated \$2.6 million for a Geographically Disadvantaged Farmers and Ranchers Program authorized by Section 1621 of P.L. 110-246. Program signup began on August 3, 2010, and ended on September 10, 2010. FSA received applications from 1,545 applicants. Notices to collect data are in the process of being cleared, while payment software is being tested and finalized. Following a determination of whether a payment factor should be applied to payments, it is expected that payments will be issued during the second quarter of FY 2011.

AQUACULTURE ASSISTANCE, RECOVERY ACT

Program and Financing (in millions of dollars)

Identification code 12-3317-0-1-351	2010 actual	CR	2012 est.
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	.....	.....
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	9	.....	.....
1900 Budget authority (total)	9	.....	.....
1930 Total budgetary resources available	10	.....	.....
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-10	.....	.....
1941 Unexpired unobligated balance, end of year .....	.....	.....	.....
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	1	.....	.....
3040 Outlays (gross)	-1	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	.....	.....	.....
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	9	.....	.....
Outlays, gross:			
4101 Outlays from mandatory balances	1	.....	.....
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	-9	.....	.....
4160 Budget authority, net (mandatory) .....	.....	.....	.....

AQUACULTURE ASSISTANCE, RECOVERY ACT—Continued
Program and Financing—Continued

Identification code 12-3317-0-1-351	2010 actual	CR	2012 est.
4170 Outlays, net (mandatory)	-8		
4180 Budget authority, net (total)			
4190 Outlays, net (total)	-8		

The American Recovery and Reinvestment Act of 2009 authorized \$50 million of Commodity Credit Corporation (CCC) funds for grants to States that agree to provide assistance to eligible aquaculture producers for losses associated with high feed input costs during the 2008 calendar year. Eligible applicants were limited to State Departments of Agriculture or similar state government entities in each State. Grants to States were made on a pro rata basis based on the amount of aquaculture feed used in each State during the 2007 calendar year, as determined by CCC.

REFORESTATION PILOT PROGRAM
Program and Financing (in millions of dollars)

Identification code 12-3305-0-1-302	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Reforestation pilot program	1	1	
0900 Total new obligations (object class 41.0)	1	1	
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1	1	
1930 Total budgetary resources available	1	1	

Change in obligated balance:			
3030 Obligations incurred, unexpired accounts	1	1	
3040 Outlays (gross)	-1	-1	

Budget authority and outlays, net:			
Discretionary:			
Budget authority, gross			
4000	1	1	
Outlays, gross:			
4010 Outlays from new discretionary authority	1	1	
4180 Budget authority, net (total)	1	1	
4190 Outlays, net (total)	1	1	

These funds were appropriated by section 739 of P.L. 111-80 for the Farm Service Agency to carry out a reforestation pilot program. The program's purpose is to demonstrate the use of new technologies that increase the rate of growth of re-forested hardwood trees on private non-industrial forest lands, enrolling lands on the coast of the Gulf of Mexico that were damaged by Hurricane Katrina in 2005. The 2012 Budget proposes no funding for this program.

EMERGENCY CONSERVATION PROGRAM
Program and Financing (in millions of dollars)

Identification code 12-3316-0-1-453	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Emergency conservation program	93	39	
0900 Total new obligations (object class 41.0)	93	39	
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	132	39	
1930 Total budgetary resources available	132	39	

Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	39		

Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	117	133	101
3030 Obligations incurred, unexpired accounts	93	39	
3040 Outlays (gross)	-77	-71	-44
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	133	101	57

Budget authority and outlays, net:			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances	77	71	44
4180 Budget authority, net (total)			
4190 Outlays, net (total)	77	71	44

The Emergency Conservation Program (ECP) was authorized by the Agricultural Credit Act of 1978 (16 U.S.C. 2201-05). It provides funds for sharing the cost of emergency measures to deal with cases of severe damage to farmlands and rangelands resulting from natural disasters.

For 2010, no Supplemental Appropriations for ECP were provided, however, there was \$53.305 million in total allocations.

Under the 2010 program, cost-sharing and technical assistance were provided in 41 States to treat farmlands damaged by drought, floods, ice storms, tornadoes, wildfires and other natural disasters. Outlays to States in 2010 totaled 76,847,992.

The 2012 Budget proposes no funding for this program.

EMERGENCY FOREST RESTORATION PROGRAM
Program and Financing (in millions of dollars)

Identification code 12-0171-0-1-453	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 EFRP		18	
0900 Total new obligations (object class 41.0)		18	

Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1		18	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	18		
1930 Total budgetary resources available	18	18	
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	18		

Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)			13
3030 Obligations incurred, unexpired accounts		18	
3040 Outlays (gross)		-5	-13
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)		13	

Budget authority and outlays, net:			
Discretionary:			
Budget authority, gross			
4000	18		
Outlays, gross:			
4011 Outlays from discretionary balances		5	13
4180 Budget authority, net (total)	18		
4190 Outlays, net (total)		5	13

GRASSROOTS SOURCE WATER PROTECTION PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3304-0-1-302	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Grassroots source water payments	5	5	.....
0900 Total new obligations (object class 41.0)	5	5	.....
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	5	5	.....
1930 Total budgetary resources available	5	5	.....
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts	5	5	.....
3040 Outlays (gross)	-5	-5	.....
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	5	5	.....
Outlays, gross:			
4010 Outlays from new discretionary authority	5	5	.....
4180 Budget authority, net (total)	5	5	.....
4190 Outlays, net (total)	5	5	.....

The Grassroots Source Water Protection Program (GSWPP) is a joint project by USDA's Farm Service Agency and the nonprofit National Rural Water Association. It is designed to help prevent source water pollution in States through voluntary practices installed by producers at the local level. GSWPP uses onsite technical assistance capabilities of each State rural water association that operates a wellhead or groundwater protection program in the State. State rural water associations can deliver assistance in developing source water protection plans within priority watersheds for the common goal of preventing the contamination of drinking water supplies. The 2008 Farm Bill authorizes this program to continue through 2012. The 2012 Budget proposes no funding for this program.

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed farm ownership (7 U.S.C. 1922 et seq.) and operating (7 U.S.C. 1941 et seq.) loans, Indian tribe land acquisition loans (25 U.S.C. 488), boll weevil loans (7 U.S.C. 1989), guaranteed conservation loans (7 U.S.C. 1924 et seq.), Indian highly fractionated land loans (25 U.S.C. 488) and individual development account grants (7 U.S.C. 1981-2008r) to be available from funds in the Agricultural Credit Insurance Fund, as follows: farm ownership loans, \$1,975,000,000, of which \$1,500,000,000 shall be for unsubsidized guaranteed loans and \$475,000,000 shall be for direct loans; operating loans, \$2,550,089,810, of which \$1,500,000,000 shall be for unsubsidized guaranteed loans and \$1,050,089,810 shall be for direct loans; Indian tribe land acquisition loans, \$2,000,000; guaranteed conservation loans, \$150,000,000; Indian highly fractionated land loans, \$10,000,000; and for boll weevil eradication program loans, \$60,000,000: Provided, That the Secretary shall deem the pink bollworm to be a boll weevil for the purpose of boll weevil eradication program loans.

For the cost of direct and guaranteed loans and grants, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, as follows: farm ownership loans, \$22,800,000 for direct loans; operating loans, \$85,220,000, of which \$26,100,000 shall be for unsubsidized guaranteed loans, and \$59,120,000 shall be for direct loans; Indian highly fractionated land loans, \$193,000; and for individual development account grants, \$2,500,000.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, \$321,093,000, of which \$313,173,000 shall be paid to the appropriation for "Farm Service Agency, Salaries and Expenses".

Funds appropriated by this Act to the Agricultural Credit Insurance Program Account for farm ownership, operating and conservation direct loans and guaranteed loans may be transferred among these programs: Provided, That the Committees on Appropriations of both Houses of Congress are notified at least 15 days in advance of any transfer.

DAIRY INDEMNITY PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses involved in making indemnity payments to dairy farmers and manufacturers of dairy products under a dairy indemnity program, such sums as may be necessary, to remain available until expended: Provided, That such program is carried out by the Secretary in the same manner as the dairy indemnity program described in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106-387, 114 Stat. 1549A-12).

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-1140-0-1-351	2010 actual	CR	2012 est.
Obligations by program activity:			
0010 Administrative expenses - PLCE	8	8	8
0011 Grants: Individual Development Accounts .....	.....	.....	3
0091 Direct program activities, subtotal	8	8	11
Credit program obligations:			
0701 Direct loan subsidy	89	82	83
0702 Loan guarantee subsidy	67	65	26
0705 Reestimates of direct loan subsidy	461	104	.....
0706 Interest on reestimates of direct loan subsidy	336	26	.....
0707 Reestimates of loan guarantee subsidy	37	25	.....
0708 Interest on reestimates of loan guarantee subsidy	20	17	.....
0709 Administrative expenses	314	313	313
0791 Direct program activities, subtotal	1,324	632	422
0900 Total new obligations	1,332	640	433
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	9	8	2
1021 Recoveries of prior year unpaid obligations	1	.....	.....
1050 Unobligated balance (total)	10	8	2
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	494	462	432
Appropriations, mandatory:			
1200 Appropriation	854	172	.....
1900 Budget authority (total)	1,348	634	432
1930 Total budgetary resources available	1,358	642	434
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-18	.....	.....
1941 Unexpired unobligated balance, end of year	8	2	1
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	37	21	3
3030 Obligations incurred, unexpired accounts	1,332	640	433
3040 Outlays (gross)	-1,341	-658	-430
3080 Recoveries of prior year unpaid obligations, unexpired	-1	.....	.....
3081 Recoveries of prior year unpaid obligations, expired	-6	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	21	3	6
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	494	462	432
Outlays, gross:			
4010 Outlays from new discretionary authority	455	456	424
4011 Outlays from discretionary balances	32	30	6
4020 Outlays, gross (total)	487	486	430
Mandatory:			
4090 Budget authority, gross	854	172	.....
Outlays, gross:			
4100 Outlays from new mandatory authority	854	172	.....
4180 Budget authority, net (total)	1,348	634	432
4190 Outlays, net (total)	1,341	658	430

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT—Continued
Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 12-1140-0-1-351	2010 actual	CR	2012 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Farm Ownership	702	383	475
115002 Farm Operating	1,220	784	1,050
115003 Emergency Disaster	36	57	18
115004 IndianTribe Land Acquisition .....	.....	4	2
115005 Boll Weevil Eradication .....	.....	100	60
115010 Indian Highly Fractionated Land .....	.....	37	10
115011 Conservation - Direct	5	36	.....
115012 Farm Operating - ARRA	22	.....	.....
115999 Total direct loan levels	1,985	1,401	1,615
Direct loan subsidy (in percent):			
132001 Farm Ownership	4.08	6.92	4.80
132002 Farm Operating	4.74	6.06	5.63
132003 Emergency Disaster	3.69	10.49	5.01
132004 IndianTribe Land Acquisition	0.00	-6.53	-13.89
132005 Boll Weevil Eradication	0.00	-2.09	-2.16
132010 Indian Highly Fractionated Land	0.00	2.14	1.93
132011 Conservation - Direct	2.31	2.99	0.00
132012 Farm Operating - ARRA	4.74	0.00	0.00
132999 Weighted average subsidy rate	4.48	5.68	5.04
Direct loan subsidy budget authority:			
133001 Farm Ownership	29	27	23
133002 Farm Operating	58	48	59
133003 Emergency Disaster	1	6	1
133005 Boll Weevil Eradication .....	.....	-2	-1
133010 Indian Highly Fractionated Land .....	.....	1	.....
133011 Conservation - Direct .....	.....	1	.....
133012 Farm Operating - ARRA	1	.....	.....
133999 Total subsidy budget authority	89	80	81
Direct loan subsidy outlays:			
134001 Farm Ownership	28	32	23
134002 Farm Operating	67	62	59
134003 Emergency Disaster	1	6	1
134005 Boll Weevil Eradication .....	.....	.....	-1
134011 Conservation - Direct .....	.....	2	.....
134012 Farm Operating - ARRA	2	.....	.....
134999 Total subsidy outlays	98	102	82
Direct loan upward reestimates:			
135001 Farm Ownership	311	9	.....
135002 Farm Operating	248	88	.....
135003 Emergency Disaster	139	13	.....
135004 IndianTribe Land Acquisition	1	.....	.....
135005 Boll Weevil Eradication	51	17	.....
135008 Credit Sales of Acquired Property	48	3	.....
135999 Total upward reestimate budget authority	798	130	.....
Direct loan downward reestimates:			
137001 Farm Ownership	-11	-211	.....
137002 Farm Operating	-91	-96	.....
137003 Emergency Disaster	-2	-20	.....
137005 Boll Weevil Eradication	-36	-1	.....
137006 Seed Loans to Producers	-1	.....	.....
137008 Credit Sales of Acquired Property .....	.....	-2	.....
137012 Farm Operating - ARRA	-10	-11	.....
137999 Total downward reestimate budget authority	-151	-341	.....

Guaranteed loan levels supportable by subsidy budget authority:			
215001 Farm Ownership—Unsubsidized	1,606	1,463	1,500
215002 Farm Operating—Unsubsidized	1,510	1,508	1,500
215003 Farm Operating—Subsidized	182	173	.....
215005 Conservation - Guaranteed .....	.....	73	150
215999 Total loan guarantee levels	3,298	3,217	3,150
Guaranteed loan subsidy (in percent):			
232001 Farm Ownership—Unsubsidized	0.37	0.38	-0.01
232002 Farm Operating—Unsubsidized	2.34	2.33	1.74
232003 Farm Operating—Subsidized	14.06	13.83	0.00
232005 Conservation - Guaranteed	0.00	0.38	-0.01
232999 Weighted average subsidy rate	2.03	2.02	0.82
Guaranteed loan subsidy budget authority:			
233001 Farm Ownership—Unsubsidized	6	6	.....
233002 Farm Operating—Unsubsidized	35	35	26
233003 Farm Operating—Subsidized	26	24	.....
233999 Total subsidy budget authority	67	65	26
Guaranteed loan subsidy outlays:			
234001 Farm Ownership—Unsubsidized	5	6	.....
234002 Farm Operating—Unsubsidized	35	35	26

234003 Farm Operating—Subsidized	25	20	.....
234999 Total subsidy outlays	65	61	26
Guaranteed loan upward reestimates:			
235001 Farm Ownership—Unsubsidized	17	14	.....
235002 Farm Operating—Unsubsidized	25	19	.....
235003 Farm Operating—Subsidized	14	9	.....
235999 Total upward reestimate budget authority	56	42	.....
Guaranteed loan downward reestimates:			
237001 Farm Ownership—Unsubsidized	-7	-16	.....
237002 Farm Operating—Unsubsidized	-30	-73	.....
237003 Farm Operating—Subsidized	-25	-27	.....
237999 Total downward reestimate subsidy budget authority	-62	-116	.....
Administrative expense data:			
3510 Budget authority	322	321	321
3590 Outlays from new authority	321	321	321

The Agricultural Credit Insurance Fund program account's loans are authorized by Title III of the Consolidated Farm and Rural Development Act, as amended.

This program account includes subsidies to provide direct and guaranteed loans for farm ownership, farm operating, conservation, and emergency loans to individuals. Indian tribes and tribal corporations are eligible for Indian land acquisition loans, while individual Native Americans are eligible for loans for the purchase of highly fractionated Indian lands. Boll weevil eradication loans are available to eliminate the cotton boll weevil pest from infested areas. The 2012 Budget includes \$2,500,000 for the Beginning Farmer and Rancher Individual Development Accounts pilot program, and does not provide funding for guaranteed subsidized farm operating loans or for direct conservation loans.

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 credit sales of acquired property), 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.

Under the Dairy Indemnity Program, payments are made to farmers and manufacturers of dairy products who are directed to remove their milk or milk products from commercial markets because they contain residues of chemicals that have been registered and approved by the Federal Government, other chemicals, nuclear radiation, or nuclear fallout. Indemnification may also be paid for cows producing such milk. In 2010, \$159,000 was paid to producers who filed claims under the program and the 2012 Budget requests such sums as may be necessary, which are estimated to be \$100,000 for this program.

Object Classification (in millions of dollars)

Identification code 12-1140-0-1-351	2010 actual	CR	2012 est.
Direct obligations:			
25.3 Other goods and services from federal sources	322	321	321
41.0 Grants, subsidies, and contributions	1,010	319	112
99.9 Total new obligations	1,332	640	433

AGRICULTURAL CREDIT INSURANCE FUND DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4212-0-3-351	2010 actual	CR	2012 est.
Obligations by program activity:			
0003 Capitalized costs	2	4	4
0004 Advances on behalf of borrowers	4	3	3
0091 Direct program by activities - subtotal (1 level)	6	7	7

Credit program obligations:				
0710	Direct loan obligations	1,986	1,401	1,615
0713	Payment of interest to Treasury	377	250	250
0740	Negative subsidy obligations		1	1
0742	Downward reestimate paid to receipt account	136	252	
0743	Interest on downward reestimates	16	88	
0791	Direct program activities, subtotal	2,515	1,992	1,866
0900	Total new obligations	2,521	1,999	1,873

Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	1,542	3,009	3,300
1021	Recoveries of prior year unpaid obligations	56		
1023	Unobligated balances applied to repay debt		-1,000	-1,000
1024	Unobligated balance of borrowing authority withdrawn	-45		
1050	Unobligated balance (total)	1,553	2,009	2,300
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority	2,546	1,829	2,029
Spending authority from offsetting collections, mandatory:				
1800	Collected	2,226	1,461	1,465
1801	Change in uncollected payments, Federal sources	-16		
1825	Spending authority from offsetting collections applied to repay debt	-779		
1850	Spending auth from offsetting collections, mand (total)	1,431	1,461	1,465
1900	Financing authority (total)	3,977	3,290	3,494
1930	Total budgetary resources available	5,530	5,299	5,794
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	3,009	3,300	3,921

Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	355	409	492
3010	Uncollected pymts, Fed sources, brought forward, Oct 1	-35	-19	-19
3020	Obligated balance, start of year (net)	320	390	473
3030	Obligations incurred, unexpired accounts	2,521	1,999	1,873
3040	Financing disbursements (gross)	-2,411	-1,916	-1,854
3050	Change in uncollected pymts, Fed sources, unexpired	16		
3080	Recoveries of prior year unpaid obligations, unexpired	-56		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	409	492	511
3091	Uncollected pymts, Fed sources, end of year	-19	-19	-19
3100	Obligated balance, end of year (net)	390	473	492

Financing authority and disbursements, net:				
Mandatory:				
4090	Financing authority, gross	3,977	3,290	3,494
Financing disbursements:				
4110	Financing disbursements, gross	2,411	1,916	1,854
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Federal Sources: Reestimate payment from program account	-797	-131	
4120	Federal Sources: Subsidy payment from program account	-99	-101	-82
4122	Federal Sources: Interest on uninvested funds	-152	-136	-136
4123	Repayments of principal	-987	-907	-924
4123	Repayments of interest	-191	-186	-323
4130	Offsets against gross financing auth and disbursements (total)	-2,226	-1,461	-1,465
Additional offsets against financing authority only (total):				
4140	Change in uncollected pymts, Fed sources, unexpired	16		
4160	Financing authority, net (mandatory)	1,767	1,829	2,029
4170	Financing disbursements, net (mandatory)	185	455	389
4180	Financing authority, net (total)	1,767	1,829	2,029
4190	Financing disbursements, net (total)	185	455	389

Status of Direct Loans (in millions of dollars)

Identification code 12-4212-0-3-351				
		2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans	1,834	1,334	1,615
1121	Limitation available from carry-forward	219	67	
1143	Unobligated limitation carried forward (P.L. 106-113) (-)	-67		
1150	Total direct loan obligations	1,986	1,401	1,615
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	5,630	6,512	7,210
1231	Disbursements: Direct loan disbursements	1,877	1,655	1,600

1251	Repayments: Repayments and prepayments	-987	-907	-924
1261	Adjustments: Capitalized interest	60		
1263	Write-offs for default: Direct loans	-68	-50	-50
1290	Outstanding, end of year	6,512	7,210	7,836

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 credit sales of acquired property 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.

This account finances direct loans for farm ownership, farm operating, emergency disaster, Indian land acquisition, Indian highly fractionated land, boll weevil eradication, conservation, and credit sales of acquired property.

Balance Sheet (in millions of dollars)

Identification code 12-4212-0-3-351			
		2009 actual	2010 actual
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	1,555	3,015
Investments in US securities:			
1106	Receivables, net	800	131
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	5,630	6,512
1402	Interest receivable	205	218
1403	Accounts receivable from foreclosed property	5	7
1405	Allowance for subsidy cost (-)	-460	-308
1405	Allowance for Interest Receivable (-)	-70	-77
1499	Net present value of assets related to direct loans	5,310	6,352
1999	Total assets	7,665	9,498
LIABILITIES:			
2104	Federal liabilities: Resources payable to Treasury	7,510	9,156
2207	Non-Federal liabilities: Other	155	342
2999	Total liabilities	7,665	9,498
4999	Total liabilities and net position	7,665	9,498

AGRICULTURAL CREDIT INSURANCE FUND GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4213-0-3-351				
		2010 actual	CR	2012 est.
Obligations by program activity:				
0003	Purchase of guaranteed loans		5	4
0004	Interest assistance	38	21	19
0091	Direct program by activities - subtotal (1 level)	38	26	23
Credit program obligations:				
0711	Default claim payments on principal	54	61	61
0712	Default claim payments on interest	1	2	1
0713	Payment of interest to Treasury	1	8	3
0742	Downward reestimate paid to receipt account	40	83	
0743	Interest on downward reestimates	21	33	
0791	Direct program activities, subtotal	117	187	65
0900	Total new obligations	155	213	88

Budgetary Resources:

Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	183	234	207
1021	Recoveries of prior year unpaid obligations	41	40	40
1023	Unobligated balances applied to repay debt	-1	-1	-1
1050	Unobligated balance (total)	223	273	246
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority	3	2	1
Spending authority from offsetting collections, mandatory:				
1800	Collected	163	145	78
1900	Financing authority (total)	166	147	79
1930	Total budgetary resources available	389	420	325

AGRICULTURAL CREDIT INSURANCE FUND GUARANTEED LOAN FINANCING
ACCOUNT—Continued

Program and Financing—Continued

Identification code 12-4213-0-3-351	2010 actual	CR	2012 est.
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	234	207	237
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	159	133	93
3030 Obligations incurred, unexpired accounts	155	213	88
3040 Financing disbursements (gross)	-140	-213	-88
3080 Recoveries of prior year unpaid obligations, unexpired	-41	-40	-40
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	133	93	53
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	166	147	79
Financing disbursements:			
4110 Financing disbursements, gross	140	213	88
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Payments from program account upward reestimate	-56	-42	.....
4120 Payments from program account subsidy	-66	-61	-26
4122 Interest on uninvested funds	-11	-13	-12
4123 Fees and premiums	-26	-27	-38
4123 Loss recoveries and repayments	-3	-1	-1
4123 Miscellaneous	-1	-1	-1
4130 Offsets against gross financing auth and disbursements (total)	-163	-145	-78
4160 Financing authority, net (mandatory)	3	2	1
4170 Financing disbursements, net (mandatory)	-23	68	10
4180 Financing authority, net (total)	3	2	1
4190 Financing disbursements, net (total)	-23	68	10

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4213-0-3-351	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	3,298	3,217	3,150
2150 Total guaranteed loan commitments	3,298	3,217	3,150
2199 Guaranteed amount of guaranteed loan commitments	2,968	2,896	2,897
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	10,674	11,771	12,946
2231 Disbursements of new guaranteed loans	3,117	3,271	3,097
2251 Repayments and prepayments	-1,946	-2,014	-2,218
Adjustments:			
2261 Terminations for default that result in loans receivable	-60	-68	-65
2263 Terminations for default that result in claim payments	-12	-14	-13
2264 Other adjustments, net	-2	.....	.....
2290 Outstanding, end of year	11,771	12,946	13,747
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	10,585	9,925	9,925
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	51	85	98
2331 Disbursements for guaranteed loan claims	45	24	24
2351 Repayments of loans receivable .....	.....	-1	-1
2361 Write-offs of loans receivable	-11	-10	-10
2390 Outstanding, end of year	85	98	111

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. The amounts in this account are a means of financing and are not included in the budget totals.

This account finances commitments made for farm ownership, operating, and conservation guaranteed loan programs.

Balance Sheet (in millions of dollars)

Identification code 12-4213-0-3-351	2009 actual	2010 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	342	367
1206 Non-Federal assets: Receivables, net	59	42
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1501 Defaulted guaranteed loans receivable, gross	51	85
1505 Allowance for subsidy cost (-)	-51	-83
1599 Net present value of assets related to defaulted guaranteed loans .....	.....	2
1999 Total assets	401	411
LIABILITIES:		
Federal liabilities:		
2104 Resources payable to Treasury	11	13
2105 Other	62	115
Non-Federal liabilities:		
2201 Accounts payable	158	.....
2204 Liabilities for loan guarantees	170	283
2999 Total liabilities	401	411
4999 Total liabilities and net position	401	411

AGRICULTURAL CREDIT INSURANCE FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4140-0-3-351	2010 actual	CR	2012 est.
Obligations by program activity:			
0008 Loan recoverable costs	3	5	4
0108 Administrative expenses - Department of Justice fees .....	.....	1	1
0109 Costs incidental to acquisition of real property .....	.....	2	2
0118 Civil rights settlements	5	12	10
0191 Total operating expenses	5	15	13
0900 Total new obligations	8	20	17
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	21	22	.....
1022 Capital transfer of unobligated balances to general fund	-21	-22	.....
1050 Unobligated balance (total) .....	.....	.....	.....
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	230	210	180
1820 Capital transfer of spending authority from offsetting collections to general fund	-200	-190	-163
1850 Spending auth from offsetting collections, mand (total)	30	20	17
1930 Total budgetary resources available	30	20	17
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	22	.....	.....
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	1	1	1
3030 Obligations incurred, unexpired accounts	8	20	17
3040 Outlays (gross)	-8	-20	-17
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1	1	1
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	30	20	17
Outlays, gross:			
4100 Outlays from new mandatory authority	8	19	17
4101 Outlays from mandatory balances .....	.....	1	.....
4110 Outlays, gross (total)	8	20	17
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources Principal Repayments	-230	-147	-125
4123 Non-Federal sources Interest Repayments .....	.....	-58	-50
4123 Non-Federal sources Miscellaneous .....	.....	-5	-5
4130 Offsets against gross budget authority and outlays (total)	-230	-210	-180
4160 Budget authority, net (mandatory)	-200	-190	-163
4170 Outlays, net (mandatory)	-222	-190	-163

4180	Budget authority, net (total)	-200	-190	-163
4190	Outlays, net (total)	-222	-190	-163

Status of Direct Loans (in millions of dollars)

Identification code 12-4140-0-3-351	2010 actual	CR	2012 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	1,181	1,040	890
1251	Repayments: Repayments and prepayments	-161	-146	-125
1261	Adjustments: Capitalized interest	4	3	3
Write-offs for default:				
1263	Direct loans	-8	-7	-6
1264	Other adjustments, net (+ or -)	24		
1290	Outstanding, end of year	1,040	890	762

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4140-0-3-351	2010 actual	CR	2012 est.	
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	31	23	16
2251	Repayments and prepayments	-8	-7	-6
2263	Adjustments: Terminations for default that result in claim payments			
2290	Outstanding, end of year	23	16	10
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	22	16	10
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	4		
2351	Repayments of loans receivable	-4		

As required by the Federal Credit Reform Act of 1990, this account records for the farm loan programs all cash flows to and from the Government resulting from direct loans obligated, loan guarantees committed, and grants made prior to 1992. New loan activity in 1992 and beyond (including credit sales of acquired property that resulted from obligations or commitments in any year) is recorded in corresponding program and financing accounts. Payments to settle certain discrimination claims against USDA may also be made from this account.

Balance Sheet (in millions of dollars)

Identification code 12-4140-0-3-351	2009 actual	2010 actual
ASSETS:		
1101	Federal assets: Fund balances with Treasury	23
1601	Loans Receivable	1,040
1602	Interest receivable	208
1603	Allowance for estimated uncollectible loans and interest (-)	-246
1604	Direct loans and interest receivable, net	1,002
1605	Accounts receivable/judgments receivable	10
1606	Foreclosed property	11
1699	Value of assets related to direct loans	1,023
1701	Defaulted guaranteed loans, gross	
1999	Total assets	1,046
LIABILITIES:		
2104	Federal liabilities: Resources payable to Treasury	1,036
Non-Federal liabilities:		
2201	Accounts payable	
2204	Liabilities for loan guarantees	
2207	Other	10
2999	Total liabilities	1,046
4999	Total liabilities and net position	1,046

Object Classification (in millions of dollars)

Identification code 12-4140-0-3-351	2010 actual	CR	2012 est.	
Direct obligations:				
25.2	Other services from non-federal sources	7	20	17

42.0	Insurance claims and indemnities	1		
99.9	Total new obligations	8	20	17

COMMODITY CREDIT CORPORATION FUND
REIMBURSEMENT FOR NET REALIZED LOSSES
(INCLUDING TRANSFERS OF FUNDS)

For the current fiscal year, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed, pursuant to section 2 of the Act of August 17, 1961 (15 U.S.C. 713a-11): Provided, That of the funds available to the Commodity Credit Corporation under section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i) for the conduct of its business with the Foreign Agricultural Service, up to \$5,000,000 may be transferred to and used by the Foreign Agricultural Service for information resource management activities of the Foreign Agricultural Service that are not related to Commodity Credit Corporation business.

HAZARDOUS WASTE MANAGEMENT
(LIMITATION ON EXPENSES)

For the current fiscal year, the Commodity Credit Corporation shall not expend more than \$5,000,000 for site investigation and cleanup expenses, and operations and maintenance expenses to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9607(g)), and section 6001 of the Resource Conservation and Recovery Act (42 U.S.C. 6961).

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-4336-0-3-999	2010 actual	CR	2012 est.	
Obligations by program activity:				
0001	Commodity purchases and related inventory transactions	1,639	1,727	1,162
0002	Storage, transportation and other obligations	69	12	16
0003	Dairy export incentive program	20		3
0004	Market access program	200	200	200
0005	Technical Assistance for speciality crops	8	9	9
0006	Emerging markets program	9	10	10
0007	Foreign market development cooperative	35	35	35
0008	Quality samples program	2	2	2
0009	Pilot program for regional food aid	25	25	5
0010	Feed grains	2,201	2,393	1,745
0011	Wheat	1,239	1,387	876
0012	Rice	418	407	336
0013	Cotton	1,511	837	520
0014	Dairy program	182	300	120
0015	Tobacco program	954	960	960
0016	Peanut program	81	104	52
0017	Wool and Mohair program	8	7	7
0023	Non-Insured assistance program	99	117	115
0024	Oilseeds payment program	543	580	434
0025	Marketing loan writeoffs	2	3	
0027	Technical Assistance for Brazilian Cotton Industry	71	147	147
0028	Biomass Crop Assistance Program	246	199	198
0036	Conservation reserve program (CRP)	1,793	1,855	1,995
0037	Emergency Forestry Conservation Reserve Program	8	9	8
0038	Voluntary Public Access & Habitat Incentives	12	22	17
0047	Reimbursable agreement/transfers to State and Federal Agencies	49	45	45
0048	Treasury	6	18	39
0049	Other Interest	3	3	3
0052	Conservation Reserve Program Technical assistance	90	143	147
0055	Asparagus assistance		15	
0056	Pigford Claims		100	
0057	BEHT Non-Commodity Costs		140	140
0058	Section 416b/FFP/ocean transportation	49	62	58
0091	Direct program activities, subtotal	11,572	11,873	9,404
0192	Total support and related programs	11,572	11,873	9,404
0801	Commodity loans	7,190	7,015	7,885
0802	Commodities procured - PL480 Titles II / III Commodity costs	788	961	961
0804	P. L. 480 ocean transportation	851	796	796

COMMODITY CREDIT CORPORATION FUND—Continued
Program and Financing—Continued

Identification code 12-4336-0-3-999	2010 actual	CR	2012 est.
0809 Reimbursable program activities, subtotal	8,829	8,772	9,642
0899 Total reimbursable obligations	8,829	8,772	9,642
0900 Total new obligations	20,401	20,645	19,046
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1,354	1,625	1,685
1021 Recoveries of prior year unpaid obligations	1,266		
1023 Unobligated balances applied to repay debt	-18		
1050 Unobligated balance (total)	2,602	1,625	1,685
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	60	60	-62
Appropriations, mandatory:			
1200 Appropriation	15,079	15,089	14,071
1220 Appropriations transferred to other accounts	-3,618	-4,273	-5,071
1236 Appropriations applied to repay debt	-11,461	-10,816	-9,000
1260 Appropriations, mandatory (total)			
Borrowing authority, mandatory:			
1400 Borrowing authority	29,965	9,963	7,490
1421 Borrowing authority applied to repay debt	-13,067		
1440 Borrowing authority, mandatory (total)	16,898	9,963	7,490
Spending authority from offsetting collections, mandatory:			
1800 Collected	12,088	10,667	11,541
1800 MARAD Cargo Preference Reimbursements		15	15
1801 Change in uncollected payments, Federal sources	-61		
1825 Spending authority from offsetting collections applied to repay debt	-9,561		
1850 Spending auth from offsetting collections, mand (total)	2,466	10,682	11,556
1900 Budget authority (total)	19,424	20,705	18,984
1930 Total budgetary resources available	22,026	22,330	20,669
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1,625	1,685	1,623
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	8,191	8,290	8,164
3001 Adjustments to unpaid obligations, brought forward, Oct 1	2,053		
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-233	-172	-172
3020 Obligated balance, start of year (net)	10,011	8,118	7,992
3030 Obligations incurred, unexpired accounts	20,401	20,645	19,046
3040 Outlays (gross)	-21,089	-20,771	-19,043
3050 Change in uncollected pymts, Fed sources, unexpired	61		
3080 Recoveries of prior year unpaid obligations, unexpired	-1,266		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	8,290	8,164	8,167
3091 Uncollected pymts, Fed sources, end of year	-172	-172	-172
3100 Obligated balance, end of year (net)	8,118	7,992	7,995
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	60	60	-62
Outlays, gross:			
4010 Outlays from new discretionary authority	43	60	-62
4011 Outlays from discretionary balances		17	
4020 Outlays, gross (total)	43	77	-62
Mandatory:			
4090 Budget authority, gross	19,364	20,645	19,046
Outlays, gross:			
4100 Outlays from new mandatory authority	15,311	13,593	14,052
4101 Outlays from mandatory balances	5,735	7,101	5,053
4110 Outlays, gross (total)	21,046	20,694	19,105
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	-4,207	-3,625	-3,626
4123 Non-Federal sources	-7,881	-7,057	-7,930
4130 Offsets against gross budget authority and outlays (total)	-12,088	-10,682	-11,556
Additional offsets against gross budget authority only:			
4140 Change in uncollected pymts, Fed sources, unexpired	61		
4142 Offsetting collections credited to expired accounts			
4150 Additional offsets against budget authority only (total)	61		

4160 Budget authority, net (mandatory)	7,337	9,963	7,490
4170 Outlays, net (mandatory)	8,958	10,012	7,549
4180 Budget authority, net (total)	7,397	10,023	7,428
4190 Outlays, net (total)	9,001	10,089	7,487

Summary of Budget Authority and Outlays (in millions of dollars)

	2010 actual	CR	2012 est.
Enacted/requested:			
Budget Authority	7,397	10,023	7,428
Outlays	9,001	10,089	7,487
Legislative proposal, subject to PAYGO:			
Budget Authority			-1
Outlays			-1
Total:			
Budget Authority	7,397	10,023	7,427
Outlays	9,001	10,089	7,486

Status of Direct Loans (in millions of dollars)

Identification code 12-4336-0-3-999	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation	7,190	7,015	7,884
1150 Total direct loan obligations	7,190	7,015	7,884
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	414	671	679
1231 Disbursements: Direct loan disbursements	7,190	7,015	7,884
1251 Repayments: Repayments and prepayments	-6,928	-7,007	-7,864
1264 Write-offs for default: Other adjustments, net (+ or -)	-5		-4
1290 Outstanding, end of year	671	679	695

The Commodity Credit Corporation (CCC) was created to: stabilize, support, and protect farm income and prices; help maintain balanced and adequate supplies of agricultural commodities, their products, foods, feeds, and fibers; and help in their orderly distribution.

The Corporation's capital stock of \$100 million is held by the U.S. Treasury. Under present law, up to \$30 billion may be borrowed from the U.S. Treasury to finance operations.

Current, indefinite appropriation authority is requested to cover all net realized losses. Appropriations to the Corporation for net realized losses have no effect on budget authority, as they are used to repay debt directly with the Treasury.

Budget assumptions.—The following general assumptions form the basis for the Corporation's 2011 and 2012 budget estimates: (a) national income will rise both in 2011 and 2012 from the present level; (b) 2011 crop production will increase from 2010 crop levels for some commodities; (c) generally, exports of agricultural commodities in 2012 are expected to be higher than 2011 levels; and (d) yields for the 2011 crops are based on recent averages adjusted for trends.

It is difficult to accurately forecast requirements for the year ending September 30, 2012, since the projections are subject to complex and unpredictable factors such as weather, other factors which affect the volume of production of crops not yet planted, feed, food, and energy needs here and overseas, and available dollar exchange.

Appropriations are made to reimburse the Corporation for net realized losses sustained in carrying out its operations.

USDA has incorporated stochastic price and production variability into its 10-year budget baseline process starting with the 2007 President's Budget. For the 2010–2021 crops, Commodity Credit Corporation outlay projections for counter-cyclical payments, Average Crop Revenue Election (ACRE) payments, marketing loan benefits, and Milk Income Loss Contract payments are based on price probability distributions and flexibilities generated by the Economic Research Service's Food and Agricultural Policy Simulation model. This approach was used for feed grains

(corn, barley, sorghum, oats), wheat, rice, upland cotton, soybeans, sugar, and dairy.

2012 ESTIMATE

[In millions of dollars]

Program	Gross obligations	Net outlays	Net realized loss for year
Farm income, marketing assistance loans, and price support:			
Commodity loans (non-ACRE)	7,565	-6	0
ACRE loans	319	23	0
Feed grain payments	1,745	1,745	1,745
Wheat payments	876	876	876
Rice payments	336	336	336
Cotton payments	520	520	520
Other support and related	5,269	1,431	1,897
Other items not distributed by program:			
Interest	42	6	8
All other	208	452	208
Total, farm income, marketing assistance loans, and price-support programs	16,880	5,383	5,590
Conservation programs:			
Conservation reserve program	2,142	2,142	2,142
Emergency forestry conservation reserve program	8	8	8
Voluntary Public Access	16	16	16
Conservation Program Transfers to NRCS	0	0	4,592
Total, conservation programs	2,166	2,166	6,758
Total, Commodity Credit Corporation	19,046	7,549	12,348

PROGRAMS OF THE CORPORATION

Price support, marketing assistance loans, and related stabilization programs.—The Corporation conducts programs to support farm income and prices and stabilize the market for agricultural commodities. Price support is provided to producers of agricultural commodities through loans, purchases, payments, and other means. This is done mainly under the Commodity Credit Corporation Charter Act, as amended, the Agricultural Act of 1949 (1949 Act), as amended, the Farm Security and Rural Investment Act of 2002 (2002 Farm Bill), and the Food, Conservation and Energy Act of 2008 (2008 Farm Bill).

Price support is mandatory for sugar and dairy products. Marketing assistance loans are mandatory for wheat, feed grains, oilseeds, upland cotton, peanuts, rice, and pulse crops. Loans are also required to be made for sugar, honey, wool, mohair, and extra long staple cotton.

One method of providing support is loans to and purchases from producers. With limited exceptions, loans made on commodities are nonrecourse. The commodities serve as collateral for the loan and on maturity the producer may deliver or forfeit such collateral to satisfy the loan obligation without further payment.

Direct purchases may be made from processors as well as producers, depending on the commodity involved. Also, special purchases are made under various laws for the removal of surpluses; for example, the Act of August 19, 1958, as amended, and section 416 of the Agricultural Act of 1949, as amended.

Direct Payments and Counter-Cyclical Payments.—The 2002 Farm Bill established direct payments and counter-cyclical payments for May 2002 through 2007. The payments were extended through the 2012 crop year by the 2008 Farm Bill. The eligible commodities for both direct payments and counter-cyclical payments are wheat, corn, grain sorghum, barley, oats, upland cotton, rice, soybeans, other oilseeds, and peanuts. The 2008 Farm Bill adds the following as eligible commodities: long grain and medium grain rice and pulse crops, expanded to include large chickpeas.

Direct Payments are payments to producers for which payment yields and base acres are established. The commodity payment amount is calculated as follows: Payment Amount = specified rate x payment acres x payment yield. At the option of the produ-

cer, the producer can choose to receive advance payments (up to 22 percent) during the producer's selected month. The month selected may be any month during the period beginning on December 1 of the calendar year before the calendar year in which the crop of the covered commodity is harvested through the month within which the direct payment would otherwise be made. The direct payment rates established in the 2008 Farm Bill are the same as those in the 2002 Farm Bill; however, payment acres decrease from 85 percent to 83.3 percent of base acres for 2009–2011 crops, and no advance payments are available for the 2012 and subsequent crops.

Counter-Cyclical Payments are payments to producers for which payment yields and base acres are established for eligible commodities if it is determined that the effective commodity price is less than the target commodity price. Counter-cyclical payments will be made for the crop as soon as practicable after the end of the 12-month marketing year for the eligible commodity. If, before the end of the 12-month marketing year it is determined that counter-cyclical payments will be required for the eligible commodity, producers will be provided the option to receive partial payment of the projected counter-cyclical payment. Partial counter-cyclical payments are limited to 40 percent of the projected rate, are available for the 2008–2010 crops only, and are payable after completion of the first 180 days of the marketing year.

Average Crop Revenue Election (ACRE) Payments.—The 2008 Farm Bill adds the ACRE program for the 2009–2012 crop years. Producers who elect to enroll a farm in ACRE are eligible for ACRE payments in lieu of counter-cyclical payments on the farm and in exchange for a 20 percent reduction in direct payments on the farm and a 30 percent reduction in the marketing assistance loan rates for all commodities produced on the farm except that the loan rate for seed cotton loans will not be so reduced. The election to enroll a farm in ACRE may be made for any of the crop years 2009–2012, but once the election is made, it is irrevocable through the 2012 crop.

Marketing assistance loans.—The 2002 Farm Bill authorized producers of eligible crops to receive non-recourse marketing assistance loans from the government for any quantity of a loan commodity produced on the farm by pledging their production as loan collateral. This loan shall have a term of 9 months beginning on the first day of the first month after the month in which the loan is made. The loan cannot be extended. As a condition of the receipt of a marketing assistance loan, the producer shall comply with applicable conservation requirements under subtitle B of title XII of the Food Security Act of 1985 and applicable wetland protection requirements under subtitle C of title XII of the Act during the term of the loan. Producers of eligible commodities can repay a marketing assistance loan at a rate that is the lesser of (1) the loan rate established for the commodity plus interest; or (2) a rate that the Secretary determines. Special rules apply to upland cotton, rice, and extra long staple cotton. Crops eligible for marketing assistance loans include wheat, corn, barley, oats, grain sorghum, rice, upland cotton, soybeans, extra long staple cotton, other oilseeds, dry peas, lentils, small chickpeas, honey, wool, and mohair. The 2008 Farm Bill establishes specific loan rates for long grain and medium grain rice and restricts loan rate adjustments to grade and quality factors. Also, large chickpeas are added as a new marketing assistance loan commodity with a higher loan rate than small chickpeas.

Marketing loss assistance for asparagus producers.—The 2008 Farm Bill authorizes the use of \$15 million to make payments to 2007 crop asparagus producers. Of the total, \$7.5 million will

COMMODITY CREDIT CORPORATION FUND—Continued

be available to fresh market asparagus producers and \$7.5 million will be available to frozen market asparagus producers.

Peanut price support program.—Under the 2008 Farm Bill, peanuts qualify for ACRE or direct payments, counter-cyclical payments, marketing assistance loans and loan deficiency payments for the 2009 through 2012 crops.

The 2002 Farm Bill terminated the marketing quota programs and repealed price support programs. The prior quota programs stayed in effect for the 2001 crop only, with quota buyout compensation payments being made during 2002 through 2006. The prior price support programs remained in effect for the 2002 crop only, notwithstanding any other provision of law or crop insurance policy.

The 2002 Farm Bill established marketing assistance loans for the 2002 through 2007 crops, with the loan rate for peanuts of \$355 per ton. The 2008 Farm Bill continues this rate. The payment rate shall be the amount by which the established loan rate exceeds the rate at which a loan may be repaid.

Tobacco program.—The American Jobs Creation Act of 2004, P.L. 108–357, eliminated the program effective with the 2005 crop. In return for losing the program, growers and quota holders will receive a buyout. The owners of quota are being paid \$7 per pound for the quota they hold. The actual producers are being paid \$3 per pound for the quota they produced. The legislation eliminates all geographic and poundage restrictions on tobacco production as well as price support. The buyout is funded by assessments on the tobacco product manufacturers and importers. The program will cost \$10.14 billion, and the growers and quota holders will be paid over a 10-year period.

Sugar program.—Sugar qualifies for price support. The 2002 Farm Bill extended the national average sugar loan rates to cover through the 2007 crops at 18 cents per pound for raw cane sugar and 22.9 cents per pound for refined beet sugar. The 2008 Farm Bill provides for escalating rates through crop year 2012. For raw cane sugar, the rate increases to 18.25 cents per pound for 2009, 18.5 cents per pound for 2010 and 18.75 cents per pound for 2011–2012. For refined beet sugar, the rates for crop year 2009–2012 are the raw cane sugar rate times 1.285. Loans are available to processors of domestically grown sugarcane and sugar beets for a term of nine months that does not begin or extend beyond the end/beginning of a fiscal year. The non-recourse loans extend through the 2007 crop for processors of domestically produced sugar beets and sugarcane including for in-process sugar. Loans for in-process sugar have a loan rate of 80 percent of the loan rate for raw cane sugar or refined beet sugar (based on the source material used). If forfeitures occur, the processor shall convert the in-process into final product at no cost to the CCC. Upon transfer, the processor will receive payment based on the loan rate less 80 percent of raw cane or refined beet sugar rate times the quantity of sugar transferred. The loan program will continue through the 2012 crop. The 2002 Farm Bill did not resume the sugar marketing assessment collections but authorized marketing allotments. The 2002 Act provided assistance for sugar donations in the amount of 10,000 tons to compensate sugar producers who suffer losses incurred beyond existing CCC administered programs. This assistance was a one-time occurrence.

The 2008 Farm Bill extends the marketing allotment provisions of the 2002 Act, except they are now permanent and cannot be set at a level less than 85 percent of estimated sugar deliveries for human consumption. The 2008 Farm Bill introduces the Feedstock Flexibility Program, which requires the diversion of sugar from food use to ethanol producers, if needed, to keep

sugar prices above levels at which sugar processors might otherwise forfeit sugar under loan to the CCC.

Dairy program.—The 2002 Farm Bill extended the Dairy Price Support Program from June 1, 2002 through December 31, 2007 at a rate of \$9.90 per hundredweight for milk containing 3.7 percent butterfat. The support program is carried out through the purchase of butter, nonfat dry milk, and cheese at prices that enable processors to pay dairy farmers, on average, the support price for milk. As under previous law, the Secretary may allocate the rate of price support between the purchase prices for nonfat dry milk and butter in a manner that minimizes CCC expenditures or other objectives, as the Secretary considers appropriate. Cash CCC inventory sales (with some exceptions) shall be at any price that the Secretary determines will maximize CCC returns. The 2002 Farm Bill repealed all legislative authority for the Dairy Recourse Loan Program but established a new Milk Income Loss Contract Program (MILC), under which the Secretary may contract with eligible producers to make monthly payments when milk prices fall below specified levels. The U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (P.L. 110–28) extended the MILC program through September 2007.

The 2008 Farm Bill replaces the price support program of the 2002 Farm Bill with the Dairy Product Price Support Program, which is effective for calendar years 2008–2012. It requires the Secretary to support the price of cheddar cheese, butter and nonfat dry milk through purchases of such products at prices not less than \$1.13 per pound for cheddar cheese in blocks, not less than \$1.10 per pound for cheddar cheese in barrels, not less than \$1.05 per pound for butter, and not less than \$0.80 per pound for nonfat dry milk. Purchase prices for milk products may be adjusted lower based on preset levels of product net removals. The 2008 Farm Bill extends the MILC program through September 30, 2012. The payment calculation percentage is raised from 34 percent to 45 percent and the payment quantity is raised from 2,400,000 to 2,985,000 million pounds per fiscal year effective October 1, 2008 through August 31, 2012. A feed cost adjuster is added that raises the \$16.94 base price when the national average ration cost exceeds \$7.35 per hundredweight for a given month.

Section 748(a) of the fiscal year 2010 USDA Appropriations Act, P.L. 111–80, appropriated \$60 million for the purchase of cheese and cheese products, which the Commodity Credit Corporation is procuring.

Payment Limitations.—In general, the 2002 Farm Bill revised the Food Security Act of 1985 (7 U.S.C. 1308) for payment limitations. The total amount of direct payments made to a person during any crop year for one or more covered commodities may not exceed \$40,000. The 2008 Farm Bill rescinds the three entity rule for payment limitation purposes for the 2009–2012 crops. Instead, payments are tracked as received directly or indirectly by an individual person or legal entity (otherwise termed direct attribution). Except for participants who elect to receive ACRE payments, the direct payment limitation remains at \$40,000 for covered commodities in the 2008 Farm Bill, with a separate \$40,000 payment limitation for peanut direct payments. The payment limitation on counter-cyclical payments made to a person during any crop year for one or more covered commodities continues at \$65,000 in the 2008 Farm Bill, except for participants who elect to receive ACRE payments. For counter-cyclical payments, there is a separate \$65,000 payment limitation for peanut counter-cyclical payments. For producers that receive ACRE payments, the payment limit is \$65,000 plus the amount their direct payments are reduced due to their participation in ACRE.

The total amount of gains and payments that a person may receive during any crop year under marketing assistance loan and loan deficiency payment provisions may not exceed \$75,000 for crop years 2002–2008. The 2008 Farm Bill rescinds the payment limitation for both marketing loan gains and loan deficiency payments beginning with the 2009 crop. Notwithstanding any other provision of law, an individual or entity shall not be eligible to receive any benefit described above if the average adjusted annual gross income of the individual or entity exceeds \$2,500,000, unless not less than 75 percent of the average adjusted gross income of the individual or entity is derived from farming, ranching, or forestry operations, as determined by the Secretary. The 2008 Farm Bill extends these provisions through the 2008 crop year, but makes commodity program payments subject to farm and nonfarm adjusted gross income (AGI) limits for 2009–2012 crop years. The AGI attributable to farming activities is adjusted farm gross income (AFGI), and the AGI attributable to other activities is adjusted nonfarm gross income (ANGI). If AFGI exceeds \$750,000, the person or entity is ineligible to receive commodity program payments, and if ANGI exceeds \$500,000, the person or entity is ineligible to receive payments. Commodity program payments include direct, counter-cyclical, ACRE, loan deficiency, marketing loan gain, NAP, supplemental crop disaster assistance, MILC, and trade adjustment assistance payments.

Disaster Payments.—The U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007, P.L. 110–28, appropriated \$2.8 billion in agricultural disaster aid for America's farmers and ranchers. The 2008 Consolidated Appropriations Act, P.L. 110–161, provided an additional \$602 million under Sec. 743, which extends the period of loss eligibility for disaster assistance from February 28, 2007 to December 31, 2007. Unlike previous disaster supplemental Appropriations Acts, funding is through USDA Disaster Assistance rather than CCC.

Noninsured Assistance Program.—The Agricultural Risk Protection Act of 2000 eliminated the area loss requirement for triggers and made other changes. It also included a provision that all types or varieties of a crop or commodity may be considered to be a single eligible crop for NAP assistance and provided additional funding in 2002 with annual increases through 2010. The 2008 Farm Bill amended the payment limitation provisions to conform with direct attribution of payments to a person of legal entity.

Dairy Export Incentive Program (DEIP).—DEIP provides cash bonus payments to exporters to facilitate commercial sales of U.S. dairy products in overseas markets. Estimates of the quantity of dairy products to be exported under DEIP and associated expenditures were formulated within the maximum allowable expenditure and quantity levels specified in conjunction with provisions of the Uruguay Round Agreement. Consequently, current baseline projections assume that DEIP will not exceed \$116.6 million annually during 2002–2012. Actual DEIP subsidies are further limited on a product-by-product basis under the Uruguay Round.

Export Enhancement Program (EEP).—The 2008 Farm Bill eliminated authority for the program.

Market Access Program (MAP).—Under the MAP, CCC Funds are used to reimburse participating organizations for a portion of the costs of carrying out overseas marketing and promotional activities. The 2008 Farm Bill continued the authority for the MAP program with funding of \$200 million for 2008–2012.

Foreign Market Development Cooperator Program (FMD) and Quality Samples Program.—Under the FMD program, cost-share

assistance is provided to nonprofit commodity and agricultural trade associations to support overseas market development activities that are designed to remove long-term impediments to increased U.S. trade. The 2002 Farm Bill increased the available funds for this program to \$34.5 million for 2002 through 2007 and the 2008 Farm Bill continues this funding level for 2008–2012. In addition, the budget proposes to increase discretionary funding for the program in fiscal year 2011 by \$34.5 million as part of a broader government wide initiative to increase export promotion.

CCC will fund the Quality Samples Program at an authorized annual level of \$2.5 million. Under this initiative, samples of U.S. agricultural products will be provided to foreign importers to promote a better understanding and appreciation for the high quality of U.S. products.

Commodity Donations.—The 2008 Farm Bill authorizes the donation of surplus commodity inventory to domestic nutrition programs. The Corporation may also donate commodities under the authority of section 416(b) of the Agricultural Act of 1949 to carry out programs of assistance in developing countries and friendly countries and pay costs associated with making the commodities available. Commodities that are acquired by CCC in the normal course of its domestic support operations will be available for donation. The Corporation may also use its funds to furnish commodities overseas under the authority of the Food for Progress Act of 1985; however, not more than \$55 million of the funds of the Corporation (exclusive of the costs of commodities) may be used for each fiscal year.

The Bill Emerson Humanitarian Trust.—The Bill Emerson Humanitarian Trust (BEHT) is a commodity and/or monetary reserve designed to ensure that the United States can meet its international food aid commitments. Assets of the Trust can be released any time the Administrator of the U.S. Agency for International Development determines that Title II of the Food for Peace Act funding for emergency needs is inadequate to meet those needs in any fiscal year. When a release from the Trust is authorized, the Trusts assets cover all commodity costs associated with the release. All non-commodity costs, including ocean freight charges; internal transportation, handling, and storage overseas; and certain administrative costs are paid by CCC. The 2008 Farm Bill extended the authorization to replenish the BEHT through 2012.

Conservation Programs.—Conservation programs administered by the Farm Service Agency and the Natural Resources Conservation Service are funded through the Commodity Credit Corporation. These programs help farmers adopt and maintain conservation systems that protect water quality, reduce soil erosion, protect and enhance wildlife habitat and wetlands, conserve water, and sequester carbon.

Conservation Reserve Program (CRP).—Administered by FSA, the CRP is USDA's largest conservation/environmental program. The purpose of CRP is to cost-effectively assist farm owners and operators in conserving and improving soil, water, air, and wildlife resources by converting highly erodible and other environmentally sensitive acreage normally devoted to the production of agricultural commodities to a long-term resource-conserving cover. CRP participants enroll contracts for periods from 10 to 15 years in exchange for annual rental payments and cost-share and technical assistance for installing approved conservation practices.

The CRP is authorized in all 50 States, Puerto Rico, and the Virgin Islands, on all highly erodible cropland, other environmentally sensitive cropland, and certain marginal pastureland meeting the eligibility criteria. In addition to cropland in areas adjacent

COMMODITY CREDIT CORPORATION FUND—Continued

to lakes and streams converted to buffers, and cropland that can serve as restored or constructed wetlands, eligible land may include cropland contributing to water quality problems, and other lands posing environmental threats. Also eligible for the CRP are water quality or wildlife habitat impaired areas that do not meet the highly erodible land (HEL) criteria, such as the Chesapeake Bay, Great Lakes, and Long Island Sound watershed regions.

CRP was established by the 1985 Food Security Act and amended and extended under subsequent farm bills. Most recently, the 2008 Farm Bill (P.L. 110–246) re-authorized CRP through September 30, 2012; permits CRP to enroll up to 32 million acres at any one time beginning October 1, 2009; expanded Farmable Wetlands Program (FWP) eligibility; included provisions for funding a tree thinning cost-share program; and included a program transitioning expiring CRP lands from retiring producers to beginning and socially disadvantaged farmers.

In addition to FWP, CRP also enrolls land through general signups, Conservation Reserve Enhancement Program (CREP) signups, and non-CREP continuous signups. FWP operates on a continuous basis. Under general signup provisions, producers compete nationally during specified enrollment periods for acceptance based on an environmental benefits index. Under continuous signup provisions, producers enroll specified high-environmental value lands such as wetlands, riparian buffers, and various types of habitat at any time during the year without competition.

No general sign-ups were held in fiscal years 2007, 2008, or 2009. A general signup was held in fiscal year 2010, in which 4.3 million acres were approved for acceptance.

Under continuous signup, including CREP and FWP, a combined total of 4.6 million acres were under contract as of the end of fiscal year 2010. About 678,000 acres are projected to be enrolled under continuous signup in fiscal year 2012.

2010 ended with 31.4 million acres under contract. With contracts expiring on 4.4 million acres on September 30, 2010 and contracts beginning on 4.3 million acres from FY 2010's general signup and 200,000 acres of continuous signup, 2011 enrollment began with 31.5 million acres. Combined general and continuous signup is projected to remain at or near the 32 million-acre-cap throughout the baseline period. The budget includes a 3.95 million acre general signup in 2011 and a 6.0 million acre general signup in 2012.

For those conservation programs administered by the Natural Resources Conservation Service (NRCS), funding is transferred from CCC to NRCS's Farm Security and Rural Investment Programs account (see the NRCS section). Specifically, these programs include: the Environmental Quality Incentives Program; the Wetlands Reserve Program; the Wildlife Habitat Incentives program; the Farmland Protection Program; the Conservation Security Program; the Conservation Stewardship Program; the Chesapeake Bay Watershed Program; the Agriculture Water Enhancement Program; the Healthy Forest Reserve Program; and the Grassland Reserve Program. NRCS also receives funding from the CCC to carry out technical assistance for the Conservation Reserve Program and to carry out part of the Agricultural Management Assistance Program (see below).

Voluntary Public Access and Habitat Incentive Program.—The 2008 Farm Bill authorizes this program to encourage farmers and ranchers to allow public access on their lands for wildlife dependent recreation. It provides up to \$50 million of CCC funding through 2012 as grants to States or Tribes that have public access programs. Outlays are estimated at \$33.3 million for fiscal year 2011 and \$16.7 million for fiscal year 2012.

Biomass Crop Assistance Program (BCAP).—The 2008 Farm Bill amends the 2002 Farm Bill to authorize this program to support the establishment and production of eligible crops for conversion to bioenergy in selected BCAP project areas; and to assist agricultural and forest land owners and operators with the collection, harvest, storage, and transportation of eligible material for use in a biomass conversion facility. BCAP is scheduled for full implementation in 2011, although payments for collection, harvest, and transportation were begun in 2009. The Budget proposes to cap the payments for the collection, harvest, storage and transportation at \$70 million in 2012. This is estimated to save \$62 million.

Agricultural Management Assistance Program.—The Agricultural Risk Protection Act of 2000 authorized CCC funding of \$10 million for 2001 and subsequent years for the Agricultural Management Assistance Program (AMAP). AMAP provides cost-share assistance to producers in states in which Federal Crop Insurance Program participation is historically low as determined by the Secretary of Agriculture. The Secretary delegated authority to implement this program to the Natural Resources Conservation Service, Risk Management Agency, and the Agricultural Marketing Service. The 2008 Farm Bill increased funding to \$15 million for 2008–2012 and increased to 16 the number of States eligible to participate.

Emergency Forestry Conservation Reserve Program.—The Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act of 2006, P.L. 109–148, as amended by P.L. 109–234 and P.L. 110–28, mandates that the Secretary shall carry out an emergency pilot program in States that the Secretary determines have suffered damage to merchantable timber in counties affected by hurricanes during the 2005 calendar year. The Act provided \$404.1 million for this program, called the Emergency Forestry Conservation Reserve Program (EFCRP). P.L. 109–234 increased funding for EFCRP by \$100 million, to \$504.1 million. P.L. 110–28 lifted a restriction limiting the program to calendar year 2006. EFCRP enrollment during calendar year 2006 was 180,175 acres. Signup ended on December 31, 2006 and resumed in August 2007. Since then an additional 111,700 acres have been enrolled. There were 291,873 acceptable acres as of November 30, 2010. These acres do not count against the 32 million acres allowed for CRP.

Loan operations.—The following table reflects commodity loan operations of the Corporation:

	[In millions of dollars]		
Item	2010 actual	2011 est.	2012 est.
Loans outstanding, gross, start of year:			
Commodity Credit Corporation	414	671	679
Additional loans made	7,190	7,015	7,884
Deduct:			
Loans repaid	–6,928	–7,007	–7,864
Acquisition of loan collateral	–3	0	–4
Write-offs	–2	0	0
Total loans outstanding, gross, end of year	671	679	695

Inventory operations.—The following table reflects the inventory operations applicable to the preceding programs:

	AGRICULTURAL COMMODITIES		
	[In millions of dollars]		
Item	2010 actual	2011 est.	2012 est.
On hand, start of year, gross	205	48	0
Acquisitions:			
Forfeiture of loan collateral	3	0	4
Excess of collateral acquired over loans canceled	0	0	0
Purchases	940	1,644	1,063
Transfers and exchanges	–12	–26	–4

Carrying charges:			
Charges to inventory	17	2	0
Storage and handling (non-add)	4	-2	0
Transportation (non-add)	3	0	0
Total acquisitions	948	1,620	1,063
Dispositions:			
Domestic donations to:			
Families	135	5	0
Institutions	68	570	0
Total domestic donations	203	575	0
Export donations	68	127	101
Sales and transfers:			
Special programs: Title II, Public Law 480	788	961	961
Other sales	42	1	1
Net loss or gain (-) on sales and transfers	4	4	0
Total sales and transfers	834	966	962
Total dispositions	1,105	1,668	1,063
On hand, end of year, gross	48	0	0

Other data.—The following table reflects other data which are applicable to price support and related programs:

DATA ON SUPPORT AND RELATED PROGRAMS

[In millions of dollars]

Item	2010 actual	2011 est.	2012 est.
Loans made	7,190	7,015	7,884
Loans repaid	6,928	7,007	7,864
Loan collateral forfeited	3	0	4
Loans outstanding, end of year	671	679	695
Acquisitions	948	1,620	1,063
Cost of commodities sold	834	966	962
Cost of commodities donated	271	702	101
Inventory, end of year	48	0	0
Investment in loans and inventory, end of year	719	679	695
Direct producer payments	9,351	8,477	7,244
Net expenditures	9,001	10,029	7,549
Realized losses	15,089	14,071	12,348

Operating expenses.—The Corporation carries out its functions through utilization of employees and facilities of other Government agencies. Administrative expenses are incurred by: the Farm Service Agency (FSA); the Foreign Agricultural Service; the Natural Resources Conservation Service; the Risk Management Agency; other agencies of the Department engaged in the Corporation's activities; and the Office of the Inspector General for audit functions. Additional expenses are incurred by FSA county offices for work related to programs of the Corporation, other FSA expenses offset by revenue, custodian, and agency expenses of the Federal Reserve banks and lending agencies, and miscellaneous costs.

Expenses are incurred for acquisition, operation, maintenance, improvement, or disposition of existing property that the Corporation owns or in which it has an interest. These expenses are treated as program expenses. Such program expenses include inspection, classing, and grading work performed on a fee basis by Federal employees or Federal- or State-licensed inspectors; and special services performed by Federal agencies within and outside this Department. Most of these general expenses, including storage and handling, transportation, inspection, classing and grading, and producer storage payments, are included in program costs. They are shown in the program and financing schedule in the entries entitled "Storage, transportation, and other obligations not included above."

Section 161 of the 1996 Act amended Section 11 of the CCC Charter Act to limit the use of CCC funds for the transfer and allotment of funds to State and Federal agencies. The Section 11 cap of \$56 million including FSA loan service fees remains at \$56 million in 2010, 2011, and 2012.

The Corporation receives reimbursement for grain requisitioned pursuant to Public Law 87-152 by the States from Corporation stocks to feed resident wildlife threatened with starvation through the appropriation reimbursement for net realized losses. There have been no requisitions in recent years, however. The Corporation receives reimbursement for the commodity costs and other costs, including administrative costs, for commodities supplied to domestic nutrition programs and international food aid programs.

FINANCING

Borrowing authority.—The Corporation has an authorized capital stock of \$100 million held by the U.S. Treasury and, effective in 1988, authority to have outstanding borrowings up to \$30 billion at any one time.

Funds are borrowed from the Treasury and may also be borrowed from private lending agencies and others. The Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all notes and other obligations evidencing loans made to the Corporation by such agencies and others. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury as required by the Act of March 8, 1938.

Interest on borrowings from the Treasury (and on capital stock) is paid at a rate based upon the average interest rate of all outstanding marketable obligations (of comparable maturity date) of the United States as of the preceding month. Interest is also paid on other notes and obligations at a rate prescribed by the Corporation and approved by the Secretary of the Treasury.

The Department of Agriculture and Related Agencies Appropriation Act, 1966, made provision for terminating interest after June 30, 1964 on the portion of the Corporation's borrowings from the Treasury equal to the unreimbursed realized losses recorded on the books of the Corporation after the end of the fiscal year in which such losses are realized.

POSITION WITH RESPECT TO BORROWING AUTHORITY, END OF YEAR

[In millions of dollars]

Item	2010 actual	2011 est.	2012 est.
Statutory borrowing authority	30,000	30,000	30,000
Deduct: Borrowings from Treasury	503	453	205
Net statutory borrowing authority available	29,497	29,547	29,795

Note.—Accounts payable, accrued liabilities, and other outstanding obligations not reflected on this table do not become charges against the statutory borrowing authority until they result in borrowings from the Treasury.

Contract authority.—Price support and other programs required by statute may result in the Corporation incurring obligations in excess of available funds and borrowing authority. Such obligations are liquidated from subsequent appropriations and other funds that may become available to the Corporation. Any increase in obligations in excess of available fund resources is reported as contract authority in the year involved; a decrease is reported as the application of appropriations and other funds to liquidate the authority.

Appropriations.—Under section 2 of Public Law 87-155 annual appropriations are authorized for each fiscal year to reimburse the Corporation for net realized losses incurred as of the close of each year.

The special activities are financed as indicated in the program descriptions above. In addition to certain reimbursements from other agencies, appropriations are made for foreign assistance programs.

Deficit.—The net realized losses of the Corporation have previously been reimbursed as follows:

COMMODITY CREDIT CORPORATION FUND—Continued
SUPPORT AND RELATED PROGRAMS

[[In millions of dollars]]

	2010 actual
Realized losses, 1933 to 2010, inclusive	496,362
Reimbursements by the Treasury:	
Reimbursements of realized losses:	
Appropriations (71 times)	478,115
Note cancellations (6 times)	2,698
Less dividends paid to Treasury (4 times)	-138
Total reimbursements for net realized losses	480,675
Other reimbursements:	
Appropriations (2 times)	542
Note cancellation (1 time)	56
Total other reimbursements	598
Total	481,273
Realized deficit as of September 30, 2010, support and related programs	15,089

Commodity Certificates.—Subtitle B of the 2000 Act allows for the use of commodity certificates. In making in-kind payments, CCC may (a) "acquire and use commodities that have been pledged to the Commodity Credit Corporation as collateral for loans made by the Corporation;" (b) "use other commodities owned by the Commodity Credit Corporation;" and (c) "redeem negotiable marketing certificates for cash under terms and conditions established. Commodity certificates discourage producers from forfeiting commodities pledged as collateral for CCC commodity loans. Certificates are used to repay marketing assistance loans when the adjusted world price (for rice and upland cotton) or the posted county price (for wheat, feed grains, soybeans, wool, mohair, honey, peanuts, dry peas, lentils, small chickpeas, and designated minor oilseeds) is lower than the applicable loan rate. The 2008 Farm Bill amended the 1996 Farm Bill to terminate the use of commodity certificates at the end of the 2009 crop year.

Balance Sheet (in millions of dollars)

Identification code 12-4336-0-3-999	2009 actual	2010 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	-1,482	-1,249
Investments in US securities:		
1106 Receivables, net	508	469
1107 Advances and prepayments	2	2
Non-Federal assets:		
1206 Receivables, net	31	114
1207 Advances and prepayments	35	42
1601 Direct loans, gross	414	671
1602 Interest receivable	5	2
1603 Allowance for estimated uncollectible loans and interest (-)	-3	.....
1604 Direct loans and interest receivable, net	416	673
1699 Value of assets related to direct loans	416	673
Other Federal assets:		
1801 Cash and other monetary assets	93	12
1802 Inventories and related properties	204	22
1803 Property, plant and equipment, net	44	57
1999 Total assets	-149	142
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable .....	.....	1
2102 Interest payable	3	.....
2103 Debt	3,206	755
2105 Other	1,003	1,356
Non-Federal liabilities:		
2201 Accounts payable	35	41
2207 Other	8,206	7,017
2999 Total liabilities	12,453	9,170
NET POSITION:		
3100 Appropriated capital	-11	3,685
3300 Cumulative results of operations	-12,591	-12,713
3999 Total net position	-12,602	-9,028

4999 Total liabilities and net position	-149	142
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Object Classification (in millions of dollars)

Identification code 12-4336-0-3-999	2010 actual	CR	2012 est.
Direct obligations:			
22.0 Transportation of things	51	202	198
25.2 Other services from non-federal sources	202	206	210
25.2 Other services: Storage and handling	4	.....	1
26.0 Supplies and materials: Costs of commodities sold or donated	1,639	1,727	1,162
41.0 Grants, subsidies, and contributions	9,667	9,717	7,792
43.0 Interest and dividends	9	21	41
99.0 Direct obligations	11,572	11,873	9,404
Reimbursable obligations:			
22.0 Transportation of things: P. L. 480 ocean transportation	851	796	796
26.0 Supplies and materials - Cost of Commodities Procured/Donated - PL 480	788	961	961
33.0 Investments and loans	7,190	7,015	7,885
99.0 Reimbursable obligations	8,829	8,772	9,642
99.9 Total new obligations	20,401	20,645	19,046

COMMODITY CREDIT CORPORATION FUND
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-4336-4-3-999	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Commodity program savings	-1
0192 Total support and related programs	-1
0900 Total new obligations (object class 25.2)	-1
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	-1
1900 Budget authority (total)	-1
1930 Total budgetary resources available	-1
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts	-1
3040 Outlays (gross)	1
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	-1
Outlays, gross:			
4100 Outlays from new mandatory authority	-1
4180 Budget authority, net (total)	-1
4190 Outlays, net (total)	-1

As part of the President's commitment to fiscal responsibility, the Budget includes three offsets. The proposals include programmatic changes that:

1. Reduce Direct Payment Cap.—To transition the dependence of large farms and wealthy landowners on direct payments made on the basis of historical base acres to revenue from other sources including emerging markets for environmental services, the President's Budget proposes a 25 percent reduction in the current cap on direct payments to individuals. The 2008 Farm Bill set a limitation of \$40,000 in direct payments per producer participant in the Direct and Countercyclical program and \$32,000 for those who participate in the Average Crop Revenue Election (ACRE) program. The proposed adjustment will reduce the limitations to \$30,000 (or \$24,000 for those in the ACRE option.) These payments are made regardless of market prices, losses, or whether the land is still producing crops. Direct payments are only a modest portion of the roughly \$17 billion in direct Government support already provided to farm producers through various USDA programs including farm commodity and income support

payments, crop insurance benefits, disaster payments, and Conservation Reserve Program rental payments. Estimated savings over 10-years \$1.5 billion. 2. Tighten Payment Eligibility. The President wants to maintain a strong safety net for farm families and beginning farmers. The need for more fiscal responsibility necessitates reexamination of government payments to wealthy individuals who are better able to take advantage of new market opportunities. Therefore, the Budget also proposes a three-year phased reduction in farm program average Adjusted Gross Income (AGI) eligibility limits from the current \$500,000 of non-farm AGI to \$250,000, and the farm AGI limit for eligibility for direct payments would be reduced from the current \$750,000 set by the 2008 Farm Bill to \$500,000 over a three-year period as well. These adjustments in current program limits would affect only a very small portion of the farm program participants without disturbing the foundation of the current safety net for productive family farmers. Estimated savings over 10-years \$979 million. 3. Eliminate Cotton and Peanut Storage Credits. The Presidents Budget proposes to eliminate the requirement for the Government to pay the storage costs of cotton and peanuts that are put under loan with USDA. Cotton is the only commodity for which this assistance is regularly provided. Storage credits for cotton have been found to have a negative impact on the amount of cotton on the market. Because cotton storage is covered by the Government, producers may store their cotton for longer than necessary. Peanut storage credits are only provided if the crop is forfeited to the Government, therefore payments are rarely made and there is little need for storage credits. Estimated savings \$1 million.

COMMODITY CREDIT CORPORATION EXPORT (LOANS) CREDIT GUARANTEE PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out the Commodity Credit Corporation's export guarantee program, GSM 102 and GSM 103, \$6,820,000; to cover common overhead expenses as permitted by section 11 of the Commodity Credit Corporation Charter Act and in conformity with the Federal Credit Reform Act of 1990, of which \$6,465,000 shall be paid to the appropriation for "Foreign Agricultural Service, Salaries and Expenses", and of which \$355,000 shall be paid to the appropriation for "Farm Service Agency, Salaries and Expenses".

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-1336-0-1-351	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0702 Loan guarantee subsidy	1	18	.....
0707 Reestimates of loan guarantee subsidy	55	122	.....
0708 Interest on reestimates of loan guarantee subsidy	2	3	.....
0709 Administrative expenses	7	7	6
0900 Total new obligations	65	150	6
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	316	331	331
1021 Recoveries of prior year unpaid obligations	5	.....	.....
1050 Unobligated balance (total)	321	331	331
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	7	7	6
Appropriations, mandatory:			
1200 Appropriation - Subsidy	11	18	.....
1200 Appropriation - upward reestimate	57	125	.....
1260 Appropriations, mandatory (total)	68	143	.....

1900 Budget authority (total)	75	150	6
1930 Total budgetary resources available	396	481	337
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	331	331	331
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	11	1	1
3030 Obligations incurred, unexpired accounts	65	150	6
3040 Outlays (gross)	-70	-150	-6
3080 Recoveries of prior year unpaid obligations, unexpired	-5	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1	1	1
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	7	7	6
Outlays, gross:			
4010 Outlays from new discretionary authority	7	7	6
Mandatory:			
4090 Budget authority, gross	68	143	.....
Outlays, gross:			
4100 Outlays from new mandatory authority	57	143	.....
4101 Outlays from mandatory balances	6	.....	.....
4110 Outlays, gross (total)	63	143	.....
4180 Budget authority, net (total)	75	150	6
4190 GSM 103 [12-4337]	70	150	6

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

Identification code 12-1336-0-1-351	2010 actual	CR	2012 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 GSM 102	3,719	5,400	5,400
215003 Export guarantee program—Facilities .....	.....	100	100
215999 Total loan guarantee levels	3,719	5,500	5,500
Guaranteed loan subsidy (in percent):			
232001 GSM 102	-1.21	-0.86	-0.53
232003 Export guarantee program—Facilities	0.00	18.48	-4.64
232999 Weighted average subsidy rate	-1.21	-0.51	-0.60
Guaranteed loan subsidy budget authority:			
233001 GSM 102	-45	-46	-29
233003 Export guarantee program—Facilities .....	.....	18	-4
233999 Total subsidy budget authority	-45	-28	-33
Guaranteed loan subsidy outlays:			
234001 GSM 102	-27	-46	-33
234003 Export guarantee program—Facilities .....	.....	18	.....
234999 Total subsidy outlays	-27	-28	-33
Guaranteed loan upward reestimates:			
235001 GSM 102	43	97	.....
235002 Supplier Credit	14	28	.....
235999 Total upward reestimate budget authority	57	125	.....
Guaranteed loan downward reestimates:			
237001 GSM 102	-92	-185	.....
237002 Supplier Credit	-2	-3	.....
237999 Total downward reestimate subsidy budget authority	-94	-188	.....
Administrative expense data:			
3510 Budget authority	7	7	6
3590 Outlays from new authority	7	7	6

This is the program account for the GSM-102 CCC Export Credit Guarantee Program. The GSM-102 Export Credit Guarantee Program covers credit terms of up to three years. Under this program, CCC does not provide financing, but guarantees payments due from foreign banks and buyers. Because payment is guaranteed, financial institutions in the United States can offer competitive credit terms to foreign banks, usually with interest rates based on the London Inter-Bank Offered Rate (LIBOR). If the foreign bank fails to make any payment as agreed, the exporter or assignee must submit a notice of default to the CCC. A claim for loss must be filed, and the CCC will promptly pay claims found to be in good order. CCC usually guarantees 98 percent of the principal payment due and interest based on a percentage of the one-year Treasury rate.

COMMODITY CREDIT CORPORATION EXPORT (LOANS) CREDIT GUARANTEE PROGRAM ACCOUNT—Continued

A portion of the GSM-102 guarantees is also made available as Facilities Guarantees. Under this activity, CCC guarantees export financing for capital goods and services to improve handling, marketing, processing, storage, or distribution of imported agricultural commodities and products.

The subsidy estimates for the GSM-102 program are determined in large part by the obligor's sovereign or non-sovereign country risk grade. These grades are developed annually by the International Credit Risk Assessment System Committee (ICRAS). In unusual circumstances, an ICRAS grade for a country may change during the fiscal year. The default estimates for GSM-102 guarantees still use the ICRAS grades, but are now based on programmatic experience and country-specific assumptions rather than the government-wide risk premia used previously.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the credit guarantees committed in 1992 and beyond (including modifications of credit 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. The 2012 Budget displays the GSM loan guarantee volume, the subsidy level that can be justified by forecast economic conditions, and the expected supply/demand conditions of countries requesting GSM loan guarantees.

Object Classification (in millions of dollars)

Identification code 12-1336-0-1-351	2010 actual	CR	2012 est.
Direct obligations:			
25.3 Other goods and services from federal sources	7	7	6
41.0 Grants, subsidies, and contributions	58	143	.....
99.9 Total new obligations	65	150	6

COMMODITY CREDIT CORPORATION EXPORT GUARANTEE FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4337-0-3-351	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0711 Default claim payments on principal	163	184	161
0712 Default claim payments on interest .....	.....	1	1
0713 Payment of interest to Treasury	27	15	15
0740 Negative subsidy obligations	45	46	33
0742 Downward reestimate paid to receipt account	46	144	.....
0743 Interest on downward reestimates	48	44	.....
0900 Total new obligations	329	434	210
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	265	291	113
1023 Unobligated balances applied to repay debt	-91	-171	.....
1050 Unobligated balance (total)	174	120	113
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	299	200	126
Spending authority from offsetting collections, mandatory:			
1800 Collected	158	227	88
1801 Receivable from Federal sources	-11	.....	.....
1850 Spending auth from offsetting collections, mand (total)	147	227	88
1900 Financing authority (total)	446	427	214
1930 Total budgetary resources available	620	547	327
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	291	113	117

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	1	13	21
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-125	-114	-114
3020 Obligated balance, start of year (net)	-124	-101	-93
3030 Obligations incurred, unexpired accounts	329	434	210
3040 Financing disbursements (gross)	-317	-426	-213
3050 Change in uncollected pymts, Fed sources, unexpired	11	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	13	21	18
3091 Uncollected pymts, Fed sources, end of year	-114	-114	-114
3100 Obligated balance, end of year (net)	-101	-93	-96

Financing authority and disbursements, net:

Mandatory:			
4090 Financing authority, gross	446	427	214
Financing disbursements:			
4110 Financing disbursements, gross	317	426	213
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Payments from program account subsidy	-7	-18	.....
4120 Payments from Program Account Upward Reestimate	-57	-124	.....
4122 Interest on uninvested funds	-12	-3	-3
4123 Loan origination fee	-18	-32	-32
4123 Principal collections	-38	-28	-35
4123 Interest collections	-23	-22	-18
4123 Other collections	-3	.....	.....
4130 Offsets against gross financing auth and disbursements (total)	-158	-227	-88
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired	11	.....	.....
4160 Financing authority, net (mandatory)	299	200	126
4170 Financing disbursements, net (mandatory)	159	199	125
4180 Financing authority, net (total)	299	200	126
4190 Financing disbursements, net (total)	159	199	125

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4337-0-3-351	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on commitments:			
2131 Guaranteed loan commitments exempt from limitation	3,719	5,500	5,500
2150 Total guaranteed loan commitments	3,719	5,500	5,500
2199 Guaranteed amount of guaranteed loan commitments	2,948	5,387	5,387
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	6,819	7,045	10,210
2231 Disbursements of new guaranteed loans	2,539	5,500	5,500
2251 Repayments and prepayments	-2,150	-2,150	-2,150
2263 Adjustments: Terminations for default that result in claim payments	-163	-185	-161
2290 Outstanding, end of year	7,045	10,210	13,399
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	6,904	10,061	13,219
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	619	731	877
2331 Disbursements for guaranteed loan claims	163	185	161
2351 Repayments of loans receivable	-39	-39	-39
2364 Other adjustments, net	-12	.....	.....
2390 Outstanding, end of year	731	877	999

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. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 12-4337-0-3-351	2009 actual	2010 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	141	190
1101 Accounts Receivable, net	59	127
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1501 Defaulted guaranteed loans receivable, gross	619	731
1502 Interest receivable	7	10
1505 Allowance for subsidy cost (-)	-203	-226
1599 Net present value of assets related to defaulted guaranteed loans	423	515
1999 Total assets	623	832
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable	1	1
2104 Resources payable to Treasury	613	831
2204 Non-Federal liabilities: Liabilities for loan guarantees	9	
2999 Total liabilities	623	832
4999 Total liabilities and net position	623	832

COMMODITY CREDIT CORPORATION GUARANTEED LOANS LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4338-0-3-351	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Operating Expenses		1	1
0100 Direct program activities, subtotal		1	1
0900 Total new obligations (object class 41.0)		1	1
Budgetary Resources:			
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	5	10	9
1820 Capital transfer of spending authority from offsetting collections to general fund	-5	-9	-8
1850 Spending auth from offsetting collections, mand (total)		1	1
1930 Total budgetary resources available		1	1
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	5	5	
3030 Obligations incurred, unexpired accounts		1	1
3040 Outlays (gross)		-6	-1
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	5		
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross		1	1
Outlays, gross:			
4100 Outlays from new mandatory authority		1	1
4101 Outlays from mandatory balances		5	
4110 Outlays, gross (total)		6	1
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources	-5	-10	-9
4160 Budget authority, net (mandatory)	-5	-9	-8
4170 Outlays, net (mandatory)	-5	-4	-8
4180 Budget authority, net (total)	-5	-9	-8
4190 Outlays, net (total)	-5	-4	-8

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4338-0-3-351	2010 actual	CR	2012 est.
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	135	134	127
2351 Repayments of loans receivable	-1	-7	-7

2390	Outstanding, end of year	134	127	120
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This account includes amounts for activities previously funded in the Commodity Credit Corporation Fund.

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 loan guarantees committed prior to 1992. This account is shown on a cash basis. All new activity in this program in 1992 and beyond is recorded in corresponding program and financing accounts.

Balance Sheet (in millions of dollars)

Identification code 12-4338-0-3-351	2009 actual	2010 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury		5
1701 Defaulted guaranteed loans, gross	136	134
1702 Interest receivable	1	1
1703 Allowance for estimated uncollectible loans and interest (-)	-82	-70
1799 Value of assets related to loan guarantees	55	65
1999 Total assets	55	70
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable	4	5
2104 Resources payable to Treasury	51	65
2999 Total liabilities	55	70
4999 Total liabilities and net position	55	70

FARM STORAGE FACILITY LOANS PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-3301-0-1-351	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0705 Reestimates of direct loan subsidy	2	4	
0706 Interest on reestimates of direct loan subsidy	3	3	
0900 Total new obligations (object class 41.0)	5	7	
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1		1	1
1021 Recoveries of prior year unpaid obligations	1		
1050 Unobligated balance (total)	1	1	1
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	5	7	
1930 Total budgetary resources available	6	8	1
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1	1	1
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	9	1	1
3030 Obligations incurred, unexpired accounts	5	7	
3040 Outlays (gross)	-12	-7	
3080 Recoveries of prior year unpaid obligations, unexpired	-1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1	1	1

Budget authority and outlays, net:

Mandatory:			
4090 Budget authority, gross	5	7	
Outlays, gross:			
4100 Outlays from new mandatory authority	5	7	
4101 Outlays from mandatory balances	7		
4110 Outlays, gross (total)	12	7	
4180 Budget authority, net (total)	5	7	
4190 Outlays, net (total)	12	7	

FARM STORAGE FACILITY LOANS PROGRAM ACCOUNT—Continued
Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 12-3301-0-1-351	2010 actual	CR	2012 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Farm Storage Facility Loans	327	300	300
115002 Sugar Storage Facility Loans		3	3
115999 Total direct loan levels	327	303	303
Direct loan subsidy (in percent):			
132001 Farm Storage Facility Loans	-1.01	-2.01	-2.30
132002 Sugar Storage Facility Loans	0.00	-0.21	-0.34
132999 Weighted average subsidy rate	-1.01	-1.99	-2.28
Direct loan subsidy budget authority:			
133001 Farm Storage Facility Loans	-3	-6	-7
133999 Total subsidy budget authority	-3	-6	-7
Direct loan subsidy outlays:			
134001 Farm Storage Facility Loans	6	-5	-7
134999 Total subsidy outlays	6	-5	-7
Direct loan upward reestimates:			
135001 Farm Storage Facility Loans	5	7	
135999 Total upward reestimate budget authority	5	7	
Direct loan downward reestimates:			
137001 Farm Storage Facility Loans	-17	-27	
137999 Total downward reestimate budget authority	-17	-27	

Farm Storage Facility Loan (FSFL) Program.—The FSFL program was established by the Commodity Credit Corporation (CCC) in 1949 to offer low-cost financing to producers for the construction or upgrade of on-farm storage facilities—the program was discontinued in the early 1980's when studies showed sufficient storage space was available. The FSFL was re-established in 2000 due to a severe shortage of available storage. The program was implemented in 2000 by CCC under Section 504(c) of the Federal Credit Reform Act of 1990. The Food, Conservation and Energy Act of 2008 expanded the loan limits, term limits, and eligible commodities for which facilities can be financed by the program. The program now provides producers financing with seven, ten, or twelve-year repayment terms and low interest rates. The program gives producers greater marketing flexibility when farm storage is limited and/or transportation difficulties cause storage problems, allows farmers to benefit from new marketing and technological advances, and maximizes their returns through identity-preserved marketing.

Sugar Storage Facility Loans.—The 2002 Farm Bill, as amended by the 2008 Farm Bill, directs that the CCC establish a sugar storage facility loan program to provide financing for processors of domestically produced sugarcane and sugar beets to construct or upgrade storage and handling facilities for raw sugars and refined sugars. The loan term is a minimum of seven years with the amount and terms being determined as any other commercial loan.

As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs associated with the direct loans obligated in 1992 and beyond, as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis, and the administrative expenses are estimated on a cash basis.

0740	Negative subsidy obligations	3	6	7
0742	Downward reestimate paid to receipt account	13	23	
0743	Interest on downward reestimates	4	4	
0900	Total new obligations	375	376	350

Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	35	86	304
1021	Recoveries of prior year unpaid obligations	34		
1023	Unobligated balances applied to repay debt	-54		
1050	Unobligated balance (total)	15	86	304
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority	457	460	450
1421	Borrowing authority applied to repay debt	-51		
1440	Borrowing authority, mandatory (total)	406	460	450
Spending authority from offsetting collections, mandatory:				
1800	Payments from program account	12	7	
1800	Principal repayments	96	144	141
1800	Interest repayments	16	27	27
1800	Interest on Uninvested Funds	13	15	17
1800	Fees and Other Collections	2	1	1
1801	Change in uncollected payments, Federal sources	-8		
1825	Spending authority from offsetting collections applied to repay debt	-91	-60	-50
1850	Spending auth from offsetting collections, mand (total)	40	134	136
1900	Financing authority (total)	446	594	586
1930	Total budgetary resources available	461	680	890
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	86	304	540

Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	158	225	208
3010	Uncollected pymts, Fed sources, brought forward, Oct 1	-9	-1	-1
3020	Obligated balance, start of year (net)	149	224	207
3030	Obligations incurred, unexpired accounts	375	376	350
3040	Financing disbursements (gross)	-274	-393	-351
3050	Change in uncollected pymts, Fed sources, unexpired	8		
3080	Recoveries of prior year unpaid obligations, unexpired	-34		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	225	208	207
3091	Uncollected pymts, Fed sources, end of year	-1	-1	-1
3100	Obligated balance, end of year (net)	224	207	206

Financing authority and disbursements, net:				
Mandatory:				
4090	Financing authority, gross	446	594	586
Financing disbursements:				
4110	Financing disbursements, gross	274	393	351
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Payments from Program Account Subsidy	-7		
4120	Payment from program account Upward Reestimate	-5	-7	
4122	Interest on uninvested funds	-13	-15	-18
4123	Principal collections	-96	-144	-141
4123	Interest collections	-16	-27	-27
4123	Fees and Other Collections	-2	-1	
4130	Offsets against gross financing auth and disbursements (total)	-139	-194	-186
Additional offsets against financing authority only (total):				
4140	Change in uncollected pymts, Fed sources, unexpired	8		
4160	Financing authority, net (mandatory)	315	400	400
4170	Financing disbursements, net (mandatory)	135	199	165
4180	Financing authority, net (total)	315	400	400
4190	Financing disbursements, net (total)	135	199	165

Status of Direct Loans (in millions of dollars)

FARM STORAGE FACILITY DIRECT LOAN FINANCING ACCOUNT
Program and Financing (in millions of dollars)

Identification code 12-4158-0-3-351	2010 actual	CR	2012 est.	
Obligations by program activity:				
Credit program obligations:				
0710	Direct loan obligations	327	303	303
0713	Payment of interest to Treasury	28	40	40

Identification code 12-4158-0-3-351	2010 actual	CR	2012 est.	
Position with respect to appropriations act limitation on obligations:				
1131	Direct loan obligations exempt from limitation	327	303	303
1150	Total direct loan obligations	327	303	303
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	419	548	724
1231	Disbursements: Direct loan disbursements	225	320	304
1251	Repayments: Repayments and prepayments	-96	-144	-141

1290	Outstanding, end of year	548	724	887
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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 millions of dollars)

Identification code 12-4158-0-3-351	2009 actual	2010 actual	
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	183	311
Investments in US securities:			
1106	Receivables, net	3	7
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	419	548
1402	Interest receivable	35	40
1405	Allowance for subsidy cost (-)	-31	-25
1499	Net present value of assets related to direct loans	423	563
1999	Total assets	609	881
LIABILITIES:			
Federal liabilities:			
2103	Debt payable to Treasury	592	854
2105	Other Federal Liabilities	17	27
2999	Total liabilities	609	881
4999	Total liabilities and net position	609	881

APPLE LOANS PROGRAM ACCOUNT

The Agricultural Risk Protection Act of 2000 authorized up to \$5 million for the cost to provide loans to producers of apples for economic losses as the result of low prices. Although the program is funded through the Commodity Credit Corporation, program management is performed through farm loan programs. No further funding is requested for this program.

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 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.

EMERGENCY BOLL WEEVIL DIRECT LOAN FINANCING ACCOUNT

Status of Direct Loans (in millions of dollars)

Identification code 12-4221-0-3-351	2010 actual	CR	2012 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	10	10	10
1290	Outstanding, end of year	10	10	10

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 millions of dollars)

Identification code 12-4221-0-3-351	2009 actual	2010 actual	
ASSETS:			
1101	Federal assets: Fund balances with Treasury	1	
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	10	10
1405	Allowance for subsidy cost (-)	-10	-10
1499	Net present value of assets related to direct loans		
1999	Total assets	1	
LIABILITIES:			
2103	Federal liabilities: Debt	1	
2999	Total liabilities	1	
4999	Total liabilities and net position	1	

AGRICULTURAL DISASTER RELIEF FUND

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-5531-0-2-351	2010 actual	CR	2012 est.
0100	Balance, start of year		
Receipts:			
0200	3.08 Percent of Customs Duties, Agricultural Disaster Relief Fund	776	877
0240	Earnings on Investments, Agricultural Disaster Relief Fund	1	
0299	Total receipts and collections	777	877
0400	Total: Balances and collections	777	877
Appropriations:			
0500	Agricultural Disaster Relief Fund	-777	-877
0799	Balance, end of year		

Program and Financing (in millions of dollars)

Identification code 12-5531-0-2-351	2010 actual	CR	2012 est.	
Obligations by program activity:				
0001	Disaster payments	1,573	1,927	1,523
0002	Recovery Act transition disaster payments	689		
0900	Total new obligations (object class 41.0)	2,262	1,927	1,523
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	1,531	166	
Budget authority:				
Appropriations, mandatory:				
1201	Appropriation (special fund)	777	877	
Borrowing authority, mandatory:				
1400	Borrowing authority	296	884	1,523
1900	Budget authority (total)	1,073	1,761	1,523
1930	Total budgetary resources available	2,604	1,927	1,523
Memorandum (non-add) entries:				
1940	Unobligated balance expiring	-176		
1941	Unexpired unobligated balance, end of year	166		
Special and non-revolving trust funds:				
1951	Unobligated balance expiring	176		
1952	Expired unobligated balance, start of year		176	176
1953	Expired unobligated balance, end of year		176	176

Change in obligated balance:

Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	3	328	57
3030	Obligations incurred, unexpired accounts	2,262	1,927	1,523
3040	Outlays (gross)	-1,937	-2,198	-1,523
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	328	57	57

Budget authority and outlays, net:

Mandatory:				
4090	Budget authority, gross	1,073	1,761	1,523
Outlays, gross:				
4100	Outlays from new mandatory authority	403	1,704	1,466
4101	Outlays from mandatory balances	1,534	494	57
4110	Outlays, gross (total)	1,937	2,198	1,523
4180	Budget authority, net (total)	1,073	1,761	1,523

AGRICULTURAL DISASTER RELIEF FUND—Continued
Program and Financing—Continued

Identification code 12-5531-0-2-351	2010 actual	CR	2012 est.
4190 Outlays, net (total)	1,937	2,198	1,523

The Food, Conservation, and Energy Act of 2008 (2008 Farm Bill), P.L. 110-246, provides for Supplemental Agricultural Disaster Assistance under Sec.12033 and 15101. This includes the Agricultural Disaster Relief Trust Fund, which is composed of amounts equivalent to 3.1 percent of the amounts received in the general fund of the U.S. Treasury during 2008-2011 attributable to the duties collected on articles entered, or withdrawn from warehouse, for consumption under the Harmonized Tariff Schedule of the United States. The fund has authority to borrow and repayable advances that are such sums as may be necessary make up the funds budget authority. Advances to the fund must be repaid with interest to the general fund of the U.S. Treasury when the Secretary of the Treasury determines that funds are available in the trust fund.

Obligations of \$1,573,277,751 were incurred and total outlays were \$1,358,616,041 in 2010, as shown in the table below. Unobligated balances carried over to 2010 of \$1,530,625,668 and obligated repayable advances of \$296,041,371 provided the funding for 2010 obligations. In 2010, the amount of customs receipts credited to the Agricultural Disaster Relief Trust Fund receipt account totaled \$776,745,050. Available budget authority totaling \$165,134,338 was carried forward into 2011 as an unobligated balance.

Fiscal Year 2010 Agricultural Disaster Relief Trust Fund Obligations and Outlays

[In millions of dollars]

PROGRAMS	OBLIGATIONS	OUTLAYS
Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP)	21	21
Livestock Forage Disaster Program (LFP)	265	263
Livestock Indemnity Program (LIP)	89	92
Supplemental Revenue Assistance Payments (SURE) Program	1,196	974
Tree Assistance Program (TAP)	2	2
Subtotal	1,573	1,352
Unallocated	0	7
Total	1,573	1,359

Funds from the trust fund may be used to make payments to farmers and ranchers under the following five new disaster assistance programs: Supplemental Revenue Assistance Payments (SURE) Program; Livestock Forage Disaster Program (LFP); Livestock Indemnity Program (LIP); Tree Assistance Program (TAP); and Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP). P.L. 110-246 provides that participants in the new disaster assistance programs are required to have crop insurance or non-insured crop disaster assistance, or to pay a fee if they are otherwise ineligible.

Fiscal Year 2010 - Fiscal Year 2012 Agricultural Disaster Relief Trust Fund Outlays

PROGRAMS	2010 actual	2011 est.	2012 est.
Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP)	21	50	50
Livestock Forage Disaster Program (LFP)	263	524	474
Livestock Indemnity Program (LIP)	92	77	73
Supplemental Revenue Assistance Payments (SURE) Program	974	1,287	921
Tree Assistance Program (TAP)	2	5	5
SUBTOTAL	1,352	1,943	1,523
Unallocated	7	0	0
TOTAL	1,359	1,943	1,523

The American Recovery and Reinvestment Act of 2009 (ARRA) amended the 2008 Farm Bill and the SURE Program to modify the payment formulas for 2008 crops. The ARRA also provided an additional 90 day window for 2008 crops for those producers who did not obtain a policy or plan of insurance or NAP coverage or elect to buy in by September 16, 2008 as authorized under the 2008 Farm Bill. Total ARRA SURE payment outlays made in 2010 were \$578,170,337. An additional \$255,000,000 in ARRA SURE payments are estimated to be outlaid in fiscal year 2011. There were also \$156,736 of ARRA TAP payments made in 2010.

Trust Funds

TOBACCO TRUST FUND

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-8161-0-7-351	2010 actual	CR	2012 est.
0100 Balance, start of year	1	1	1
Receipts:			
0200 Excise Taxes for Tobacco Assessments, Tobacco Trust Fund	937	960	960
0299 Total receipts and collections	937	960	960
0400 Total: Balances and collections	938	961	961
Appropriations:			
0500 Tobacco Trust Fund	-937	-960	-960
0599 Total appropriations	-937	-960	-960
0799 Balance, end of year	1	1	1

Program and Financing (in millions of dollars)

Identification code 12-8161-0-7-351	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Tobacco Buyout Cost Reimbursement to CCC	937	960	960
0900 Total new obligations (object class 41.0)	937	960	960
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1202 Appropriation (trust fund)	937	960	960
1930 Total budgetary resources available	937	960	960
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts	937	960	960
3040 Outlays (gross)	-937	-960	-960
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	937	960	960
Outlays, gross:			
4100 Outlays from new mandatory authority	937	960	960
4180 Budget authority, net (total)	937	960	960
4190 Outlays, net (total)	937	960	960

NATURAL RESOURCES CONSERVATION SERVICE

Federal Funds

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands, water, and interests therein for use in the plant materials program by donation, exchange, or purchase at a nominal cost not to exceed \$100 pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); purchase and erection or alteration or improve-

ment of permanent and temporary buildings; and operation and maintenance of aircraft, \$898,647,000, to remain available until September 30, 2013: Provided, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for construction and improvement of buildings and public improvements at plant materials centers, except that the cost of alterations and improvements to other buildings and other public improvements shall not exceed \$250,000: Provided further, That when buildings or other structures are erected on non-Federal land, that the right to use such land is obtained as provided in 7 U.S.C. 2250a.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12–1000–0–1–302	2010 actual	CR	2012 est.
0100 Balance, start of year			
Receipts:			
0220 NRCS Fees for Conservation Planning - legislative proposal subject to PAYGO			22
0400 Total: Balances and collections			22
0799 Balance, end of year			22

Program and Financing (in millions of dollars)

Identification code 12–1000–0–1–302	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Technical assistance	782	812	783
0002 Soil surveys	96	98	93
0003 Snow survey and water forecasting	10	12	11
0004 Plant materials centers	12	11	11
0091 Direct program activities, subtotal	900	933	898
0801 EPA Great Lakes - Reimbursable	1		
0802 Reimbursable program activity	44	40	40
0899 Total reimbursable obligations	45	40	40
0900 Total new obligations	945	973	938

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	53	70	26
1021 Recoveries of prior year unpaid obligations	22		
1050 Unobligated balance (total)	75	70	26
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	889	889	898
Spending authority from offsetting collections, discretionary:			
1700 Collected	37	40	40
1701 Change in uncollected payments, Federal sources	19		
1750 Spending auth from offsetting collections, disc (total)	56	40	40
1900 Budget authority (total)	945	929	938
1930 Total budgetary resources available	1,020	999	964
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	–5		
1941 Unexpired unobligated balance, end of year	70	26	26

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	212	260	256
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	–23	–36	–36
3020 Obligated balance, start of year (net)	189	224	220
3030 Obligations incurred, unexpired accounts	945	973	938
3031 Obligations incurred, expired accounts	3		
3040 Outlays (gross)	–865	–977	–940
3050 Change in uncollected pymts, Fed sources, unexpired	–19		
3051 Change in uncollected pymts, Fed sources, expired	6		
3080 Recoveries of prior year unpaid obligations, unexpired	–22		
3081 Recoveries of prior year unpaid obligations, expired	–13		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	260	256	254
3091 Uncollected pymts, Fed sources, end of year	–36	–36	–36
3100 Obligated balance, end of year (net)	224	220	218

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	945	929	938
Outlays, gross:			
4010 Outlays from new discretionary authority	714	760	767
4011 Outlays from discretionary balances	151	217	173
4020 Outlays, gross (total)	865	977	940
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	–33	–31	–31
4033 Non-Federal sources	–6	–9	–9
4040 Offsets against gross budget authority and outlays (total)	–39	–40	–40
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	–19		
4052 Offsetting collections credited to expired accounts	2		
4060 Additional offsets against budget authority only (total)	–17		
4070 Budget authority, net (discretionary)	889	889	898
4080 Outlays, net (discretionary)	826	937	900
4180 Budget authority, net (total)	889	889	898
4190 Outlays, net (total)	826	937	900

Technical assistance.—Through the Conservation Technical Assistance Program, NRCS develops conservation plans that include a variety of technologies and practices for private landowners, conservation districts, Tribes, and other organizations. Comprehensive, landscape-scale conservation planning helps managers reduce soil loss from erosion; address soil, water quality, water conservation, air quality, and agricultural waste management concerns; reduce potential damage caused by excess water and sedimentation or drought; enhance the quality of fish and wildlife habitat; improve the long-term sustainability of all lands, including cropland, forestland, grazing lands, coastal lands, and developed or developing lands; and facilitate changes in land use as needed for natural resource protection and sustainability. In addition, legislation will be submitted for a user fee that helps cover the costs of conservation planning services.

MAIN WORKLOAD FACTORS

	2010 actual	CR	2012 est.
Customers receiving technical assistance for planning & application, number	137,049	136,000	136,000
Conservation systems planned, million acres	40.7	38.0	38.0
Cropland with conservation applied to improve soil quality, million acres	8.2	7.7	7.3
Grazing land with conservation applied to protect the resource base, million acres	17.0	15.0	14.5

Soil surveys.—The primary focus of the Soil Survey Program is to provide current and consistent map interpretations and data sets of the soil resources of the United States. Managing soil as a strategic natural resource is a key component to the vitality of the Nation's rural economies. Scientists and policy makers use soil survey information in studying climate change and evaluating the sustainability and environmental impacts of land use and management practices. Soil surveys are used by planners, engineers, farmers, ranchers, developers, and home owners to evaluate soil suitability and make management decisions for farms, home sites, subdivisions, commercial and industrial sites, and wildlife and recreational areas. NRCS is the lead Federal agency for the National Cooperative Soil Survey (NCSS), a partnership of Federal land management agencies, State agricultural experiment stations, private consultants, and State and local governments. NRCS provides the scientific expertise to enable the NCSS to develop and maintain a uniform system for mapping and assessing soil resources.

MAIN WORKLOAD FACTORS

	2010 actual	CR	2012 est.
Acres mapped annually (millions)	38.8	36.5	36.0

CONSERVATION OPERATIONS—Continued

Snow survey and water supply forecasting.—The water supply forecasts are used by individuals, Tribes, organizations, and government for decisions relating to agricultural production, hydroelectric power generation, fish and wildlife management, municipal and industrial water supply, reservoir managements, urban development, flood control, recreation, and water quality management.

Operation of plant materials centers.—The selection, evaluation, and release of plant materials and field trials of new or adapted plant technology are made at 27 plant materials centers to determine suitability for erosion control, improved water quality and quantity, range and pasture management, biofuel and biomass production, air quality protection, wildlife management, and other environmental improvements, such as the effects of vegetative practices on climate change. Plant science technology is documented in fact sheets, technical notes, the Field Office Technical Guide, and transferred to the public on the Web. Work at plant materials centers is the foundation of vegetative recommendations for NRCS and many other Federal and State agencies.

Object Classification (in millions of dollars)

Identification code 12–1000–0–1–302	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	411	425	392
11.3 Other than full-time permanent	7	8	7
11.5 Other personnel compensation	14	14	13
11.9 Total personnel compensation	432	447	412
12.1 Civilian personnel benefits	144	148	137
21.0 Travel and transportation of persons	23	24	22
22.0 Transportation of things	4	4	4
23.2 Rental payments to others	20	21	19
23.3 Communications, utilities, and miscellaneous charges	14	14	14
24.0 Printing and reproduction	2	2	2
25.2 Other services from non-federal sources	212	222	204
26.0 Supplies and materials	21	22	30
31.0 Equipment	27	28	53
42.0 Insurance claims and indemnities	1	1	1
99.0 Direct obligations	900	933	898
99.0 Reimbursable obligations	45	40	40
99.9 Total new obligations	945	973	938

Employment Summary

Identification code 12–1000–0–1–302	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	6,191	6,349	5,861
2001 Reimbursable civilian full-time equivalent employment	175	158	158

FARM SECURITY AND RURAL INVESTMENT PROGRAMS

Program and Financing (in millions of dollars)

Identification code 12–1004–0–1–302	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Wetlands Reserve program	630	726	785
0002 Environmental Quality Incentives program	1,174	1,180	1,408
0004 Agricultural Water Enhancement Program	72	74	60
0005 Wildlife Habitat Incentives program	83	85	73
0006 Farm and Ranch Lands Protection program	150	175	200
0007 Conservation Security program	222	203	197
0008 Grassland Reserve program	100	117	67
0009 Conservation Stewardship Program	390	601	788
0010 Agricultural Management Assistance program	7	8	3
0011 Chesapeake Bay Watershed Initiative	44	72	50
0012 Healthy Forests Reserve Program	8	19	10
0091 Direct program activities, subtotal	2,880	3,260	3,641
0801 Reimbursable Conservation Reserve Program	60	124	124

0802 Reimbursable EPA Great Lakes Environmental Quality Incentives Program	10		
0803 Reimbursable EPA Great Lakes Farm and Ranchlands Protection Program	2		
0804 Reimbursable EPA Great Lakes Wildlife Habitat Incentives Program	1		
0899 Total reimbursable obligations	73	124	124
0900 Total new obligations	2,953	3,384	3,765

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	8	10	
1021 Recoveries of prior year unpaid obligations	1		
1050 Unobligated balance (total)	9	10	
Budget authority:			
Appropriations, discretionary:			
1130 Appropriations permanently reduced		–408	–786
Appropriations, mandatory:			
1221 Appropriations transferred from other accounts	2,939	3,658	4,427
Spending authority from offsetting collections, mandatory:			
1800 Offsetting Collections Conservation Reserve Program	48	124	124
1800 Offsetting collections EPA Great Lakes	3		
1801 Change in uncollected payments, Federal sources	29		
1850 Spending auth from offsetting collections, mand (total)	80	124	124
1900 Budget authority (total)	3,019	3,374	3,765
1930 Total budgetary resources available	3,028	3,384	3,765
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	–65		
1941 Unexpired unobligated balance, end of year	10		

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	2,702	3,422	4,179
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	–11	–29	–29
3020 Obligated balance, start of year (net)	2,691	3,393	4,150
3030 Obligations incurred, unexpired accounts	2,953	3,384	3,765
3031 Obligations incurred, expired accounts	68		
3040 Outlays (gross)	–2,007	–2,627	–2,971
3050 Change in uncollected pymts, Fed sources, unexpired	–29		
3051 Change in uncollected pymts, Fed sources, expired	11		
3080 Recoveries of prior year unpaid obligations, unexpired	–1		
3081 Recoveries of prior year unpaid obligations, expired	–293		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	3,422	4,179	4,973
3091 Uncollected pymts, Fed sources, end of year	–29	–29	–29
3100 Obligated balance, end of year (net)	3,393	4,150	4,944

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross		–408	–786
Outlays, gross:			
4010 Outlays from new discretionary authority		–86	–149
4011 Outlays from discretionary balances			–147
4020 Outlays, gross (total)		–86	–296
Mandatory:			
4090 Budget authority, gross	3,019	3,782	4,551
Outlays, gross:			
4100 Outlays from new mandatory authority	922	1,154	1,265
4101 Outlays from mandatory balances	1,085	1,559	2,002
4110 Outlays, gross (total)	2,007	2,713	3,267
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	–61	–124	–124
Additional offsets against gross budget authority only:			
4140 Change in uncollected pymts, Fed sources, unexpired	–29		
4142 Offsetting collections credited to expired accounts	10		
4150 Additional offsets against budget authority only (total)	–19		
4160 Budget authority, net (mandatory)	2,939	3,658	4,427
4170 Outlays, net (mandatory)	1,946	2,589	3,143
4180 Budget authority, net (total)	2,939	3,250	3,641
4190 Outlays, net (total)	1,946	2,503	2,847

The Food, Conservation, and Energy Act of 2008 (P.L. 110–246), which amended Title XII of the Food Security Act of 1985, reauthorized a number of USDA's conservation programs. For conservation programs where NRCS is the lead implementation agency, funds are transferred from the Commodity Credit Corporation

(CCC) to the Farm Security and Rural Investment Programs account. This account funds the cost-share, monitoring, easement, financial assistance, and technical assistance costs necessary for delivering the following programs:

Wetlands Reserve Program (WRP).—This program is authorized under Section 1237 of the Food Security Act of 1985, as amended. The authority provides for up to 3,041,200 acres to be enrolled in the program. The purpose of the WRP is to preserve, protect, and restore valuable wetlands. The 2012 Budget assumes \$785 million for this program to enroll 271,158 acres in 2012, and proposes to permanently reduce the program by 158,895 acres.

Environmental Quality Incentives Program (EQIP).—This program is authorized under section 1240 of the Food Security Act of 1985, as amended. The purpose of the program is to promote agricultural production and environmental quality as compatible national goals. The 2012 Budget proposes \$1.408 billion for this program and proposes to permanently cancel funds exceeding this amount for the program in 2012.

Agricultural Water Enhancement Program (AWEP).—This program is authorized by Section 1240I of the Food Security Act of 1985, as amended. Under AWEP, NRCS enters into partnership agreements with eligible entities to promote ground and surface water conservation or improve water quality on agricultural lands. The 2012 Budget proposes \$60 million for this program. The program is a successor to the Ground and Surface Water Program, which was not reauthorized by the Food, Conservation, and Energy Act of 2008.

Conservation Stewardship Program (CSP).—This program is authorized by Section 1238D of the Food Security Act of 1985, as amended. The program encourages producers to address resource concerns in a comprehensive manner by undertaking additional conservation activities and improving, maintaining and managing existing conservation activities. The 2012 Budget proposes \$788 million for this program to enroll 12,004,796 acres and proposes to permanently reduce the program by 764,204 acres. This program is the successor to the Conservation Security Program, which was not continued in the Food, Conservation and Energy Act of 2008 except as necessary to support contracts entered into before September 30, 2008. The 2012 Budget proposes \$197 million for the Conservation Security Program.

Farmland Protection Program (FRPP).—Authorized under Section 1238I of the Food Security Act of 1985, as amended, this program protects soil by limiting nonagricultural use of prime and unique farm and ranch land. Consistent with the President's commitment to the America's Great Outdoors Initiative, the Budget includes \$200 million for the Farm and Ranchlands Protection Program to support the acquisition of conservation easements and other interests to keep productive farm and ranchlands in agricultural uses.

Wildlife Habitat Incentives Program (WHIP).—This program is authorized by Section 1240N of the Food Security Act of 1985, as amended. The program develops habitat for upland wildlife, wetland wildlife, threatened and endangered species, fish, and other wildlife. The 2012 Budget proposes a level of \$73 million for this program and proposes to permanently cancel funds exceeding this amount for the program in 2012.

Grassland Reserve Program (GRP).—This program is authorized by Section 1238N of the Food Security Act of 1985, as amended. The purpose of the program is to assist landowners in restoring and protecting grassland. The 2012 budget assumes \$67.2 million for this program to enroll 203,515 acres in 2012

and proposes to permanently reduce the program by 165,684 acres.

Chesapeake Bay Watershed Program (CBWP).—This program is authorized by Section 1240Q of the Food Security Act of 1985, as amended. It helps agricultural producers improve water quality and quantity and restore, enhance and preserve soil, air and related resources in the Chesapeake Bay Watershed through the implementation of conservation practices. The 2012 Budget proposes \$50 million for this program.

Conservation Reserve Program (CRP) Technical Assistance.—The CRP is authorized by Sections 1231–1235A of the Food Security Act of 1985, as amended. Although CRP is administered by the Farm Service Agency, NRCS provides technical assistance to producers to implement conservation practices on CRP land. FSA provides funds to NRCS as offsetting collections for this purpose in this account. The 2012 budget assumes \$124 million for CRP technical assistance.

In addition to the programs authorized under the Food Security Act of 1985, NRCS implements the following conservation programs:

Agricultural Management Assistance Program (AMA).—This program is authorized by Section 524(b) of the Federal Crop Insurance Act (7 U.S.C. 1524(b)), as amended. It authorizes \$15 million annually for fiscal years 2008 through 2012. This program is implemented by NRCS, the Agricultural Marketing Service, and the Risk Management Agency. The NRCS AMA activities are carried out in 16 states, as determined by the Secretary, in which participation in the Federal Crop Insurance Program is historically low. The program provides assistance to producers to mitigate financial risk by using conservation to reduce soil erosion and improve water quality. The Budget proposes limiting the overall AMA program to \$10 million in 2012, of which NRCS is limited to \$2.5 million, and proposes to permanently cancel funds exceeding this amount for the program in 2012.

Healthy Forests Reserve Program (HFRP).—This program is authorized by Section 502 of the Healthy Forests Restoration Act of 2003, as amended. The program assists landowners in restoring, enhancing and protecting forest ecosystems on private lands to promote the recovery of threatened and endangered species, improve biodiversity, and enhance carbon sequestration. The 2012 Budget proposes \$9.75 million for this program.

NRCS works to deliver conservation programs using its technical field staff and by partnering with public and private entities through the Technical Service Provider (TSP) system. NRCS can contract with TSPs to help deliver the Farm Bill programs, or agricultural producers may select TSPs to help plan and implement conservation practices on their operations.

Object Classification (in millions of dollars)

Identification code 12–1004–0–1–302	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	234	305	333
11.3 Other than full-time permanent	3	4	4
11.5 Other personnel compensation	4	10	9
11.9 Total personnel compensation	241	319	346
12.1 Civilian personnel benefits	76	96	104
21.0 Travel and transportation of persons	6	8	8
22.0 Transportation of things	1	2	2
23.2 Rental payments to others	14	10	11
23.3 Communications, utilities, and miscellaneous charges	8	6	7
24.0 Printing and reproduction	1		
25.2 Other services from non-federal sources	210	163	162
26.0 Supplies and materials	9	23	26
31.0 Equipment	26	15	17
32.0 Land and structures	677	682	729

FARM SECURITY AND RURAL INVESTMENT PROGRAMS—Continued
Object Classification—Continued

Identification code 12-1004-0-1-302	2010 actual	CR	2012 est.
41.0 Grants, subsidies, and contributions	1,611	1,936	2,229
99.0 Direct obligations	2,880	3,260	3,641
99.0 Reimbursable obligations	73	124	124
99.9 Total new obligations	2,953	3,384	3,765

Employment Summary

Identification code 12-1004-0-1-302	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	3,625	4,587	5,041
2001 Reimbursable civilian full-time equivalent employment	535	1,158	1,159

WATERSHED AND FLOOD PREVENTION OPERATIONS
Program and Financing (in millions of dollars)

Identification code 12-1072-0-1-301	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Watershed operations (P.L. 534)	2	17	.....
0003 Emergency watershed protection operations	225	101	.....
0004 Small watershed operations (P.L. 566)	22	51	.....
0005 Appropriation, Recovery Act	181	.....	.....
0091 Direct program activities, subtotal	430	169	.....
0802 Reimbursable program activity	37	44	.....
0900 Total new obligations	467	213	.....

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	584	214	48
1021 Recoveries of prior year unpaid obligations	45	1	1
1050 Unobligated balance (total)	629	215	49
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	30	30	.....
Spending authority from offsetting collections, discretionary:			
1700 Collected	8	16	.....
1701 Change in uncollected payments, Federal sources	16	.....	.....
1750 Spending auth from offsetting collections, disc (total)	24	16	.....
1900 Budget authority (total)	54	46	.....
1930 Total budgetary resources available	683	261	49
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-2	.....	.....
1941 Unexpired unobligated balance, end of year	214	48	49

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	328	449	433
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-63	-79	-79
3020 Obligated balance, start of year (net)	265	370	354
3030 Obligations incurred, unexpired accounts	467	213	.....
3040 Outlays (gross)	-301	-228	-102
3050 Change in uncollected pymts, Fed sources, unexpired	-16	.....	.....
3080 Recoveries of prior year unpaid obligations, unexpired	-45	-1	-1
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	449	433	330
3091 Uncollected pymts, Fed sources, end of year	-79	-79	-79
3100 Obligated balance, end of year (net)	370	354	251

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	54	46	.....
Outlays, gross:			
4010 Outlays from new discretionary authority	22	22	.....
4011 Outlays from discretionary balances	279	206	102
4020 Outlays, gross (total)	301	228	102
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-7	-16	.....

4033 Non-Federal sources	-1	.....	.....
4040 Offsets against gross budget authority and outlays (total)	-8	-16	.....
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-16	.....	.....
4070 Budget authority, net (discretionary)	30	30	.....
4080 Outlays, net (discretionary)	293	212	102
4180 Budget authority, net (total)	30	30	.....
4190 Outlays, net (total)	293	212	102

NRCS watershed programs provide for cooperative actions between the Federal Government and States and their political subdivisions to reduce damage from floodwater, sediment, and erosion; for the conservation, development, utilization, and disposal of water; and for the conservation and proper utilization of land. Funds in Watershed and Flood Prevention Operations can be used for either flood prevention projects or flood damage rehabilitation efforts, depending upon the needs and opportunities. To improve the environmental and economic benefits of these projects, NRCS focuses on developing and funding non-structural flood prevention measures. However, Congressionally-designated projects account for a significant portion of the account, making it difficult to prioritize projects based on merit criteria. Therefore, the 2012 Budget does not request funding for the watershed operations programs and instead redirects their resources to other priority programs within the agency.

Emergency watershed protection.—NRCS undertakes such emergency measures for runoff retardation and soil erosion prevention as may be needed to safeguard life and property from floods and the products of erosion on any watershed whenever natural elements or forces cause a sudden impairment of that watershed. An emergency is considered to exist when a watershed is suddenly impaired by flood, fire, wind, earthquake, drought or other natural causes and consequently life and property are endangered by floodwater, erosion, or sediment discharge. The emergency area need not be declared a national disaster area to be eligible for emergency watershed protection. Emergency watershed protection is applicable to small scale, localized disasters as well as large scale disasters. State agencies including environmental, natural resource, and fish and game agencies participate in planning and coordinating emergency work. Funding for the emergency watershed protection program is typically provided through emergency supplemental appropriations.

Watershed operations authorized by Public Law 78-534.—NRCS cooperates with soil conservation districts and other local organizations in planning and installing flood prevention improvements in 11 watersheds authorized by the Flood Control Act of 1944. The Federal Government shares the cost of improvements for flood prevention, agricultural water management, recreation, and fish and wildlife development.

Small watershed operations authorized by Public Law 83-566.—NRCS provides technical and financial assistance to local organizations to install measures for watershed protection, flood prevention, agricultural water management, recreation, and fish and wildlife enhancement. At least 70 percent of the funding provided is used for financial assistance.

Loans through the Agricultural Credit Insurance Fund have been made in previous years to the local sponsors in order to fund the local cost of Public Law 83-566 or 78-534 projects. No funding for these loans is assumed in 2012.

MAIN WORKLOAD FACTORS

Status of operational projects:	2010 actual	CR	2012 est.
Projects receiving land treatment	83	103	.....
Structural projects	125	153	.....
Land treatment and structural projects	52	63	.....
Subtotal active projects	260	319	.....

Projects continuing post-installation assistance	1084	1066
Inactive projects	200	191
Project life completed	50	42
Deauthorized projects	158	158
Total operational projects	1752	1776
New projects approved during year	2	1

Object Classification (in millions of dollars)

Identification code 12-1072-0-1-301	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	25	16	
11.3 Other than full-time permanent	1		
11.5 Other personnel compensation	2	1	
11.9 Total personnel compensation	28	17	
12.1 Civilian personnel benefits	7	5	
21.0 Travel and transportation of persons	1	1	
25.2 Other services from non-federal sources	9	12	
25.2 Other services from non-federal sources	127	47	
31.0 Equipment	2	2	
32.0 Land and structures	97	16	
41.0 Grants, subsidies, and contributions	159	69	
99.0 Direct obligations	430	169	
99.0 Reimbursable obligations	37	44	
99.9 Total new obligations	467	213	

Employment Summary

Identification code 12-1072-0-1-301	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	375	233	
2001 Reimbursable civilian full-time equivalent employment	32	44	

WATERSHED REHABILITATION PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-1002-0-1-301	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Watershed rehabilitation program	48	50	
0002 Appropriation, Recovery Act	33		
0091 Direct program activities, subtotal	81	50	
0881 Reimbursable program activity	1		
0889 Reimbursable program activities, subtotal	1		
0900 Total new obligations	82	50	
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	42	10	
1021 Recoveries of prior year unpaid obligations	9		
1050 Unobligated balance (total)	51	10	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	40	40	
1100 Appropriation		-165	
1130 Appropriations permanently reduced			-165
1160 Appropriation, discretionary (total)	40	-125	-165
Appropriations, mandatory:			
1221 Appropriations transferred from other accounts		165	165
Spending authority from offsetting collections, discretionary:			
1700 Collected	1		
1900 Budget authority (total)	41	40	
1930 Total budgetary resources available	92	50	
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	10		

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	72	104	114
3030 Obligations incurred, unexpired accounts	82	50	
3040 Outlays (gross)	-41	-40	-60
3080 Recoveries of prior year unpaid obligations, unexpired	-9		

3090 Obligated balance, end of year (net):			
Unpaid obligations, end of year (gross)	104	114	54

Budget authority and outlays, net:

4000 Discretionary:			
Budget authority, gross	41	-125	-165
Outlays, gross:			
4010 Outlays from new discretionary authority	5	-44	-53
4011 Outlays from discretionary balances	36	18	-3
4020 Outlays, gross (total)	41	-26	-56
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033 Non-Federal sources	-1		
4070 Budget authority, net (discretionary)	40	-125	-165
4080 Outlays, net (discretionary)	40	-26	-56
Mandatory:			
4090 Budget authority, gross		165	165
Outlays, gross:			
4100 Outlays from new mandatory authority		66	66
4101 Outlays from mandatory balances			50
4110 Outlays, gross (total)		66	116
4180 Budget authority, net (total)	40	40	
4190 Outlays, net (total)	40	40	60

Under the authorities of Section 14 of the Watershed Protection and Flood Prevention Act, assistance is provided to communities to address concerns about local aging dams. The 2012 Budget does not request funding for the Watershed Rehabilitation Program. The 2012 Budget request reflects the Administration's position that the maintenance, repair, and operation of these dams are primarily a local responsibility since the program benefits are highly localized.

As part of the President's commitment to fiscal responsibility, the 2012 Budget proposes no mandatory funding for this program in 2012; \$165 million currently available are proposed to be permanently cancelled (see General Provisions for the Department of Agriculture).

Object Classification (in millions of dollars)

Identification code 12-1002-0-1-301	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	8	6	
12.1 Civilian personnel benefits	2	1	
25.1 Advisory and assistance services	31	21	
25.2 Other services from non-federal sources	6	8	
25.4 Operation and maintenance of facilities	17		
31.0 Equipment	1	1	
41.0 Grants, subsidies, and contributions	16	13	
99.0 Direct obligations	81	50	
99.0 Reimbursable obligations	1		
99.9 Total new obligations	82	50	

Employment Summary

Identification code 12-1002-0-1-301	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	109	71	

RESOURCE CONSERVATION AND DEVELOPMENT

Program and Financing (in millions of dollars)

Identification code 12-1010-0-1-302	2010 actual	CR	2012 est.
Obligations by program activity:			
0002 Technical assistance	51	54	
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	3	3	

RESOURCE CONSERVATION AND DEVELOPMENT—Continued
Program and Financing—Continued

Identification code 12-1010-0-1-302	2010 actual	CR	2012 est.
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	51	51	.....
1930 Total budgetary resources available	54	54	.....
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	3		.....
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	7	8	11
3030 Obligations incurred, unexpired accounts	51	54	.....
3040 Outlays (gross)	-50	-51	-6
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	8	11	5
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	51	51	.....
Outlays, gross:			
4010 Outlays from new discretionary authority	44	46	.....
4011 Outlays from discretionary balances	6	5	6
4020 Outlays, gross (total)	50	51	6
4180 Budget authority, net (total)	51	51	.....
4190 Outlays, net (total)	50	51	6

The Resource Conservation and Development (RC&D) Program was developed under the Soil Conservation and Domestic Allotment Act (16 U.S.C 590a-590f); the Bankhead-Jones Farm Tenant Act (16 U.S.C. 1010 and 1011); and the Food and Agricultural Act of 1962 (P.L. 87-703). It is authorized under subtitle H, title XV of the Agricultural and Food Act of 1981 (16 U.S.C. 3451-3461), as amended. The program was permanently authorized by the Farm Security and Rural Investment Act of 2002 and further amended by the Food, Conservation, and Energy Act of 2008 (P.L. 110-246). In 1981, sections 1528-1538 of the Agriculture and Food Act authorized a program to encourage and improve the capability of State and local units of government and local nonprofit organizations in rural areas to plan, develop, and implement programs for resource conservation and development. Through this program administered by the Natural Resources Conservation Service, RC&D areas have established or improved coordination systems in rural communities and built rural community leadership skills to use Federal, State and local programs for the communities' benefit. The program has also assisted local communities in developing strategic plans addressing locally identified natural resource and economic development concerns.

NRCS has provided program administration and assistance to RC&D areas by funding coordinators for 375 volunteer non-profit RC&D Councils across the country. Other USDA agencies with conservation or development activities provide input for program policy and guidance and are members of the USDA RC&D Policy Advisory Board and Working Group. In addition, these agencies provide limited technical and financial assistance to RC&D Councils. Councils also obtain the assistance from other local, State, and Federal agencies, private organizations, and foundations to carry out their specific projects.

The 2012 Budget does not request funding for the RC&D program. After decades of Federal assistance, these councils have developed sufficiently strong State and local ties that the Administration believes it is no longer necessary to fund Federal council coordinators, as the councils are now able to secure funding for their continued operation without Federal assistance.

The following tabulation shows the status of RC&D areas authorized to receive technical and financial assistance.

MAIN WORKLOAD FACTORS

	2010 actual	CR	2012 est.
Areas funded at beginning of year	375	375	
Areas funded at end of year	375	375	
Project plans approved	4,821	2,000	
Projects completed	4,738	4,000	

Object Classification (in millions of dollars)

Identification code 12-1010-0-1-302	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	29	32	.....
11.3 Other than full-time permanent	1	1	.....
11.5 Other personnel compensation	2		.....
11.9 Total personnel compensation	32	33	.....
12.1 Civilian personnel benefits	8	9	.....
21.0 Travel and transportation of persons	1	1	.....
23.2 Rental payments to others	2	2	.....
23.3 Communications, utilities, and miscellaneous charges	1	1	.....
25.2 Other services from non-federal sources	5	6	.....
26.0 Supplies and materials	1	1	.....
31.0 Equipment	1	1	.....
99.9 Total new obligations	51	54	.....

Employment Summary

Identification code 12-1010-0-1-302	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	403	423	.....

HEALTHY FORESTS RESERVE PROGRAM
Program and Financing (in millions of dollars)

Identification code 12-1090-0-1-302	2010 actual	CR	2012 est.
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	1	1
1930 Total budgetary resources available	1	1	1
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1	1	1
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	1	1	1
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1	1	1
4180 Budget authority, net (total)			
4190 Outlays, net (total)			

Title V of the Healthy Forests Restoration Act of 2003 (Public Law 108-148) authorized the establishment of the Healthy Forests Reserve Program (HFRP). This program assists landowners in restoring, enhancing and protecting forest ecosystems to 1) promote the recovery of threatened and endangered species; 2) improve biodiversity; and 3) enhance carbon sequestration.

NRCS implements this voluntary program. At the state level, the NRCS State Conservationist determines how best to deliver HFRP and implement national policies in an efficient manner based on the national priorities identified in each sign-up announcement. Only privately held land is eligible for enrollment into HFRP. Land enrolled in the HFRP must have a restoration plan that includes practices necessary to restore and enhance habitat for species listed as threatened or endangered or candidates for the threatened or endangered species list. Technical assistance will be provided by USDA to assist owners in complying with the terms of restoration plans under the HFRP.

The 2012 Budget does not request discretionary funding for the Healthy Forests Reserve Program as the Food, Conservation and

Energy Act of 2008 (P.L. 110–246) authorized new mandatory funding for the Healthy Forests Reserve Program of \$9.75 million annually from 2009–2012. This funding is included in the 2012 Budget in the Farm Security and Rural Investment Programs account.

Employment Summary

Identification code 12–1090–0–1–302	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	1		

**GREAT PLAINS CONSERVATION PROGRAM
Program and Financing** (in millions of dollars)

Identification code 12–2268–0–1–302	2010 actual	CR	2012 est.
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	1	1
1930 Total budgetary resources available	1	1	1
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1	1	1
4180 Budget authority, net (total)			
4190 Outlays, net (total)			

The 1996 Farm Bill combined the authority for this and several other conservation programs into the Environmental Quality Incentives Program. The program provided cost-share assistance to participating landowners and operators in ten Great Plains states to develop and install long-term conservation plans and practices on their lands.

**FORESTRY INCENTIVES PROGRAM
Program and Financing** (in millions of dollars)

Identification code 12–3336–0–1–302	2010 actual	CR	2012 est.
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	6	6	6
1930 Total budgetary resources available	6	6	6
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	6	6	6
4180 Budget authority, net (total)			
4190 Outlays, net (total)			

No funds are proposed for the Forestry Incentives Program (FIP). The FIP has not been reauthorized. Prior-year account balances are maintained in this account until expended. FIP shared up to 65 percent of the cost of tree planting and timber stand improvement in designated counties. Technical assistance was provided by the Forest Service.

**WATER BANK PROGRAM
Program and Financing** (in millions of dollars)

Identification code 12–3320–0–1–302	2010 actual	CR	2012 est.
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	1	1
Budget authority:			
Appropriations, discretionary:			
1131 Unobligated balance of appropriations permanently reduced			–1
1930 Total budgetary resources available	1	1	
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1	1	

Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			–1
4180 Budget authority, net (total)			–1
4190 Outlays, net (total)			

The objectives of the Water Bank Program are to conserve water; to preserve, maintain, and improve the Nation's wetlands; to increase waterfowl habitat in migratory waterfowl nesting, breeding, and feeding areas in the United States; and to secure recreational and environmental benefits for the Nation. The program was authorized by the Water Bank Act of 1970, as amended by Public Law 96–182, approved January 2, 1980. Funding for the expiring 1985 Water Bank agreements was transferred from the 1995 Wetlands Reserve Program appropriation to this account as authorized under the Water Bank Extension Act of 1994. The 2012 Budget does not request program funding, and remaining balances are proposed for cancellation (see General Provisions for the U.S. Department of Agriculture).

COLORADO RIVER BASIN SALINITY CONTROL PROGRAM

The Colorado River Basin Salinity Control Program (CRBSC) was authorized under section 202(c) of Title II of the Colorado River Basin Salinity Control Act, as amended by section 334, subtitle D, Title III of the Federal Agriculture Improvement Act (FAIR Act) of 1996. The FAIR Act combined the authorities of the Agricultural Conservation Program, Water Quality Incentive Program, Great Plains Conservation Program, and the Colorado River Basin Salinity Control Program into the Environmental Quality Incentives Program (EQIP). The FAIR Act also repealed CRBSC authority, while maintaining program account balances until expended.

Since 1996, EQIP has provided cost-share assistance to landowners and others in Colorado, Utah, and Wyoming to enhance the supply and quality of water in the Colorado River for delivery to downstream users in the U.S. and Mexico.

**WETLANDS RESERVE PROGRAM
Program and Financing** (in millions of dollars)

Identification code 12–1080–0–1–302	2010 actual	CR	2012 est.
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	3	3	
1029 Other balances withdrawn			–3
1050 Unobligated balance (total)	3		
1930 Total budgetary resources available	3		
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	3		
4180 Budget authority, net (total)			
4190 Outlays, net (total)			

Section 1237 of the Food Security Act of 1985, as amended, authorizes the Wetlands Reserve Program (WRP) as a voluntary approach to preserving, protecting, and restoring valuable wetlands. The Natural Resources Conservation Service (NRCS) provides program administration for WRP. Funding for WRP is now provided through NRCS's Farm Security and Rural Investment Account. Information displayed in this section represents unobligated balances from the non-Commodity Credit Corporation account in which WRP was funded prior to the 1996 Farm Bill.

WILDLIFE HABITAT INCENTIVES PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3322-0-1-302	2010 actual	CR	2012 est.
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	10	10	10
Budget authority:			
Appropriations, discretionary:			
1131 Unobligated balance of appropriations permanently reduced			-10
1900 Budget authority (total)			-10
1930 Total budgetary resources available	10	10	
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	10	10	
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			-10
4180 Budget authority, net (total)			-10
4190 Outlays, net (total)			

Section 1240N of the Food Security Act of 1985, as amended, authorizes the Wildlife Habitat Incentives Program (WHIP) as a voluntary approach to improving wildlife habitat in our nation. The Natural Resources Conservation Service (NRCS) provides program administration for WHIP. Funding for WHIP is now provided in the Farm Security and Rural Investment Programs Account. Information displayed in this section represents unobligated balances remaining from the 1996 Farm Bill only.

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-8210-0-7-302	2010 actual	CR	2012 est.
0100 Balance, start of year			1
Receipts:			
0220 Miscellaneous Contributed Funds		1	1
0299 Total receipts and collections		1	1
0400 Total: Balances and collections		1	2
Appropriations:			
0599 Total appropriations			
0799 Balance, end of year		1	2

Program and Financing (in millions of dollars)

Identification code 12-8210-0-7-302	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Miscellaneous Contributed Funds	1		
0900 Total new obligations (object class 44.0)	1		
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	2	1	1
1930 Total budgetary resources available	2	1	1
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1	1	1
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts	1		
3040 Outlays (gross)	-1		
Budget authority and outlays, net:			
Mandatory:			
Outlays, gross:			
4101 Outlays from mandatory balances	1		
4180 Budget authority, net (total)			
4190 Outlays, net (total)	1		

Funds received in this account from State, local, and other organizations are available for work under cooperative agreements for soil survey, watershed protection, and resource conservation and development activities.

RURAL DEVELOPMENT

Federal Funds

RURAL DEVELOPMENT SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for carrying out the administration and implementation of programs in the Rural Development mission area, including activities with institutions concerning the development and operation of agricultural cooperatives; and for cooperative agreements; \$234,301,000: Provided, That notwithstanding any other provision of law, funds appropriated under this section may be used for advertising and promotional activities that support the Rural Development mission area: Provided further, That not more than \$10,000 may be expended to provide modest nonmonetary awards to non-USDA employees: Provided further, That any balances available from prior years for the Rural Utilities Service, Rural Housing Service, and the Rural Business-Cooperative Service salaries and expenses accounts shall be transferred to and merged with this appropriation.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-0403-0-1-452	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Salaries and expenses	202	202	234
0801 Reimbursable program	629	513	457
0900 Total new obligations	831	715	691
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	101	4	
1012 Expired unobligated bal transferred to unexpired accts	12		
1020 Adjustment of unobligated bal brought forward, Oct 1		-4	
1050 Unobligated balance (total)	113		
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	202	202	234
Spending authority from offsetting collections, discretionary:			
1700 Collected	529	513	457
1701 Change in uncollected payments, Federal sources	-1		
1750 Spending auth from offsetting collections, disc (total)	528	513	457
1900 Budget authority (total)	730	715	691
1930 Total budgetary resources available	843	715	691
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-8		
1941 Unexpired unobligated balance, end of year	4		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	153	223	169
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-2	-1	-1
3020 Obligated balance, start of year (net)	151	222	168
3030 Obligations incurred, unexpired accounts	831	715	691
3031 Obligations incurred, expired accounts	39		
3040 Outlays (gross)	-760	-769	-696
3050 Change in uncollected pymts, Fed sources, unexpired	1		
3081 Recoveries of prior year unpaid obligations, expired	-40		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	223	169	164
3091 Uncollected pymts, Fed sources, end of year	-1	-1	-1
3100 Obligated balance, end of year (net)	222	168	163
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	730	715	691

Outlays, gross:				
4010	Outlays from new discretionary authority	616	608	587
4011	Outlays from discretionary balances	144	161	109
4020	Outlays, gross (total)	760	769	696
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	-529	-513	-457
Additional offsets against gross budget authority only:				
4050	Change in uncollected pymts, Fed sources, unexpired	1		
4070	Budget authority, net (discretionary)	202	202	234
4080	Outlays, net (discretionary)	231	256	239
4180	Budget authority, net (total)	202	202	234
4190	Outlays, net (total)	231	256	239

The Rural Development Salaries and Expenses account is a consolidated account to administer all Rural Development programs, including programs administered by the Rural Utilities Service (RUS), the Rural Housing Service (RHS), and the Rural Business-Cooperative Service (RBS).

RUS provides grants, direct loans and loan guarantees to suppliers of electric, telecommunications (for general purpose and for distance learning/telemedicine), and water and wastewater services in rural areas. Through the water and wastewater program, RUS also provides technical assistance. The electric and telecommunications loan and grant programs are administered in the national office in Washington, DC. The Rural Development field office staff performs the services related to the water and wastewater grant and loan programs. Program staff for the electric and telecommunication loans programs are general field representatives, who visit borrowers periodically and serve as liaisons between the borrowers and headquarters.

RHS delivers rural housing and community facility programs through a system of area, local, and State and national offices.

RBS delivers direct loans, loan guarantees, grants, technical assistance, and payment programs to cooperatives and other rural businesses.

The 2012 Budget repropose the Regional Innovation Initiative included in the 2011 Budget. This initiative focuses on regional planning and coordination of USDA and other Federal and private sector resources for rural communities. The initiative recognizes that individual communities are often affected by linkages to the other communities within regions and that working together can produce more prosperity for all. The 2012 Budget supports robust regional strategies and includes proposals that continue to focus on the most efficient and effective ways to leverage existing resources to strengthen rural communities. In addition to setting aside up to 5 percent of certain funds to support the Regional Innovation Initiative, funding is being specifically provided for this initiative through the Rural Community Development Initiative (RCDI) under the community facility program account and the Rural Business Opportunity Grant (RBOG) program under the rural business account. This funding will be used to support regional economic development strategies.

Object Classification (in millions of dollars)

Identification code 12-0403-0-1-452	2010 actual	CR	2012 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	100	114	137
11.3	Other than full-time permanent	1	1	1
11.5	Other personnel compensation	2	1	1
11.9	Total personnel compensation	103	116	139
12.1	Civilian personnel benefits	28	33	39
21.0	Travel and transportation of persons	5	4	5
23.2	Rental payments to others	5	4	5
23.3	Communications, utilities, and miscellaneous charges	2	2	2
24.0	Printing and reproduction	1	1	1
25.1	Advisory and assistance services	6		
25.2	Other services from non-federal sources	1	4	4

25.4	Operation and maintenance of facilities	1	1	1
25.5	Research and development contracts	41	32	34
25.7	Operation and maintenance of equipment	5	1	1
26.0	Supplies and materials	2	2	2
31.0	Equipment	2	2	1
99.0	Direct obligations	202	202	234
99.0	Reimbursable obligations	629	513	457
99.9	Total new obligations	831	715	691

Employment Summary

Identification code 12-0403-0-1-452	2010 actual	CR	2012 est.	
1001	Direct civilian full-time equivalent employment	1,472	1,685	1,626
2001	Reimbursable civilian full-time equivalent employment	4,585	4,415	4,224

RURAL COMMUNITY ADVANCEMENT PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-0400-0-1-452	2010 actual	CR	2012 est.	
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	1	1	
1010	Unobligated balance transferred to other accounts		-1	
1050	Unobligated balance (total)	1		
1930	Total budgetary resources available	1		
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	1		
4180	Budget authority, net (total)			
4190	Outlays, net (total)			

Until 2008, this account was used to consolidate under the Rural Community Advancement Program (RCAP) funding for the direct and guaranteed water and waste disposal loans, water and waste disposal grants, emergency community water assistance grants, solid waste management grants, direct and guaranteed community facility loans, community facility grants, direct and guaranteed business and industry loans, rural business enterprise grants, and rural business opportunity grants. This was in accordance with the provisions set forth in the Federal Agriculture Improvement and Reform Act of 1996, as amended, Public Law 104-127 (the 1996 Act). The final remaining balances are expected to be transferred to the Water and Wastewater program account in 2011.

RURAL HOUSING SERVICE

Federal Funds

RURAL HOUSING ASSISTANCE GRANTS

(INCLUDING TRANSFER OF FUNDS)

For grants and contracts for very low-income housing repair made by the Rural Housing Service, as authorized by 42 U.S.C. 1474, \$11,520,000, to remain available until expended: Provided, That of the total amount appropriated under this heading, the amount equal to the amount of Rural Housing Assistance Grants allocated by the Secretary for Rural Economic Area Partnership Zones for the fiscal year 2011, shall be available through June 30, 2012, for communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

RURAL HOUSING ASSISTANCE GRANTS—Continued
Program and Financing (in millions of dollars)

Identification code 12–1953–0–1–604	2010 actual	CR	2012 est.
Obligations by program activity:			
0012 Very Low-Income Housing Repair Grants	32	33	12
0013 Very Low-Income Housing Repair Natural Disaster Grants	3		
0014 Compensation for Construction Defects		1	
0015 Processing Workers Housing Grants	1	2	
0016 Rural Housing Preservation Grants	11	10	
0017 Farm Bill Grants Sec 14204		4	
0900 Total new obligations (object class 41.0)	47	50	12
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	27	23	
1020 Adjustment of unobligated bal brought forward, Oct 1		–19	
1021 Recoveries of prior year unpaid obligations	1		
1050 Unobligated balance (total)	28	4	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	46	46	12
1120 Appropriations transferred to other accounts	–4		
1160 Appropriation, discretionary (total)	42	46	12
1930 Total budgetary resources available	70	50	12
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	23		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	31	24	29
3030 Obligations incurred, unexpired accounts	47	50	12
3040 Outlays (gross)	–53	–45	–26
3080 Recoveries of prior year unpaid obligations, unexpired	–1		
3090 Obligated balance, end of year (net):			
Unpaid obligations, end of year (gross)	24	29	15
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	42	46	12
Outlays, gross:			
4010 Outlays from new discretionary authority	31	34	11
4011 Outlays from discretionary balances	22	11	15
4020 Outlays, gross (total)	53	45	26
4180 Budget authority, net (total)	42	46	12
4190 Outlays, net (total)	53	45	26

The very low-income housing repair grant program is authorized under section 504 of the Housing Act of 1949, as amended. This grant program enables very low-income elderly residents in rural areas to improve or modernize their dwellings, to make the dwelling safer or more sanitary, or to remove health and safety hazards. The Budget requests \$11.5 million for this program in 2012.

The rural housing preservation grant program is authorized under section 533 of the Housing Act of 1949, as amended. Grants are made to eligible nonprofit groups, Indian Tribes, or government agencies for rehabilitation of single family housing owned by low- and very low-income families and the rehabilitation of rental and cooperative housing for low- and very low-income families. No funding is requested in the 2012 Budget.

For other housing assistance grants authorized for funding in this account such as supervisory and technical assistance grants as authorized by section 509(f) and 525 of the Housing Act of 1949, as amended, no funding is requested in the 2012 Budget.

FARM LABOR PROGRAM ACCOUNT
Program and Financing (in millions of dollars)

Identification code 12–1954–0–1–604	2010 actual	CR	2012 est.
Obligations by program activity:			
0011 Farm labor housing grants	10	16	
Credit program obligations:			
0701 Direct loan subsidy	6	16	
0900 Total new obligations (object class 41.0)	16	32	
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	12	
1021 Recoveries of prior year unpaid obligations	7		
1050 Unobligated balance (total)	8	12	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	20	20	
1930 Total budgetary resources available	28	32	
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	12		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	138	122	132
3030 Obligations incurred, unexpired accounts	16	32	
3040 Outlays (gross)	–25	–22	
3060 Unpaid obligations transferred to other accounts			–113
3080 Recoveries of prior year unpaid obligations, unexpired	–7		
3090 Obligated balance, end of year (net):			
Unpaid obligations, end of year (gross)	122	132	19
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	20	20	
Outlays, gross:			
4010 Outlays from new discretionary authority	1	1	
4011 Outlays from discretionary balances	24	21	
4020 Outlays, gross (total)	25	22	
4180 Budget authority, net (total)	20	20	
4190 Outlays, net (total)	25	22	

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

Identification code 12–1954–0–1–604	2010 actual	CR	2012 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Section 514 Farm Labor Housing	15	43	
115999 Total direct loan levels	15	43	
Direct loan subsidy (in percent):			
132001 Section 514 Farm Labor Housing	36.14	38.38	0.00
132999 Weighted average subsidy rate	36.14	38.38	0.00
Direct loan subsidy budget authority:			
133001 Section 514 Farm Labor Housing	6	16	
133999 Total subsidy budget authority	6	16	
Direct loan subsidy outlays:			
134001 Section 514 Farm Labor Housing	12	18	
134999 Total subsidy outlays	12	18	
Direct loan downward reestimates:			
137001 Section 514 Farm Labor Housing		–2	
137999 Total downward reestimate budget authority		–2	

The direct farm labor loan program is authorized under section 514 and the rural housing for domestic farm labor grant program is authorized under section 516 of the Housing Act of 1949, as amended. The loans, grants, and contracts are made to public and private nonprofit organizations for low-rent housing and related facilities for domestic farm labor. Grants assistance may not exceed 90 percent of the cost of a project. Loans and grants may be used for construction of new structures, site acquisition and development, rehabilitation of existing structures, and purchase of furnishings and equipment for dwellings, dining halls, community rooms, and infirmaries. In order to gain efficiencies

in administering the program, the farm labor housing program is requested with the Rural Housing Insurance Fund (RHIF) account in 2012. The farm labor housing loans were originally in RHIF, and splitting it out has caused many technical errors. Merging the program back will alleviate those problems.

RENTAL ASSISTANCE PROGRAM

For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) or agreements entered into in lieu of debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Housing Act of 1949, \$906,653,000; and, in addition, such sums as may be necessary, as authorized by section 521(c) of the Act, to liquidate debt incurred prior to fiscal year 1992 to carry out the rental assistance program under section 521(a)(2) of the Act: Provided, That of this amount not less than \$3,000,000 is available for newly constructed units financed by section 515 of the Housing Act of 1949, and not less than \$3,000,000 is for newly constructed units financed under sections 514 and 516 of the Housing Act of 1949: Provided further, That rental assistance agreements entered into or renewed during the current fiscal year shall be funded for a one-year period: Provided further, That any unexpended balances remaining at the end of such one-year agreements may be transferred and used for the purposes of any debt reduction; maintenance, repair, or rehabilitation of any existing projects; preservation; and rental assistance activities authorized under title V of the Act: Provided further, That rental assistance provided under agreements entered into prior to fiscal year 2012 for a farm labor multi-family housing project financed under section 514 or 516 of the Act may not be recaptured for use in another project until such assistance has remained unused for a period of 12 consecutive months, if such project has a waiting list of tenants seeking such assistance or the project has rental assistance eligible tenants who are not receiving such assistance: Provided further, That such recaptured rental assistance shall, to the extent practicable, be applied to another farm labor multi-family housing project financed under section 514 or 516 of the Act.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12–0137–0–1–604	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Rental assistance program	979	980	907
0900 Total new obligations (object class 41.0)	979	980	907
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,016	980	907
1100 Appropriation		34	34
1139 Appropriations substituted for borrowing authority	–36	–34	–34
1160 Appropriation, discretionary (total)	980	980	907
1930 Total budgetary resources available	980	980	907
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	–1		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, appropriation, start of year	1,361	1,316	1,138
3030 Obligations incurred, unexpired accounts	979	980	907
3031 Obligations incurred, expired accounts	1		
3040 Outlays (gross)	–1,025	–1,158	–1,091
Obligated balance, end of year (net):			
3090 Obligated balance, appropriation, end of year	1,316	1,138	954
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	980	980	907
Outlays, gross:			
4010 Outlays from new discretionary authority	122	245	227
4011 Outlays from discretionary balances	903	913	864

4020	Outlays, gross (total)	1,025	1,158	1,091
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4033	Non-Federal sources	–1		
Additional offsets against gross budget authority only:				
4052	Offsetting collections credited to expired accounts	1		
4070	Budget authority, net (discretionary)	980	980	907
4080	Outlays, net (discretionary)	1,024	1,158	1,091
4180	Budget authority, net (total)	980	980	907
4190	Outlays, net (total)	1,024	1,158	1,091

The rental assistance program is authorized under section 521(a)(2) of the Housing Act of 1949, as amended, and is designed to reduce rent expenses for very low-income and low-income families living in RHS-financed rural rental and farm labor housing projects. Funding under this account is provided for renewals of existing rental assistance contracts and assistance for newly constructed units financed by the section 515 loan program and the 514/516 farm labor housing loan and grant programs. At USDA's discretion, some funds may also be used for additional servicing assistance for existing projects. For 2012, the request for rental assistance grants is for one year contracts with one-year availability, with a total funding level of \$906.7 million.

From 1978 through 1991, the rental assistance program was funded under the Rural Housing Insurance Fund (RHIF). Beginning in 1992, pursuant to Credit Reform, a separate grant account was established for this program. Prior year obligations are funded with "such sums" amounts to cover those pre-credit reform contracts in RHIF.

MULTI-FAMILY HOUSING REVITALIZATION PROGRAM ACCOUNT

For the rural housing voucher program as authorized under section 542 of the Housing Act of 1949, but notwithstanding subsection (b) of such section, \$16,000,000, to remain available until expended, which shall be available for rural housing vouchers to any low-income household (including those not receiving rental assistance) residing in a property financed with a section 515 loan which has been prepaid after September 30, 2005: Provided, That the amount of such voucher shall be the difference between comparable market rent for the section 515 unit and the tenant paid rent for such unit: Provided further, That funds made available for such vouchers shall be subject to the availability of annual appropriations: Provided further, That the Secretary shall, to the maximum extent practicable, administer such vouchers with current regulations and administrative guidance applicable to section 8 housing vouchers administered by the Secretary of the Department of Housing and Urban Development.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12–2002–0–1–604	2010 actual	CR	2012 est.
Obligations by program activity:			
0010 Grants	8	33	16
Credit program obligations:			
0701 Direct loan subsidy	21	27	
0703 Subsidy for modifications of direct loans	10		
0705 Reestimates of direct loan subsidy		1	
0709 Administrative expenses	4	2	
0791 Direct program activities, subtotal	35	30	
0900 Total new obligations (object class 41.0)	43	63	16
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	22	25	
1020 Adjustment of unobligated bal brought forward, Oct 1		–6	
1021 Recoveries of prior year unpaid obligations	3		
1050 Unobligated balance (total)	25	19	

MULTI-FAMILY HOUSING REVITALIZATION PROGRAM ACCOUNT—Continued
Program and Financing—Continued

Identification code 12-2002-0-1-604	2010 actual	CR	2012 est.
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	43	43	16
Appropriations, mandatory:			
1200 Appropriation		1	
1900 Budget authority (total)	43	44	16
1930 Total budgetary resources available	68	63	16
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	25		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	61	68	81
3030 Obligations incurred, unexpired accounts	43	63	16
3040 Outlays (gross)	-33	-50	-46
3080 Recoveries of prior year unpaid obligations, unexpired	-3		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	68	81	51
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	43	43	16
Outlays, gross:			
4010 Outlays from new discretionary authority	3	3	3
4011 Outlays from discretionary balances	30	47	43
4020 Outlays, gross (total)	33	50	46
Mandatory:			
4090 Budget authority, gross		1	
4180 Budget authority, net (total)	43	44	16
4190 Outlays, net (total)	33	50	46

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

Identification code 12-2002-0-1-604	2010 actual	CR	2012 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Multi-Family Housing Relending Demo	2	17	
115002 Multi-Family Housing Revitalization Seconds	20	13	
115003 Multi-Family Revitalization Zero	5	26	
115004 Multi-Family Housing Revitalization Seconds Disasters	4		
115999 Total direct loan levels	31	56	
Direct loan subsidy (in percent):			
132001 Multi-Family Housing Relending Demo	27.89	41.34	0.00
132002 Multi-Family Housing Revitalization Seconds	72.86	62.71	0.00
132003 Multi-Family Revitalization Zero	38.16	45.18	0.00
132004 Multi-Family Housing Revitalization Seconds Disasters	72.86	0.00	0.00
132005 Multi-Family Housing Revitalization Zero Disasters	38.16	0.00	0.00
132999 Weighted average subsidy rate	64.36	48.08	0.00
Direct loan subsidy budget authority:			
133001 Multi-Family Housing Relending Demo	1	7	
133002 Multi-Family Housing Revitalization Seconds	15	8	
133003 Multi-Family Revitalization Zero	2	12	
133004 Multi-Family Housing Revitalization Seconds Disasters	3		
133999 Total subsidy budget authority	21	27	
Direct loan subsidy outlays:			
134001 Multi-Family Housing Relending Demo	1	3	
134002 Multi-Family Housing Revitalization Seconds	7	11	
134003 Multi-Family Revitalization Zero	9	4	
134004 Multi-Family Housing Revitalization Seconds Disasters		1	
134006 Multi-Family Housing Revitalization Modifications	7	16	
134999 Total subsidy outlays	24	35	
Direct loan upward reestimates:			
135003 Multi-Family Revitalization Zero		1	
135999 Total upward reestimate budget authority		1	
Direct loan downward reestimates:			
137002 Multi-Family Housing Revitalization Seconds	-1	-2	
137003 Multi-Family Revitalization Zero	-1		
137006 Multi-Family Housing Revitalization Modifications	-6		
137999 Total downward reestimate budget authority	-8	-2	

USDA's portfolio of multifamily housing projects provides housing for nearly half a million low-income families, many of whom are elderly. Recent Federal court rulings allow projects that received their financing prior to 1989 to prepay and leave

the program. Current law allows USDA to assist families displaced by sponsors' prepayments by providing them with letters of priority and vouchers, which were newly funded in 2006. The Budget requests \$16 million in 2012 for housing vouchers for residents of projects whose sponsors prepay their outstanding indebtedness on USDA loans and leave the program.

Prior year obligated balances reflect funding for rental assistance for newly constructed units provided in limited amounts in 1984 and 1985. From 1986 through 1991 rental assistance for newly constructed units, as well as existing rental assistance contract renewals and additional servicing assistance for existing projects, had been funded under the Rural Housing Insurance Fund. Beginning in 1992, pursuant to Credit Reform, a separate grant account was established for the rental assistance program.

MULTIFAMILY HOUSING REVITALIZATION DIRECT LOAN FINANCING ACCOUNT
Program and Financing (in millions of dollars)

Identification code 12-4269-0-3-604	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0710 Direct loan obligations	31	56	
0713 Payment of interest to Treasury	6	5	
0739 Payments to the liquidating accounts	48		
0742 Downward reestimate paid to receipt account	8	2	
0744 Adjusting payments to liquidating accounts	60		
0900 Total new obligations	153	63	
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	13	20	
1021 Recoveries of prior year unpaid obligations	11		
1023 Unobligated balances applied to repay debt	-13	-20	
1024 Unobligated balance of borrowing authority withdrawn	-2		
1050 Unobligated balance (total)	9		
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	120	27	
Spending authority from offsetting collections, mandatory:			
1800 Collected	56	36	25
1801 Change in uncollected payments, Federal sources	2		
1825 Spending authority from offsetting collections applied to repay debt	-14		
1850 Spending auth from offsetting collections, mand (total)	44	36	25
1900 Financing authority (total)	164	63	25
1930 Total budgetary resources available	173	63	25
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	20		25
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	191	233	129
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-57	-59	-59
3020 Obligated balance, start of year (net)	134	174	70
3030 Obligations incurred, unexpired accounts	153	63	
3040 Financing disbursements (gross)	-100	-167	-70
3050 Change in uncollected pymts, Fed sources, unexpired	-2		
3080 Recoveries of prior year unpaid obligations, unexpired	-11		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	233	129	59
3091 Uncollected pymts, Fed sources, end of year	-59	-59	-59
3100 Obligated balance, end of year (net)	174	70	
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	164	63	25
Financing disbursements:			
4110 Financing disbursements, gross	100	167	70
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources - subsidy outlays from program account	-17	-36	-25
4120 Federal sources - refunds from liquidating account	-36		

4122	Interest on uninvested funds	-3		
4130	Offsets against gross financing auth and disbursements (total)	-56	-36	-25
	Additional offsets against financing authority only (total):			
4140	Change in uncollected pymts, Fed sources, unexpired	-2		
4160	Financing authority, net (mandatory)	106	27	
4170	Financing disbursements, net (mandatory)	44	131	45
4180	Financing authority, net (total)	106	27	
4190	Financing disbursements, net (total)	44	131	45

Status of Direct Loans (in millions of dollars)

Identification code 12-4269-0-3-604	2010 actual	CR	2012 est.	
Position with respect to appropriations act limitation on obligations:				
1131	Direct loan obligations exempt from limitation	31	56	
1150	Total direct loan obligations	31	56	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	136	222	399
Disbursements:				
1231	Direct loan disbursements	26	32	41
1233	Purchase of loans assets from a liquidating account	60	145	22
1251	Repayments: Repayments and prepayments			
1290	Outstanding, end of year	222	399	462

Balance Sheet (in millions of dollars)

Identification code 12-4269-0-3-604	2009 actual	2010 actual	
ASSETS:			
1101	Federal assets: Fund balances with Treasury	21	20
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	136	222
1405	Allowance for subsidy cost (-)	-71	-111
1499	Net present value of assets related to direct loans	65	111
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:			
1502	Interest receivable	4	
1505	Allowance for subsidy cost (-)	-1	
1599	Net present value of assets related to defaulted guaranteed loans	3	
1999	Total assets	89	131
LIABILITIES:			
2104	Federal liabilities: Resources payable to Treasury	89	131
2999	Total liabilities	89	131
4999	Total upward reestimate subsidy BA [12-2002]	89	131

MUTUAL AND SELF-HELP HOUSING GRANTS

Program and Financing (in millions of dollars)

Identification code 12-2006-0-1-604	2010 actual	CR	2012 est.	
Obligations by program activity:				
0001	Mutual and self-help housing grants	43	57	
0900	Total new obligations (object class 41.0)	43	57	
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	15	15	
1021	Recoveries of prior year unpaid obligations	1		
1050	Unobligated balance (total)	16	15	
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	42	42	
1930	Total budgetary resources available	58	57	
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	15		
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	54	64	76
3030	Obligations incurred, unexpired accounts	43	57	
3040	Outlays (gross)	-32	-45	-39

3080	Recoveries of prior year unpaid obligations, unexpired	-1		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	64	76	37

Budget authority and outlays, net:

Discretionary:				
Budget authority, gross:				
4000	Budget authority, gross	42	42	
Outlays, gross:				
4010	Outlays from new discretionary authority	4	8	
4011	Outlays from discretionary balances	28	37	39
4020	Outlays, gross (total)	32	45	39
4180	Budget authority, net (total)	42	42	
4190	Outlays, net (total)	32	45	39

This program is authorized under section 523 of the Housing Act of 1949, as amended. Grants and contracts are made for the purpose of providing technical and supervisory assistance to groups of families to enable them to build their own homes through the mutual exchange of labor. No funding is requested in the 2012 Budget. Single family housing activities are being funded primarily through the Section 502 guaranteed single family housing loan program in 2012.

RURAL COMMUNITY FACILITIES PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans and grants for rural community facilities programs as authorized by section 306 and described in section 381E(d)(1) of the Consolidated Farm and Rural Development Act, \$38,400,000, to remain available until expended: Provided, That \$8,400,000 of the amount appropriated under this heading shall be available for a Rural Community Development Initiative: Provided further, That such funds shall be used solely to develop the capacity and ability of private, non-profit community-based housing and community development organizations, low-income rural communities, and Federally Recognized Native American Tribes to undertake projects to improve housing, community facilities, community and economic development projects in rural areas: Provided further, That such funds shall be made available to qualified private, nonprofit and public intermediary organizations proposing to carry out a program of financial and technical assistance: Provided further, That such intermediary organizations shall provide matching funds from other sources, including Federal funds for related activities, in an amount not less than funds provided: Provided further, That of the amount appropriated under this heading, the amount equal to the amount of Rural Community Facilities Program Account funds allocated by the Secretary for Rural Economic Area Partnership Zones for the fiscal year 2011, shall be available through June 30, 2012, for communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones for the rural community programs described in section 381E(d)(1) of the Consolidated Farm and Rural Development Act: Provided further, That sections 381E-H and 381N of the Consolidated Farm and Rural Development Act are not applicable to the funds made available under this heading.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-1951-0-1-452	2010 actual	CR	2012 est.	
Obligations by program activity:				
0010	CF Grants	32	25	30
0011	CF Emergency Supplemental Grants	15		
0012	Rural Community Development Initiative Grants	7	13	8
0013	Economic Impact Initiative Grants	16	17	
0014	CF Grants - ARRA	70		
0091	Direct program activities, subtotal	140	55	38
Credit program obligations:				
0701	Direct loan subsidy	23	7	
0702	Loan guarantee subsidy	9	8	
0705	Reestimates of direct loan subsidy	7	2	
0706	Interest on reestimates of direct loan subsidy	10	8	
0707	Reestimates of loan guarantee subsidy	12	21	

RURAL COMMUNITY FACILITIES PROGRAM ACCOUNT—Continued
Program and Financing—Continued

Identification code 12-1951-0-1-452	2010 actual	CR	2012 est.
0708 Interest on reestimates of loan guarantee subsidy	2	5	.....
0791 Direct program activities, subtotal	63	51	.....
0900 Total new obligations (object class 41.0)	203	106	38
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	133	26	.....
1020 Adjustment of unobligated bal brought forward, Oct 1 .....	.....	-12	.....
1021 Recoveries of prior year unpaid obligations	9	.....	.....
1050 Unobligated balance (total)	142	14	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	55	55	38
Appropriations, mandatory:			
1200 Appropriation	32	37	.....
Spending authority from offsetting collections, discretionary:			
1700 Collected	1	.....	.....
1900 Budget authority (total)	88	92	38
1930 Total budgetary resources available	230	106	38
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-1	.....	.....
1941 Unexpired unobligated balance, end of year	26	.....	.....
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	206	254	185
3030 Obligations incurred, unexpired accounts	203	106	38
3040 Outlays (gross)	-146	-175	-96
3080 Recoveries of prior year unpaid obligations, unexpired	-9	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	254	185	127
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	56	55	38
Outlays, gross:			
4010 Outlays from new discretionary authority	19	8	6
4011 Outlays from discretionary balances	95	130	90
4020 Outlays, gross (total)	114	138	96
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033 Non-Federal sources	-1	.....	.....
4070 Budget authority, net (discretionary)	55	55	38
4080 Outlays, net (discretionary)	113	138	96
Mandatory:			
4090 Budget authority, gross	32	37	.....
Outlays, gross:			
4100 Outlays from new mandatory authority	32	37	.....
4180 Budget authority, net (total)	87	92	38
4190 Outlays, net (total)	145	175	96

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

Identification code 12-1951-0-1-452	2010 actual	CR	2012 est.
Direct loan levels supportable by subsidy budget authority:			
115002 Community Facility Loans	631	498	1,000
115003 Community Facility Emergency Supplemental Loans	50	.....	.....
115004 Community Facility Loans - ARRA	1,099	.....	.....
115999 Total direct loan levels	1,780	498	1,000
Direct loan subsidy (in percent):			
132002 Community Facility Loans	1.31	1.33	-3.03
132003 Community Facility Emergency Supplemental Loans	1.31	0.00	0.00
132004 Community Facility Loans - ARRA	1.31	0.00	0.00
132999 Weighted average subsidy rate	1.31	1.33	-3.03
Direct loan subsidy budget authority:			
133002 Community Facility Loans	8	7	-30
133003 Community Facility Emergency Supplemental Loans	1	.....	.....
133004 Community Facility Loans - ARRA	14	.....	.....
133999 Total subsidy budget authority	23	7	-30
Direct loan subsidy outlays:			
134002 Community Facility Loans	13	11	4
134003 Community Facility Emergency Supplemental Loans	2	2	2
134004 Community Facility Loans - ARRA	4	9	6

134999 Total subsidy outlays	19	22	12
Direct loan upward reestimates:			
135002 Community Facility Loans	18	10	.....
135999 Total upward reestimate budget authority	18	10	.....
Direct loan downward reestimates:			
137002 Community Facility Loans	-28	-35	.....
137999 Total downward reestimate budget authority	-28	-35	.....
Guaranteed loan levels supportable by subsidy budget authority:			
215002 Community Facility Loan Guarantees	265	197	.....
215003 Community Facility Emergency Supplemental Loan Guarantees	27	.....	.....
215999 Total loan guarantee levels	292	197	.....
Guaranteed loan subsidy (in percent):			
232002 Community Facility Loan Guarantees	3.21	3.95	0.00
232003 Community Facility Emergency Supplemental Loan Guarantees	3.21	0.00	0.00
232999 Weighted average subsidy rate	3.21	3.95	0.00
Guaranteed loan subsidy budget authority:			
233002 Community Facility Loan Guarantees	9	8	.....
233003 Community Facility Emergency Supplemental Loan Guarantees	1	.....	.....
233999 Total subsidy budget authority	10	8	.....
Guaranteed loan subsidy outlays:			
234002 Community Facility Loan Guarantees	8	1	3
234003 Community Facility Emergency Supplemental Loan Guarantees	1	.....	.....
234999 Total subsidy outlays	9	1	3
Guaranteed loan upward reestimates:			
235002 Community Facility Loan Guarantees	15	27	.....
235999 Total upward reestimate budget authority	15	27	.....
Guaranteed loan downward reestimates:			
237002 Community Facility Loan Guarantees	-7	-13	.....
237999 Total downward reestimate subsidy budget authority	-7	-13	.....

This account funds the direct and guaranteed community facility loans and community facility grants. Since the passage of the Federal Agriculture Improvement and Reform Act of 1996 through 2007, the funding for these programs was provided as part of the Rural Community Advancement Program (RCAP). To continue what was proposed and passed in 2008, the 2012 Budget proposes no funding in the RCAP account and instead, each funding stream is being appropriated separately in a new account. Since 2008, this is the new account for the Community programs funding stream. Community facility loans and grants are authorized under sections 306(a)(1) and 306(a)(19) of the Consolidated Farm and Rural Development Act, as amended. Loans are provided to local governments and nonprofit organizations for the construction and improvement of community facilities providing essential services in rural areas of not more than 20,000 population, such as hospitals and fire stations. Total program level in 2012 is projected to be \$1 billion for the direct loans. The 2012 Budget requests \$30 million for Community Facilities grant program. It also requests \$8.4 million for Rural Community Development Initiative (RCDI) grants. This funding will be used to support regional economic development strategies and will be instrumental in carrying out the Regional Innovation Initiative.

RURAL COMMUNITY FACILITY DIRECT LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4225-0-3-452	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0710 Direct loan obligations	1,780	498	1,000
0713 Payment of interest to Treasury	163	182	202
0740 Negative subsidy obligations .....	.....	.....	30
0742 Downward reestimate paid to receipt account	26	32	.....
0743 Interest on downward reestimates	2	2	.....

0900	Total new obligations	1,971	714	1,232
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	71	55	.....
1021	Recoveries of prior year unpaid obligations	86	.....	.....
1023	Unobligated balances applied to repay debt	-71	-55	.....
1024	Unobligated balance of borrowing authority withdrawn	-82	.....	.....
1050	Unobligated balance (total)	4	.....	.....
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority	1,784	350	806
Spending authority from offsetting collections, mandatory:				
1800	Collected	324	379	443
1801	Change in uncollected payments, Federal sources	1	-15	-17
1825	Spending authority from offsetting collections applied to repay debt	-87	.....	.....
1850	Spending auth from offsetting collections, mand (total)	238	364	426
1900	Financing authority(total)	2,022	714	1,232
1930	Total budgetary resources available	2,026	714	1,232
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	55	.....	.....

Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	945	2,239	1,834
3010	Uncollected pymts, Fed sources, brought forward, Oct 1	-50	-51	-36
3020	Obligated balance, start of year (net)	895	2,188	1,798
3030	Obligations incurred, unexpired accounts	1,971	714	1,232
3040	Financing disbursements (gross)	-591	-1,119	-1,221
3050	Change in uncollected pymts, Fed sources, unexpired	-1	15	17
3080	Recoveries of prior year unpaid obligations, unexpired	-86	.....	.....
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	2,239	1,834	1,845
3091	Uncollected pymts, Fed sources, end of year	-51	-36	-19
3100	Obligated balance, end of year (net)	2,188	1,798	1,826

Financing authority and disbursements, net:				
Mandatory:				
4090	Financing authority, gross	2,022	714	1,232
Financing disbursements:				
4110	Financing disbursements, gross	591	1,119	1,221
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Federal sources	-36	-32	-16
4122	Interest on uninvested funds	-21	-44	-55
4123	Repayment of principal	-136	-162	-199
4123	Interest received on loans	-131	-141	-173
4130	Offsets against gross financing auth and disbursements (total)	-324	-379	-443
Additional offsets against financing authority only (total):				
4140	Change in uncollected pymts, Fed sources, unexpired	-1	15	17
4160	Financing authority, net (mandatory)	1,697	350	806
4170	Financing disbursements, net (mandatory)	267	740	778
4180	Financing authority, net (total)	1,697	350	806
4190	Financing disbursements, net (total)	267	740	778

Status of Direct Loans (in millions of dollars)				
Identification code 12-4225-0-3-452				
Position with respect to appropriations act limitation on obligations:				
1131	Direct loan obligations exempt from limitation	1,780	498	1,000
1150	Total direct loan obligations	1,780	498	1,000
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	2,981	3,240	3,980
1231	Disbursements: Direct loan disbursements	399	902	985
1251	Repayments: Repayments and prepayments	-135	-162	-199
1263	Write-offs for default: Direct loans	-5	.....	.....
1290	Outstanding, end of year	3,240	3,980	4,766

This account reflects the funding from direct community facility loans to non-profit organizations and local governments for the construction and improvement of community facilities providing essential services in rural areas, such as hospitals, child care centers and fire stations.

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. The amounts in this account are a means of financing and are not included in the budget totals. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

Balance Sheet (in millions of dollars)

Identification code 12-4225-0-3-452			
		2009 actual	2010 actual
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	139	135
Investments in US securities:			
1106	Receivables, net	1	.....
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	2,981	3,240
1402	Interest receivable	33	35
1405	Allowance for subsidy cost (-)	-205	-193
1499	Net present value of assets related to direct loans	2,809	3,082
1999	Total assets	2,949	3,217
LIABILITIES:			
2101	Federal liabilities: Accounts payable	2,949	3,217
2999	Total liabilities	2,949	3,217
4999	Total liabilities and net position	2,949	3,217

RURAL COMMUNITY FACILITY GUARANTEED LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4228-0-3-452				
		2010 actual	CR	2012 est.
Obligations by program activity:				
Credit program obligations:				
0711	Default claim payments on principal	11	11	11
0713	Payment of interest to Treasury	1	1	1
0742	Downward reestimate paid to receipt account	5	11	.....
0743	Interest on downward reestimates	2	3	.....
0900	Total new obligations	19	26	12
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	59	61	.....
1022	Capital transfer of unobligated balances to general fund .....	.....	-61	.....
1023	Unobligated balances applied to repay debt	-14	.....	.....
1050	Unobligated balance (total)	45	.....	.....
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority	6	.....	7
Spending authority from offsetting collections, mandatory:				
1800	Collected	29	33	8
1801	Change in uncollected payments, Federal sources .....	.....	2	-3
1825	Spending authority from offsetting collections applied to repay debt .....	.....	-9	.....
1850	Spending auth from offsetting collections, mand (total)	29	26	5
1900	Financing authority(total)	35	26	12
1930	Total budgetary resources available	80	26	12
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	61	.....	.....

Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	.....	.....	2
3030	Obligations incurred, unexpired accounts	19	26	12
3040	Financing disbursements (gross)	-19	-24	-15
3050	Change in uncollected pymts, Fed sources, unexpired .....	.....	-2	3
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross) .....	.....	2	-1
3091	Uncollected pymts, Fed sources, end of year .....	.....	-2	3
3100	Obligated balance, end of year (net) .....	.....	.....	2

RURAL COMMUNITY FACILITY GUARANTEED LOANS FINANCING
ACCOUNT—Continued
Program and Financing—Continued

Identification code 12-4228-0-3-452	2010 actual	CR	2012 est.
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	35	26	12
Financing disbursements:			
4110 Financing disbursements, gross	19	24	15
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources	-23	-28	-3
4122 Interest on uninvested funds	-3	-3	-3
4123 Non-Federal sources, Guarantee Fees	-3	-2	-2
4130 Offsets against gross financing auth and disbursements (total)	-29	-33	-8
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired		-2	3
4160 Financing authority, net (mandatory)	6	-9	7
4170 Financing disbursements, net (mandatory)	-10	-9	7
4180 Financing authority, net (total)	6	-9	7
4190 Financing disbursements, net (total)	-10	-9	7

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4228-0-3-452	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on commitments:			
2131 Guaranteed loan commitments exempt from limitation	292	197	
2150 Total guaranteed loan commitments	292	197	
2199 Guaranteed amount of guaranteed loan commitments	234	157	
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	789	900	1,076
2231 Disbursements of new guaranteed loans	227	277	237
2251 Repayments and prepayments	-90	-90	-108
Adjustments:			
2261 Terminations for default that result in loans receivable	-8	-11	-11
2263 Terminations for default that result in claim payments	-3		
2264 Other adjustments, net	-15		
2290 Outstanding, end of year	900	1,076	1,194
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	720	860	954

This account finances loan guarantee commitments for essential community facilities in rural areas.

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 guaranteed loans committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

Balance Sheet (in millions of dollars)

Identification code 12-4228-0-3-452	2009 actual	2010 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	59	61
Investments in US securities:		
1106 Receivables, net	1	8
1999 Total assets	60	69
LIABILITIES:		
2104 Federal liabilities: Resources payable to Treasury	27	20
2204 Non-Federal liabilities: Liabilities for loan guarantees	33	49
2999 Total liabilities	60	69

4999 Total liabilities and net position	60	69
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RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT
(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by title V of the Housing Act of 1949, to be available from funds in the rural housing insurance fund, as follows: \$24,211,416,000 for loans to section 502 borrowers, of which \$211,416,000 shall be for direct loans, and of which \$24,000,000,000 shall be for unsubsidized guaranteed loans; and \$95,236,000 for section 515 rental housing.

For the cost of direct and guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, as follows: \$10,000,000 for 502 direct loans; and \$32,495,000 for repair, rehabilitation, and new construction of section 515 rental housing: Provided, That of the total amount appropriated in this paragraph, the amount equal to the amount of Rural Housing Insurance Fund Program Account funds allocated by the Secretary for Rural Economic Area Partnership Zones for the fiscal year 2011, shall be available through June 30, 2012, for communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

In addition, for the cost of direct loans, grants, and contracts, as authorized by 42 U.S.C. 1484 and 1486, \$19,192,000, to remain available until expended, for direct farm labor housing loans and domestic farm labor housing grants and contracts: Provided, That any balances available for the Farm Labor Program Account shall be transferred and merged with this account.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, \$411,779,000 shall be paid to the appropriation for "Rural Development, Salaries and Expenses".

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-2081-0-1-371	2010 actual	CR	2012 est.
Obligations by program activity:			
0011 Farm labor housing grants			10
Credit program obligations:			
0701 Direct loan subsidy	101	65	52
0702 Loan guarantee subsidy	207	1	
0705 Reestimates of direct loan subsidy	103	202	
0706 Interest on reestimates of direct loan subsidy	117	98	
0707 Reestimates of loan guarantee subsidy	90	184	
0708 Interest on reestimates of loan guarantee subsidy	17	34	
0709 Administrative expenses	469	468	411
0791 Direct program activities, subtotal	1,104	1,052	463
0900 Total new obligations	1,104	1,052	473
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	123	47	177
1020 Adjustment of unobligated bal brought forward, Oct 1		-44	
1021 Recoveries of prior year unpaid obligations	3		
1050 Unobligated balance (total)	126	3	177
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	708	708	473
1120 Appropriations transferred to other accounts	-5		
1160 Appropriation, discretionary (total)	703	708	473
Appropriations, mandatory:			
1200 Appropriation	327	518	
Spending authority from offsetting collections, discretionary:			
1700 Collected	2		
1900 Budget authority (total)	1,032	1,226	473
1930 Total budgetary resources available	1,158	1,229	650
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-7		
1941 Unexpired unobligated balance, end of year	47	177	177

Change in obligated balance:			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)	159	106
3030	Obligations incurred, unexpired accounts	1,104	1,052
3031	Obligations incurred, expired accounts	1	
3040	Outlays (gross)	-1,148	-1,079
3061	Unpaid obligations transferred from other accounts		113
3080	Recoveries of prior year unpaid obligations, unexpired	-3	
3081	Recoveries of prior year unpaid obligations, expired	-7	
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)	106	79
Budget authority and outlays, net:			
Discretionary:			
4000	Budget authority, gross	705	708
Outlays, gross:			
4010	Outlays from new discretionary authority	675	508
4011	Outlays from discretionary balances	146	53
4020	Outlays, gross (total)	821	561
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033	Non-Federal sources	-4	
Additional offsets against gross budget authority only:			
4052	Offsetting collections credited to expired accounts	2	
4070	Budget authority, net (discretionary)	703	708
4080	Outlays, net (discretionary)	817	561
Mandatory:			
4090	Budget authority, gross	327	518
Outlays, gross:			
4100	Outlays from new mandatory authority	327	518
4180	Budget authority, net (total)	1,030	1,226
4190	Outlays, net (total)	1,144	1,079

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

Identification code 12-2081-0-1-371	2010 actual	CR	2012 est.
Direct loan levels supportable by subsidy budget authority:			
115001	Section 502 Single-Family Housing	1,020	651
115004	Section 515 Multi-Family Housing	68	56
115007	Section 504 Housing Repair	26	23
115011	Section 514 Farm Labor Housing		27
115014	Single-Family Housing Credit Sales	1	10
115015	Multi-Family Housing Credit Sales	1	2
115019	Section 502 Single Family Housing - ARRA	1,131	
115999	Total direct loan levels	2,247	742
Direct loan subsidy (in percent):			
132001	Section 502 Single-Family Housing	3.63	6.26
132004	Section 515 Multi-Family Housing	27.24	33.73
132007	Section 504 Housing Repair	12.85	18.93
132011	Section 514 Farm Labor Housing	0.00	0.00
132014	Single-Family Housing Credit Sales	-15.63	-11.12
132015	Multi-Family Housing Credit Sales	38.40	38.37
132019	Section 502 Single Family Housing - ARRA	3.63	0.00
132999	Weighted average subsidy rate	4.46	8.58
Direct loan subsidy budget authority:			
133001	Section 502 Single-Family Housing	37	41
133004	Section 515 Multi-Family Housing	19	19
133007	Section 504 Housing Repair	3	4
133011	Section 514 Farm Labor Housing		9
133014	Single-Family Housing Credit Sales		-1
133015	Multi-Family Housing Credit Sales		1
133019	Section 502 Single Family Housing - ARRA	41	
133999	Total subsidy budget authority	100	64
Direct loan subsidy outlays:			
134001	Section 502 Single-Family Housing	41	39
134002	Section 502 Emergency Supplemental	2	
134004	Section 515 Multi-Family Housing	27	40
134007	Section 504 Housing Repair	4	4
134011	Section 514 Farm Labor Housing		13
134014	Single-Family Housing Credit Sales		-1
134015	Multi-Family Housing Credit Sales	1	1
134019	Section 502 Single Family Housing - ARRA	40	5
134999	Total subsidy outlays	115	88
Direct loan upward reestimates:			
135001	Section 502 Single-Family Housing	126	291
135004	Section 515 Multi-Family Housing	17	
135007	Section 504 Housing Repair	21	4
135011	Section 514 Farm Labor Housing	8	1
135012	Section 524 Site Development		2
135013	Section 523 Self-Help Housing		2
135014	Single-Family Housing Credit Sales	48	

135999	Total upward reestimate budget authority	220	300
Direct loan downward reestimates:			
137001	Section 502 Single-Family Housing	-70	-21
137004	Section 515 Multi-Family Housing	-26	-12
137007	Section 504 Housing Repair	-5	-2
137011	Section 514 Farm Labor Housing	-5	-1
137012	Section 524 Site Development	-1	
137014	Single-Family Housing Credit Sales		-5
137015	Multi-Family Housing Credit Sales	-3	
137999	Total downward reestimate budget authority	-110	-41
Guaranteed loan levels supportable by subsidy budget authority:			
215001	Guaranteed 502 Single Family Housing, Purchase	14,868	
215002	Guaranteed 502, Refinance	201	
215003	Guaranteed 538 Multi-Family Housing	129	15
215004	Guaranteed 502 Emergency Supplemental	474	
215006	Guaranteed 538 Tornado Supplemental	1	
215009	Guaranteed Section 502 Single Family Housing, Purchase - ARRA	1,148	
215010	Guaranteed Section 502 Single Family Housing, Refinance - ARRA	73	
215011	Guaranteed 502 Single Family Housing	24,000	24,000
215999	Total loan guarantee levels	16,894	24,015
Guaranteed loan subsidy (in percent):			
232001	Guaranteed 502 Single Family Housing, Purchase	1.18	0.00
232002	Guaranteed 502, Refinance	1.72	0.00
232003	Guaranteed 538 Multi-Family Housing	1.15	9.69
232004	Guaranteed 502 Emergency Supplemental	1.44	0.00
232006	Guaranteed 538 Tornado Supplemental	19.28	0.00
232009	Guaranteed Section 502 Single Family Housing, Purchase - ARRA	1.44	0.00
232010	Guaranteed Section 502 Single Family Housing, Refinance - ARRA	1.72	0.00
232011	Guaranteed 502 Single Family Housing	0.00	-0.19
232999	Weighted average subsidy rate	1.21	-0.18
Guaranteed loan subsidy budget authority:			
233001	Guaranteed 502 Single Family Housing, Purchase	176	
233002	Guaranteed 502, Refinance	3	
233003	Guaranteed 538 Multi-Family Housing	1	1
233004	Guaranteed 502 Emergency Supplemental	7	
233009	Guaranteed Section 502 Single Family Housing, Purchase - ARRA	17	
233010	Guaranteed Section 502 Single Family Housing, Refinance - ARRA	1	
233011	Guaranteed 502 Single Family Housing		-46
233999	Total subsidy budget authority	206	-44
Guaranteed loan subsidy outlays:			
234001	Guaranteed 502 Single Family Housing, Purchase	176	
234002	Guaranteed 502, Refinance	3	
234003	Guaranteed 538 Multi-Family Housing		1
234004	Guaranteed 502 Emergency Supplemental	6	
234006	Guaranteed 538 Tornado Supplemental	1	1
234009	Guaranteed Section 502 Single Family Housing, Purchase - ARRA	46	
234010	Guaranteed Section 502 Single Family Housing, Refinance - ARRA	2	
234011	Guaranteed 502 Single Family Housing		-35
234999	Total subsidy outlays	234	-34
Guaranteed loan upward reestimates:			
235001	Guaranteed 502 Single Family Housing, Purchase	56	147
235002	Guaranteed 502, Refinance	5	12
235003	Guaranteed 538 Multi-Family Housing	46	59
235999	Total upward reestimate budget authority	107	218
Guaranteed loan downward reestimates:			
237001	Guaranteed 502 Single Family Housing, Purchase	-19	
237003	Guaranteed 538 Multi-Family Housing	-1	-1
237999	Total downward reestimate subsidy budget authority	-20	-1
Administrative expense data:			
3510	Budget authority	469	469
3590	Outlays from new authority	469	411

Rural Housing Insurance Fund.—This fund was established in 1965 (Public Law 89-117) pursuant to section 517 of title V of the Housing Act of 1949, as amended.

The programs funded through the Rural Housing Insurance Fund Program account are: section 502 single family housing direct loans and loan guarantees; section 504 housing repair loans; section 515 multi-family housing direct loans; section 524 housing site loans, single family and multi-family housing credit

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT—Continued

sales of acquired property, and section 538 multi-family housing guarantees. The section 523 self-help housing land development loan program is funded in this account as of 1997.

Loan programs are limited to rural areas that include towns, villages, and other places which are not part of an urban area and that have a population not in excess of 2,500 inhabitants, or is in excess of 2,500 but not in excess of 10,000 if rural in character, or has a population in excess of 10,000 but not more than 20,000 and is not within a standard metropolitan statistical area and has a serious lack of mortgage credit for low- and moderate-income borrowers.

For 2012, the Budget funds single family housing activities primarily through the Section 502 single family housing guaranteed loan program. The Section 502 single family housing guarantees are requested at a \$24 billion loan level for 2012. The 2010 Supplemental Disaster Relief and Summer Jobs (P.L. 111–212) increased the authorized cap on the up-front fee to 3.5 percent and established an annual fee authority, which is capped at 0.5 percent. For 2012, the up-front fee on new purchase loans will be 2 percent with an annual fee of 0.3 percent. The up-front fee for refinanced loan guarantees will remain one percent, but will also have a 0.3 percent annual fee. This fee structure, with the current loan performance, results in a -.03 percent subsidy rate for 2012. The rate could not be negative without the annual fee in 2012. The subsidy rate for 2012 is a blended rate of the new/purchase single family housing guarantees with the refinanced single family housing guarantees.

The 2012 Budget also proposes to make the guaranteed loan program a direct endorsement program similar to VA and HUD's guaranteed loan program through another General Provision. This will make RHS more efficient and allow Rural Development staff to focus on other areas of unmet needs.

The 2012 Budget requests a limited funding level of \$211 million for Section 502 single family housing direct loans to allow for targeted support for very-low and low income individuals seeking mortgage credit in rural areas. These funds are expected to be used with various initiatives within the Administration's priorities. No funding is requested for Section 504 very-low income housing repair, Section 524 site development, Section 523 self-help housing land development and credit sales of acquired property for single and multi-family housing.

The 2012 Budget fully funds the multi-family housing direct loan programs. It includes a request for \$95 million for Section 515 multi-family housing loans, and \$27 million for farm labor housing loans and \$9.8 million for farm labor housing grants.

In order to gain efficiencies in administering the program, the Section 514 and 516 farm labor housing program will be merged with this account in 2012.

The 2012 Budget requests no funding for the multi-family housing loan guarantee loan program. Its purpose was to stimulate additional multi-family housing in rural areas for moderate income tenants. The purpose of the program is redundant with similar HUD programs that guarantee loans for various types of multi-family housing. In addition, this program has suffered from larger than expected defaults in recent years, raising the cost of the program unexpectedly.

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 credit sales of acquired property), 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.

Object Classification (in millions of dollars)

Identification code 12–2081–0–1–371	2010 actual	CR	2012 est.
Direct obligations:			
25.3 Other goods and services from federal sources	469	469	411
41.0 Grants, subsidies, and contributions	635	583	62
99.0 Direct obligations	1,104	1,052	473
99.9 Total new obligations	1,104	1,052	473

RURAL HOUSING INSURANCE FUND DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12–4215–0–3–371	2010 actual	CR	2012 est.
Obligations by program activity:			
0005 Advances on behalf of borrowers	65	45	45
0006 Other expenses	9	25	25
0007 Interest Supplemental Paid to Lenders	6		
0091 Direct Program by Activities - Subtotal (1 level)	80	70	70
Credit program obligations:			
0710 Direct loan obligations	2,262	785	333
0713 Payment of interest to Treasury	783	801	818
0740 Negative subsidy obligations			1
0742 Downward reestimate paid to receipt account	79	29	
0743 Interest on downward reestimates	31	12	
0791 Direct program activities, subtotal	3,155	1,627	1,152
0900 Total new obligations	3,235	1,697	1,222

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	1	
1021 Recoveries of prior year unpaid obligations	62		
1023 Unobligated balances applied to repay debt	-1	-1	
1024 Unobligated balance of borrowing authority withdrawn	-45		
1050 Unobligated balance (total)	17		
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	2,465	27	
Spending authority from offsetting collections, mandatory:			
1800 Collected	1,597	1,743	1,447
1801 Change in uncollected payments, Federal sources	-31	-73	-51
1825 Spending authority from offsetting collections applied to repay debt	-812		-174
1850 Spending auth from offsetting collections, mand (total)	754	1,670	1,222
1900 Financing authority (total)	3,219	1,697	1,222
1930 Total budgetary resources available	3,236	1,697	1,222
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1		

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, fund balance with Treasury, start of year	755	826	614
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-185	-154	-81
3020 Obligated balance, start of year (net)	570	672	533
3030 Obligations incurred, unexpired accounts	3,235	1,697	1,222
3040 Financing disbursements (gross)	-3,102	-1,909	-1,278
3050 Change in uncollected pymts, Fed sources, unexpired	31	73	51
3080 Recoveries of prior year unpaid obligations, unexpired	-62		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	826	614	558
3091 Uncollected pymts, Fed sources, end of year	-154	-81	-30
3100 Obligated balance, end of year (net)	672	533	528

Financing authority and disbursements, net:

Mandatory:			
4090 Financing authority, gross	3,219	1,697	1,222
Financing disbursements:			
4110 Financing disbursements, gross	3,102	1,909	1,278
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources: payments from program account	-342	-406	-57
4122 Interest on uninvested funds	-92	-152	-160
4123 Non-Federal sources: Repayments of principal	-574	-579	-583
4123 Interest received on loans	-529	-531	-584

4123	Payments on judgments	-7	-10	-8
4123	Proceeds on sale of acquired property	-22	-25	-20
4123	Recaptured income	-19	-20	-15
4123	Fees	-10	-15	-10
4123	Miscellaneous collections	-2	-5	-10
4130	Offsets against gross financing auth and disbursements (total)	-1,597	-1,743	-1,447
4140	Additional offsets against financing authority only (total): Change in uncollected pymts, Fed sources, unexpired	31	73	51
4160	Financing authority, net (mandatory)	1,653	27	-174
4170	Financing disbursements, net (mandatory)	1,505	166	-169
4180	Financing authority, net (total)	1,653	27	-174
4190	Financing disbursements, net (total)	1,505	166	-169

Status of Direct Loans (in millions of dollars)

Identification code 12-4215-0-3-371	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation	2,262	785	333
1150 Total direct loan obligations	2,262	785	333
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	15,184	16,681	17,080
Disbursements:			
1231 Direct loan disbursements	2,171	1,007	389
1232 Purchase of loans assets from the public	7		
Repayments:			
1251 Repayments and prepayments	-574	-578	-583
1252 Proceeds from loan asset sales to the public or discounted	-52		
Adjustments:			
1261 Capitalized interest	19	20	20
1262 Discount on loan asset sales to the public or discounted	-1		
Write-offs for default:			
1263 Direct loans	-2	-50	-51
1264 Other adjustments, net (+ or -)	-71		
1290 Outstanding, end of year	16,681	17,080	16,855

This account reflects the financing for direct rural housing loans for section 502 very low- and low-to-moderate-income home ownership loan program; section 504 very low income housing repair loan program; section 514 domestic farm labor housing loan program; section 515 rural rental housing loan program; sections 523 self-help housing loans, and 524 site development loans; and single family and multi-family housing credit sales of acquired property.

Loan programs are limited to rural areas that include towns, villages and other places which are not part of an urban area and that have a population not in excess of 2,500 inhabitants, or is in excess of 2,500 but not in excess of 10,000 if rural in character, or has a population in excess of 10,000 but not more than 20,000 and is not within a standard metropolitan statistical area and has a serious lack of mortgage credit for low and moderate-income borrowers.

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 credit sales of acquired property. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 12-4215-0-3-371	2009 actual	2010 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	393	466
Investments in US securities:		
1106 Receivables, net	48	181
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	15,184	16,681
1402 Interest receivable	162	180
1404 Foreclosed property	46	53
1405 Allowance for subsidy cost (-)	-2,135	-2,348

1499	Net present value of assets related to direct loans	13,257	14,566
1999	Total assets	13,698	15,213
LIABILITIES:			
Federal liabilities:			
2103	Debt	13,581	15,160
2105	Other	97	40
Non-Federal liabilities:			
2201	Accounts payable	14	13
2207	Other	6	
2999	Total liabilities	13,698	15,213
4999	Total liabilities and net position	13,698	15,213

RURAL HOUSING INSURANCE FUND GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4216-0-3-371	2010 actual	CR	2012 est.
Obligations by program activity:			
0003	Interest assistance paid to lenders	5	5
Credit program obligations:			
0711	Default claim payments on principal	198	324
0713	Payment of interest to Treasury	1	
0740	Negative subsidy obligations	2	46
0742	Downward reestimate paid to receipt account	8	1
0743	Interest on downward reestimates	12	1
0791	Direct program activities, subtotal	221	372
0900	Total new obligations	226	377
Budgetary Resources:			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1	1,061	1,560
1020	Adjustment of unobligated bal brought forward, Oct 1	-32	
1022	Capital transfer of unobligated balances to general fund		-1,554
1023	Unobligated balances applied to repay debt	-28	-6
1050	Unobligated balance (total)	1,001	
Financing authority:			
Borrowing authority, mandatory:			
1400	Borrowing authority	7	
Spending authority from offsetting collections, mandatory:			
1800	Collected	778	913
1820	Capital transfer of spending authority from offsetting collections to general fund		-536
1850	Spending auth from offsetting collections, mand (total)	778	377
1900	Financing authority (total)	785	377
1930	Total budgetary resources available	1,786	377
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year	1,560	
Change in obligated balance:			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)		1
3010	Uncollected pymts, Fed sources, brought forward, Oct 1	-32	
3011	Adjustments to uncollected pymts, Fed sources, brought forward, Oct 1	32	
3020	Obligated balance, start of year (net)		1
3030	Obligations incurred, unexpired accounts	226	377
3040	Financing disbursements (gross)	-225	-378
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)	1	
3091	Uncollected pymts, Fed sources, end of year		
3100	Obligated balance, end of year (net)	1	

Financing authority and disbursements, net:

Identification code 12-4215-0-3-371	2009 actual	2010 actual
Mandatory:		
4090	Financing authority, gross	785
Financing disbursements:		
4110	Financing disbursements, gross	225
Offsets against gross financing authority and disbursements:		
Offsetting collections (collected) from:		
4120	Federal sources	-341
4122	Interest on uninvested funds	-43
4123	Non-Federal sources: guarantee fees	-383
4123	Repayments of Principal	-10
4123	Non-Federal sources	-1

RURAL HOUSING INSURANCE FUND GUARANTEED LOAN FINANCING
ACCOUNT—Continued
Program and Financing—Continued

Identification code 12-4216-0-3-371	2010 actual	CR	2012 est.
4130 Offsets against gross financing auth and disbursements (total)	-778	-913	-845
4160 Financing authority, net (mandatory)	7	-536	-427
4170 Financing disbursements, net (mandatory)	-553	-535	-427
4180 Financing authority, net (total)	7	-536	-427
4190 Financing disbursements, net (total)	-553	-535	-427

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4216-0-3-371	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on commitments:			
2131 Guaranteed loan commitments exempt from limitation	16,894	24,015	24,000
2150 Total guaranteed loan commitments	16,894	24,015	24,000
2199 Guaranteed amount of guaranteed loan commitments	15,205	21,614	21,600
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	33,624	49,878	62,450
2231 Disbursements of new guaranteed loans	18,484	19,954	24,158
2251 Repayments and prepayments	-1,937	-7,058	-8,837
Adjustments:			
2263 Terminations for default that result in claim payments	-198	-324	-406
2264 Other adjustments, net	-95		
2290 Outstanding, end of year	49,878	62,450	77,365
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	44,890	56,025	69,629
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year		297	297
2331 Disbursements for guaranteed loan claims	102		
2364 Other adjustments, net	195		
2390 Outstanding, end of year	297	297	297

This account finances the guaranteed section 502 low-to-moderate-income home ownership loan program as well as the re-financings of those loans and the section 538 guaranteed multi-family housing loan program. The guaranteed programs enable the Rural Housing Service to utilize private sector resources for the making and servicing of loans while the Agency provides a financial guarantee to encourage private sector activity.

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 guaranteed loan commitments made in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 12-4216-0-3-371	2009 actual	2010 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	1,028	1,558
Investments in US securities:		
1106 Receivables, net	94	40
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1501 Defaulted guaranteed loans receivable, gross		297
1502 Interest receivable		3
1505 Allowance for subsidy cost (-)		-107
1599 Net present value of assets related to defaulted guaranteed loans		193
1999 Total assets	1,122	1,791
LIABILITIES:		
Federal liabilities:		
2103 Debt	29	6
2104 Resources payable to Treasury	23	2

2204 Non-Federal liabilities: Liabilities for loan guarantees	1,070	1,783
2999 Total liabilities	1,122	1,791
4999 Total liabilities and net position	1,122	1,791

RURAL HOUSING INSURANCE FUND LIQUIDATING ACCOUNT
Program and Financing (in millions of dollars)

Identification code 12-4141-0-3-371	2010 actual	CR	2012 est.
Obligations by program activity:			
0107 Other costs incident to loans	36	4	4
Credit program obligations:			
0713 Payment of interest to Treasury		32	32
0900 Total new obligations	36	36	36
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	43	18	
1021 Recoveries of prior year unpaid obligations	17		
1022 Capital transfer of unobligated balances to general fund	-43		
1050 Unobligated balance (total)	17	18	
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	729	618	594
1820 Capital transfer of spending authority from offsetting collections to general fund	-692	-600	-558
1850 Spending auth from offsetting collections, mand (total)	37	18	36
1930 Total budgetary resources available	54	36	36
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	18		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid fund balance with treasury, end of year	46	43	
3030 Obligations incurred, unexpired accounts	36	36	36
3040 Outlays (gross)	-22	-79	-36
3080 Recoveries of prior year unpaid obligations, unexpired	-17		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	43		
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	37	18	36
Outlays, gross:			
4100 Outlays from new mandatory authority	20	18	36
4101 Outlays from mandatory balances	2	61	
4110 Outlays, gross (total)	22	79	36
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	-36		
4123 Non-Federal sources	-693	-618	-594
4130 Offsets against gross budget authority and outlays (total)	-729	-618	-594
4160 Budget authority, net (mandatory)	-692	-600	-558
4170 Outlays, net (mandatory)	-707	-539	-558
4180 Budget authority, net (total)	-692	-600	-558
4190 Outlays, net (total)	-707	-539	-558

Status of Direct Loans (in millions of dollars)

Identification code 12-4141-0-3-371	2010 actual	CR	2012 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	9,865	9,417	9,002
1251 Repayments: Repayments and prepayments	-346	-318	-294
1261 Adjustments: Capitalized interest	7	5	4
Write-offs for default:			
1263 Direct loans	-31	-32	-31
1264 Other adjustments, net (+ or -)	-78	-70	-67
1290 Outstanding, end of year	9,417	9,002	8,614

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4141-0-3-371	2010 actual	CR	2012 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	3	3	3
2251 Repayments and prepayments			
2290 Outstanding, end of year	3	3	3
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	3	3	3

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. New loan activity in 1992 and beyond is recorded in corresponding program and financing accounts.

Balance Sheet (in millions of dollars)

Identification code 12-4141-0-3-371	2009 actual	2010 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	120	94
1601 Direct loans, gross	9,865	9,417
1602 Interest receivable	743	722
1603 Allowance for estimated uncollectible loans and interest (-)	-5,317	-5,102
1604 Direct loans and interest receivable, net	5,291	5,037
1606 Foreclosed property	33	36
1699 Value of assets related to direct loans	5,324	5,073
1901 Other Federal assets: Other assets	3	3
1999 Total assets	5,447	5,170
LIABILITIES:		
Federal liabilities:		
2102 Interest payable	1	
2103 Debt		1
2104 Resources payable to Treasury	5,443	5,155
2207 Non-Federal liabilities: Other	3	14
2999 Total liabilities	5,447	5,170
4999 Total liabilities and net position	5,447	5,170

Object Classification (in millions of dollars)

Identification code 12-4141-0-3-371	2010 actual	CR	2012 est.
Direct obligations:			
25.2 Other services from non-federal sources	36	4	4
33.0 Investments and loans		32	32
99.9 Total new obligations	36	36	36

RURAL BUSINESS—COOPERATIVE SERVICE

Federal Funds

ENERGY ASSISTANCE PAYMENTS

Program and Financing (in millions of dollars)

Identification code 12-2073-0-1-452	2010 actual	CR	2012 est.
Obligations by program activity:			
0010 Energy Assistance Payments	21	209	105
0900 Total new obligations (object class 41.0)	21	209	105
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	90	124	
Budget authority:			
Appropriations, mandatory:			
1221 Appropriations transferred from other accounts	55	85	105
1930 Total budgetary resources available	145	209	105

Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	124		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	2	159	
3030 Obligations incurred, unexpired accounts	21	209	105
3040 Outlays (gross)	-19	-52	-184
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	2	159	80
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	55	85	105
Outlays, gross:			
4100 Outlays from new mandatory authority	8	21	26
4101 Outlays from mandatory balances	11	31	158
4110 Outlays, gross (total)	19	52	184
4180 Budget authority, net (total)	55	85	105
4190 Outlays, net (total)	19	52	184

The purpose of the Bioenergy Program for Advanced Biofuels is to provide payments to eligible agricultural producers to support and ensure an expanding production of advanced biofuels. For 2012, the program will receive \$105,000,000 in mandatory funds. This program is authorized pursuant to section 9005 of the Farm Security and Rural Investment Act of 2002, as amended by the Food, Conservation, and Energy Act of 2008.

RURAL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES GRANTS

Program and Financing (in millions of dollars)

Identification code 12-0402-0-1-452	2010 actual	CR	2012 est.
Budgetary Resources:			
1930 Total budgetary resources available			
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	15		
3040 Outlays (gross)	-15		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)			
Budget authority and outlays, net:			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances	15		
4180 Budget authority, net (total)			
4190 Outlays, net (total)	15		

The Empowerment Zone/Enterprise Community (EZ/EC) initiative's authorization expired December 2009. No funding is requested in 2012.

RURAL COOPERATIVE DEVELOPMENT GRANTS

For rural cooperative development grants authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932), \$35,854,000, of which \$300,000 shall be for a cooperative research agreement with a qualified academic institution to conduct research on the national economic impact of all types of cooperatives; and of which \$2,800,000 shall be for cooperative agreements for the appropriate technology transfer for rural areas program: Provided, That, not to exceed \$3,463,000 shall be for cooperatives or associations of cooperatives whose primary focus is to provide assistance to small, socially disadvantaged producers and whose governing board and/or membership is comprised of at least 75 percent socially disadvantaged members; and of which \$20,367,000, to remain available until expended, shall be for value-added agricultural product market development grants, as authorized by section 231 of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1621 note).

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continu-

RURAL COOPERATIVE DEVELOPMENT GRANTS—Continued

ing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12–1900–0–1–452	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Rural Cooperative Development Grants	11	13	13
0010 Value-added Agricultural Product Marketing (mandatory)	15	1	.....
0011 Value added Agricultural Product Marketing (discretionary)	7	41	20
0012 Appropriate Technology Transfer for Rural Areas	3	3	3
0013 General Provision 732(1) and 728(1)	3	3	.....
0900 Total new obligations (object class 41.0)	39	61	36
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	23	23	.....
1021 Recoveries of prior year unpaid obligations	1	.....	.....
1050 Unobligated balance (total)	24	23	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	38	38	36
1900 Budget authority (total)	38	38	36
1930 Total budgetary resources available	62	61	36
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	23	.....	.....
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	27	48	86
3030 Obligations incurred, unexpired accounts	39	61	36
3040 Outlays (gross)	-17	-23	-44
3080 Recoveries of prior year unpaid obligations, unexpired	-1	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	48	86	78
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	38	38	36
Outlays, gross:			
4010 Outlays from new discretionary authority	1	2	2
4011 Outlays from discretionary balances	16	18	33
4020 Outlays, gross (total)	17	20	35
Mandatory:			
Outlays, gross:			
4101 Outlays from mandatory balances .....	.....	3	9
4180 Budget authority, net (total)	38	38	36
4190 Outlays, net (total)	17	23	44

Grants for rural cooperative development were authorized under section 310B(e) of the Consolidated Farm and Rural Development Act by Public Law 104–127, April 4, 1996. These grants are made available to nonprofit corporations and institutions of higher education to fund the establishment and operation of centers for rural cooperative development.

In 2006, the Rural Business Service began a separate solicitation for the Small Minority Producer grants. These grants provide assistance to small, minority producers through cooperatives and associations of cooperatives. The program is funded at \$3,463,000.

The Appropriate Technology Transfer to Rural Areas (ATTRA) program was first authorized by the Food Security Act of 1985. The program provides information and technical assistance to agricultural producers to adopt sustainable agricultural practices that are environmentally friendly and lower production costs. The 2012 Budget requests \$2.8 million for ATTRA.

Additionally, USDA provides Value- Added Marketing Grants for producers of agricultural commodities. These grants can be used for planning activities and for working capital for marketing value-added agricultural products. The program is funded at \$20,367,000.

RURAL ECONOMIC DEVELOPMENT GRANTS

Program and Financing (in millions of dollars)

Identification code 12–3105–0–1–452	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Rural economic development grants	8	10	10
0002 Subsidy	5	4	4
0900 Total new obligations (object class 41.0)	13	14	14
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	104	201	311
Budget authority:			
Appropriations, discretionary:			
1131 Unobligated balance of appropriations permanently reduced .....	.....	-44	-242
Appropriations, mandatory:			
1232 Unobligated balance of appropriations permanently reduced	-44	.....	.....
Spending authority from offsetting collections, mandatory:			
1800 Collected	149	164	159
1801 Change in uncollected payments, Federal sources	5	4	4
1850 Spending auth from offsetting collections, mand (total)	154	168	163
1900 Budget authority (total)	110	124	-79
1930 Total budgetary resources available	214	325	232
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	201	311	218
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	13	12	54
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-8	-13	-17
3020 Obligated balance, start of year (net)	5	-1	37
3030 Obligations incurred, unexpired accounts	13	14	14
3040 Outlays (gross)	-14	28	226
3050 Change in uncollected pymts, Fed sources, unexpired	-5	-4	-4
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	12	54	294
3091 Uncollected pymts, Fed sources, end of year	-13	-17	-21
3100 Obligated balance, end of year (net)	-1	37	273
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross .....	.....	-44	-242
Outlays, gross:			
4010 Outlays from new discretionary authority .....	.....	-44	-242
Mandatory:			
4090 Budget authority, gross	110	168	163
Outlays, gross:			
4100 Outlays from new mandatory authority	6	6	6
4101 Outlays from mandatory balances	8	10	10
4110 Outlays, gross (total)	14	16	16
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	-140	-155	-150
4123 Non-Federal sources	-9	-9	-9
4130 Offsets against gross budget authority and outlays (total)	-149	-164	-159
Additional offsets against gross budget authority only:			
4140 Change in uncollected pymts, Fed sources, unexpired	-5	-4	-4
4142 Offsetting collections credited to expired accounts .....	.....	.....	.....
4150 Additional offsets against budget authority only (total)	-5	-4	-4
4160 Budget authority, net (mandatory)	-44	.....	.....
4170 Outlays, net (mandatory)	-135	-148	-143
4180 Budget authority, net (total)	-44	-44	-242
4190 Outlays, net (total)	-135	-192	-385

This grant program is authorized under section 313 of the Rural Electrification Act, as amended, and provides funds for the purpose of promoting rural economic development and job creation projects, including funding for project feasibility studies, start-up costs, incubator projects and other expenses for the purpose of fostering rural development.

Funding for this program is provided from the interest differential on Rural Utilities Service borrowers' "cushion of credit" accounts. The Budget proposes a cancellation of \$241.8 million from

the "cushion of credit" account in 2012, \$10 million is proposed for rural economic development grants, and \$4.293 million is for loan subsidy.

RURAL MICROENTERPRISE INVESTMENT PROGRAM ACCOUNT

For the cost of loans and grants, \$5,700,000 as authorized by section 379E of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981 et seq.): Provided, That such costs of loans, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-1955-0-1-452	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0011 Grants	7	7	4
0701 Direct loan subsidy			
	3	5	5
0900 Total new obligations (object class 41.0)	10	12	9
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	4	3	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	5	5	6
Appropriations, mandatory:			
1221 Appropriations transferred from other accounts	4	4	3
1900 Budget authority (total)	9	9	9
1930 Total budgetary resources available	13	12	9
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	3		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)		10	19
3030 Obligations incurred, unexpired accounts	10	12	9
3040 Outlays (gross)		-3	-8
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	10	19	20
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	5	5	6
Outlays, gross:			
4011 Outlays from discretionary balances			4
Mandatory:			
4090 Budget authority, gross	4	4	3
Outlays, gross:			
4101 Outlays from mandatory balances		3	4
4180 Budget authority, net (total)	9	9	9
4190 Outlays, net (total)		3	8

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

Identification code 12-1955-0-1-452	2010 actual	CR	2012 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Rural Microenterprise Direct Loans	25	25	31
115999 Total direct loan levels	25	25	31
Direct loan subsidy (in percent):			
132001 Rural Microenterprise Direct Loans	11.32	21.39	15.59
132999 Weighted average subsidy rate	11.32	21.39	15.59
Direct loan subsidy budget authority:			
133001 Rural Microenterprise Direct Loans	3	5	5
133999 Total subsidy budget authority	3	5	5
Direct loan subsidy outlays:			
134001 Rural Microenterprise Direct Loans		2	7
134999 Total subsidy outlays		2	7

This program provides microentrepreneurs with the skills necessary to establish new rural microenterprises, as well as support these types of businesses with technical and financial assistance. The program provides loans and grants to intermediaries that assist microentrepreneurs. For 2012 the program is funded at 3,000,000 in mandatory funds and \$5,700,000 in discretionary funds. The program is authorized pursuant to section 6022 of Public Law 110-246.

RURAL MICROENTERPRISE INVESTMENT DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4354-0-3-452	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0710 Direct loan obligations	25	25	31
0713 Payment of interest to Treasury		1	1
0900 Total new obligations	25	26	32
Budgetary Resources:			
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	22	21	24
Spending authority from offsetting collections, mandatory:			
1800 Collected		2	7
1801 Change in uncollected payments, Federal sources	3	3	1
1850 Spending auth from offsetting collections, mand (total)	3	5	8
1900 Financing authority (total)	25	26	32
1930 Total budgetary resources available	25	26	32
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)		25	37
3030 Obligations incurred, unexpired accounts	25	26	32
3040 Financing disbursements (gross)		-14	-20
3050 Change in uncollected pymts, Fed sources, unexpired	-3	-3	-1
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	25	37	49
3091 Uncollected pymts, Fed sources, end of year	-3	-3	-1
3100 Obligated balance, end of year (net)	22	34	48
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	25	26	32
Financing disbursements:			
4110 Financing disbursements, gross		14	20
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources		-2	-7
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired	-3	-3	-1
4160 Financing authority, net (mandatory)	22	21	24
4170 Financing disbursements, net (mandatory)		12	13
4180 Financing authority, net (total)	22	21	24
4190 Financing disbursements, net (total)		12	13

Status of Direct Loans (in millions of dollars)

Identification code 12-4354-0-3-452	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation	25	25	31
1150 Total direct loan obligations	25	25	31
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year			13
1231 Disbursements: Direct loan disbursements		13	19
1251 Repayments: Repayments and prepayments			
1290 Outstanding, end of year		13	32

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 obligations. The amounts in this

RURAL MICROENTERPRISE INVESTMENT DIRECT LOAN FINANCING
ACCOUNT—Continued

account are a means of financing and are not included in the budget totals. The subsidy cost of this program is funded through the Rural Microenterprise Investment Program Account.

RURAL BUSINESS PROGRAM ACCOUNT
(INCLUDING TRANSFERS OF FUNDS)

For the cost of loan guarantees and grants, for the rural business development programs authorized by sections 306 and 310B and described in section 381E(d)(3) of the Consolidated Farm and Rural Development Act, \$89,857,000, to remain available until expended: Provided, That of the amount appropriated under this heading, not to exceed \$500,000 shall be made available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development: Provided further, That \$4,000,000 of the amount appropriated under this heading shall be for business grants to benefit Federally Recognized Native American Tribes, including \$250,000 for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development: Provided further, That of the amount appropriated under this heading, the amount equal to the amount of Rural Business Program Account funds allocated by the Secretary for Rural Economic Area Partnership Zones for the fiscal year 2011, shall be available through June 30, 2012, for communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones for the rural business and cooperative development programs described in section 381E(d)(3) of the Consolidated Farm and Rural Development Act: Provided further, That sections 381E-H and 381N of the Consolidated Farm and Rural Development Act are not applicable to funds made available under this heading: Provided further, That any prior balances in the Rural Development, Rural Community Advancement Program account for programs authorized by sections 306 and 310B and described in section 381E(d)(3) of such Act be transferred and merged with this account and any other prior balances from the Rural Development, Rural Community Advancement Program account that the Secretary determines is appropriate to transfer.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12–1902–0–1–452	2010 actual	CR	2012 est.
Obligations by program activity:			
0010 Rural Business Enterprise Grants	45	45	30
0012 Rural Business Opportunity Grants	3	3	7
0013 Rural Business Enterprise Grants - ARRA	4		
0091 Direct program activities, subtotal	52	48	37
Credit program obligations:			
0702 Loan guarantee subsidy	199	67	53
0705 Reestimates of direct loan subsidy	2	5	
0706 Interest on reestimates of direct loan subsidy	2	5	
0707 Reestimates of loan guarantee subsidy	44	87	
0708 Interest on reestimates of loan guarantee subsidy	13	18	
0791 Direct program activities, subtotal	260	182	53
0900 Total new obligations (object class 41.0)	312	230	90
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	158	25	
1020 Adjustment of unobligated bal brought forward, Oct 1		-7	
1021 Recoveries of prior year unpaid obligations	3		
1050 Unobligated balance (total)	161	18	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	97	97	90
Appropriations, mandatory:			
1200 Appropriation	61	115	
Spending authority from offsetting collections, discretionary:			
1700 Collected	18		

1900 Budget authority (total)	176	212	90
1930 Total budgetary resources available	337	230	90
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	25		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	131	159	145
3030 Obligations incurred, unexpired accounts	312	230	90
3040 Outlays (gross)	-281	-244	-110
3080 Recoveries of prior year unpaid obligations, unexpired	-3		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	159	145	125
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	115	97	90
Outlays, gross:			
4010 Outlays from new discretionary authority	57	30	28
4011 Outlays from discretionary balances	163	99	82
4020 Outlays, gross (total)	220	129	110
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033 Non-Federal sources	-18		
4070 Budget authority, net (discretionary)	97	97	90
4080 Outlays, net (discretionary)	202	129	110
Mandatory:			
4090 Budget authority, gross	61	115	
Outlays, gross:			
4100 Outlays from new mandatory authority	61	115	
4180 Budget authority, net (total)	158	212	90
4190 Outlays, net (total)	263	244	110

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

Identification code 12–1902–0–1–452	2010 actual	CR	2012 est.
Direct loan upward reestimates:			
135004 Business and Industry Loans	4	10	
135999 Total upward reestimate budget authority	4	10	
Direct loan downward reestimates:			
137004 Business and Industry Loans	-11	-2	
137999 Total downward reestimate budget authority	-11	-2	
Guaranteed loan levels supportable by subsidy budget authority:			
215006 Guaranteed Business and Industry Loans - ARRA	1,558		
215007 Business and Industry Loan Guarantees	1,323	1,331	823
215008 Business and Industry Emergency Supplemental Loan Guarantees	57		
215999 Total loan guarantee levels	2,938	1,331	823
Guaranteed loan subsidy (in percent):			
232006 Guaranteed Business and Industry Loans - ARRA	8.04	0.00	0.00
232007 Business and Industry Loan Guarantees	5.33	5.06	6.38
232008 Business and Industry Emergency Supplemental Loan Guarantees	5.33	0.00	0.00
232999 Weighted average subsidy rate	6.77	5.06	6.38
Guaranteed loan subsidy budget authority:			
233006 Guaranteed Business and Industry Loans - ARRA	125		
233007 Business and Industry Loan Guarantees	71	67	53
233008 Business and Industry Emergency Supplemental Loan Guarantees	3		
233999 Total subsidy budget authority	199	67	53
Guaranteed loan subsidy outlays:			
234006 Guaranteed Business and Industry Loans - ARRA	89	32	5
234007 Business and Industry Loan Guarantees	56	31	51
234008 Business and Industry Emergency Supplemental Loan Guarantees	2		
234999 Total subsidy outlays	147	63	56
Guaranteed loan upward reestimates:			
235005 North American Development Bank Loan Guarantees	1	3	
235007 Business and Industry Loan Guarantees	56	101	
235999 Total upward reestimate budget authority	57	104	
Guaranteed loan downward reestimates:			
237005 North American Development Bank Loan Guarantees	-2	-1	
237006 Guaranteed Business and Industry Loans - ARRA		-3	
237007 Business and Industry Loan Guarantees	-2	-14	
237999 Total downward reestimate subsidy budget authority	-4	-18	

This account funds direct and guaranteed business and industry loans, rural business enterprise grants, and rural business opportunity grants. Business and industry guaranteed and direct loans are authorized under section 310B(a)(1) of the Consolidated Farm and Rural Development, as amended. These loans are made to public, private or cooperative organizations, Indian tribes or tribal groups, corporate entities, or individuals for the purpose of improving the economic climate in rural areas. For direct loans no funds were requested or provided since 2002, and no funds are requested in the Budget. The 2012 projections for loan guarantees are \$822.9 million. Funding provided in this account for the rural business enterprise grants is \$29.9 million and for rural business opportunity grants \$7.5 million.

RURAL BUSINESS AND INDUSTRY DIRECT LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4223-0-3-452	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0713	2	1	1
0742	7	1	
0743	4	1	
0900	13	3	1
Budgetary Resources:			
Unobligated balance:			
1000	8	11	
1023	-2	-11	
1050	6		
Financing authority:			
Borrowing authority, mandatory:			
1400	11		
Spending authority from offsetting collections, mandatory:			
1800	7	14	4
1825			
1850	7	3	1
1900	18	3	1
1930	24	3	1
Memorandum (non-add) entries:			
1941	11		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000			
3030	13	3	1
3040	-13	-3	-1
Obligated balance, end of year (net):			
3090			
Financing authority and disbursements, net:			
Mandatory:			
4090	18	3	1
Financing disbursements:			
4110	13	3	1
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120	-3	-10	
4122	-1	-1	-1
4123	-2	-2	-2
4123	-1	-1	-1
4130	-7	-14	-4
4160	11	-11	-3
4170	6	-11	-3
4180	11	-11	-3
4190	6	-11	-3

Status of Direct Loans (in millions of dollars)

Identification code 12-4223-0-3-452	2010 actual	CR	2012 est.
Cumulative balance of direct loans outstanding:			
1210	29	27	24
1251	-2	-2	-2
1263		-1	-1
1290	27	24	21

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. The amounts in this account are a means of financing and are not included in the budget totals. The subsidy cost of this program is funded through the Rural Business and Industry Program Account. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

Balance Sheet (in millions of dollars)

Identification code 12-4223-0-3-452	2009 actual	2010 actual
ASSETS:		
Federal assets:		
1101	8	11
Investments in US securities:		
1106	-1	
Net value of assets related to post-1991 direct loans receivable:		
1401	30	27
1405	-10	-2
1499	20	25
1999	27	36
LIABILITIES:		
2104	27	36
2999	27	36
4999	27	36

RURAL BUSINESS AND INDUSTRY GUARANTEED LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4227-0-3-452	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0711	160	173	204
0712	3	3	4
0713	3	3	3
0742	3	15	
0743	1	4	
0900	170	198	211
Budgetary Resources:			
Unobligated balance:			
1000	238	321	
1020	-7		
1022		-267	
1023	-19	-54	
1050	212		
Financing authority:			
Borrowing authority, mandatory:			
1400	17		97
Spending authority from offsetting collections, mandatory:			
1800	262	230	118
1801		5	-4
1820		-37	
1850	262	198	114
1900	279	198	211
1930	491	198	211
Memorandum (non-add) entries:			
1941	321		

RURAL BUSINESS AND INDUSTRY GUARANTEED LOANS FINANCING
ACCOUNT—Continued

Program and Financing—Continued

Identification code 12-4227-0-3-452	2010 actual	CR	2012 est.
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)		1	1
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-7		-5
3011 Adjustments to uncollected pymts, Fed sources, brought forward, Oct 1	7		
3020 Obligated balance, start of year (net)		1	-4
3030 Obligations incurred, unexpired accounts	170	198	211
3040 Financing disbursements (gross)	-169	-198	-211
3050 Change in uncollected pymts, Fed sources, unexpired		-5	4
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1	1	1
3091 Uncollected pymts, Fed sources, end of year		-5	-1
3100 Obligated balance, end of year (net)	1	-4	
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	279	198	211
Financing disbursements:			
4110 Financing disbursements, gross	169	198	211
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources	-204	-167	-56
4122 Interest on uninvested funds	-9	-12	-12
4123 Interest and principal on purchased loans from secondary market	-22	-26	-31
4123 Guarantee fees	-27	-25	-19
4130 Offsets against gross financing auth and disbursements (total)	-262	-230	-118
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired		-5	4
4160 Financing authority, net (mandatory)	17	-37	97
4170 Financing disbursements, net (mandatory)	-93	-32	93
4180 Financing authority, net (total)	17	-37	97
4190 Financing disbursements, net (total)	-93	-32	93

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4227-0-3-452	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on commitments:			
2131 Guaranteed loan commitments exempt from limitation	2,938	1,331	823
2150 Total guaranteed loan commitments	2,938	1,331	823
2199 Guaranteed amount of guaranteed loan commitments	2,350	1,068	658
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	4,351	5,805	7,105
2231 Disbursements of new guaranteed loans	2,045	2,058	1,366
2251 Repayments and prepayments	-395	-581	-709
Adjustments:			
2261 Terminations for default that result in loans receivable	-95	-103	-121
2263 Terminations for default that result in claim payments	-68	-74	-88
2264 Other adjustments, net	-33		
2290 Outstanding, end of year	5,805	7,105	7,553
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	4,645	5,685	6,042

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 guaranteed loans committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. The subsidy cost of this program is funded through the Rural Business and Industry Program Account. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account. The account finances loan guarantee commitments for business development in rural areas.

Balance Sheet (in millions of dollars)

Identification code 12-4227-0-3-452	2009 actual	2010 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	231	322
Investments in US securities:		
1106 Receivables, net	173	262
1999 Total assets	404	584
LIABILITIES:		
Federal liabilities:		
2104 Resources payable to Treasury	55	54
2105 Other	5	18
2204 Non-Federal liabilities: Liabilities for loan guarantees	344	512
2999 Total liabilities	404	584
4999 Total liabilities and net position	404	584

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the principal amount of direct loans, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)), \$36,376,000.

For the cost of direct loans, \$12,324,000, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)), of which \$1,035,000 shall be available through June 30, 2012, for Federally Recognized Native American Tribes; and of which \$2,070,000 shall be available through June 30, 2012, for Mississippi Delta Regional counties (as determined in accordance with Public Law 100-460): Provided, That such costs, including the cost of modifying such loans, shall be defined in section 502 of the Congressional Budget Act of 1974: Provided further, That of the total amount appropriated under this heading, the amount equal to the amount of Rural Development Loan Fund Program Account funds allocated by the Secretary for Rural Economic Area Partnership Zones for the fiscal year 2011, shall be available through June 30, 2012, for communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

In addition, for administrative expenses to carry out the direct loan programs, \$4,941,000 shall be paid to the appropriation for "Rural Development, Salaries and Expenses".

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-2069-0-1-452	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0701 Direct loan subsidy	9	8	12
0709 Administrative expenses	5	5	5
0900 Total new obligations	14	13	17
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	13	13	17
Appropriations, mandatory:			
1200 Appropriation	1		
1900 Budget authority (total)	14	13	17
1930 Total budgetary resources available	14	13	17
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	37	33	25
3030 Obligations incurred, unexpired accounts	14	13	17
3040 Outlays (gross)	-17	-21	-17
3081 Recoveries of prior year unpaid obligations, expired	-1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	33	25	25

Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	13	13	17
	Outlays, gross:			
4010	Outlays from new discretionary authority	5	6	6
4011	Outlays from discretionary balances	11	15	11
4020	Outlays, gross (total)	16	21	17
Mandatory:				
4090	Budget authority, gross	1		
	Outlays, gross:			
4100	Outlays from new mandatory authority	1		
4180	Budget authority, net (total)	14	13	17
4190	Outlays, net (total)	17	21	17

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

Identification code 12-2069-0-1-452	2010 actual	CR	2012 est.	
Direct loan levels supportable by subsidy budget authority:				
115001	Intermediary Relending Program	34	21	36
115999	Total direct loan levels	34	21	36
Direct loan subsidy (in percent):				
132001	Intermediary Relending Program	25.24	38.58	33.88
132999	Weighted average subsidy rate	25.24	38.58	33.88
Direct loan subsidy budget authority:				
133001	Intermediary Relending Program	9	8	12
133999	Total subsidy budget authority	9	8	12
Direct loan subsidy outlays:				
134001	Intermediary Relending Program	11	16	12
134999	Total subsidy outlays	11	16	12
Direct loan upward reestimates:				
135001	Intermediary Relending Program	1		
135999	Total upward reestimate budget authority	1		
Direct loan downward reestimates:				
137001	Intermediary Relending Program	-5	-6	
137999	Total downward reestimate budget authority	-5	-6	
Administrative expense data:				
3510	Budget authority	5	5	5
3590	Outlays from new authority	5	5	5

This account finances loans to intermediary borrowers, who, in turn, re-lend the funds to small rural businesses, community development corporations, and other organizations for the purpose of improving economic opportunities in rural areas. Through the use of local intermediaries, this program serves small-scale enterprises and gives preference to those communities with the greatest need. The Budget proposes \$12,324,000 in budget authority to support this program.

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 in 1992 and beyond, 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.

Object Classification (in millions of dollars)

Identification code 12-2069-0-1-452	2010 actual	CR	2012 est.	
Direct obligations:				
25.3	Other goods and services from federal sources	5	5	5
41.0	Grants, subsidies, and contributions	9	8	12
99.9	Total new obligations	14	13	17

RURAL DEVELOPMENT LOAN FUND DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4219-0-3-452	2010 actual	CR	2012 est.	
Obligations by program activity:				
Credit program obligations:				
0710	Direct loan obligations	34	21	36
0713	Payment of interest to Treasury	17	19	20
0742	Downward reestimate paid to receipt account	4	4	
0743	Interest on downward reestimates	1	2	
0900	Total new obligations	56	46	56
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	4	6	
1021	Recoveries of prior year unpaid obligations	2		
1023	Unobligated balances applied to repay debt	-4	-6	
1024	Unobligated balance of borrowing authority withdrawn	-1		
1050	Unobligated balance (total)	1		
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority	30	12	15
Spending authority from offsetting collections, mandatory:				
1800	Collected	38	41	40
1801	Change in uncollected payments, Federal sources	-4	-7	1
1825	Spending authority from offsetting collections applied to repay debt	-3		
1850	Spending auth from offsetting collections, mand (total)	31	34	41
1900	Financing authority (total)	61	46	56
1930	Total budgetary resources available	62	46	56
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	6		
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	86	91	72
3010	Uncollected pymts, Fed sources, brought forward, Oct 1	-37	-33	-26
3020	Obligated balance, start of year (net)	49	58	46
3030	Obligations incurred, unexpired accounts	56	46	56
3040	Financing disbursements (gross)	-49	-65	-52
3050	Change in uncollected pymts, Fed sources, unexpired	4	7	-1
3080	Recoveries of prior year unpaid obligations, unexpired	-2		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	91	72	76
3091	Uncollected pymts, Fed sources, end of year	-33	-26	-27
3100	Obligated balance, end of year (net)	58	46	49
Financing authority and disbursements, net:				
Mandatory:				
4090	Financing authority, gross	61	46	56
Financing disbursements:				
4110	Financing disbursements, gross	49	65	52
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Payments from program account	-12	-15	-12
4122	Interest on uninvested funds	-2	-2	-2
4123	Non-Federal sources - repayment of principal	-24	-20	-21
4123	Non-Federal sources - interest on loans		-4	-5
4130	Offsets against gross financing auth and disbursements (total)	-38	-41	-40
Additional offsets against financing authority only (total):				
4140	Change in uncollected pymts, Fed sources, unexpired	4	7	-1
4160	Financing authority, net (mandatory)	27	12	15
4170	Financing disbursements, net (mandatory)	11	24	12
4180	Financing authority, net (total)	27	12	15
4190	Financing disbursements, net (total)	11	24	12

Status of Direct Loans (in millions of dollars)

Identification code 12-4219-0-3-452	2010 actual	CR	2012 est.	
Position with respect to appropriations act limitation on obligations:				
1131	Direct loan obligations exempt from limitation	34	21	36
1150	Total direct loan obligations	34	21	36
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	439	446	466
1231	Disbursements: Direct loan disbursements	10	40	32

RURAL DEVELOPMENT LOAN FUND DIRECT LOAN FINANCING
ACCOUNT—Continued

Status of Direct Loans—Continued

Identification code 12-4219-0-3-452	2010 actual	CR	2012 est.
1251 Repayments: Repayments and prepayments	-3	-20	-21
1290 Outstanding, end of year	446	466	477

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. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 12-4219-0-3-452	2009 actual	2010 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	9	18
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	439	446
1402 Interest receivable	2	1
1405 Allowance for subsidy cost (-)	-161	-156
1499 Net present value of assets related to direct loans	280	291
1999 Total assets	289	309
LIABILITIES:		
2104 Federal liabilities: Resources payable to Treasury	289	309
2999 Total liabilities	289	309
4999 Total liabilities and net position	289	309

RURAL DEVELOPMENT LOAN FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4233-0-3-452	2010 actual	CR	2012 est.
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	1	
1022 Capital transfer of unobligated balances to general fund	-1	-1	
1050 Unobligated balance (total)			
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	4	3	3
1820 Capital transfer of spending authority from offsetting collections to general fund	-3	-3	-3
1850 Spending auth from offsetting collections, mand (total)	1		
1930 Total budgetary resources available	1		
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1		
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	1		
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources	-4	-3	-3
4160 Budget authority, net (mandatory)	-3	-3	-3
4170 Outlays, net (mandatory)	-4	-3	-3
4180 Budget authority, net (total)	-3	-3	-3
4190 Outlays, net (total)	-4	-3	-3

Status of Direct Loans (in millions of dollars)

Identification code 12-4233-0-3-452	2010 actual	CR	2012 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	35	31	28
1251 Repayments: Repayments and prepayments	-4	-3	-3
1290 Outstanding, end of year	31	28	25

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. New loan activity in 1992 and beyond is recorded in corresponding program and financing accounts.

Balance Sheet (in millions of dollars)

Identification code 12-4233-0-3-452	2009 actual	2010 actual
ASSETS:		
1601 Direct loans, gross	35	31
1603 Allowance for estimated uncollectible loans and interest (-)	-16	-14
1604 Direct loans and interest receivable, net	19	17
1699 Value of assets related to direct loans	19	17
1999 Total assets	19	17
LIABILITIES:		
2104 Federal liabilities: Resources payable to Treasury	19	17
2999 Total liabilities	19	17
4999 Total liabilities and net position	19	17

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

(INCLUDING CANCELLATION OF FUNDS)

For the principal amount of direct loans, as authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, \$33,077,000.

Of the funds derived from interest on the cushion of credit payments, as authorized by section 313 of the Rural Electrification Act of 1936, \$241,794,000 shall not be obligated and \$241,794,000 are hereby permanently cancelled.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-3108-0-1-452	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0701 Direct loan subsidy	2	10	4
0705 Reestimates of direct loan subsidy	1	1	
0706 Interest on reestimates of direct loan subsidy	2		
0900 Total new obligations (object class 41.0)	5	11	4
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	5	1
1021 Recoveries of prior year unpaid obligations	2		
1050 Unobligated balance (total)	3	5	1
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	3	1	
Spending authority from offsetting collections, mandatory:			
1800 Collected	4	6	4
1900 Budget authority (total)	7	7	4
1930 Total budgetary resources available	10	12	5
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	5	1	1

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	9	5	6
3030 Obligations incurred, unexpired accounts	5	11	4
3040 Outlays (gross)	-7	-10	-8
3080 Recoveries of prior year unpaid obligations, unexpired	-2		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	5	6	2

Budget authority and outlays, net:				
Mandatory:				
4090	Budget authority, gross	7	7	4
Outlays, gross:				
4100	Outlays from new mandatory authority	3	4	2
4101	Outlays from mandatory balances	4	6	6
4110	Outlays, gross (total)	7	10	8
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4120	Federal sources	-4	-6	-4
4160	Budget authority, net (mandatory)	3	1	
4170	Outlays, net (mandatory)	3	4	4
4180	Budget authority, net (total)	3	1	
4190	Outlays, net (total)	3	4	4

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

Identification code 12-3108-0-1-452	2010 actual	CR	2012 est.	
Direct loan levels supportable by subsidy budget authority:				
115001	Rural Economic Development Loans	23	56	33
115999	Total direct loan levels	23	56	33
Direct loan subsidy (in percent):				
132001	Rural Economic Development Loans	13.05	17.91	12.98
132999	Weighted average subsidy rate	13.05	17.91	12.98
Direct loan subsidy budget authority:				
133001	Rural Economic Development Loans	3	10	4
133999	Total subsidy budget authority	3	10	4
Direct loan subsidy outlays:				
134001	Rural Economic Development Loans	4	9	8
134999	Total subsidy outlays	4	9	8
Direct loan upward reestimates:				
135001	Rural Economic Development Loans	3	1	
135999	Total upward reestimate budget authority	3	1	
Direct loan downward reestimates:				
137001	Rural Economic Development Loans	-5	-3	
137999	Total downward reestimate budget authority	-5	-3	

Rural economic development loans are made for the purpose of promoting rural economic development and job creation projects. Loans are made to electric and telecommunication borrowers, who, in turn, finance rural development projects in their service areas. Program costs are derived from interest earnings on borrowers' "cushion of credit" loan prepayments. The Budget proposes a loan level of \$33 million for this program in 2012.

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 in 1992 and beyond. The subsidy amounts are estimated on a present value basis.

RURAL ECONOMIC DEVELOPMENT DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4176-0-3-452	2010 actual	CR	2012 est.	
Obligations by program activity:				
Credit program obligations:				
0710	Direct loan obligations	23	56	33
0713	Payment of interest to Treasury	5	5	6
0742	Downward reestimate paid to receipt account	4	3	
0900	Total new obligations	32	64	39
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	1	23	
1021	Recoveries of prior year unpaid obligations	10		
1023	Unobligated balances applied to repay debt	-1	-23	
1024	Unobligated balance of borrowing authority withdrawn	-8		
1050	Unobligated balance (total)	2		
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority	43	32	3

Spending authority from offsetting collections, mandatory:				
1800	Collected	29	33	37
1801	Change in uncollected payments, Federal sources	-4	-1	-1
1825	Spending authority from offsetting collections applied to repay debt	-15		
1850	Spending auth from offsetting collections, mand (total)	10	32	36
1900	Financing authority (total)	53	64	39
1930	Total budgetary resources available	55	64	39
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	23		

Change in obligated balance:

Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	43	34	39
3010	Uncollected pymts, Fed sources, brought forward, Oct 1	-9	-5	-4
3020	Obligated balance, start of year (net)	34	29	35
3030	Obligations incurred, unexpired accounts	32	64	39
3040	Financing disbursements (gross)	-31	-59	-53
3050	Change in uncollected pymts, Fed sources, unexpired	4	1	1
3080	Recoveries of prior year unpaid obligations, unexpired	-10		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	34	39	25
3091	Uncollected pymts, Fed sources, end of year	-5	-4	-3
3100	Obligated balance, end of year (net)	29	35	22

Financing authority and disbursements, net:

Mandatory:				
4090	Financing authority, gross	53	64	39
Financing disbursements:				
4110	Financing disbursements, gross	31	59	53
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Federal Funds: Program Account	-7	-9	-8
4122	Interest on uninvested funds	-2	-2	-1
4123	Non-Federal sources: Repayment of Principal	-20	-22	-28
4130	Offsets against gross financing auth and disbursements (total)	-29	-33	-37
Additional offsets against financing authority only (total):				
4140	Change in uncollected pymts, Fed sources, unexpired	4	1	1
4160	Financing authority, net (mandatory)	28	32	3
4170	Financing disbursements, net (mandatory)	2	26	16
4180	Financing authority, net (total)	28	32	3
4190	Financing disbursements, net (total)	2	26	16

Status of Direct Loans (in millions of dollars)

Identification code 12-4176-0-3-452	2010 actual	CR	2012 est.	
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans	23	56	33
1150	Total direct loan obligations	23	56	33
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	105	105	135
1231	Disbursements: Direct loan disbursements	20	50	47
1251	Repayments: Repayments and prepayments	-20	-20	-26
1290	Outstanding, end of year	105	135	156

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. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 12-4176-0-3-452	2009 actual	2010 actual	
ASSETS:			
1101	Federal assets: Fund balances with Treasury	18	22
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	105	105
1405	Allowance for subsidy cost (-)	-13	-12
1499	Net present value of assets related to direct loans	92	93
1999	Total assets	110	115
LIABILITIES:			
2104	Federal liabilities: Resources payable to Treasury	110	115

RURAL ECONOMIC DEVELOPMENT DIRECT LOAN FINANCING
ACCOUNT—Continued
Balance Sheet—Continued

Identification code 12-4176-0-3-452	2009 actual	2010 actual
2999 Total liabilities	110	115
4999 Total liabilities and net position	110	115

RURAL BUSINESS INVESTMENT PROGRAM ACCOUNT
Program and Financing (in millions of dollars)

Identification code 12-1907-0-1-452	2010 actual	CR	2012 est.
Budgetary Resources:			
1930 Total budgetary resources available			
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	4	3	2
3040 Outlays (gross)	-1	-1	-1
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	3	2	1
Budget authority and outlays, net:			
Mandatory:			
Outlays, gross:			
4101 Outlays from mandatory balances	1	1	1
4180 Budget authority, net (total)			
4190 Outlays, net (total)	1	1	1

The Rural Business Investment Program was authorized and provided mandatory funding by section 6029 of the Farm Security and Rural Investment Act of 2002, Public Law 107-171. The Deficit Reduction Act rescinded the unobligated balance and no funds are requested for 2012.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the loan guarantees committed in 1992 and beyond, 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.

RURAL BUSINESS INVESTMENT PROGRAM GUARANTEE FINANCING ACCOUNT
Program and Financing (in millions of dollars)

Identification code 12-4033-0-3-452	2010 actual	CR	2012 est.
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	2	1	2
1020 Adjustment of unobligated bal brought forward, Oct 1	-2		
1050 Unobligated balance (total)		1	2
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	1	1	1
1930 Total budgetary resources available	1	2	3
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1	2	3
Change in obligated balance:			
Obligated balance, start of year (net):			
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-2		
3011 Adjustments to uncollected pymts, Fed sources, brought forward, Oct 1	2		
3020 Obligated balance, start of year (net)			
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	1	1	1

Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4122 Interest on uninvested funds	-1	-1	-1
4160 Financing authority, net (mandatory)			
4170 Financing disbursements, net (mandatory)	-1	-1	-1
4180 Financing authority, net (total)			
4190 Financing disbursements, net (total)	-1	-1	-1

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4033-0-3-452	2010 actual	CR	2012 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year			13
2231 Disbursements of new guaranteed loans		14	10
2251 Repayments and prepayments		-1	-1
2290 Outstanding, end of year		13	22
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year		11	18

Balance Sheet (in millions of dollars)

Identification code 12-4033-0-3-452	2009 actual	2010 actual
ASSETS:		
Federal assets: Investments in US securities:		
1106 Receivables, net		2
LIABILITIES:		
2204 Non-Federal liabilities: Liabilities for loan guarantees	2	2

RURAL ENERGY FOR AMERICA PROGRAM

For the cost of a program of loan guarantees and grants, under the same terms and conditions as authorized by section 9007 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107), \$36,788,000: Provided, That the cost of loan guarantees, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-1908-0-1-451	2010 actual	CR	2012 est.
Obligations by program activity:			
0011 Grants	86	58	70
Credit program obligations:			
0702 Loan guarantee subsidy	10	54	37
0707 Reestimates of loan guarantee subsidy	2	6	
0791 Direct program activities, subtotal	12	60	37
0900 Total new obligations (object class 41.0)	98	118	107
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1		3	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	39	39	37
Appropriations, mandatory:			
1200 Appropriation	2	6	
1221 Appropriations transferred from other accounts	60	70	70
1260 Appropriations, mandatory (total)	62	76	70
1900 Budget authority (total)	101	115	107
1930 Total budgetary resources available	101	118	107
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	3		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	93	128	178
3030 Obligations incurred, unexpired accounts	98	118	107
3040 Outlays (gross)	-60	-68	-78

3081	Recoveries of prior year unpaid obligations, expired	-3		
	Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)	128	178	207
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	39	39	37
Outlays, gross:				
4010	Outlays from new discretionary authority	7	2	2
4011	Outlays from discretionary balances	16	19	25
4020	Outlays, gross (total)	23	21	27
Mandatory:				
4090	Budget authority, gross	62	76	70
Outlays, gross:				
4100	Outlays from new mandatory authority	4	3	3
4101	Outlays from mandatory balances	33	44	48
4110	Outlays, gross (total)	37	47	51
4180	Budget authority, net (total)	101	115	107
4190	Outlays, net (total)	60	68	78

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

Identification code 12-1908-0-1-451	2010 actual	CR	2012 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Renewable Energy Loan Guarantees	73	118	140
215999 Total loan guarantee levels	73	118	140
Guaranteed loan subsidy (in percent):			
232001 Renewable Energy Loan Guarantees	13.64	46.36	26.19
232999 Weighted average subsidy rate	13.64	46.36	26.19
Guaranteed loan subsidy budget authority:			
233001 Renewable Energy Loan Guarantees	10	55	37
233999 Total subsidy budget authority	10	55	37
Guaranteed loan subsidy outlays:			
234001 Renewable Energy Loan Guarantees	7	6	23
234999 Total subsidy outlays	7	6	23
Guaranteed loan upward reestimates:			
235001 Renewable Energy Loan Guarantees	2	6	
235999 Total upward reestimate budget authority	2	6	
Guaranteed loan downward reestimates:			
237001 Renewable Energy Loan Guarantees		-2	
237999 Total downward reestimate subsidy budget authority		-2	

The Rural Energy for America was formerly the Renewable Energy Systems and Energy Efficiency Improvements, and is authorized under 7 U.S.C. 8106. This program provides loan guarantees and grants to farmers, ranchers, and small rural businesses to purchase renewable energy systems and make energy efficiency improvements. \$36.788 million in discretionary funding is proposed in 2012 in addition to \$70 million in mandatory funds. This program is authorized pursuant to Section 9007 of the Farm Security and Rural Investment Act of 2002, as amended by the Food, Conservation and Energy Act of 2008.

RURAL ENERGY FOR AMERICA GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4267-0-3-451	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0711 Default claim payments on principal	9	7	10
0742 Downward reestimate paid to receipt account		2	
0900 Total new obligations	9	9	10
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	12	15	66
1020 Adjustment of unobligated bal brought forward, Oct 1	-5		
1050 Unobligated balance (total)	7	15	66

Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	7		
Spending authority from offsetting collections, mandatory:			
1800 Collected	10	12	23
1801 Change in uncollected payments, Federal sources		48	14
1850 Spending auth from offsetting collections, mand (total)	10	60	37
1900 Financing authority (total)	17	60	37
1930 Total budgetary resources available	24	75	103
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	15	66	93

Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)			2
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-5		-48
3011 Adjustments to uncollected pymts, Fed sources, brought forward, Oct 1	5		
3020 Obligated balance, start of year (net)			-46
3030 Obligations incurred, unexpired accounts	9	9	10
3040 Financing disbursements (gross)	-9	-7	-10
3050 Change in uncollected pymts, Fed sources, unexpired		-48	-14
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)		2	2
3091 Uncollected pymts, Fed sources, end of year		-48	-62
3100 Obligated balance, end of year (net)		-46	-60

Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	17	60	37
Financing disbursements:			
4110 Financing disbursements (gross)	9	7	10
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources	-9	-12	-23
4122 Interest on uninvested funds	-1		
4130 Offsets against gross financing auth and disbursements (total)	-10	-12	-23
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired		-48	-14
4160 Financing authority, net (mandatory)	7		
4170 Financing disbursements, net (mandatory)	-1	-5	-13
4180 Financing authority, net (total)	7		
4190 Financing disbursements, net (total)	-1	-5	-13

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4267-0-3-451	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on commitments:			
2131 Guaranteed loan commitments exempt from limitation	73	118	140
2150 Total guaranteed loan commitments	73	118	140
2199 Guaranteed amount of guaranteed loan commitments	59	81	110
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	32	58	86
2231 Disbursements of new guaranteed loans	40	66	106
2251 Repayments and prepayments	-7	-31	-48
Adjustments:			
2261 Terminations for default that result in loans receivable	-9	-7	-10
2264 Other adjustments, net	2		
2290 Outstanding, end of year	58	86	134
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	31		

Balance Sheet (in millions of dollars)

Identification code 12-4267-0-3-451	2009 actual	2010 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	7	15
1999 Total assets	7	15
LIABILITIES:		
2204 Non-Federal liabilities: Non-Federal loan guarantee liability	7	15
2999 Total liabilities	7	15

RURAL ENERGY FOR AMERICA GUARANTEED LOAN FINANCING
ACCOUNT—Continued
Balance Sheet—Continued

Identification code 12-4267-0-3-451	2009 actual	2010 actual
4999 Total liabilities and net position	7	15

BIOREFINERY ASSISTANCE PROGRAM ACCOUNT
Program and Financing (in millions of dollars)

Identification code 12-3106-0-1-452	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0702 Loan guarantee subsidy	19	274	
0900 Total new obligations (object class 41.0)	19	274	
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	40	274	
1021 Recoveries of prior year unpaid obligations	8		
1050 Unobligated balance (total)	48	274	
Budget authority:			
Appropriations, mandatory:			
1221 Appropriations transferred from other accounts	245		
1900 Budget authority (total)	245		
1930 Total budgetary resources available	293	274	
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	274		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	35	19	270
3030 Obligations incurred, unexpired accounts	19	274	
3040 Outlays (gross)	-27	-23	-141
3080 Recoveries of prior year unpaid obligations, unexpired	-8		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	19	270	129
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			
Mandatory:			
4090 Budget authority, gross	245		
Outlays, gross:			
4101 Outlays from mandatory balances	27	23	141
4180 Budget authority, net (total)	245		
4190 Outlays, net (total)	27	23	141

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

Identification code 12-3106-0-1-452	2010 actual	CR	2012 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Section 9003 Loan Guarantees	55	881	
215999 Total loan guarantee levels	55	881	
Guaranteed loan subsidy (in percent):			
232001 Section 9003 Loan Guarantees	35.47	31.10	0.00
232999 Weighted average subsidy rate	35.47	31.10	0.00
Guaranteed loan subsidy budget authority:			
233001 Section 9003 Loan Guarantees	19	274	
233999 Total subsidy budget authority	19	274	
Guaranteed loan subsidy outlays:			
234001 Section 9003 Loan Guarantees	27	23	141
234999 Total subsidy outlays	27	23	141

The Biorefinery Assistance Program provides loan guarantees to fund the development, construction, and retrofitting of commercial-scale advanced biorefineries. While the 2012 Budget does not request discretionary funding for this program, we expect carryover balances will be available in 2012 from the 2008 Farm Bill. The Biorefinery Assistance Program is authorized under

section 9003 of the Farm Security and Rural Investment Act of 2002, as amended by the Food, Conservation and Energy Act of 2008.

Balance Sheet (in millions of dollars)

Identification code 12-3106-0-1-452	2009 actual	2010 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury		30
1999 Total assets		30
LIABILITIES:		
2204 Non-Federal liabilities: Liabilities for loan guarantees		30
2999 Total liabilities		30
4999 Total liabilities and net position		30

BIOREFINERY ASSISTANCE GUARANTEED LOAN FINANCING ACCOUNT
Program and Financing (in millions of dollars)

Identification code 12-4355-0-3-452	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0711 Default claim payments on principal		1	3
0900 Total new obligations		1	3
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	35	30	305
1020 Adjustment of unobligated bal brought forward, Oct 1	-35		
1050 Unobligated balance (total)		30	305
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	30	26	152
1801 Change in uncollected payments, Federal sources		250	-141
1850 Spending auth from offsetting collections, mand (total)	30	276	11
1930 Total budgetary resources available	30	306	316
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	30	305	313
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)			1
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-35		-250
3011 Adjustments to uncollected pymts, Fed sources, brought forward, Oct 1	35		
3020 Obligated balance, start of year (net)			-249
3030 Obligations incurred, unexpired accounts		1	3
3040 Financing disbursements (gross)			-2
3050 Change in uncollected pymts, Fed sources, unexpired		-250	141
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)		1	2
3091 Uncollected pymts, Fed sources, end of year		-250	-109
3100 Obligated balance, end of year (net)		-249	-107
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	30	276	11
Financing disbursements:			
4110 Financing disbursements, gross			2
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources	-27	-24	-141
4122 Interest on uninvested funds	-2	-1	-3
4123 Guaranteed Fees	-1	-1	-8
4130 Offsets against gross financing auth and disbursements (total)	-30	-26	-152
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired		-250	141
4160 Financing authority, net (mandatory)			
4170 Financing disbursements, net (mandatory)	-30	-26	-150
4180 Financing authority, net (total)			
4190 Financing disbursements, net (total)	-30	-26	-150

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4355-0-3-452	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on commitments:			
2131 Guaranteed loan commitments exempt from limitation	55	881	.....
2150 Total guaranteed loan commitments	55	881	.....
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year		79	173
2231 Disbursements of new guaranteed loans	80	103	455
2251 Repayments and prepayments	-1	-8	-17
2263 Adjustments: Terminations for default that result in claim payments		-1	-3
2290 Outstanding, end of year	79	173	608
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	71	155	547
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2331 Disbursements for guaranteed loan claims			

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 guaranteed loans committed. The amounts in this account are a means of financing and are not included in the budget totals. The subsidy cost of this program is funded through the Biorefinery Assistance Program Account.

Balance Sheet (in millions of dollars)

Identification code 12-4355-0-3-452	2009 actual	2010 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury		30
1999 Total assets		30
LIABILITIES:		
2204 Non-Federal liabilities: Liabilities for loan guarantees		30
2999 Total liabilities		30
4999 Total liabilities and net position		30

ALTERNATIVE AGRICULTURAL RESEARCH AND COMMERCIALIZATION CORPORATION REVOLVING FUND

Program and Financing (in millions of dollars)

Identification code 12-4144-0-3-352	2010 actual	CR	2012 est.
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	1	1
1930 Total budgetary resources available	1	1	1
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1	1	1
4180 Budget authority, net (total)			
4190 Outlays, net (total)			

RURAL UTILITIES SERVICE

Federal Funds

HIGH ENERGY COST GRANTS

Program and Financing (in millions of dollars)

Identification code 12-2042-0-1-452	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 High energy cost grants	18	35	.....

0900 Total new obligations (object class 41.0)	18	35	.....
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	18	18	1
Budget authority:			
Appropriations, discretionary:			
1121 Appropriations transferred from other accounts	18	18	.....
1930 Total budgetary resources available	36	36	1
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	18	1	1
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	18	19	17
3030 Obligations incurred, unexpired accounts	18	35	.....
3040 Outlays (gross)	-17	-37	-7
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	19	17	10
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	18	18	.....
Outlays, gross:			
4010 Outlays from new discretionary authority		14	.....
4011 Outlays from discretionary balances	17	23	7
4020 Outlays, gross (total)	17	37	7
4180 Budget authority, net (total)	18	18	.....
4190 Outlays, net (total)	17	37	7

Funding has been provided since 2001 to support grants for areas that have high energy costs. These grants can be made to eligible entities or the Denali Commission to construct, extend, upgrade, and otherwise improve energy generation, transmission, or distribution facilities serving communities in which the average residential expenditure for home energy is at least 275 percent of the national average residential expenditure for home energy (as determined by the Energy Information Agency using the most recent data available). Grants are also available to establish and support a revolving fund to provide a more cost-effective means of purchasing fuel where the fuel cannot be shipped by means of surface transportation. The Budget proposes no funding in 2012.

RURAL WATER AND WASTE DISPOSAL PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, loan guarantees, and grants for the rural water, waste water, waste disposal, and solid waste management programs authorized by sections 306, 306A, 306C, 306D, 306E, and 310B and described in sections 306C(a)(2), 306D, 306E, and 381E(d)(2) of the Consolidated Farm and Rural Development Act, \$488,978,000, to remain available until expended, of which not to exceed \$497,000 shall be available for the rural utilities program described in section 306(a)(2)(B) of such Act, and of which not to exceed \$993,000 shall be available for the rural utilities program described in section 306E of such Act: Provided, That \$65,000,000 of the amount appropriated under this heading shall be for loans and grants including water and waste disposal systems grants authorized by 306C(a)(2)(B) and 306D of the Consolidated Farm and Rural Development Act, Federally-recognized Native American Tribes authorized by 306C(a)(1), and the Department of Hawaiian Home Lands (of the State of Hawaii): Provided further, That funding provided for section 306D of the Consolidated Farm and Rural Development Act may be provided to a consortium formed pursuant to section 325 of Public Law 105-83: Provided further, That not more than 2 percent of the funding provided for section 306D of the Consolidated Farm and Rural Development Act may be used by the State of Alaska and/or by a consortium formed pursuant to section 325 of Public Law 105-83 for training and technical assistance programs: Provided further, That not to exceed \$19,000,000 of the amount appropriated under this heading shall be for technical assistance grants for rural water and waste systems pursuant to section 306(a)(14) of such Act, unless the Secretary makes a determination of extreme need, of which \$6,000,000 shall be made available for a grant to a qualified non-profit multi-state regional technical assistance organization,

RURAL WATER AND WASTE DISPOSAL PROGRAM ACCOUNT—Continued
with experience in working with small communities on water and waste water problems, the principal purpose of such grant shall be to assist rural communities with populations of 3,300 or less, in improving the planning, financing, development, operation, and management of water and waste water systems, and of which not less than \$800,000 shall be for a qualified national Native American organization to provide technical assistance for rural water systems for tribal communities: Provided further, That not to exceed \$14,000,000 of the amount appropriated under this heading shall be for contracting with qualified national organizations for a circuit rider program to provide technical assistance for rural water systems: Provided further, That of the amount appropriated under this heading, the amount equal to the amount of Rural Water and Waste Disposal Program Account funds allocated by the Secretary for Rural Economic Area Partnership Zones for the fiscal year 2011, shall be available through June 30, 2012, for communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones for the rural utilities programs described in section 381E(d)(2) of the Consolidated Farm and Rural Development Act: Provided further, That sections 381E-H and 381N of the Consolidated Farm and Rural Development Act are not applicable to the funds made available under this heading: Provided further, That any prior balances in the Rural Development, Rural Community Advancement Program account programs authorized by sections 306, 306A, 306C, 306D, 306E, and 310B and described in sections 306C(a)(2), 306D, 306E, and 381E(d)(2) of such Act be transferred to and merged with this account and any other prior balances from the Rural Development, Rural Community Advancement Program account that the Secretary determines is appropriate to transfer.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-1980-0-1-452	2010 actual	CR	2012 est.
Obligations by program activity:			
0010 Water and waste disposal systems grants	693	494	411
0011 Water and waste disposal systems emergency supplemental grants	7		
0012 Solid waste management grants	3	4	4
0013 Emergency Community Water Assistance Grants	3	13	
0014 Water and waste disposal systems grants - ARRA	555		
0015 Administrative Expenses - ARRA	1		
0091 Direct program activities, subtotal	1,262	511	415
Credit program obligations:			
0701 Direct loan subsidy	168	155	74
0705 Reestimates of direct loan subsidy	4	28	
0706 Interest on reestimates of direct loan subsidy	8	19	
0707 Reestimates of loan guarantee subsidy	1		
0791 Direct program activities, subtotal	181	202	74
0900 Total new obligations (object class 41.0)	1,443	713	489
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	896	134	
1011 Unobligated balance transferred from other accounts		1	
1020 Adjustment of unobligated bal brought forward, Oct 1		-20	
1020 Adjustment of unobligated bal brought forward, Oct 1		-3	
1021 Recoveries of prior year unpaid obligations	116	3	
1050 Unobligated balance (total)	1,012	115	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	569	569	489
1120 Appropriations transferred to other accounts	-18	-18	
1160 Appropriation, discretionary (total)	551	551	489
Appropriations, mandatory:			
1200 Appropriation	14	47	
1900 Budget authority (total)	565	598	489
1930 Total budgetary resources available	1,577	713	489
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	134		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	2,693	3,380	2,869

3030 Obligations incurred, unexpired accounts	1,443	713	489
3040 Outlays (gross)	-640	-1,221	-1,087
3080 Recoveries of prior year unpaid obligations, unexpired	-116	-3	
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	3,380	2,869	2,271
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	551	551	489
Outlays, gross:			
4010 Outlays from new discretionary authority	20	22	19
4011 Outlays from discretionary balances	571	1,126	1,053
4020 Outlays, gross (total)	591	1,148	1,072
Mandatory:			
4090 Budget authority, gross	14	47	
Outlays, gross:			
4100 Outlays from new mandatory authority	14	47	
4101 Outlays from mandatory balances	35	26	15
4110 Outlays, gross (total)	49	73	15
4180 Budget authority, net (total)	565	598	489
4190 Outlays, net (total)	640	1,221	1,087

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

Identification code 12-1980-0-1-452	2010 actual	CR	2012 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Water and Waste Disposal Loans	951	1,817	770
115002 Water and Waste Disposal Emergency Supplemental Loans	4		
115003 Water and Waste Disposal Loans - ARRA	1,274		
115999 Total direct loan levels	2,229	1,817	770
Direct loan subsidy (in percent):			
132001 Water and Waste Disposal Loans	7.54	8.58	9.58
132002 Water and Waste Disposal Emergency Supplemental Loans	7.54	0.00	0.00
132003 Water and Waste Disposal Loans - ARRA	7.54	0.00	0.00
132999 Weighted average subsidy rate	7.54	8.58	9.58
Direct loan subsidy budget authority:			
133001 Water and Waste Disposal Loans	72	155	74
133003 Water and Waste Disposal Loans - ARRA	96		
133999 Total subsidy budget authority	168	155	74
Direct loan subsidy outlays:			
134001 Water and Waste Disposal Loans	85	109	107
134002 Water and Waste Disposal Emergency Supplemental Loans		1	1
134003 Water and Waste Disposal Loans - ARRA	16	75	66
134999 Total subsidy outlays	101	185	174
Direct loan upward reestimates:			
135001 Water and Waste Disposal Loans	13	46	
135999 Total upward reestimate budget authority	13	46	
Direct loan downward reestimates:			
137001 Water and Waste Disposal Loans	-158	-96	
137999 Total downward reestimate budget authority	-158	-96	
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Water and Waste Disposal Loan Guarantees	11	75	12
215999 Total loan guarantee levels	11	75	12
Guaranteed loan subsidy (in percent):			
232001 Water and Waste Disposal Loan Guarantees	-0.82	-0.85	1.59
232999 Weighted average subsidy rate	-0.82	-0.85	1.59
Guaranteed loan subsidy budget authority:			
233001 Water and Waste Disposal Loan Guarantees		-1	
233999 Total subsidy budget authority		-1	
Guaranteed loan upward reestimates:			
235001 Water and Waste Disposal Loan Guarantees	2		
235999 Total upward reestimate budget authority	2		

This account funds the direct and guaranteed water and waste disposal loans, water and waste disposal grants, emergency community water assistance grants, and solid waste management grants. Since the passage of the Federal Agriculture Improvement and Reform Act of 1996 provided for the consolidation of the funding for these programs as part of the Rural Community Advancement Program (RCAP). However, since 2008 appropriation acts have provided no funding in the RCAP account and instead, each funding stream is being appropriated separately in new

accounts. This is the account for the Water and Wastewater funding stream, which is the Rural Utilities Stream from the RCAP account. The 2012 budget continues this arrangement.

Water and waste disposal loans are authorized under 7 U.S.C. 1926. The program provides direct loans to municipalities, counties, special purpose districts, certain Indian Tribes, and non-profit corporations to develop water and waste disposal systems in rural areas and towns with populations of less than 10,000. The program also guarantees water and waste disposal loans made by banks and other eligible lenders. In 2012, the projected loan level is approximately \$770 million for direct loans. The guaranteed loan program has a positive subsidy rate for the first time in the loan program's history for 2012. Because of that, the projected 2012 loan level has been reduced to the average historical obligation amount of \$12 million. This loan level is expected to be sufficient to meet demand.

Water and waste disposal grants are authorized under Section 306(a)(2) of the Consolidated Farm and Rural Development Act, as amended. Grants are authorized to be made to associations, including nonprofit corporations, municipalities, counties, public and quasi-public agencies, and certain Indian tribes. The grants can be used to finance development, storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas and cities or towns with populations of less than 10,000. The amount of any development grant may not exceed 75 percent of the eligible development cost of the project. \$411 million is requested for this program in 2012.

Emergency community water assistance grants are authorized under Section 306A of the Consolidated Farm and Rural Development Act, as amended. Grants are made to public bodies and nonprofit organizations for construction or extension of water lines, repair or maintenance of existing systems, replacement of equipment, and payment of costs to correct emergency situations. These grants are funded on an as needed basis using flexibility of funds authority.

Solid waste management grants are authorized under Section 310B(b) of the Consolidated Farm and Rural Development Act, as amended. Grants are made to non-profit organizations to provide regional technical assistance to local and regional governments and related agencies for the purpose of reducing or eliminating pollution of water resources, and for improving the planning and management of solid waste disposal facilities. \$4 million is requested for this program in 2012.

RURAL WATER AND WASTE DISPOSAL DIRECT LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4226-0-3-452	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0710 Direct loan obligations	2,229	1,817	770
0713 Payment of interest to Treasury	500	535	570
0742 Downward reestimate paid to receipt account	129	79	
0743 Interest on downward reestimates	29	17	
0900 Total new obligations	2,887	2,448	1,340
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	145	130	
1021 Recoveries of prior year unpaid obligations	273		
1023 Unobligated balances applied to repay debt	-145	-130	
1024 Unobligated balance of borrowing authority withdrawn	-241		
1050 Unobligated balance (total)	32		
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	2,219	1,205	336

Spending authority from offsetting collections, mandatory:			
1800 Collected	850	1,507	1,339
1801 Change in uncollected payments, Federal sources	35	-29	-100
1825 Spending authority from offsetting collections applied to repay debt	-119	-235	-235
1850 Spending auth from offsetting collections, mand (total)	766	1,243	1,004
1900 Financing authority (total)	2,985	2,448	1,340
1930 Total budgetary resources available	3,017	2,448	1,340
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	130		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	3,818	4,826	5,539
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-446	-481	-452
3020 Obligated balance, start of year (net)	3,372	4,345	5,087
3030 Obligations incurred, unexpired accounts	2,887	2,448	1,340
3040 Financing disbursements (gross)	-1,606	-1,735	-1,759
3050 Change in uncollected pymts, Fed sources, unexpired	-35	29	100
3080 Recoveries of prior year unpaid obligations, unexpired	-273		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	4,826	5,539	5,120
3091 Uncollected pymts, Fed sources, end of year	-481	-452	-352
3100 Obligated balance, end of year (net)	4,345	5,087	4,768
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	2,985	2,448	1,340
Financing disbursements:			
4110 Financing disbursements, gross	1,606	1,735	1,759
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources	-114	-231	-174
4122 Interest on uninvested funds	-44	-102	-93
4123 Repayment of principal	-272	-515	-470
4123 Interest Received on Loans	-411	-659	-602
4123 Non-Federal sources	-9		
4130 Offsets against gross financing auth and disbursements (total)	-850	-1,507	-1,339
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired	-35	29	100
4160 Financing authority, net (mandatory)	2,100	970	101
4170 Financing disbursements, net (mandatory)	756	228	420
4180 Financing authority, net (total)	2,100	970	101
4190 Financing disbursements, net (total)	756	228	420

Status of Direct Loans (in millions of dollars)

Identification code 12-4226-0-3-452	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation	2,229	1,817	770
1150 Total direct loan obligations	2,229	1,817	770
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	9,218	9,889	10,478
1231 Disbursements: Direct loan disbursements	948	1,104	1,190
1251 Repayments: Repayments and prepayments	-272	-515	-470
1264 Write-offs for default: Other adjustments, net (+ or -)	-5		
1290 Outstanding, end of year	9,889	10,478	11,198

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. The amounts in this account are a means of financing and are not included in the budget totals. The subsidy cost of these loans is provided through the Rural Water and Waste Disposal Program Account. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

Balance Sheet (in millions of dollars)

Identification code 12-4226-0-3-452	2009 actual	2010 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	213	217

RURAL WATER AND WASTE DISPOSAL DIRECT LOANS FINANCING
ACCOUNT—Continued
Balance Sheet—Continued

Identification code 12-4226-0-3-452	2009 actual	2010 actual
Investments in US securities:		
1106 Receivables, net	13	46
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	9,218	9,889
1402 Interest receivable	94	98
1405 Allowance for subsidy cost (-)	-728	-741
1499 Net present value of assets related to direct loans	8,584	9,246
1999 Total assets	8,810	9,509
LIABILITIES:		
Federal liabilities:		
2103 Debt	8,652	9,413
2105 Other	158	96
2999 Total liabilities	8,810	9,509
4999 Total liabilities and net position	8,810	9,509

RURAL WATER AND WASTE WATER DISPOSAL GUARANTEED LOANS FINANCING
ACCOUNT
Program and Financing (in millions of dollars)

Identification code 12-4218-0-3-452	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0711 Default claim payments on principal	1		
0900 Total new obligations	1		
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	1	
1023 Unobligated balances applied to repay debt	-1	-1	
1050 Unobligated balance (total)			
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	1		
Spending authority from offsetting collections, mandatory:			
1800 Collected	2		
1825 Spending authority from offsetting collections applied to repay debt	-1		
1850 Spending auth from offsetting collections, mand (total)	1		
1900 Financing authority (total)	2		
1930 Total budgetary resources available	2		
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)			
3030 Obligations incurred, unexpired accounts	1		
3040 Financing disbursements (gross)	-1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)			
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	2		
Financing disbursements:			
4110 Financing disbursements, gross	1		
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources	-2		
4160 Financing authority, net (mandatory)			
4170 Financing disbursements, net (mandatory)	-1		
4180 Financing authority, net (total)			
4190 Financing disbursements, net (total)	-1		

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4218-0-3-452	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on commitments:			
2131 Guaranteed loan commitments exempt from limitation	11	75	12
2150 Total guaranteed loan commitments	11	75	12
2199 Guaranteed amount of guaranteed loan commitments	10	68	11
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	69	64	75
2231 Disbursements of new guaranteed loans	1	19	21
2251 Repayments and prepayments	-5	-8	-10
2263 Adjustments: Terminations for default that result in claim payments	-1		
2290 Outstanding, end of year	64	75	86
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	64	60	69

This account finances loan guarantee commitments for water systems, and waste disposal facilities in rural areas.

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 guaranteed loans committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

Balance Sheet (in millions of dollars)

Identification code 12-4218-0-3-452	2009 actual	2010 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	1	1
1999 Total assets	1	1
LIABILITIES:		
2104 Federal liabilities: Resources payable to Treasury	2	1
2204 Non-Federal liabilities: Liabilities for loan guarantees	-1	
2999 Total liabilities	1	1
4999 Total liabilities and net position	1	1

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM
ACCOUNT
(INCLUDING TRANSFER OF FUNDS)

The principal amount of direct and guaranteed loans as authorized by sections 305 and 306 of the Rural Electrification Act of 1936 (7 U.S.C. 935 and 936) shall be made as follows: 5 percent rural electrification loans, \$100,000,000; loans made pursuant to section 306 of that Act, rural electric, \$6,000,000,000; 5 percent rural telecommunications loans, \$145,000,000; cost of money rural telecommunications loans, \$250,000,000; and for loans made pursuant to section 306 of that Act, rural telecommunications loans, \$295,000,000: Provided, That not less than \$4,000,000,000 shall be for construction, acquisition or improvement of renewable energy plants or for construction, acquisition or improvement of fossil fueled electric generating plants (whether new or existing) that utilize carbon sequestration systems: Provided further, That funding may be made available for fossil fuel electric generating peaking units (new or existing) to the extent that the peaking unit operates in conjunction with an electric generating plant that produces electricity from solar, wind, or other intermittent sources of energy: Provided further, That not more than \$2,000,000,000 shall be available for environmental improvements to fossil fuel electric generating plants that would reduce emissions of air pollution including greenhouse gases.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, \$39,959,000, which shall be paid to the appropriation for "Rural Development, Salaries and Expenses".

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12–1230–0–1–271	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0705	Reestimates of direct loan subsidy	371	327
0706	Interest on reestimates of direct loan subsidy	192	28
0709	Administrative expenses	40	40
0900	Total new obligations	603	395
Budgetary Resources:			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1	8	7
1020	Adjustment of unobligated bal brought forward, Oct 1		-7
1050	Unobligated balance (total)	8	
Budget authority:			
Appropriations, discretionary:			
1100	Appropriation	40	40
Appropriations, mandatory:			
1200	Appropriation	562	355
1900	Budget authority (total)	602	395
1930	Total budgetary resources available	610	40
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year	7	
Change in obligated balance:			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)	18	12
3030	Obligations incurred, unexpired accounts	603	395
3040	Outlays (gross)	-606	-400
3081	Recoveries of prior year unpaid obligations, expired	-3	
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)	12	7
Budget authority and outlays, net:			
Discretionary:			
4000	Budget authority, gross	40	40
Outlays, gross:			
4010	Outlays from new discretionary authority	40	40
4011	Outlays from discretionary balances	4	5
4020	Outlays, gross (total)	44	45
Mandatory:			
4090	Budget authority, gross	562	355
Outlays, gross:			
4100	Outlays from new mandatory authority	562	355
4180	Budget authority, net (total)	602	395
4190	Outlays, net (total)	606	400

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

Identification code 12–1230–0–1–271	2010 actual	CR	2012 est.
Direct loan levels supportable by subsidy budget authority:			
115001	Electric Hardship Loans	100	100
115004	FFB Electric Loans	6,500	6,500
115005	Telecommunication Hardship Loans	145	145
115006	Treasury Telecommunications Loans	250	250
115007	FFB Telecommunications Loans	295	295
115008	FFB Guaranteed Underwriting	500	
115999	Total direct loan levels	7,790	7,290
Direct loan subsidy (in percent):			
132001	Electric Hardship Loans	-27.73	-7.38
132004	FFB Electric Loans	-0.47	-4.43
132005	Telecommunication Hardship Loans	-18.59	-7.37
132006	Treasury Telecommunications Loans	-0.43	-0.32
132007	FFB Telecommunications Loans	-0.65	-4.65
132008	FFB Guaranteed Underwriting	-1.85	0.00
132999	Weighted average subsidy rate	-1.25	-4.40
Direct loan subsidy budget authority:			
133001	Electric Hardship Loans	-28	-7
133004	FFB Electric Loans	-31	-288
133005	Telecommunication Hardship Loans	-27	-11
133006	Treasury Telecommunications Loans	-1	-1
133007	FFB Telecommunications Loans	-2	-14
133008	FFB Guaranteed Underwriting	-9	

133999	Total subsidy budget authority	-97	-321	-288
Direct loan subsidy outlays:				
134001	Electric Hardship Loans		-3	-6
134002	Municipal Electric Loans	1		
134004	FFB Electric Loans	-55	-62	-101
134005	Telecommunication Hardship Loans	-2	-3	-6
134006	Treasury Telecommunications Loans		1	
134007	FFB Telecommunications Loans	-1	-1	-4
134999	Total subsidy outlays	-57	-68	-117
Direct loan upward reestimates:				
135001	Electric Hardship Loans	1	1	
135002	Municipal Electric Loans	13	4	
135003	Treasury Electric Loans	16	4	
135004	FFB Electric Loans	420	305	
135005	Telecommunication Hardship Loans	11	3	
135006	Treasury Telecommunications Loans	26	9	
135007	FFB Telecommunications Loans	26	12	
135008	FFB Guaranteed Underwriting	26	7	
135011	Electric Loan Modifications	23	11	
135999	Total upward reestimate budget authority	562	356	
Direct loan downward reestimates:				
137001	Electric Hardship Loans	-17	-40	
137002	Municipal Electric Loans	-12	-10	
137003	Treasury Electric Loans	-12	-23	
137004	FFB Electric Loans	-66	-134	
137005	Telecommunication Hardship Loans	-5	-8	
137006	Treasury Telecommunications Loans	-1	-8	
137007	FFB Telecommunications Loans	-1	-19	
137008	FFB Guaranteed Underwriting	-91	-70	
137011	Electric Loan Modifications	-25	-1	
137999	Total downward reestimate budget authority	-230	-313	
Administrative expense data:				
3510	Budget authority	40	40	40
3590	Outlays from new authority	40	40	40

The Rural Utilities Service (RUS) conducts the rural electrification and the rural telecommunications loan programs. The rural electrification loan program is financed through RUS direct and guaranteed loans for the operation of generating plants, electric transmission, and distribution lines or systems. The rural telecommunications loan program is financed through RUS direct loans for construction, expansion, and operation of telecommunications lines and facilities or systems. The Budget requests \$690 million in 2012 for the telecommunication loan program.

The Budget supports the Administrations commitment to phase out fossil fuel subsidies. The total electric loan level included in the budget is \$6.1 billion. Of which, up to \$2 billion may be available for environmental improvements to fossil fuel electric generating plants that would reduce emissions. The remaining funding would be limited to renewable energy, transmission, distribution, carbon capture projects on generation facilities, and low emission peaking units affiliated with energy facilities that produce electricity from solar, wind and other intermittent sources of energy.

RUS will cancel loans obligated, but not disbursed, more than ten years ago. Most electric loans obligated more than ten years ago have either been disbursed or cancelled. However, current law prohibits the cancellation of telecommunications loans in most instances. This has resulted in many outstanding obligations that are older than ten years. Since loans are issued for specific projects, and technology is changing at a very fast pace, it is doubtful that the original project will be accomplished ten years after a loan is approved.

As required by the Federal Credit Reform Act of 1990, this account records, for rural electrification and telecommunications programs, the subsidy costs associated with the direct and guaranteed 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

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM
ACCOUNT—Continued

on a present value basis; the administrative expenses are estimated on a cash basis.

Object Classification (in millions of dollars)

Identification code 12-1230-0-1-271	2010 actual	CR	2012 est.
Direct obligations:			
25.3 Other goods and services from federal sources	40	40	40
41.0 Grants, subsidies, and contributions	562	355	.....
99.9 Total new obligations	602	395	40

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS DIRECT LOAN FINANCING
ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4208-0-3-271	2010 actual	CR	2012 est.
Obligations by program activity:			
0003 Interest on FFB Loans	1,052	1,309	1,935
Credit program obligations:			
0710 Direct loan obligations	7,790	7,290	6,790
0713 Payment of interest to Treasury	764	566	340
0740 Negative subsidy obligations	97	321	288
0742 Downward reestimate paid to receipt account	123	136	.....
0743 Interest on downward reestimates	106	177	.....
0791 Direct program activities, subtotal	8,880	8,490	7,418
0900 Total new obligations	9,932	9,799	9,353

Budgetary Resources:

Identification code 12-4208-0-3-271	2010 actual	CR	2012 est.
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	292	1,676	.....
1021 Recoveries of prior year unpaid obligations	218	.....	.....
1023 Unobligated balances applied to repay debt	-292	-1,676	.....
1024 Unobligated balance of borrowing authority withdrawn	-216	.....	.....
1050 Unobligated balance (total)	2	.....	.....
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	9,087	6,940	6,855
Spending authority from offsetting collections, mandatory:			
1800 Collected	3,931	3,723	3,401
1801 Change in uncollected payments, Federal sources	-6	-2	-2
1825 Spending authority from offsetting collections applied to repay debt	-1,406	-862	-901
1850 Spending auth from offsetting collections, mand (total)	2,519	2,859	2,498
1900 Financing authority (total)	11,606	9,799	9,353
1930 Total budgetary resources available	11,608	9,799	9,353
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1,676	.....	.....

Change in obligated balance:

Identification code 12-4208-0-3-271	2010 actual	CR	2012 est.
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	16,777	19,161	19,828
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-18	-12	-10
3020 Obligated balance, start of year (net)	16,759	19,149	19,818
3030 Obligations incurred, unexpired accounts	9,932	9,799	9,353
3040 Financing disbursements (gross)	-7,330	-9,132	-9,628
3050 Change in uncollected pymts, Fed sources, unexpired	6	2	2
3080 Recoveries of prior year unpaid obligations, unexpired	-218	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	19,161	19,828	19,553
3091 Uncollected pymts, Fed sources, end of year	-12	-10	-8
3100 Obligated balance, end of year (net)	19,149	19,818	19,545

Financing authority and disbursements, net:

Identification code 12-4208-0-3-271	2010 actual	CR	2012 est.
Mandatory:			
4090 Financing authority, gross	11,606	9,799	9,353
Financing disbursements:			
4110 Financing disbursements, gross	7,330	9,132	9,628
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Payment from program account	-565	-358	-2
4122 Interest on uninvested funds	-247	-221	-198
4123 Repayment of principal	-1,404	-1,430	-1,456

4123 Interest received on loans	-1,683	-1,714	-1,745
4123 Other	-32	.....	.....
4130 Offsets against gross financing auth and disbursements (total)	-3,931	-3,723	-3,401
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired	6	2	2
4160 Financing authority, net (mandatory)	7,681	6,078	5,954
4170 Financing disbursements, net (mandatory)	3,399	5,409	6,227
4180 Financing authority, net (total)	7,681	6,078	5,954
4190 Financing disbursements, net (total)	3,399	5,409	6,227

Status of Direct Loans (in millions of dollars)

Identification code 12-4208-0-3-271	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation	7,790	7,290	6,790
1150 Total direct loan obligations	7,790	7,290	6,790
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	35,775	39,599	44,623
1231 Disbursements: Direct loan disbursements	5,223	6,568	6,964
1251 Repayments: Repayments and prepayments	-1,404	-1,544	-1,699
1264 Write-offs for default: Other adjustments, Reclassified, net	5	.....	.....
1290 Outstanding, end of year	39,599	44,623	49,888

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 electric and telecommunication 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 millions of dollars)

Identification code 12-4208-0-3-271	2009 actual	2010 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	1,146	1,524
Investments in US securities:		
1106 Receivables, net	499	362
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	33,118	36,722
1402 Interest receivable	33	32
1405 Allowance for subsidy cost (-)	-652	-751
1499 Net present value of assets related to direct loans	32,499	36,003
1999 Total assets	34,144	37,889
LIABILITIES:		
Federal liabilities: Debt		
2103 Federal liabilities: Debt	33,891	37,504
Non-Federal liabilities:		
2202 Interest payable	27	26
2207 Other	222	359
2999 Total liabilities	34,140	37,889
NET POSITION:		
3300 Cumulative results of operations	4	.....
4999 Total liabilities and net position	34,144	37,889
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	122	200
Investments in US securities:		
1106 Receivables, net	63	24
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	2,657	2,877
1402 Interest receivable	1	1
1405 Allowance for subsidy cost (-)	-11	.....
1499 Net present value of assets related to direct loans	2,647	2,878
1999 Total assets	2,832	3,102
LIABILITIES:		
Federal liabilities:		
2103 Debt	2,175	3,068
2104 Principal Payable to FFB	650	.....
2207 Non-Federal liabilities: Other	7	34
2999 Total liabilities	2,832	3,102

4999	Total upward reestimate subsidy BA [12-1230]	2,832	3,102
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RURAL ELECTRIFICATION AND TELECOMMUNICATIONS GUARANTEED LOANS FINANCING ACCOUNT

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4209-0-3-271	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on commitments:			
2150	Total guaranteed loan commitments		
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year	210	200
2231	Disbursements of new guaranteed loans	2	1
2251	Repayments and prepayments	-8	-4
2290	Outstanding, end of year	202	197
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year	202	197

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 guaranteed loans committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals.

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4230-0-3-999	2010 actual	CR	2012 est.
Obligations by program activity:			
0001	Interest expense on certificates of beneficial ownership	67	80
0002	Interest Expense, FFB direct	223	165
0003	Other interest expense	17	17
0005	Other: cushion of credit	145	145
0900	Total new obligations	435	407
Budgetary Resources:			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1	1,538	2,438
1022	Capital transfer of unobligated balances to general fund	-100	
1023	Unobligated balances applied to repay debt	-991	-84
1050	Unobligated balance (total)	447	2,354
Budget authority:			
Appropriations, mandatory:			
1200	Appropriation	2,400	26
Spending authority from offsetting collections, mandatory:			
1800	Collected	3,243	1,294
1820	Capital transfer of spending authority from offsetting collections to general fund	-1,362	-803
1825	Spending authority from offsetting collections applied to repay debt	-1,881	
1850	Spending auth from offsetting collections, mand (total)	423	491
1900	Budget authority (total)	2,400	491
1930	Total budgetary resources available	2,847	2,845
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year	2,412	2,438
Change in obligated balance:			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)	78	71
3030	Obligations incurred, unexpired accounts	435	407
3040	Outlays (gross)	-430	-431
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)	83	47
Budget authority and outlays, net:			
Mandatory:			
4090	Budget authority, gross	2,400	491
Outlays, gross:			
4100	Outlays from new mandatory authority	421	421

4101	Outlays from mandatory balances	9	68	10
4110	Outlays, gross (total)	430	435	431
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4123	Non-Federal sources	-3,243	-1,091	-1,294
4160	Budget authority, net (mandatory)	-843	-642	-803
4170	Outlays, net (mandatory)	-2,813	-656	-863
4180	Budget authority, net (total)	-843	-642	-803
4190	Outlays, net (total)	-2,813	-656	-863

Status of Direct Loans (in millions of dollars)

Identification code 12-4230-0-3-999	2010 actual	CR	2012 est.
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	7,580	4,558
1231	Disbursements: Direct loan disbursements	1	
1251	Repayments: Repayments and prepayments	-1,922	-518
1261	Adjustments: Capitalized interest	69	41
Write-offs for default:			
1263	Direct loans	-168	-62
1264	Other adjustments, net (+ or -)	-1,002	
1290	Outstanding, end of year	4,558	4,019

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4230-0-3-999	2010 actual	CR	2012 est.
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year	126	99
2251	Repayments and prepayments	-14	-11
2290	Outstanding, end of year	112	88
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year	112	88

STATUS OF AGENCY DEBT

[In millions of dollars]

	2010 actual	2011 est.	2012 est.
Agency debt held by FFB:			
Outstanding FFB direct, start of year	3423	2319	1575
Outstanding Certificate of Beneficial Ownership (CBO's), start of year	3047	2358	1675
New agency borrowing, FFB direct	0	0	0
Repayments and prepayments, FFB Direct	-1104	-744	-505
Repayments, CBO's	-689	-683	-528
Outstanding FFB direct, end of year	2319	1575	1070
Outstanding CBO's, end of year	2358	1675	1147

The Rural Telephone Bank has dissolved. To accomplish this, the Rural Telephone Bank liquidating account loans were used to redeem a portion of the Government's stock. The Rural Telephone Bank liquidating account loans were transferred to the Rural Electrification and Telecommunications liquidating account in 2006.

The Rural Utilities Service (RUS) will continue to service all loans in this account providing business management and technical assistance to the borrowers on a regular basis over the life of the loans.

Rural electric.—This program is financed through RUS direct loans for the construction and operation of generating plants, electric transmission, and distribution lines or systems.

As required by the Federal Credit Reform Act of 1990, this account records, for rural electrification and telecommunications programs, all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed prior to 1992. All new activity in RETRF in 1992 and beyond is recorded in corresponding program and financing accounts.

The following tables reflect statistics on loans made through the liquidating account only. Since 1992 new electric and telephone loans have been made through a separate program account.

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LIQUIDATING
ACCOUNT—Continued
ELECTRIC PROGRAM STATISTICS

[dollars in millions]

	2010 actual	2011 est.	2012 est.
Cumulative RUS financed direct loans	21,832	21,832	21,832
Cumulative FFB financed direct loans	25,869	25,869	25,869
Cumulative RUS funds advanced	21,832	21,832	21,832
Unadvanced RUS funds, end of year	0	0	0
Cumulative RUS principal repaid	20054	20493	20445
Cumulative RUS interest paid	13001	13076	13141
Cumulative loan guarantee commitments\1	0	0	0
Number of borrowers	664	658	652

Rural telecommunications.—This loan program is financed through RUS direct loans for the construction, expansion, and operation of telecommunications lines and facilities or systems.

TELECOMMUNICATIONS PROGRAM STATISTICS

[dollars in millions]

	2010 actual	2011 est.	2012 est.
Cumulative RUS financed direct loans	5,961	5,961	5,961
Cumulative FFB financed direct loans	562	562	562
Cumulative RUS funds advanced	5921	5927	5932
Unadvanced RUS funds, end of period	45	40	35
Cumulative RUS principal repaid	6040	6119	6187
Cumulative RUS interest paid	3345	3364	3381
Cumulative loan guarantee commitments\1	0	0	0
Number of borrowers	405	395	380

RURAL TELEPHONE BANK PROGRAM STATISTICS

[dollars in millions]

	2010 actual	2011 est.	2012 est.
Cumulative net loans	2,471	2,471	2,471
Cumulative loan funds, advanced	2,471	2,471	2,471
Unadvanced loan funds, end of year	0	0	0
Cumulative principal repaid	2415	2425	2434
Cumulative interest paid	2486	2490	2495
Number of borrowers	101	80	60

Balance Sheet (in millions of dollars)

Identification code 12-4230-0-3-999	2009 actual	2010 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	1,289	2,222
1601 Direct loans, gross	6,877	3,995
1602 Interest receivable	1	7
1603 Allowance for estimated uncollectible loans and interest (-)	-1,676	-1,458
1604 Direct loans and interest receivable, net	5,202	2,544
1699 Value of assets related to direct loans	5,202	2,544
1999 Total assets	6,491	4,766
LIABILITIES:		
Federal liabilities:		
2102 Interest payable	23	.....
2103 Debt	7,359	4,979
2104 Resources payable to Treasury	898	35
2105 Other	7	-248
2999 Total liabilities	8,287	4,766
4999 Total liabilities and net position	8,287	4,766
ASSETS:		
1101 Federal assets: Fund balances with Treasury	328	273
1601 Direct loans, gross	703	563
1602 Interest receivable	2	2
1603 Allowance for estimated uncollectible loans and interest (-)	-43	-26
1604 Direct loans and interest receivable, net	662	539
1699 Value of assets related to direct loans	662	539
1999 Total assets	990	812
LIABILITIES:		
Federal liabilities:		
2102 Interest payable	3	3
2103 Debt	879	387
2104 Resources payable to Treasury	97	411
2105 Other	1	1
2999 Total liabilities	980	802

NET POSITION:

3300 Cumulative results of operations	10	10
3999 Total net position	10	10
4999 Total liabilities and net position	990	812

Object Classification (in millions of dollars)

Identification code 12-4230-0-3-999	2010 actual	CR	2012 est.
Direct obligations:			
25.2 Other services from non-federal sources	81	145	145
33.0 Investments and loans	17	17	17
43.0 Interest and dividends	337	261	245
99.9 Total new obligations	435	423	407

RURAL TELEPHONE BANK PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-1231-0-1-452	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0705 Reestimates of direct loan subsidy	4	.....	.....
0706 Interest on reestimates of direct loan subsidy	7	1	.....
0900 Total new obligations (object class 41.0)	11	1	.....

Budgetary Resources:

Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	11	1	.....
1900 Budget authority (total)	11	1	.....
1930 Total budgetary resources available	11	1	.....

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	5	3	3
3030 Obligations incurred, unexpired accounts	11	1	.....
3040 Outlays (gross)	-12	-1	-1
3081 Recoveries of prior year unpaid obligations, expired	-1	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	3	3	2

Budget authority and outlays, net:

Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances	1	1	1
Mandatory:			
4090 Budget authority, gross	11	1	.....
Outlays, gross:			
4100 Outlays from new mandatory authority	11	.....	.....
4180 Budget authority, net (total)	11	1	.....
4190 Outlays, net (total)	12	1	1

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

Identification code 12-1231-0-1-452	2010 actual	CR	2012 est.
Direct loan subsidy outlays:			
134001 Rural Telephone Bank	1	.....	1
134999 Total subsidy outlays	1	.....	1
Direct loan upward reestimates:			
135001 Rural Telephone Bank	11	1	.....
135999 Total upward reestimate budget authority	11	1	.....
Direct loan downward reestimates:			
137001 Rural Telephone Bank	-3	-4	.....
137999 Total downward reestimate budget authority	-3	-4	.....

The Rural Telephone Bank completed dissolution in 2006, therefore no federally funded RTB loans are proposed.

As required by the Federal Credit Reform Act of 1990, this account records, for the RTB, the subsidy costs associated with the direct loans obligated in 1992 and beyond as well as administrative expenses for the program. The subsidy amounts are estimated

on a present value basis; administrative expenses are estimated on a cash basis.

RURAL TELEPHONE BANK DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4210-0-3-452	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0713 Payment of interest to Treasury	24	22	20
0742 Downward reestimate paid to receipt account	3	4	
0743 Interest on downward reestimates	1		
0900 Total new obligations	28	26	20
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	31	26	
1021 Recoveries of prior year unpaid obligations	62		
1023 Unobligated balances applied to repay debt	-31	-26	
1024 Unobligated balance of borrowing authority withdrawn	-61		
1050 Unobligated balance (total)	1		
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	3		
Spending authority from offsetting collections, mandatory:			
1800 Collected	76	59	59
1801 Change in uncollected payments, Federal sources	-1	-1	
1825 Spending authority from offsetting collections applied to repay debt	-25	-32	-39
1850 Spending auth from offsetting collections, mand (total)	50	26	20
1900 Financing authority (total)	53	26	20
1930 Total budgetary resources available	54	26	20
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	26		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	317	227	184
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-5	-4	-3
3020 Obligated balance, start of year (net)	312	223	181
3030 Obligations incurred, unexpired accounts	28	26	20
3040 Financing disbursements (gross)	-56	-69	-52
3050 Change in uncollected pymts, Fed sources, unexpired	1	1	
3080 Recoveries of prior year unpaid obligations, unexpired	-62		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	227	184	152
3091 Uncollected pymts, Fed sources, end of year	-4	-3	-3
3100 Obligated balance, end of year (net)	223	181	149
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	53	26	20
Financing disbursements:			
4110 Financing disbursements, gross	56	69	52
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources	-13	-2	-1
4122 Interest on uninvested funds	-4	-3	-2
4123 Principal received on loans	-38	-33	-34
4123 Interest received on loans	-21	-21	-22
4130 Offsets against gross financing auth and disbursements (total)	-76	-59	-59
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired	1	1	
4160 Financing authority, net (mandatory)	-22	-32	-39
4170 Financing disbursements, net (mandatory)	-20	10	-7
4180 Financing authority, net (total)	-22	-32	-39
4190 Financing disbursements, net (total)	-20	10	-7

Status of Direct Loans (in millions of dollars)

Identification code 12-4210-0-3-452	2010 actual	CR	2012 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	399	388	398
1231 Disbursements: Direct loan disbursements	28	43	31

1251 Repayments: Repayments and prepayments	-39	-33	-34
1290 Outstanding, end of year	388	398	395

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. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 12-4210-0-3-452	2009 actual	2010 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	54	54
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	398	388
1405 Allowance for subsidy cost (-)	35	-56
1499 Net present value of assets related to direct loans	433	332
1999 Total assets	487	386
LIABILITIES:		
2103 Federal liabilities: Debt	487	386
2999 Total liabilities	487	386
4999 Total liabilities and net position	487	386

DISTANCE LEARNING, TELEMEDICINE, AND BROADBAND PROGRAM

For grants for telemedicine and distance learning services in rural areas, as authorized by 7 U.S.C. 950aaa et seq., \$30,000,000, to remain available until expended.

In addition, \$17,976,000, to remain available until expended, for a grant program to finance broadband transmission in rural areas eligible for Distance Learning and Telemedicine Program benefits authorized by 7 U.S.C. 950aaa.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-1232-0-1-452	2010 actual	CR	2012 est.
Obligations by program activity:			
0010 Grants	5	121	48
0011 Grants - ARRA	2,337		
0091 Direct program activities, subtotal	2,342	121	48
Credit program obligations:			
0701 Direct loan subsidy	92	68	
0705 Reestimates of direct loan subsidy	10	17	
0706 Interest on reestimates of direct loan subsidy	3	8	
0791 Direct program activities, subtotal	105	93	
0900 Total new obligations (object class 41.0)	2,447	214	48
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	2,449	105	
1021 Recoveries of prior year unpaid obligations	6		
1050 Unobligated balance (total)	2,455	105	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	85	85	48
Appropriations, mandatory:			
1200 Appropriation	13	24	
1900 Budget authority (total)	98	109	48
1930 Total budgetary resources available	2,553	214	48
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-1		
1941 Unexpired unobligated balance, end of year	105		

DISTANCE LEARNING, TELEMEDICINE, AND BROADBAND PROGRAM—Continued
Program and Financing—Continued

Identification code 12-1232-0-1-452	2010 actual	CR	2012 est.
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	141	2,512	1,904
3030 Obligations incurred, unexpired accounts	2,447	214	48
3040 Outlays (gross)	-69	-822	-671
3080 Recoveries of prior year unpaid obligations, unexpired	-6		
3081 Recoveries of prior year unpaid obligations, expired	-1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	2,512	1,904	1,281
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	85	85	48
Outlays, gross:			
4010 Outlays from new discretionary authority	3	4	2
4011 Outlays from discretionary balances	53	794	669
4020 Outlays, gross (total)	56	798	671
Mandatory:			
4090 Budget authority, gross	13	24	
Outlays, gross:			
4100 Outlays from new mandatory authority	13	24	
4180 Budget authority, net (total)	98	109	48
4190 Outlays, net (total)	69	822	671

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

Identification code 12-1232-0-1-452	2010 actual	CR	2012 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Distance Learning and Telemedicine Loans		2	
115003 Broadband Treasury Rate Loans	77	1,221	
115004 Broadband Treasury Rate Loans - ARRA	1,189		
115999 Total direct loan levels	1,266	1,223	
Direct loan subsidy (in percent):			
132001 Distance Learning and Telemedicine Loans	0.00	1.47	0.00
132003 Broadband Treasury Rate Loans	7.24	5.58	0.00
132004 Broadband Treasury Rate Loans - ARRA	7.24	0.00	0.00
132999 Weighted average subsidy rate	7.24	5.57	0.00
Direct loan subsidy budget authority:			
133003 Broadband Treasury Rate Loans	6	68	
133004 Broadband Treasury Rate Loans - ARRA	86		
133999 Total subsidy budget authority	92	68	
Direct loan subsidy outlays:			
134003 Broadband Treasury Rate Loans	5	8	21
134004 Broadband Treasury Rate Loans - ARRA		26	22
134999 Total subsidy outlays	5	34	43
Direct loan upward reestimates:			
135001 Distance Learning and Telemedicine Loans	5	19	
135003 Broadband Treasury Rate Loans	7	5	
135999 Total upward reestimate budget authority	12	24	
Direct loan downward reestimates:			
137001 Distance Learning and Telemedicine Loans	-3	-3	
137003 Broadband Treasury Rate Loans	-8	-19	
137999 Total downward reestimate budget authority	-11	-22	

The loan and grant program provides access to advanced telecommunications services for improved education and health care in rural areas throughout the country. The loans and grants help education and health care providers bring the most modern technology, level of care, and education to rural America so its citizens can compete regionally, nationally, and globally.

Since there is little demand for the DLT loans, the Budget proposes to not provide any DLT loans in 2012.

DISTANCE LEARNING, TELEMEDICINE, AND BROADBAND DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4146-0-3-452	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0710 Direct loan obligations	1,266	1,223	
0713 Payment of interest to Treasury	25	26	26
0742 Downward reestimate paid to receipt account	9	19	
0743 Interest on downward reestimates	2	3	
0900 Total new obligations	1,302	1,271	26
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	20	6	
1021 Recoveries of prior year unpaid obligations	149		
1023 Unobligated balances applied to repay debt	-20	-6	
1024 Unobligated balance of borrowing authority withdrawn	-148		
1050 Unobligated balance (total)	1		
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	1,185	1,102	
Spending authority from offsetting collections, mandatory:			
1800 Collected	79	149	220
1801 Change in uncollected payments, Federal sources	85	20	104
1825 Spending authority from offsetting collections applied to repay debt	-42		-298
1850 Spending auth from offsetting collections, mand (total)	122	169	26
1900 Financing authority (total)	1,307	1,271	26
1930 Total budgetary resources available	1,308	1,271	26
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	6		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	808	1,757	2,476
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-17	-102	-122
3020 Obligated balance, start of year (net)	791	1,655	2,354
3030 Obligations incurred, unexpired accounts	1,302	1,271	26
3040 Financing disbursements (gross)	-204	-552	-651
3050 Change in uncollected pymts, Fed sources, unexpired	-85	-20	-104
3080 Recoveries of prior year unpaid obligations, unexpired	-149		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1,757	2,476	1,851
3091 Uncollected pymts, Fed sources, end of year	-102	-122	-226
3100 Obligated balance, end of year (net)	1,655	2,354	1,625
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	1,307	1,271	26
Financing disbursements:			
4110 Financing disbursements, gross	204	552	651
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources	-18	-58	-42
4122 Interest on uninvested funds	-7	-4	-9
4123 Repayment of principal	-41	-78	-148
4123 Interest received on loans	-13	-9	-21
4130 Offsets against gross financing auth and disbursements (total)	-79	-149	-220
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired	-85	-20	-104
4160 Financing authority, net (mandatory)	1,143	1,102	-298
4170 Financing disbursements, net (mandatory)	125	403	431
4180 Financing authority, net (total)	1,143	1,102	-298
4190 Financing disbursements, net (total)	125	403	431
Status of Direct Loans (in millions of dollars)			
Identification code 12-4146-0-3-452	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	1,266	1,223	
1150 Total direct loan obligations	1,266	1,223	
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	354	468	895

1231	Disbursements: Direct loan disbursements	169	505	625
1251	Repayments: Repayments and prepayments	-41	-78	-148
1264	Write-offs for default: Charge Off - Misc and Assn Loans, net	-14		
1290	Outstanding, end of year	468	895	1,372

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. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 12-4146-0-3-452	2009 actual	2010 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	44	47
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	354	468
1402 Interest receivable		2
1405 Allowance for subsidy cost (-)	18	29
1405 Allowance for loss on interest receivable (-)		-2
1499 Net present value of assets related to direct loans	372	497
1999 Total assets	416	544
LIABILITIES:		
2103 Federal liabilities: Debt	416	544
2999 Total liabilities	416	544
4999 Total liabilities and net position	416	544

RURAL DEVELOPMENT INSURANCE FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4155-0-3-452	2010 actual	CR	2012 est.
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	4		
1022 Capital transfer of unobligated balances to general fund	-4		
1050 Unobligated balance (total)			
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	201	166	151
1820 Capital transfer of spending authority from offsetting collections to general fund	-201	-166	-151
1850 Spending auth from offsetting collections, mand (total)			
1930 Total budgetary resources available			
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year			
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross			
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources	-201	-166	-151
4160 Budget authority, net (mandatory)	-201	-166	-151
4170 Outlays, net (mandatory)	-201	-166	-151
4180 Budget authority, net (total)	-201	-166	-151
4190 Outlays, net (total)	-201	-166	-151

Status of Direct Loans (in millions of dollars)

Identification code 12-4155-0-3-452	2010 actual	CR	2012 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	1,343	1,211	1,108
1251 Repayments: Repayments and prepayments	-130	-103	-94
1263 Write-offs for default: Direct loans	-2		
1290 Outstanding, end of year	1,211	1,108	1,014

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4155-0-3-452	2010 actual	CR	2012 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	14	14	6
2251 Repayments and prepayments		-8	
2290 Outstanding, end of year	14	6	6
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	2	1	1

The Rural Development Insurance Fund (RDIF) was established on October 1, 1972, pursuant to section 116 of the Rural Development Act of 1972 (Public Law 92-419).

The fund is used to insure or guarantee loans for water systems and waste disposal facilities, community facilities, and industrial development in rural areas. Communities unable to afford low interest loans for water and waste disposal facilities are also able to obtain water and waste disposal grants.

The water and waste direct and guaranteed loan programs are administered by the Rural Utilities Service, the community facility direct and guaranteed loan programs are administered by the Rural Housing Service, and the business and industry direct and guaranteed loan programs are administered by the Rural Business-Cooperative Service.

As required by the Federal Credit Reform Act of 1990, this account records, for these loan programs, all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed prior to 1992. All new activity in these programs is recorded in corresponding program accounts and financing accounts.

Balance Sheet (in millions of dollars)

Identification code 12-4155-0-3-452	2009 actual	2010 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	4	1
1201 Non-Federal assets: Investments in non-Federal securities, net	34	34
1601 Direct loans, gross	1,344	1,211
1602 Interest receivable	14	12
1603 Allowance for estimated uncollectible loans and interest (-)	-154	-130
1604 Direct loans and interest receivable, net	1,204	1,093
1699 Value of assets related to direct loans	1,204	1,093
1901 Other Federal assets: Other assets	4	
1999 Total assets	1,246	1,128
LIABILITIES:		
2104 Federal liabilities: Resources payable to Treasury	1,245	1,128
2204 Non-Federal liabilities: Liabilities for loan guarantees	1	
2999 Total liabilities	1,246	1,128
4999 Total liabilities and net position	1,246	1,128

RURAL COMMUNICATION DEVELOPMENT FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4142-0-3-452	2010 actual	CR	2012 est.
Budgetary Resources:			
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	1		
1820 Capital transfer of spending authority from offsetting collections to general fund	-1		
1850 Spending auth from offsetting collections, mand (total)			
1930 Total budgetary resources available			

RURAL COMMUNICATION DEVELOPMENT FUND LIQUIDATING
ACCOUNT—Continued

Program and Financing—Continued

Identification code 12-4142-0-3-452	2010 actual	CR	2012 est.
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross			
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources	-1		
4160 Budget authority, net (mandatory)	-1		
4170 Outlays, net (mandatory)	-1		
4180 Budget authority, net (total)	-1		
4190 Outlays, net (total)	-1		

Status of Direct Loans (in millions of dollars)

Identification code 12-4142-0-3-452	2010 actual	CR	2012 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	2	2	2
1251 Repayments: Repayments and prepayments			
1290 Outstanding, end of year	2	2	2

The Rural Communication Development Fund was established pursuant to the Secretary's Memorandum No. 1988, approved May 22, 1979. No loans have been made through this account since 1992.

Balance Sheet (in millions of dollars)

Identification code 12-4142-0-3-452	2009 actual	2010 actual
ASSETS:		
1601 Direct loans, gross	3	2
1603 Allowance for estimated uncollectible loans and interest (-)	-1	-1
1604 Direct loans and interest receivable, net	2	1
1699 Value of assets related to direct loans	2	1
1999 Total assets	2	1
LIABILITIES:		
2104 Federal liabilities: Resources payable to Treasury	2	1
2999 Total liabilities	2	1
4999 Total liabilities and net position	2	1

FOREIGN AGRICULTURAL SERVICE

Federal Funds

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Foreign Agricultural Service, including not to exceed \$158,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), \$229,730,000: Provided, That the Service may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1737) and the foreign assistance programs of the United States Agency for International Development: Provided further, That of the amount appropriated under this heading, \$14,600,000 is for stabilization and reconstruction activities to be carried out under the authority provided by title XIV of the Food and Agriculture Act of 1977 (7 U.S.C. 3101 et seq.) and other applicable laws: Provided further, That funds made available for middle-income country training programs, funds made available for the Borlaug International Agricultural Science and Technology Fellowship program, and up to \$2,000,000 of the Foreign Agricultural Service appropriation solely for the purpose of offsetting fluctuations in international currency exchange rates, subject to document-

ation by the Foreign Agricultural Service, shall remain available until expended .

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-2900-0-1-352	2010 actual	CR	2012 est.
0100 Balance, start of year			1
Receipts:			
0220 Deposits of Miscellaneous Contributed Funds, Foreign Agricultural Service		1	1
0400 Total: Balances and collections		1	2
0799 Balance, end of year		1	2

Program and Financing (in millions of dollars)

Identification code 12-2900-0-1-352	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Agricultural Exports	122	122	151
0002 New Technology	23	23	25
0003 Food Security	38	38	57
0004 Climate Change	3	3	3
0091 Direct program activities, subtotal	186	186	236
0801 Reimbursable Program	170	219	113
0900 Total new obligations	356	405	349

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	29	124	119
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	180	180	230
1121 Appropriations transferred from other accounts	143		
1160 Appropriation, discretionary (total)	323	180	230
Appropriations, mandatory:			
1200 Appropriation		1	1
Spending authority from offsetting collections, discretionary:			
1700 Collected	25	219	113
1701 Change in uncollected payments, Federal sources	168		
1750 Spending auth from offsetting collections, disc (total)	193	219	113
1900 Budget authority (total)	516	400	344
1930 Total budgetary resources available	545	524	463
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-65		
1941 Unexpired unobligated balance, end of year	124	119	114

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	116	127	132
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-116	-272	-272
3020 Obligated balance, start of year (net)		-145	-140
3030 Obligations incurred, unexpired accounts	356	405	349
3031 Obligations incurred, expired accounts	17		
3040 Outlays (gross)	-303	-400	-349
3050 Change in uncollected pymts, Fed sources, unexpired	-168		
3051 Change in uncollected pymts, Fed sources, expired	12		
3081 Recoveries of prior year unpaid obligations, expired	-59		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	127	132	132
3091 Uncollected pymts, Fed sources, end of year	-272	-272	-272
3100 Obligated balance, end of year (net)	-145	-140	-140

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	516	399	343
Outlays, gross:			
4010 Outlays from new discretionary authority	243	379	326
4011 Outlays from discretionary balances	60	20	22
4020 Outlays, gross (total)	303	399	348
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-44	-219	-113
4033 Non-Federal sources	-5		

4040	Offsets against gross budget authority and outlays (total)	-49	-219	-113
	Additional offsets against gross budget authority only:			
4050	Change in uncollected pymts, Fed sources, unexpired	-168		
4052	Offsetting collections credited to expired accounts	24		
4060	Additional offsets against budget authority only (total)	-144		
4070	Budget authority, net (discretionary)	323	180	230
4080	Outlays, net (discretionary)	254	180	235
	Mandatory:			
4090	Budget authority, gross		1	1
	Outlays, gross:			
4100	Outlays from new mandatory authority		1	1
4180	Budget authority, net (total)	323	181	231
4190	Outlays, net (total)	254	181	236

The Foreign Agricultural Service's (FAS) mission is linking U.S. agriculture to the world to enhance export opportunities and global food security. FAS helps to provide outlets for the wide variety of agriculture products produced by U.S. farmers, thereby enhancing economic activity for U.S. workers. FAS serves U.S. agriculture's interests by expanding and maintaining international export opportunities, supporting international economic development and trade and science capacity building, and supporting climate change analysis and U.S. agricultural interests in international negotiations. The outcomes envisioned are exports that help U.S. agriculture prosper, the expansion of U.S. exports of organics and crops produced using new technologies, food that is globally available, accessible, and appropriately used, and climate change provisions in international agreements that benefit U.S. agriculture. In addition to its Washington-based staff, the agency maintains a network of overseas offices that serve as first responders in cases of market disruption. The overseas offices also provide the Department with critical market and policy intelligence and they represent U.S. agriculture in consultations with foreign governments.

Agricultural Exports.—A substantial portion of U.S. agricultural cash receipts comes from export sales, making the vitality of rural America heavily dependent on international trade. FAS gives U.S. government policy makers, producer groups, private exporters, and producers the market intelligence they need to develop successful market strategies. Commodity analysts and country experts in Washington and around the world provide timely analysis of global trends, which enables policy makers and private exporters to respond promptly to changes in the international market. FAS's unique relationship with U.S. producer groups, known as cooperators, allows U.S. agriculture to nimbly respond to such changes. FAS also works to gain, maintain, and expand access to foreign markets in the face of unfair trade barriers. Removing existing barriers, while ensuring new ones are not introduced, directly helps rural America thrive. U.S. farm exports benefit from a wide range of programs and services administered by FAS. FAS also facilitates development and access to markets through technical assistance and capacity building programs, which promote the development of trade-friendly regulatory systems and infrastructure in emerging markets. The FAS programs that contribute to agricultural exports include the: Market Access Program (MAP), Foreign Market Development (FMD) Program, Technical Assistance for Specialty Crops (TASC) Program, Emerging Markets Program (EMP), Quality Samples Program, and Export Credit Guarantee Program.

New Technologies.—FAS promotes the acceptance of crops produced using biotechnology and other new technologies and organic standards around the world by drawing on Headquarters staff and Attaches covering more than 150 countries who negotiate with foreign governments and work with international organizations to develop fair and transparent international standards that will support the use of new technologies. In 2010, approximately 86 percent of the corn, 93 percent of the cotton, and 93

percent of the soybeans planted in the United States were biotech varieties. An estimated 60–80 percent of U.S. processed food products contain biotech ingredients and could be negatively affected by restrictive labeling measures, testing requirements, or outright bans. Exports of these crops and other foods produced or processed using modern biotechnologies are ubiquitous and form the core of the U.S. agricultural exports. Additionally, FAS works with developing countries to expand their capacity to effectively regulate and commercialize crops produced using new technologies. Finally, FAS advances educational programs to introduce government officials and other opinion leaders to the benefits of new technologies, alongside the State Department and private industry. FAS programs that contribute to new technologies include the Borlaug Fellowship Program and the Cochran Fellowship Program.

Food Security.—FAS is the link that enables the United States to share both its food resources and its technical expertise with those in need. The FAS global network of agricultural Attaches and locally engaged staff provide first-hand information on foreign agricultural markets, crop conditions, and political dynamics, an institutional knowledge of host countries and long-term relationships with foreign stakeholders. FAS has significant experience administering aid, technical assistance, capacity building programs, and exchanges that build in-country productivity. FAS also manages USDA's component of the Civilian Response Corps and the deployment of USDA experts abroad to assist in developing sustainable food systems in countries which are of high priority for meeting U.S. national security and food security objectives. The programs that support food security include the: McGovern-Dole International Food for Education Program, Food for Progress Program, Borlaug Fellowship Program, Cochran Fellowship Program, Technical Assistance and Capacity-Building, Civilian Response Corps, and Provincial Reconstruction Teams. These capabilities complement USAID capabilities and the overall policy lead of the Department of State.

Climate Change.—Careful monitoring and analysis of international climate change policies, legislation, and activities ensures that U.S. agriculture receives the full benefit of international agreements and trade rules. FAS provides a global monitoring system for U.S. agricultural trade through its overseas offices. Agricultural Counselors, Attaches, and Officers covering over 150 countries are often the first to hear about issues of concern to U.S. agricultural interests.

Object Classification (in millions of dollars)

Identification code 12-2900-0-1-352	2010 actual	CR	2012 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	72	73	84
11.3	Other than full-time permanent	3	3	3
11.5	Other personnel compensation	1	1	1
11.8	Special personal services payments	2	2	2
11.9	Total personnel compensation	78	79	90
12.1	Civilian personnel benefits	28	29	31
21.0	Travel and transportation of persons	9	9	9
22.0	Transportation of things	1	1	1
23.2	Rental payments to others	7	7	7
23.3	Communications, utilities, and miscellaneous charges	3	3	1
24.0	Printing and reproduction	1	1	1
25.2	Other services from non-federal sources	52	50	91
26.0	Supplies and materials	4	4	4
31.0	Equipment	2	2	2
41.0	Grants, subsidies, and contributions	1	1	1
99.0	Direct obligations	186	186	238
99.0	Reimbursable obligations	170	219	111
99.9	Total new obligations	356	405	349

SALARIES AND EXPENSES—Continued
Employment Summary

Identification code 12-2900-0-1-352	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	702	819	819
2001 Reimbursable civilian full-time equivalent employment	290	187	187

TRADE ADJUSTMENT ASSISTANCE FOR FARMERS
Program and Financing (in millions of dollars)

Identification code 12-1406-0-1-351	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Trade Adjustment Assistance for Farmers	90	33	.....
0900 Total new obligations (object class 25.2)	90	33	.....
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	90	33	.....
1930 Total budgetary resources available	90	33	.....
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	32	112	112
3030 Obligations incurred, unexpired accounts	90	33	.....
3031 Obligations incurred, expired accounts	41	.....	.....
3040 Outlays (gross)	-4	-33	-5
3081 Recoveries of prior year unpaid obligations, expired	-47	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	112	112	107
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	90	33	.....
Outlays, gross:			
4100 Outlays from new mandatory authority	2	.....	.....
4101 Outlays from mandatory balances	2	33	5
4110 Outlays, gross (total)	4	33	5
Additional offsets against gross budget authority only:			
4142 Offsetting collections credited to expired accounts .....	.....	.....	.....
4160 Budget authority, net (mandatory)	90	33	.....
4170 Outlays, net (mandatory)	4	33	5
4180 Budget authority, net (total)	90	33	.....
4190 Outlays, net (total)	4	33	5

Trade Adjustment Assistance (TAA) for Farmers was reauthorized and modified by the American Recovery and Reinvestment Act of 2009 as established by Subtitle C of Title I of the Trade Act of 2002, which amended the Trade Act of 1974. The statute authorized appropriations to the Department of Agriculture not to exceed \$90 million each year for 2009 and for 2010 and \$22.5 million for the period beginning October 1, 2010 and ending December 31, 2010 to carry out the program. Section 101 of the Omnibus Trade Act of 2010 (Public Law 111-344) amends this statute by providing \$10.4 million for a 6-week period beginning January 1, 2011 and ending February 12, 2011.

The statute requires the Secretary of Agriculture to provide assistance to eligible producers of agricultural commodities and fishermen when production in the most recent marketing year yields less than 85 percent of the average national price, production quantity, value of production, or cash receipts for such commodity for the three preceding marketing years, and increases in imports contributed importantly to such declines, as determined by the Secretary of Agriculture. TAA provides producers of raw agricultural commodities and fishermen, who have been adversely affected by import competition, free technical assistance, the reimbursement of certain travel and per diem costs associated with training, and cash benefits of up to \$12,000 for

costs that are linked to the development and implementation of business adjustment plans. TAA covers farmers, livestock producers, fish farmers, and fishermen competing with like or directly competitive imported products.

FOREIGN ASSISTANCE PROGRAMS

USDA has multiple food aid programs that provide U.S. commodities, technical and financial assistance to address hunger and malnutrition needs worldwide. USDA, working with USAID, delivers food aid programs to meet emergency needs and fosters economic development activities to alleviate global food insecurity.

SUMMARY OF FOOD ASSISTANCE PROGRAMMING

	[In millions of dollars]		
	2010 actual	2011 est.	2012 est.
McGovern-Dole International Food for Education and Child Nutrition (budget authority)	210	210	200
Food For Peace Act:			
Title I Credit (budget authority)	0	0	0
Title II Grants (budget authority)	1,840	1,690	1,690
Food for Progress:			
CCC Funded	146	192	156
Title I Funded (budget authority)	20	12	0
Bill Emerson Humanitarian Trust	0	0 ¹	0 ¹
Local and Regional Food Aid Procurement Program	24	25	5

¹ Assets of the trust can be released any time the Administrator of the U.S. Agency for International Development determines that Title II of the Food for Peace Act funding for emergency needs is inadequate to meet these needs in any fiscal year.

Included in this category are the following activities carried out under Food for Peace Act, also known as Public Law 480 (P.L. 480):

Financing sales of agricultural commodities to developing countries for dollars on credit terms, or for local currencies (including for local currencies on credit terms) for use under sec. 104; and for furnishing commodities to carry out the Food for Progress Act of 1985, as amended (Title I).—Funds appropriated for P.L. 480 are used to finance all sales made pursuant to agreements concluded under the authority of Title I. No 2012 funding is requested for new direct credit under Title I; however, funding for administrative expenses associated with managing the existing loan portfolio is requested. No funding is requested for Title I ocean freight differential for 2012.

Sales are made to developing countries as defined in section 402(5) of P.L. 480 and must not displace expected commercial sales (secs. 403(e) and (h)). Agreements are made with developing countries for delivery in accordance with the terms of the agreement.

Payment by developing countries or private entities may be made over a period of not more than 30 years with a deferral of principal payments for up to five years. Interest accrues at a concessional rate as determined appropriate.

Section 411 of P.L. 480 authorizes the President to waive payments of principal and interest under dollar credit sales agreements for countries that meet certain enumerated requirements. Such debt relief may be provided only if the President notifies Congress and may not exceed the amount approved for such purpose in an Act appropriating funds to carry out P.L. 480.

Payment by a recipient country may be made in local currencies for use in carrying out activities under section 104 of P.L. 480.

Foreign currency received in payment for credit extended may be used for payment of U.S. obligations abroad, subject to the appropriation process. The P.L. 480 program is reimbursed for the dollar value of currencies so used.

The financing of sales of agricultural commodities for local currencies on credit terms is subject to the same terms that are applicable to dollar credit financing.

Funds appropriated to carry out Title I may be used to furnish commodities to carry out the Food for Progress Act of 1985. Such commodities may be furnished on credit terms or on a grant basis in order to assist developing countries and countries that are emerging democracies that have made a commitment to introduce and expand free enterprise elements in their agricultural economies.

Commodities supplied in connection with dispositions abroad (Title II).—Under Public Law 480 Title II, agricultural commodities are furnished to meet emergency relief needs and address the underlying causes of food insecurity through non-emergency programs. The Commodity Credit Corporation (the Corporation) is authorized to pay the costs of acquisition, packaging, processing, enrichment, preservation, fortification, transportation, handling, and other incidental costs incurred up to the time of delivery at U.S. ports. The Corporation also pays ocean freight charges, and pays transportation costs to points of entry other than ports in the case of landlocked countries, where carriers to a specific country are not available, where ports cannot be used effectively, or where a substantial savings in costs or time can be effected, and pays general average contributions arising from ocean transport. In addition, transportation costs from designated points of entry or ports of entry abroad to storage and distribution sites and associated storage and distribution costs may be paid for commodities made available to meet urgent and extraordinary relief requirements. P.L. 480 funds reimburse the Corporation for all of the cost items authorized above.

MC GOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM GRANTS

For necessary expenses to carry out the provisions of section 3107 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o-1), \$200,500,000, to remain available until expended: Provided, That the Commodity Credit Corporation is authorized to provide the services, facilities, and authorities for the purpose of implementing such section, subject to reimbursement from amounts provided herein.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-2903-0-1-151	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 McGovern-Dole International Food for Education & Child Nutrition Program	131	210	201
0900 Total new obligations (object class 41.0)	131	210	201
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	8	87	87
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	210	210	201
1900 Budget authority (total)	210	210	201
1930 Total budgetary resources available	218	297	288
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	87	87	87
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	62	52	52
3030 Obligations incurred, unexpired accounts	131	210	201
3040 Outlays (gross)	-141	-210	-201
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	52	52	52

Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	210	210	201
Outlays, gross:			
4010 Outlays from new discretionary authority	80	210	201
4011 Outlays from discretionary balances	61	.....	.....
4020 Outlays, gross (total)	141	210	201
Additional offsets against gross budget authority only:			
4052 Offsetting collections credited to expired accounts .....	.....	.....	.....
4070 Budget authority, net (discretionary)	210	210	201
4080 Outlays, net (discretionary)	141	210	201
4180 Budget authority, net (total)	210	210	201
4190 Outlays, net (total)	141	210	201

The Farm Security and Rural Investment Act of 2002 (Public Law 107-171), as amended, authorizes the McGovern-Dole International Food for Education and Child Nutrition Program. The program provides for the donation of U.S. agricultural commodities and associated technical and financial assistance to carry out preschool and school feeding programs in foreign countries in order to improve food security, reduce the incidence of hunger and malnutrition, and improve literacy and primary education. Maternal, infant, and child nutrition programs also are authorized.

PUBLIC LAW 480 TITLE I OCEAN FREIGHT DIFFERENTIAL GRANTS

Program and Financing (in millions of dollars)

Identification code 12-2271-0-1-351	2010 actual	CR	2012 est.
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	17	5	.....
1010 Unobligated balance transferred to other accounts	-14	-5	.....
1021 Recoveries of prior year unpaid obligations	1	.....	.....
1050 Unobligated balance (total)	4	.....	.....
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	1	.....	.....
1930 Total budgetary resources available	5	.....	.....
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	5	.....	.....
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	2	1	.....
3040 Outlays (gross) .....	.....	-1	.....
3080 Recoveries of prior year unpaid obligations, unexpired	-1	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1	.....	.....
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	1	.....	.....
Outlays, gross:			
4101 Outlays from mandatory balances .....	.....	1	.....
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	-1	.....	.....
4160 Budget authority, net (mandatory) .....	.....	.....	.....
4170 Outlays, net (mandatory)	-1	1	.....
4180 Budget authority, net (total) .....	.....	.....	.....
4190 Outlays, net (total)	-1	1	.....

This account funds the title I ocean freight differential program. No funding is requested for 2012.

FOOD FOR PEACE TITLE II GRANTS

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Food for Peace Act (Public Law 83-480, as amended), for commodities supplied in connection with dispositions abroad under title II of said Act,

FOOD FOR PEACE TITLE II GRANTS—Continued

including up to \$6,500,000 for costs for services provided by the Farm Service Agency, which shall be available in addition to other funds available for such purpose, \$1,690,000,000, to remain available until expended.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12–2278–0–1–151	2010 actual	CR	2012 est.
Obligations by program activity:			
0002 Title II Grants	2,084	1,943	1,683
0003 Title II Administrative Expenses	7	7	7
0091 Direct program activities, subtotal	2,084	1,950	1,690
0801 Reimbursable program	89	91	98
0900 Total new obligations	2,173	2,041	1,788
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	258	260	.....
1021 Recoveries of prior year unpaid obligations	167	.....	.....
1050 Unobligated balance (total)	425	260	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,690	1,690	1,690
1100 Appropriation (Title II Supplemental)	150	.....	.....
1160 Appropriation, discretionary (total)	1,840	1,690	1,690
Spending authority from offsetting collections, discretionary:			
1700 Collected	3	.....	.....
Spending authority from offsetting collections, mandatory:			
1800 Collected	90	91	98
1801 Change in uncollected payments, Federal sources	75	.....	.....
1850 Spending auth from offsetting collections, mand (total)	165	91	98
1900 Budget authority (total)	2,008	1,781	1,788
1930 Total budgetary resources available	2,433	2,041	1,788
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	260	.....	.....
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	1,283	1,557	1,678
3030 Obligations incurred, unexpired accounts	2,173	2,041	1,788
3040 Outlays (gross)	-1,732	-1,920	-1,942
3050 Change in uncollected pymts, Fed sources, unexpired	-75	.....	.....
3080 Recoveries of prior year unpaid obligations, unexpired	-167	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1,557	1,678	1,524
3091 Uncollected pymts, Fed sources, end of year	-75	.....	.....
3100 Obligated balance, end of year (net)	1,482	1,678	1,524
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	1,843	1,690	1,690
Outlays, gross:			
4010 Outlays from new discretionary authority	583	891	891
4011 Outlays from discretionary balances	1,060	938	953
4020 Outlays, gross (total)	1,643	1,829	1,844
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033 Non-Federal sources	-3	.....	.....
4070 Budget authority, net (discretionary)	1,840	1,690	1,690
4080 Outlays, net (discretionary)	1,640	1,829	1,844
Mandatory:			
4090 Budget authority, gross	165	91	98
Outlays, gross:			
4100 Outlays from new mandatory authority	1	91	98
4101 Outlays from mandatory balances	88	.....	.....
4110 Outlays, gross (total)	89	91	98
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	-90	-91	-98
Additional offsets against gross budget authority only:			
4140 Change in uncollected pymts, Fed sources, unexpired	-75	.....	.....
4160 Budget authority, net (mandatory) .....	.....	.....	.....

4170 Outlays, net (mandatory)	-1	.....	.....
4180 Budget authority, net (total)	1,840	1,690	1,690
4190 Outlays, net (total)	1,639	1,829	1,844

This account funds the grant component of Public Law 480. Under Title II, agricultural commodities are furnished to meet emergency relief needs and address the underlying causes of food insecurity through non-emergency programs.

The Commodity Credit Corporation (Corporation) is authorized to pay the costs of acquisition, packaging, processing, enrichment, preservation, fortification, transportation, handling, and other incidental costs incurred up to the time of delivery at U.S. ports. The Corporation also pays ocean freight charges, and pays transportation costs to points of entry other than ports in the case of landlocked countries, where carriers to a specific country are not available, where ports cannot be used effectively, or where a substantial savings in costs or time can be effected, and pays general average contributions arising from ocean transport. In addition, transportation costs from designated points of entry or ports of entry abroad to storage and distribution sites and associated storage and distribution costs may be paid for commodities made available under this title for non-emergency assistance for least-developed countries and for urgent and extraordinary relief.

The program is administered by the U.S. Agency for International Development.

Object Classification (in millions of dollars)

Identification code 12–2278–0–1–151	2010 actual	CR	2012 est.
Direct obligations:			
25.3 Other goods and services from federal sources .....	.....	7	7
41.0 Grants, subsidies, and contributions	2,084	1,943	1,683
99.0 Direct obligations	2,084	1,950	1,690
99.0 Reimbursable obligations	89	91	98
99.9 Total new obligations	2,173	2,041	1,788

FOOD FOR PEACE TITLE I DIRECT CREDIT AND FOOD FOR PROGRESS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out the credit program of title I, Food for Peace Act (Public Law 83–480) and the Food for Progress Act of 1985, \$2,812,000, which shall be paid to the appropriation for "Farm Service Agency, Salaries and Expenses": Provided, That funds made available for the cost of agreements under title I of the Agricultural Trade Development and Assistance Act of 1954 and for title I ocean freight differential may be used interchangeably between the two accounts with prior notice to the Committees on Appropriations of both Houses of Congress.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12–2277–0–1–351	2010 actual	CR	2012 est.
Obligations by program activity:			
0010 Food for Progress grants	20	18	.....
Credit program obligations:			
0705 Reestimates of direct loan subsidy	15	31	.....
0706 Interest on reestimates of direct loan subsidy .....	.....	31	.....
0709 Administrative expenses	3	3	3
0791 Direct program activities, subtotal	18	65	3
0900 Total new obligations	38	83	3

Budgetary Resources:			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1	19	13
1011	Unobligated balance transferred from other accounts	14	5
1050	Unobligated balance (total)	33	18
Budget authority:			
Appropriations, discretionary:			
1100	Appropriation	3	3
Appropriations, mandatory:			
1200	Appropriation	15	62
1900	Budget authority (total)	18	65
1930	Total budgetary resources available	51	83
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year	13	

Change in obligated balance:			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)	40	42
3030	Obligations incurred, unexpired accounts	38	83
3040	Outlays (gross)	-36	-80
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)	42	45

Budget authority and outlays, net:			
Discretionary:			
4000	Budget authority, gross	3	3
Outlays, gross:			
4010	Outlays from new discretionary authority	3	3
4011	Outlays from discretionary balances	18	15
4020	Outlays, gross (total)	21	18
Mandatory:			
4090	Budget authority, gross	15	62
Outlays, gross:			
4100	Outlays from new mandatory authority	15	62
4180	Budget authority, net (total)	18	65
4190	Outlays, net (total)	36	80

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

Identification code 12-2277-0-1-351	2010 actual	CR	2012 est.
Direct loan subsidy outlays:			
134001	P. L. 480 title I loans	7	
134999	Total subsidy outlays	7	
Direct loan upward reestimates:			
135001	P. L. 480 title I loans	15	62
135999	Total upward reestimate budget authority	15	62
Direct loan downward reestimates:			
137001	P. L. 480 title I loans	-431	-7
137999	Total downward reestimate budget authority	-431	-7
Administrative expense data:			
3510	Budget authority	3	3
3590	Outlays from new authority	3	3

As required by the Federal Credit Reform Act of 1990, this account records, for the P.L. 480 Program, the subsidy costs associated with the direct credit obligated in 1992 and beyond (including modifications of direct credit agreements that resulted from obligation in any year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; and the administrative expenses and grants are estimated on a cash basis. The current balance of Title I debt owed to USDA is \$1.2 billion. No additional funding is requested for new Title I credit financing in 2012. Food for Progress grants will continue to be funded from the Commodity Credit Corporation.

Object Classification (in millions of dollars)

Identification code 12-2277-0-1-351	2010 actual	CR	2012 est.
Direct obligations:			
25.3	Other goods and services from federal sources	3	3
41.0	Grants, subsidies, and contributions	35	80

99.9	Total new obligations	38	83	3
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P.L. 480 DIRECT CREDIT FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4049-0-3-351	2010 actual	CR	2012 est.	
Obligations by program activity:				
Credit program obligations:				
0713	Payment of interest to Treasury	62	65	60
0742	Downward reestimate paid to receipt account	186		
0743	Interest on downward reestimates	245	6	
0900	Total new obligations	493	71	60

Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	607	633	
1020	Adjustment of unobligated bal brought forward, Oct 1		-551	
1023	Unobligated balances applied to repay debt		-82	
1050	Unobligated balance (total)	607		
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority	381	71	60
Spending authority from offsetting collections, mandatory:				
1800	Collected	138	179	107
1825	Spending authority from offsetting collections applied to repay debt		-179	-107
1850	Spending auth from offsetting collections, mand (total)	138		
1900	Financing authority (total)	519	71	60
1930	Total budgetary resources available	1,126	71	60
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	633		

Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)			
3010	Uncollected pymts, Fed sources, brought forward, Oct 1	-43	-43	-43
3020	Obligated balance, start of year (net)	-43	-43	-43
3030	Obligations incurred, unexpired accounts	493	71	60
3040	Financing disbursements (gross)	-493	-71	-60
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)			
3091	Uncollected pymts, Fed sources, end of year	-43	-43	-43
3100	Obligated balance, end of year (net)	-43	-43	-43

Financing authority and disbursements, net:				
Mandatory:				
4090	Financing authority, gross	519	71	60
Financing disbursements:				
4110	Financing disbursements, gross	493	71	60
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Payments from program account	-21	-62	
4122	Interest on uninvested funds		-3	-1
4123	Interest received on loans	-28	-27	-24
4123	Principal received on loans	-89	-87	-82
4130	Offsets against gross financing auth and disbursements (total)	-138	-179	-107
4160	Financing authority, net (mandatory)	381	-108	-47
4170	Financing disbursements, net (mandatory)	355	-108	-47
4180	Financing authority, net (total)	381	-108	-47
4190	Financing disbursements, net (total)	355	-108	-47

Status of Direct Loans (in millions of dollars)

Identification code 12-4049-0-3-351	2010 actual	CR	2012 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	1,333	1,215	1,129
1251	Repayments: Repayments and prepayments	-89	-86	-86
1261	Adjustments: Capitalized interest	12		
Write-offs for default:				
1263	Direct loans	-34		
1264	Other adjustments, net (+ or -)	-7		
1290	Outstanding, end of year	1,215	1,129	1,043

P.L. 480 DIRECT CREDIT FINANCING ACCOUNT—Continued

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 millions of dollars)

Identification code 12-4049-0-3-351	2009 actual	2010 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	13	39
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	1,333	1,215
1402 Interest receivable	18	17
1405 Allowance for subsidy cost (-)	-301	-285
1499 Net present value of assets related to direct loans	1,050	947
1901 Other Federal assets: Accounts Receivable		65
1999 Total assets	1,063	1,051
LIABILITIES:		
Federal liabilities:		
2103 Debt	660	1,041
2104 Resources payable to Treasury	403	10
2999 Total liabilities	1,063	1,051
4999 Total upward reestimate subsidy BA [12-2277]	1,063	1,051

DEBT REDUCTION—FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4143-0-3-351	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0713 Payment of interest to Treasury	6	6	5
0744 Adjusting payments to liquidating accounts	25		
0900 Total new obligations	31	6	5
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	64	98	91
1023 Unobligated balances applied to repay debt		-18	-3
1050 Unobligated balance (total)	64	80	88
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	65	17	18
1930 Total budgetary resources available	129	97	106
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	98	91	101
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)		1	1
3030 Obligations incurred, unexpired accounts		6	5
3040 Financing disbursements (gross)	-30	-6	-5
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1	1	1
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	65	17	18
Financing disbursements:			
4110 Financing disbursements, gross	30	6	5
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources - Payment from Debt Reduction Program			
Account	-35		
4122 Interest on uninvested funds	-2	-2	-2
4123 Loan Repayments - Principal	-24	-11	-12
4123 Loan Repayments- Interest	-4	-4	-4
4130 Offsets against gross financing auth and disbursements (total)	-65	-17	-18
4160 Financing authority, net (mandatory)			

4170 Financing disbursements, net (mandatory)	-35	-11	-13
4180 Financing authority, net (total)			
4190 Negative subsidy BA total [11-0091]	-35	-11	-13

Status of Direct Loans (in millions of dollars)

Identification code 12-4143-0-3-351	2010 actual	CR	2012 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	282	258	247
1233 Disbursements: Purchase of loans assets from a liquidating account	62		
1251 Repayments: Repayments and prepayments	-10	-11	-12
1261 Adjustments: Capitalized interest	52		
1263 Write-offs for default: Direct loans	-128		
1290 Outstanding, end of year	258	247	235

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 millions of dollars)

Identification code 12-4143-0-3-351	2009 actual	2010 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	44	78
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	282	258
1402 Interest receivable	9	1
1405 Allowance for subsidy cost (-)	-216	-226
1499 Net present value of assets related to direct loans	75	33
1901 Other Federal assets: Accounts Receivable		8
1999 Total assets	119	119
LIABILITIES:		
2104 Federal liabilities: Resources payable to Treasury	119	119
2999 Total liabilities	119	119
4999 Total liabilities and net position	119	119

EXPENSES, PUBLIC LAW 480, FOREIGN ASSISTANCE PROGRAMS, AGRICULTURE LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-2274-0-1-151	2010 actual	CR	2012 est.
Obligations by program activity:			
Credit program obligations:			
0715 Vietnam Education Fund	3	3	3
0900 Total new obligations (object class 41.0)	3	3	3
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	55	49	
1022 Capital transfer of unobligated balances to general fund	-55	-49	
1050 Unobligated balance (total)			
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Offsetting collections (cash) (Principal and interest)	425	364	283
1820 Capital transfer of spending authority from offsetting collections to general fund	-373	-361	-280
1850 Spending auth from offsetting collections, mand (total)	52	3	3
1930 Total budgetary resources available	52	3	3
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	49		
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts	3	3	3
3040 Outlays (gross)	-2	-3	-3

Budget authority and outlays, net:				
Mandatory:				
4090	Budget authority, gross	52	3	3
Outlays, gross:				
4100	Outlays from new mandatory authority	2	3	3
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4120	Federal sources	-18		
4123	Non-Federal sources	-304	-364	-283
4123	Non-Federal sources	-103		
4130	Offsets against gross budget authority and outlays (total)	-425	-364	-283
4160	Budget authority, net (mandatory)	-373	-361	-280
4170	Outlays, net (mandatory)	-423	-361	-280
4180	Budget authority, net (total)	-373	-361	-280
4190	Outlays, net (total)	-423	-361	-280

Status of Direct Loans (in millions of dollars)

Identification code 12-2274-0-1-151	2010 actual	CR	2012 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	4,470	4,150	3,873
1251	Repayments: Repayments and prepayments	-304	-277	-214
1264	Write-offs for default: Other adjustments, net (+ or -)	-16		
1290	Outstanding, end of year	4,150	3,873	3,659

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 is recorded in corresponding program and financing accounts.

Balance Sheet (in millions of dollars)

Identification code 12-2274-0-1-151	2009 actual	2010 actual	
ASSETS:			
1101	Federal assets: Fund balances with Treasury	55	50
1601	Direct loans, gross	4,470	4,150
1602	Interest receivable	47	43
1603	Allowance for estimated uncollectible loans and interest (-)	-1,229	-1,494
1699	Value of assets related to direct loans	3,288	2,699
1999	Total assets	3,343	2,749
LIABILITIES:			
2104	Federal liabilities: Resources payable to Treasury	3,318	2,726
2207	Non-Federal liabilities: Other	25	23
2999	Total liabilities	3,343	2,749
4999	Total liabilities and net position	3,343	2,749

FOOD AND NUTRITION SERVICE

Federal Funds

NUTRITION PROGRAMS ADMINISTRATION

For necessary administrative expenses of the Food and Nutrition Service for carrying out any domestic nutrition assistance program, \$170,471,000: Provided, That of the funds provided herein, \$3,000,000 shall be used for the purposes of section 4404 of Public Law 107-171, as amended by section 4401 of Public Law 110-246.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-3508-0-1-605	2010 actual	CR	2012 est.	
Obligations by program activity:				
0001	Nutrition programs administration	148	148	167
0003	Congressional hunger center fellowship	3	3	3
0091	Direct program activities, subtotal	151	151	170

0801	Reimbursable administrative services provided to Federal agencies	1	1	1
0900	Total new obligations	152	152	171

Budgetary Resources:

Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	151	151	170
Spending authority from offsetting collections, discretionary:				
1700	Collected	1	1	1
1900	Budget authority (total)	152	152	171
1930	Total budgetary resources available	152	152	171

Change in obligated balance:

Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	34	33	32
3030	Obligations incurred, unexpired accounts	152	152	171
3031	Obligations incurred, expired accounts	1		
3040	Outlays (gross)	-151	-153	-172
3081	Recoveries of prior year unpaid obligations, expired	-3		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	33	32	31

Budget authority and outlays, net:

Discretionary:				
4000	Budget authority, gross	152	152	171
Outlays, gross:				
4010	Outlays from new discretionary authority	128	129	145
4011	Outlays from discretionary balances	23	24	27
4020	Outlays, gross (total)	151	153	172
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	-1	-1	-1
4070	Budget authority, net (discretionary)	151	151	170
4080	Outlays, net (discretionary)	150	152	171
4180	Budget authority, net (total)	151	151	170
4190	Outlays, net (total)	150	152	171

This account funds the majority of the Federal operating expenses of the Food and Nutrition Service and the Center for Nutrition Policy and Promotion. Funding is provided for the Congressional Hunger Fellows Program.

Object Classification (in millions of dollars)

Identification code 12-3508-0-1-605	2010 actual	CR	2012 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	96	95	102
11.3	Other than full-time permanent	1	1	1
11.5	Other personnel compensation	1	1	1
11.9	Total personnel compensation	98	97	104
12.1	Civilian personnel benefits	22	25	27
21.0	Travel and transportation of persons	2	3	3
23.3	Communications, utilities, and miscellaneous charges	2	1	1
25.2	Other services from non-federal sources	23	19	29
26.0	Supplies and materials	1	3	3
41.0	Grants, subsidies, and contributions	3	3	3
99.0	Direct obligations	151	151	170
99.0	Reimbursable obligations	1	1	1
99.9	Total new obligations	152	152	171

Employment Summary

Identification code 12-3508-0-1-605	2010 actual	CR	2012 est.	
1001	Direct civilian full-time equivalent employment	1,033	1,077	1,087

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

For necessary expenses to carry out the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), \$73,183,808,000, of which \$5,000,000,000, to remain available through September 30, 2013, shall be placed in reserve for use only in such amounts and at such times as may become necessary

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM—Continued

to carry out program operations: Provided, That funds provided herein shall be expended in accordance with section 16 of the Food and Nutrition Act of 2008: Provided further, That this appropriation shall be subject to any work registration or workfare requirements as may be required by law: Provided further, That funds made available for Employment and Training under this heading shall remain available until expended, notwithstanding section 16(h)(1) of the Food and Nutrition Act of 2008: Provided further, That of the funds made available under this heading, \$1,000,000 may be used to provide nutrition education services to state agencies and Federally recognized tribes participating in the Food Distribution Program on Indian Reservations:

Provided further, That of the funds made available under this heading, \$1,500,000 may be available for the Center for Nutrition Policy and Promotion: Provided further, That of the funds made available under this heading, \$9,000,000 may be available for grants to states and technical assistance to improve Supplemental Nutrition Assistance Program application timeliness: Provided further, That funds made available under this heading may be available to enter into contracts and employ staff to conduct studies, evaluations, or to conduct activities related to program integrity provided that such activities are authorized by the Food and Nutrition Act of 2008.

For making after May 31 of the current fiscal year, benefit payments to individuals and payments to States or other non-Federal entities for the necessary current year expenses of carrying out the Food and Nutrition Act above the anticipated level, such sums as may be necessary.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-3505-0-1-605	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Benefits issued	53,994	61,000	61,816
0002 State administration	3,099	3,243	3,332
0003 Employment and training program	344	393	401
0004 Other program costs	95	113	126
0005 Nutrition Assistance for Puerto Rico	1,746	1,745	1,752
0006 Food Distribution Program on Indian Reservations (Commodities in lieu of food stamps)	76	60	65
0007 Food Distribution Program on Indian Reservations (Cooperator administrative expense)	37	37	38
0008 The Emergency Food Assistance Program (commodities)	248	248	249
0009 Modified food stamp program in American Samoa	5	7	7
0010 Community food project	5	5	5
0011 Commonwealth of the Northern Mariana Islands	12	12	12
0012 Nutrition Education Grant Program		375	381
0013 Program access	5	5	5
0016 Health and nutrition pilot projects	16	4	
0017 RA - Benefits issued	10,614	10,487	11,660
0018 RA - State administration	150		
0019 RA - Nutrition Assistance for Puerto Rico	254	256	249
0020 RA - American Samoa	1	1	1
0021 RA - Food Distribution Program on Indian Reservations - Equipment	1		
0022 State administrative expense supplemental	240	160	
0091 Direct program activities, subtotal	70,942	78,151	80,099
0801 Reimbursable program	49	55	55
0900 Total new obligations	70,991	78,206	80,154
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	3,535	1,608	3,020
1021 Recoveries of prior year unpaid obligations	14		
1050 Unobligated balance (total)	3,549	1,608	3,020
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	3	-6	12
1100 Appropriation - State administrative expense supplemental	400		
1160 Appropriation, discretionary (total)	403	-6	12
Appropriations, mandatory:			
1200 Appropriation	58,274	68,887	73,172
1200 Appropriation, Recovery Act	10,782	10,744	11,910
1220 Appropriations transferred to other accounts	-90	-90	-90

1221 Appropriations transferred from other accounts	90	90	90
1232 Unobligated balance of appropriations permanently reduced	-11		
1260 Appropriations, mandatory (total)	69,045	79,631	85,082
Spending authority from offsetting collections, mandatory:			
1800 Collected	49	55	55
1900 Budget authority (total)	69,497	79,680	85,149
1930 Total budgetary resources available	73,046	81,288	88,169
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-447	-62	-3,000
1941 Unexpired unobligated balance, end of year	1,608	3,020	5,015

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	2,050	2,357	2,011
3030 Obligations incurred, unexpired accounts	70,991	78,206	80,154
3031 Obligations incurred, expired accounts	93		
3040 Outlays (gross)	-70,553	-78,552	-80,125
3080 Recoveries of prior year unpaid obligations, unexpired	-14		
3081 Recoveries of prior year unpaid obligations, expired	-210		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	2,357	2,011	2,040

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	403	-6	12
Outlays, gross:			
4010 Outlays from new discretionary authority	127	1	6
4011 Outlays from discretionary balances	2	251	28
4020 Outlays, gross (total)	129	252	34
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-1		
4033 Non-Federal sources	-4		
4040 Offsets against gross budget authority and outlays (total)	-5		
Additional offsets against gross budget authority only:			
4052 Offsetting collections credited to expired accounts	5		
4070 Budget authority, net (discretionary)	403	-6	12
4080 Outlays, net (discretionary)	124	252	34
Mandatory:			
4090 Budget authority, gross	69,094	79,686	85,137
Outlays, gross:			
4100 Outlays from new mandatory authority	65,331	74,570	77,943
4101 Outlays from mandatory balances	5,093	3,730	2,148
4110 Outlays, gross (total)	70,424	78,300	80,091
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	-7		
4123 Non-Federal sources	-49	-55	-55
4130 Offsets against gross budget authority and outlays (total)	-56	-55	-55
Additional offsets against gross budget authority only:			
4142 Offsetting collections credited to expired accounts	7		
4160 Budget authority, net (mandatory)	69,045	79,631	85,082
4170 Outlays, net (mandatory)	70,368	78,245	80,036
4180 Budget authority, net (total)	69,448	79,625	85,094
4190 Outlays, net (total)	70,492	78,497	80,070

Summary of Budget Authority and Outlays (in millions of dollars)

	2010 actual	CR	2012 est.
Enacted/requested:			
Budget Authority	69,448	79,625	85,094
Outlays	70,492	78,497	80,070
Legislative proposal, subject to PAYGO:			
Budget Authority			92
Outlays			90
Total:			
Budget Authority	69,448	79,625	85,186
Outlays	70,492	78,497	80,160

The Supplemental Nutrition Assistance Program (SNAP) is the primary source of nutrition assistance for low-income Americans.

This account also includes funds for a grant to Puerto Rico to administer a low-income nutrition assistance program, in lieu of the Supplemental Nutrition Assistance Program; funds to carry out the Emergency Food Assistance Act of 1983; and funds for

food distribution and administrative expenses for Native Americans under section 4(b) of the Food and Nutrition Act.

Supplemental Nutrition Assistance Program costs are not fully predictable. In the event that actual program needs exceed budget estimates, the budget provides a \$5 billion contingency reserve.

The President's Budget includes a proposal to restore SNAP benefit cuts included in The Healthy, Hunger-Free Kids Act of 2010 (P.L. 111–296), which accelerated the sunset date of SNAP Recovery Act benefits to October 31, 2013. This proposal would revert the sunset date back to March 31, 2014 the date these benefits would have expired prior to enactment of The Healthy, Hunger-Free Kids Act of 2010. The Budget also includes a proposal to temporarily eliminate the time limits for certain working-age, low-income adults without dependents for an additional year.

Object Classification (in millions of dollars)

Identification code 12–3505–0–1–605	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	11	11	11
12.1 Civilian personnel benefits	2	2	3
21.0 Travel and transportation of persons	2	2	2
23.3 Communications, utilities, and miscellaneous charges	4	4	4
24.0 Printing and reproduction	1	1	1
25.2 Other services from non-federal sources	66	66	67
26.0 Supplies and materials	304	307	314
41.0 Grants, subsidies, and contributions	70,554	77,758	79,697
99.0 Direct obligations	70,942	78,151	80,099
99.0 Reimbursable obligations	49	55	55
99.9 Total new obligations	70,991	78,206	80,154

Employment Summary

Identification code 12–3505–0–1–605	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	112	116	116

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12–3505–4–1–605	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Benefits issued			92
0900 Total new obligations (object class 41.0)			92
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation			92
1900 Budget authority (total)			92
1930 Total budgetary resources available			92
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)			
3030 Obligations incurred, unexpired accounts			92
3040 Outlays (gross)			–90
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)			2
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			
Mandatory:			
4090 Budget authority, gross			92
Outlays, gross:			
4100 Outlays from new mandatory authority			90
4180 Budget authority, net (total)			92

4190 Outlays, net (total)	90
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CHILD NUTRITION PROGRAMS

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.), except section 21, and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), except sections 17 and 21; \$18,810,571,000, to remain available through September 30, 2013, of which such sums as are made available under section 14222(b)(1) of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246), as amended by this Act, shall be merged with and available for the same time period and purposes as provided herein: Provided, That of the total amount available, \$5,000,000 shall be available to be awarded as competitive grants to implement section 4405 of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246), and may be awarded notwithstanding the limitations imposed by sections 4405(b)(1)(A) and 4405(c)(1)(A): Provided further, That of the total amount available, \$16,516,000 shall be available to carry out section 19 of the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.): Provided further, That of the total amount available, \$10,000,000 shall be available to implement section 23 of the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.): Provided further, That of the total amount available, \$25,000,000 shall be available to implement section 24 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.): Provided further, That section 14222(b)(1) of the Food, Conservation, and Energy Act of 2008 is amended by adding at the end before the period, "except section 21, and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), except sections 17 and 21".

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12–3539–0–1–605	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Above 185 of poverty	471	463	455
0002 130–185 of poverty	1,174	1,169	1,174
0003 Below 130 of poverty	8,288	8,819	9,312
0091 Subtotal, National School Lunch Program	9,933	10,451	10,941
0101 Above 185 of poverty	84	83	84
0102 130–185 of poverty	248	254	268
0103 Below 130 of poverty	2,563	2,778	2,986
0191 Subtotal, School Breakfast Program	2,895	3,115	3,338
0201 Above 185 of poverty	188	188	190
0202 130–185 of poverty	132	134	139
0203 Below 130 of poverty	2,226	2,301	2,404
0204 Audits	37	39	40
0205 CNR Add-ons		31	45
0291 Subtotal, Child and Adult Care Feeding Program	2,583	2,693	2,818
0301 Summer Food Service Program	374	376	400
0302 Special Milk Program	12	13	13
0303 State Administrative Expenses	196	207	279
0304 Commodity Procurement	736	908	973
0310 Coordinated Review Effort	16	6	10
0315 Food Safety Education	3	4	3
0320 CACFP Technical Assistance	6	5	4
0325 CN Payment Accuracy	2	3	2
0330 CN Studies and Evaluations	8	4	19
0335 Computer Support and Processing	19	10	10
0340 Farm to School Tactical Team			2
0391 Subtotal, Other mandatory activities	1,372	1,536	1,715
0401 Team Nutrition	21	16	15
0409 HealthierUS Schools Challenge		1	2
0414 Hunger Free Community Grants		10	5
0420 School Breakfast Expansion Grants			10
0425 Childhood Hunger Challenge Grants			25
0430 School Garden Pilot Program		1	
0491 Subtotal, discretionary activities	21	28	57
0501 Food Service Management Institute/Information Clearinghouse/CN Reauthorization activities	14	29	13
0502 Fresh Fruit and Vegetable Program	80	134	130
0504 Summer Demonstration Projects	2	83	

CHILD NUTRITION PROGRAMS—Continued
Program and Financing—Continued

Identification code 12-3539-0-1-605	2010 actual	CR	2012 est.
0505 School Lunch Equipment Grants	15	10	.....
0506 CACFP Health and Nutrition Grants .....	.....	8	.....
0507 Direct Certification Technical Assistance	1	24	.....
0508 Healthy, Hunger-Free Act activities .....	.....	18	15
0591 Subtotal, Permanent Programs	112	306	158
0799 Total direct obligations	16,916	18,129	19,027
0801 WBCSM Reimbursable Activity	1	.....	.....
0809 Reimbursable program activities, subtotal	1	.....	.....
0900 Total new obligations	16,917	18,129	19,027
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	391	753	240
1010 Unobligated balance transferred to other accounts	-5	.....	.....
1011 Unobligated balance transferred from other accounts	5	.....	.....
1021 Recoveries of prior year unpaid obligations	239	.....	.....
1050 Unobligated balance (total)	630	753	240
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	165	73	-57
Appropriations, mandatory:			
1200 Appropriation	9,844	12,086	12,145
1200 Appropriation- Permanent Appropriation	10	45	18
1221 Appropriations transferred from other accounts	7,015	5,412	6,853
1260 Appropriations, mandatory (total)	16,869	17,543	19,016
Spending authority from offsetting collections, discretionary:			
1700 Collected	1	.....	.....
Spending authority from offsetting collections, mandatory:			
1800 Collected	32	.....	.....
1900 Budget authority (total)	17,067	17,616	18,959
1930 Total budgetary resources available	17,697	18,369	19,199
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-27	.....	.....
1941 Unexpired unobligated balance, end of year	753	240	172
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	2,227	2,562	2,068
3030 Obligations incurred, unexpired accounts	16,917	18,129	19,027
3031 Obligations incurred, expired accounts	139	.....	.....
3040 Outlays (gross)	-16,468	-18,623	-18,900
3080 Recoveries of prior year unpaid obligations, unexpired	-239	.....	.....
3081 Recoveries of prior year unpaid obligations, expired	-14	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	2,562	2,068	2,195
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	166	73	-57
Outlays, gross:			
4010 Outlays from new discretionary authority	17	11	-64
4011 Outlays from discretionary balances	68	123	55
4020 Outlays, gross (total)	85	134	-9
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-1	.....	.....
4070 Budget authority, net (discretionary)	165	73	-57
4080 Outlays, net (discretionary)	84	134	-9
Mandatory:			
4090 Budget authority, gross	16,901	17,543	19,016
Outlays, gross:			
4100 Outlays from new mandatory authority	13,891	15,500	16,435
4101 Outlays from mandatory balances	2,492	2,989	2,474
4110 Outlays, gross (total)	16,383	18,489	18,909
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	-30	.....	.....
4123 Non-Federal sources	-7	.....	.....
4130 Offsets against gross budget authority and outlays (total) ...	-37	.....	.....
Additional offsets against gross budget authority only:			
4142 Offsetting collections credited to expired accounts	5	.....	.....
4160 Budget authority, net (mandatory)	16,869	17,543	19,016
4170 Outlays, net (mandatory)	16,346	18,489	18,909

4180 Budget authority, net (total)	17,034	17,616	18,959
4190 Outlays, net (total)	16,430	18,623	18,900

Payments are made for cash and commodity meal subsidies through the School Lunch, School Breakfast, Special Milk, Summer Food Service, and Child and Adult Care Food Programs.

Object Classification (in millions of dollars)

Identification code 12-3539-0-1-605	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	11	12	12
12.1 Civilian personnel benefits	3	3	3
21.0 Travel and transportation of persons	1	1	1
23.2 Rental payments to others	1	1	1
24.0 Printing and reproduction	1	1	1
25.2 Other services from non-federal sources	14	15	15
26.0 Supplies and materials (Commodities)	697	908	973
41.0 Grants, subsidies, and contributions	16,188	17,188	18,021
99.0 Direct obligations	16,916	18,129	19,027
99.0 Reimbursable obligations	1	.....	.....
99.9 Total new obligations	16,917	18,129	19,027

Employment Summary

Identification code 12-3539-0-1-605	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	164	176	176

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

For necessary expenses to carry out the special supplemental nutrition program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), \$7,390,100,000, to remain available through September 30, 2013: Provided, That notwithstanding section 17(h)(10) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(10)), of the amounts made available under this heading, not less than \$14,000,000 shall be used for infrastructure, not less than \$60,000,000 shall be used for management information systems, not less than \$83,000,000 shall be used for breastfeeding peer counselors and other related activities, and not less than \$10,000,000 shall be used for breastfeeding performance awards: Provided further, That none of the funds provided in this account shall be available for the purchase of infant formula except in accordance with the cost containment and competitive bidding requirements specified in section 17 of such Act: Provided further, That none of the funds provided shall be available for activities that are not fully reimbursed by other Federal Government departments or agencies unless authorized by section 17 of such Act.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-3510-0-1-605	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Grants to States	7,151	7,429	7,373
0002 WIC MIS Recovery Act	64	.....	.....
0004 WIC EBT/MIS	30	90	60
0010 Infrastructure Grants and Technical Assistance .....	.....	17	14
0020 Breastfeeding Peer Counselors .....	.....	80	83
0025 Breastfeeding Performance Bonuses .....	.....	.....	10
0030 Program Initiatives and Evaluations .....	.....	42	30
0091 Direct program activities (discretionary), subtotal	7,245	7,658	7,570
0101 UPC Database (mandatory) .....	.....	1	1
0900 Total new obligations	7,245	7,659	7,571
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	561	734	130

1010	Unobligated balance transferred to other accounts	-28		
1021	Recoveries of prior year unpaid obligations	518	359	180
1050	Unobligated balance (total)	1,051	1,093	310
	Budget authority:			
	Appropriations, discretionary:			
1100	Appropriation	7,257	7,257	7,390
1131	Unobligated balance of appropriations permanently reduced		-562	
1160	Appropriation, discretionary (total)	7,257	6,695	7,390
	Appropriations, mandatory:			
1200	Appropriation - Permanent Appropriation		1	1
	Spending authority from offsetting collections, discretionary:			
1700	Collected	7		
1900	Budget authority (total)	7,264	6,696	7,391
1930	Total budgetary resources available	8,315	7,789	7,701
	Memorandum (non-add) entries:			
1940	Unobligated balance expiring	-336		
1941	Unexpired unobligated balance, end of year	734	130	130

Change in obligated balance:

	Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)	998	1,247	816
3030	Obligations incurred, unexpired accounts	7,245	7,659	7,571
3040	Outlays (gross)	-6,477	-7,731	-7,495
3080	Recoveries of prior year unpaid obligations, unexpired	-518	-359	-180
3081	Recoveries of prior year unpaid obligations, expired	-1		
	Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)	1,247	816	712

Budget authority and outlays, net:

	Discretionary:			
4000	Budget authority, gross	7,264	6,695	7,390
	Outlays, gross:			
4010	Outlays from new discretionary authority	5,509	6,027	6,662
4011	Outlays from discretionary balances	968	1,703	832
4020	Outlays, gross (total)	6,477	7,730	7,494
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
4033	Non-Federal sources	-8		
4052	Additional offsets against gross budget authority only: Offsetting collections credited to expired accounts	1		
4070	Budget authority, net (discretionary)	7,257	6,695	7,390
4080	Outlays, net (discretionary)	6,469	7,730	7,494
	Mandatory:			
4090	Budget authority, gross		1	1
	Outlays, gross:			
4100	Outlays from new mandatory authority		1	1
4180	Budget authority, net (total)	7,257	6,696	7,391
4190	Outlays, net (total)	6,469	7,731	7,495

The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) provides low-income at-risk pregnant and post-partum women, infants, and children with vouchers for nutritious supplemental food packages, nutrition education and counseling, and health and immunization referrals.

Object Classification (in millions of dollars)

Identification code 12-3510-0-1-605	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	2	2	2
25.2 Other services from non-federal sources	6	6	6
41.0 Grants, subsidies, and contributions	7,237	7,651	7,563
99.9 Total new obligations	7,245	7,659	7,571

Employment Summary

Identification code 12-3510-0-1-605	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	22	22	22

COMMODITY ASSISTANCE PROGRAM

For necessary expenses to carry out disaster assistance and the Commodity Supplemental Food Program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note); the

Emergency Food Assistance Act of 1983; special assistance for the nuclear affected islands, as authorized by section 103(f)(2) of the Compact of Free Association Amendments Act of 2003 (Public Law 108-188); and the Farmers' Market Nutrition Program, as authorized by section 17(m) of the Child Nutrition Act of 1966, \$249,619,000, to remain available through September 30, 2013: Provided, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program: Provided further, That notwithstanding any other provision of law, effective with funds made available in fiscal year 2012 to support the Seniors Farmers' Market Nutrition Program, as authorized by section 4402 of the Farm Security and Rural Investment Act of 2002, such funds shall remain available through September 30, 2013: Provided further, That of the funds made available under section 27(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036(a)), the Secretary may use up to 10 percent for costs associated with the distribution of commodities.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-3507-0-1-605	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Commodity procurement	143	152	134
0002 Administrative costs	40	41	42
0091 Subtotal, commodity supplemental food program	183	193	176
0101 IT Modernization and Support			2
0201 TEFAP Administrative	50	50	50
0301 Senior farmers' market	23	21	21
0401 Farmers' market nutrition program	22	20	20
0501 Pacific island and disaster assistance		1	1
0576 TEFAP Admin Recovery Act	55		
0591 Direct program activities, subtotal	55	1	1
0601 TEFAP Infrastructure Grants	6		
0799 Total direct obligations	339	285	270
0801 NSIP	3	2	
0900 Total new obligations	342	287	270

Budgetary Resources:

	Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1	26	10	7
1011	Unobligated balance transferred from other accounts	28		
1021	Recoveries of prior year unpaid obligations	5	13	
1050	Unobligated balance (total)	59	23	7
	Budget authority:			
	Appropriations, discretionary:			
1100	Appropriation	248	248	250
1121	Appropriations transferred from other accounts	3		
1160	Appropriation, discretionary (total)	251	248	250
	Appropriations, mandatory:			
1221	Appropriations transferred from other accounts	21	21	21
	Spending authority from offsetting collections, discretionary:			
1700	Collected	21	2	
1900	Budget authority (total)	293	271	271
1930	Total budgetary resources available	352	294	278
	Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year	10	7	8

Change in obligated balance:

	Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)	48	76	42
3030	Obligations incurred, unexpired accounts	342	287	270
3040	Outlays (gross)	-309	-308	-271
3080	Recoveries of prior year unpaid obligations, unexpired	-5	-13	
	Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)	76	42	41

Budget authority and outlays, net:

	Discretionary:			
4000	Budget authority, gross	272	250	250
	Outlays, gross:			
4010	Outlays from new discretionary authority	205	209	215
4011	Outlays from discretionary balances	84	77	35
4020	Outlays, gross (total)	289	286	250

COMMODITY ASSISTANCE PROGRAM—Continued
Program and Financing—Continued

Identification code 12-3507-0-1-605	2010 actual	CR	2012 est.
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-21	-2	.....
4070 Budget authority, net (discretionary)	251	248	250
4080 Outlays, net (discretionary)	268	284	250
Mandatory:			
4090 Budget authority, gross	21	21	21
Outlays, gross:			
4100 Outlays from new mandatory authority	12	13	13
4101 Outlays from mandatory balances	8	9	8
4110 Outlays, gross (total)	20	22	21
4180 Budget authority, net (total)	272	269	271
4190 Outlays, net (total)	288	306	271

This account funds the Commodity Supplemental Food Program (CSFP), The Emergency Food Assistance Program (TEFAP), farmers' market nutrition programs, assistance for the nuclear affected islands, and disaster relief.

CSFP provides food packages for low-income women, infants, and children, as well as low-income elderly persons. It also funds State administrative expenses. TEFAP provides cash to support State administrative activities and to maintain the storage and distribution pipeline for USDA and privately-donated commodities. The account also funds two programs which provide low-income participants vouchers to purchase produce at farmers' markets. The Senior Farmers' Market Nutrition Program is funded by transfer from the Commodity Credit Corporation. The WIC Farmers' Market Program is funded by discretionary appropriation.

Object Classification (in millions of dollars)

Identification code 12-3507-0-1-605	2010 actual	CR	2012 est.
Direct obligations:			
26.0 Supplies and materials (commodities)	146	154	135
41.0 Grants, subsidies, and contributions	196	131	135
99.0 Direct obligations	342	285	270
99.0 Reimbursable obligations .....	.....	2	.....
99.9 Total new obligations	342	287	270

Employment Summary

Identification code 12-3507-0-1-605	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	2	2	2

FOREST SERVICE
Federal Funds

NATIONAL FOREST SYSTEM
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, \$1,704,526,000, to remain available until expended: Provided, That of the funds provided, \$75,000,000 shall be available for urgently needed decommissioning of roads including unauthorized roads not part of the Forest Service transportation system, forest road and trail repair and maintenance and associated activities, and removal of fish passage barriers on National Forest System lands, especially in areas where Forest Service roads may be contributing to water quality problems in streams and water bodies which support threatened, endangered or sensitive species or community water sources as authorized by 16 U.S.C. 532-538 and 23 U.S.C. 101 and 205: Provided further, That of the funds

provided, \$40,000,000 shall be deposited in the Collaborative Forest Landscape Restoration Fund for ecological restoration treatments as authorized by 16 U.S.C. 7303(f).

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-1106-0-1-302	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 National forest system	1,581	1,715	1,704
0801 Reimbursable program	73	90	90
0900 Total new obligations	1,654	1,805	1,794
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	165	152	.....
1021 Recoveries of prior year unpaid obligations	7	.....	.....
1050 Unobligated balance (total)	172	152	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,551	1,551	1,704
1121 Appropriations transferred from other accounts	12	12	.....
1160 Appropriation, discretionary (total)	1,563	1,563	1,704
Spending authority from offsetting collections, discretionary:			
1700 Collected	70	90	90
1701 Change in uncollected payments, Federal sources	1	.....	.....
1750 Spending auth from offsetting collections, disc (total)	71	90	90
1900 Budget authority (total)	1,634	1,653	1,794
1930 Total budgetary resources available	1,806	1,805	1,794
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	152	.....	.....
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	420	448	307
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-123	-124	-124
3020 Obligated balance, start of year (net)	297	324	183
3030 Obligations incurred, unexpired accounts	1,654	1,805	1,794
3040 Outlays (gross)	-1,619	-1,946	-1,833
3050 Change in uncollected pymts, Fed sources, unexpired	-1	.....	.....
3080 Recoveries of prior year unpaid obligations, unexpired	-7	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	448	307	268
3091 Uncollected pymts, Fed sources, end of year	-124	-124	-124
3100 Obligated balance, end of year (net)	324	183	144
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	1,634	1,653	1,794
Outlays, gross:			
4010 Outlays from new discretionary authority	1,353	1,406	1,525
4011 Outlays from discretionary balances	266	540	308
4020 Outlays, gross (total)	1,619	1,946	1,833
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-47	-60	-60
4033 Non-Federal sources	-23	-30	-30
4040 Offsets against gross budget authority and outlays (total)	-70	-90	-90
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-1	.....	.....
4070 Budget authority, net (discretionary)	1,563	1,563	1,704
4080 Outlays, net (discretionary)	1,549	1,856	1,743
4180 Budget authority, net (total)	1,563	1,563	1,704
4190 Outlays, net (total)	1,549	1,856	1,743

The 155 National Forests and 20 National Grasslands located in 44 States, Puerto Rico, and the Virgin Islands are managed under multiple-use and sustained-yield principles. The natural resources of timber, minerals, range, wildlife, outdoor recreation, watershed, and soil are used in a planned combination that will best meet the needs of the Nation without impairing productivity of the land or damaging the environment. These management

and utilization principles are recognized in the Multiple-Use Sustained-Yield Act of 1960 (16 U.S.C. 528–531) and use an ecological approach to managing the National Forest System.

National Forest System (NFS) operations and maintenance provide for the planning, assessment, and conservation of ecosystems while delivering multiple public services and uses. These are delivered through the principal NFS programs of integrated resource restoration; land management planning, assessment, and monitoring; recreation, heritage, and wilderness; grazing management; minerals and geology management; landownership management; and law enforcement operations. These programs maintain the capability to manage natural resources in a manner consistent with ecological principles and responsibilities.

The Budget reflects an accelerated refocusing of national forest management to forest ecosystem restoration project work, including global climate change adaptation and mitigation. The goals of these ecological restoration efforts are to reestablish and retain the resilience of NFS lands, to achieve sustainable management and use, and to provide a broad range of ecosystem services. Healthy and resilient landscapes will have a greater capacity to survive natural disturbances, will provide for the natural storage and sustained delivery of high quality water, and will be more resilient and adaptable to changing environmental conditions, including the effects of global climate change. The Budget adds additional activities to this initiative, including hazardous fuels reduction in non wildland urban interfaces, Priority Watershed and Job Stabilization, which is based on the Watershed Condition Framework, and Collaborative Forest Landscape Restoration Fund and Legacy Roads and Trails which will provide for maintaining, restoring or decommissioning of roads and trails.

Other NFS programs also support conservation and restoration. Specific actions will depend on the particular needs and priorities identified for a given landscape. These may include management of off-highway vehicle use and other recreation activities, road decommissioning, mitigation of abandoned mine and hazardous material sites, enhanced administration of grazing authorizations, and other actions identified as necessary for ecosystem restoration.

The Budget reflects the continuing emphasis on Forest Service program performance and accountability agency-wide. The Forest Service business rules for accomplishment reporting incorporate not only directly funded work, but also accomplishments achieved through integration between program areas or partnerships with external groups. This recent reform improves performance and accountability by shifting focus from a highly functionalized approach to one that naturally aligns other programs and partner organizations to achieve multiple goals. By changing how it counts accomplishments, the Agency improves incentives and encourages managers to plan and implement their work, and ensure the fullest possible value per Federal expenditure.

Object Classification (in millions of dollars)

Identification code 12–1106–0–1–302	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	661	676	675
11.3 Other than full-time permanent	41	35	35
11.5 Other personnel compensation	33	30	30
11.9 Total personnel compensation	735	741	740
12.1 Civilian personnel benefits	247	296	296
13.0 Benefits for former personnel	7	8	8
21.0 Travel and transportation of persons	37	41	39
22.0 Transportation of things	10	10	11
23.1 Rental payments to GSA	14	14	15
23.2 Rental payments to others	20	21	22
23.3 Communications, utilities, and miscellaneous charges	38	39	39
24.0 Printing and reproduction	4	4	4

25.2 Other services from non-federal sources	249	304	303
25.3 Other goods and services from federal sources	89	96	96
25.4 Operation and maintenance of facilities	2	2	2
25.7 Operation and maintenance of equipment	8	9	9
26.0 Supplies and materials	37	41	30
31.0 Equipment	36	38	39
32.0 Land and structures	1	1	1
41.0 Grants, subsidies, and contributions	45	49	49
42.0 Insurance claims and indemnities	1	1	1
99.0 Direct obligations	1,580	1,715	1,704
99.0 Reimbursable obligations	72	90	90
99.5 Below reporting threshold	2		
99.9 Total new obligations	1,654	1,805	1,794

Employment Summary

Identification code 12–1106–0–1–302	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	11,611	11,719	11,670
2001 Reimbursable civilian full-time equivalent employment	372	372	371
3001 Allocation account civilian full-time equivalent employment	1,374	1,374	1,417

CAPITAL IMPROVEMENT AND MAINTENANCE

For necessary expenses of the Forest Service, not otherwise provided for, \$349,927,000, to remain available until expended, for construction, capital improvement, maintenance and acquisition of buildings and other facilities and infrastructure; and for construction, reconstruction, and maintenance of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532–538 and 23 U.S.C. 101 and 205: Provided, That funds becoming available in fiscal year 2012 under the Act of March 4, 1913 (16 U.S.C. 501) shall be transferred to the General Fund of the Treasury and shall not be available for transfer or obligation for any other purpose unless the funds are appropriated.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12–1103–0–1–302	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Capital improvement and maintenance	1,125	648	326
0801 Reimbursable program	19	21	21
0900 Total new obligations	1,144	669	347
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	663	103	11
1021 Recoveries of prior year unpaid obligations	2		
1050 Unobligated balance (total)	665	103	11
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	556	556	350
Spending authority from offsetting collections, discretionary:			
1700 Collected	21	21	21
1701 Change in uncollected payments, Federal sources	7		1
1750 Spending auth from offsetting collections, disc (total)	28	21	22
1900 Budget authority (total)	584	577	372
1930 Total budgetary resources available	1,249	680	383
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	–2		
1941 Unexpired unobligated balance, end of year	103	11	36

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	362	729	328
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	–36	–43	–43
3020 Obligated balance, start of year (net)	326	686	285
3030 Obligations incurred, unexpired accounts	1,144	669	347
3040 Outlays (gross)	–775	–1,070	–522
3050 Change in uncollected pymts, Fed sources, unexpired	–7		–1
3080 Recoveries of prior year unpaid obligations, unexpired	–2		

CAPITAL IMPROVEMENT AND MAINTENANCE—Continued
Program and Financing—Continued

Identification code 12-1103-0-1-302	2010 actual	CR	2012 est.
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	729	328	153
3091 Uncollected pymts, Fed sources, end of year	-43	-43	-44
3100 Obligated balance, end of year (net)	686	285	109
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	584	577	372
Outlays, gross:			
4010 Outlays from new discretionary authority	358	433	280
4011 Outlays from discretionary balances	417	637	242
4020 Outlays, gross (total)	775	1,070	522
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-6	-5	-5
4033 Non-Federal sources	-15	-16	-16
4040 Offsets against gross budget authority and outlays (total)	-21	-21	-21
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-7		-1
4070 Budget authority, net (discretionary)	556	556	350
4080 Outlays, net (discretionary)	754	1,049	501
4180 Budget authority, net (total)	556	556	350
4190 Outlays, net (total)	754	1,049	501

Funding provides for capital improvement, decommissioning, and maintenance of Forest Service assets including facilities, roads, and trails. Addressing critical maintenance and operational components of the Forest Service demonstrates our commitment to maintaining a healthy environment. The program emphasizes an efficient and effective infrastructure that supports public and administrative uses and quality recreation experiences with minimal impact to ecosystem stability and conditions.

Capital improvement of facilities, roads and trails includes alteration of existing assets to change the function, expansion of an asset to change the capacity or to serve needs that are different from what was originally intended and new construction. Maintenance is divided into three primary areas: annual maintenance, deferred maintenance, and decommissioning. Deferred maintenance includes the repair, rehabilitation or replacement of the asset or components of the asset.

Facilities.—Provides for capital improvement and maintenance of recreation developed sites, fire, administrative, and other (FA&O) facilities, including visitor centers, research facilities, telecommunication sites and towers, and dams. The program also includes the acquisition of buildings and other facilities necessary to carry out the mission of the Forest Service. Maintenance for FA&O projects costing less than \$250,000 is financed separately through a multi-program assessment to Research, State and Private Forestry, National Forest System, Wildland Fire Management, Land Acquisition and the Capital Improvement and Maintenance appropriations, along with eligible Permanent and Trust Funds. The Budget reflects a base rate for buildings plus a graduated rate that recognizes different facility types, which together, are limited to 4 percent of the facility replacement value and not to exceed \$7 per square foot.

Roads.—Provides for capital improvement and maintenance of the national forest road system, including bridges and terminal facilities such as parking lots, trailhead parking, camping spurs and truck turnarounds. The agency will continue to address the growing road system maintenance backlog. Funding priorities are health and safety and resource protection, including clean water, aquatic passage, and mission critical needs. The Budget proposes all of the funds in the Roads line item be used to maintain, store, or decommission existing roads.

Trails.—Provides for capital improvement and maintenance of National Forest System trails. Funding is used to protect capital investments by keeping trails open for access and protecting vegetation, soil, and water quality. Work includes clearing the pathway of encroaching vegetation and fallen trees, and repairing or improving trail signs, treadways, drainage facilities, and bridges.

Infrastructure Improvement.—Provides for capital improvement and maintenance directed toward reducing the backlog in deferred maintenance on National Forest System roads and trails, as well as recreation developed sites and FA&O facilities. Funding priorities are to ensure the safety of the public, agency employees, volunteers and contractors.

Object Classification (in millions of dollars)

Identification code 12-1103-0-1-302	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	159	148	107
11.3 Other than full-time permanent	24	22	16
11.5 Other personnel compensation	11	10	7
11.9 Total personnel compensation	194	180	130
12.1 Civilian personnel benefits	60	50	30
13.0 Benefits for former personnel	3	2	1
21.0 Travel and transportation of persons	7	4	2
22.0 Transportation of things	3	2	1
23.1 Rental payments to GSA	3	2	1
23.2 Rental payments to others	5	3	2
23.3 Communications, utilities, and miscellaneous charges	9	5	3
24.0 Printing and reproduction	1	1	1
25.2 Other services from non-federal sources	613	262	84
25.3 Other goods and services from federal sources	47	28	15
25.4 Operation and maintenance of facilities	18	11	6
25.7 Operation and maintenance of equipment	6	4	2
26.0 Supplies and materials	29	17	9
31.0 Equipment	11	7	3
32.0 Land and structures	53	32	16
41.0 Grants, subsidies, and contributions	63	38	20
99.0 Direct obligations	1,125	648	326
99.0 Reimbursable obligations	18	21	21
99.5 Below reporting threshold	1		
99.9 Total new obligations	1,144	669	347

Employment Summary

Identification code 12-1103-0-1-302	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	3,286	3,038	2,153
2001 Reimbursable civilian full-time equivalent employment	124	124	123
3001 Allocation account civilian full-time equivalent employment	61	61	60

FOREST AND RANGELAND RESEARCH

For necessary expenses of forest and rangeland research as authorized by law, \$295,773,000, to remain available until expended: Provided, That of the funds provided, \$61,939,000 is for the forest inventory and analysis program.

GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH

For expenses authorized by 16 U.S.C. 1643(b), \$45,000, to remain available until expended, to be derived from the fund established pursuant to the above Act.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-1104-0-1-302	2010 actual	CR	2012 est.
Obligations by program activity:			
0006 Forest and rangeland research	346	384	325
0801 Reimbursable program	24	30	25
0900 Total new obligations	370	414	350
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	43	45	
1021 Recoveries of prior year unpaid obligations	2		
1050 Unobligated balance (total)	45	45	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	312	312	296
1121 Appropriations transferred from other accounts	29	32	29
1160 Appropriation, discretionary (total)	341	344	325
Spending authority from offsetting collections, discretionary:			
1700 Collected	28	25	25
1701 Change in uncollected payments, Federal sources	1		
1750 Spending auth from offsetting collections, disc (total)	29	25	25
1900 Budget authority (total)	370	369	350
1930 Total budgetary resources available	415	414	350
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	45		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	142	147	183
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-38	-39	-39
3020 Obligated balance, start of year (net)	104	108	144
3030 Obligations incurred, unexpired accounts	370	414	350
3040 Outlays (gross)	-363	-378	-391
3050 Change in uncollected pymts, Fed sources, unexpired	-1		
3080 Recoveries of prior year unpaid obligations, unexpired	-2		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	147	183	142
3091 Uncollected pymts, Fed sources, end of year	-39	-39	-39
3100 Obligated balance, end of year (net)	108	144	103
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	370	369	350
Outlays, gross:			
4010 Outlays from new discretionary authority	276	259	246
4011 Outlays from discretionary balances	87	119	145
4020 Outlays, gross (total)	363	378	391
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-25	-23	-23
4033 Non-Federal sources	-3	-2	-2
4040 Offsets against gross budget authority and outlays (total) ...	-28	-25	-25
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-1		
4070 Budget authority, net (discretionary)	341	344	325
4080 Outlays, net (discretionary)	335	353	366
4180 Budget authority, net (total)	341	344	325
4190 Outlays, net (total)	335	353	366

Forest Service Research & Development (FS R&D) is one of the world's leading forestry research organizations. It conducts ecological and social science research to understand ecosystems, how humans influence those ecosystems, how those ecosystems respond to climate change, and how forests can be managed sustainably to enable both environmental conservation and economic expansion. FS R&D provides scientific information and new technologies to support sustainable management of the Nation's forests and rangelands. These products and services increase the basic biological and physical knowledge of the composition, structure, and function of forest, rangeland, and aquatic ecosystems. FS R&D is federally mandated to provide new knowledge and technologies to foster healthy watersheds, forest

products, wildlife protection, outdoor recreation opportunities, and other benefits, across all U.S. territories and States. Research is conducted at five Research Stations, the Forest Products Laboratory, and the International Institute of Tropical Forestry located in Puerto Rico. There are approximately 500 scientists at 67 sites located throughout the United States. In addition, FS R&D maintains 81 experimental forests and ranges across the nation which serve as sites for most of the agency's long-term research.

The FS R&D structure has two components: Priority Research Areas and Localized Needs Research. The Priority Research Areas address national needs in six areas: Climate Change, Bioenergy and Biobased Products, Nanotechnology, Water and Watershed Restoration, Urban Natural Resources Stewardship, and Forest Inventory and Analysis. Localized Needs Research sustains the outputs and products on which land managers depend for developing management options, strategies and systems for addressing current issues. Both components are supported by the strategic program areas which include fire; invasives; recreation; water, air & soil; resource management and use; and inventory and monitoring.

Object Classification (in millions of dollars)

Identification code 12-1104-0-1-302	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	149	150	138
11.3 Other than full-time permanent	7	7	6
11.5 Other personnel compensation	3	3	2
11.9 Total personnel compensation	159	160	146
12.1 Civilian personnel benefits	49	50	48
13.0 Benefits for former personnel	1	1	1
21.0 Travel and transportation of persons	11	11	9
22.0 Transportation of things	2	3	2
23.1 Rental payments to GSA	4	4	3
23.2 Rental payments to others	4	4	3
23.3 Communications, utilities, and miscellaneous charges	8	9	7
24.0 Printing and reproduction	1	1	1
25.2 Other services from non-federal sources	29	43	30
25.3 Other goods and services from federal sources	14	20	14
25.5 Research and development contracts	35	46	35
25.7 Operation and maintenance of equipment	1	1	1
26.0 Supplies and materials	8	12	9
31.0 Equipment	7	7	7
41.0 Grants, subsidies, and contributions	11	12	9
99.0 Direct obligations	344	384	325
99.0 Reimbursable obligations	25	30	25
99.5 Below reporting threshold	1		
99.9 Total new obligations	370	414	350

Employment Summary

Identification code 12-1104-0-1-302	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	2,192	2,192	2,112
2001 Reimbursable civilian full-time equivalent employment	97	97	110

STATE AND PRIVATE FORESTRY

For necessary expenses of cooperating with and providing technical and financial assistance to States, territories, possessions, and others, and for forest health management, including treatments of pests, pathogens, and invasive or noxious plants and for restoring and rehabilitating forests damaged by pests or invasive plants, cooperative forestry, and education and land conservation activities as authorized, \$341,582,000, to remain available until expended, as authorized by law; of which \$135,000,000 is to be derived from the Land and Water Conservation Fund.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continu-

STATE AND PRIVATE FORESTRY—Continued

ing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12–1105–0–1–302	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 State and private forestry	353	404	278
0002 Forest Legacy	75	79	135
0091 Direct program activities, subtotal	428	483	413
0801 Reimbursable program	31	55	55
0900 Total new obligations	459	538	468
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	53	63	.....
1021 Recoveries of prior year unpaid obligations	5	.....	.....
1050 Unobligated balance (total)	58	63	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	232	232	207
1101 Appropriation (LWCF)	76	76	135
1121 Appropriations transferred from other accounts	112	112	71
1160 Appropriation, discretionary (total)	420	420	413
Spending authority from offsetting collections, discretionary:			
1700 Collected	35	55	55
1701 Change in uncollected payments, Federal sources	9	.....	.....
1750 Spending auth from offsetting collections, disc (total)	44	55	55
1900 Budget authority (total)	464	475	468
1930 Total budgetary resources available	522	538	468
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	63	.....	.....
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	500	565	341
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-14	-23	-23
3020 Obligated balance, start of year (net)	486	542	318
3030 Obligations incurred, unexpired accounts	459	538	468
3040 Outlays (gross)	-389	-762	-605
3050 Change in uncollected pymts, Fed sources, unexpired	-9	.....	.....
3080 Recoveries of prior year unpaid obligations, unexpired	-5	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	565	341	204
3091 Uncollected pymts, Fed sources, end of year	-23	-23	-23
3100 Obligated balance, end of year (net)	542	318	181
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	464	475	468
Outlays, gross:			
4010 Outlays from new discretionary authority	145	356	351
4011 Outlays from discretionary balances	244	406	254
4020 Outlays, gross (total)	389	762	605
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-35	-55	-55
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-9	.....	.....
4070 Budget authority, net (discretionary)	420	420	413
4080 Outlays, net (discretionary)	354	707	550
4180 Budget authority, net (total)	420	420	413
4190 Outlays, net (total)	354	707	550

State and Private Forestry programs provide assistance to landowners and resource managers to help sustain forests on State and private lands, in both rural and urban areas, to meet domestic and international demands for goods and services. State and Private Forestry programs help facilitate sound stewardship and provide tools to address climate change across lands of all ownerships on a landscape scale, while maintaining the flexibility for individual forest landowners to pursue their objectives.

Forest Health Management.—Includes funding for Federal and cooperative lands to maintain healthy, productive ecosystems by preventing, detecting, and suppressing damaging native and invasive forest and tree insects and diseases across all land ownerships and invasive plants on cooperative lands. Through the continued use of a science-based forest health risk map, the Budget reflects allocations of program funding that address national priorities and reduce risk in the most effective and efficient manner. The agency will document changes in insect, disease, and invasive plant geographic range, population dynamics of host preferences of pests, and other changes in pest activity and will explore gene conservation efforts to conserve at-risk tree species projected to be negatively impacted by climate change.

Cooperative Fire Protection.—Includes funding to enhance the capacity of States to provide effective initial attack and coordinated fire suppression response, reduce hazardous fuels in and adjacent to communities, and purchase and maintain equipment. Funding also supports training, planning, and fire prevention education that include the "Smokey Bear" and Firewise programs.

Cooperative Forestry.—Includes the Forest Stewardship, Forest Legacy, Community Forest and Open Space Conservation, and Urban and Community Forestry programs. This suite of complementary programs helps maintain the integrity of our nation's valuable forested landscapes and supports the Federal interest in obtaining public benefits from private forests that include an array of social, economic, and environmental benefits. The Cooperative Forestry programs will continue to provide assistance to landowners, conserve private lands, and support the priorities identified in Statewide Assessments and Resource Strategies. The Forest Service will track how cooperative funds are targeted to priority areas and themes identified in these State Assessments and Resource Strategies.

The Forest Stewardship Program.—Provides professional forestry assistance to landowners to encourage sound environmental management of non-industrial private forest lands.

Forest Legacy Program.—Partners with States to protect environmentally sensitive forestlands. Consistent with the President's commitment to the America's Great Outdoors Initiative, the Budget includes \$135 million for the Forest Legacy Program through the Land and Water Conservation Fund to support the acquisition of conservation easements and other interests in forest lands threatened by conversion. These conservation easements will protect air and water quality, provide access for recreation, and provide habitat for threatened or endangered wildlife and fish.

Community Forest and Open Space Conservation.—Achieves community benefits through grants to local governments, Tribal Governments, and nonprofit organizations to establish community forests by acquiring and protecting forestlands.

Urban and Community Forestry.—Provides technical, financial and educational assistance to cities and towns nationwide so they can improve the condition and extent of their trees and forests to achieve the full range of benefits and services from these resources. This program improves the lives of most Americans near their home, and where they live and work.

Object Classification (in millions of dollars)

Identification code 12–1105–0–1–302	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	55	57	47
11.3 Other than full-time permanent	3	3	3
11.5 Other personnel compensation	1	1	1
11.9 Total personnel compensation	59	61	51
12.1 Civilian personnel benefits	17	19	16

21.0	Travel and transportation of persons	6	6	6
22.0	Transportation of things	1	1	1
23.1	Rental payments to GSA	1	1	1
23.2	Rental payments to others	1	1	1
23.3	Communications, utilities, and miscellaneous charges	2	2	2
24.0	Printing and reproduction	1	1	1
25.2	Other services from non-federal sources	24	27	23
25.3	Other goods and services from federal sources	4	5	4
25.5	Research and development contracts	2	2	2
25.7	Operation and maintenance of equipment .....	.....	1	1
26.0	Supplies and materials	4	4	3
31.0	Equipment	3	3	3
41.0	Grants, subsidies, and contributions	303	349	298
99.0	Direct obligations	428	483	413
99.0	Reimbursable obligations	30	55	55
99.5	Below reporting threshold	1	.....	.....
99.9	Total new obligations	459	538	468

Employment Summary

Identification code 12-1105-0-1-302	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	745	770	637
2001 Reimbursable civilian full-time equivalent employment	32	32	33

MANAGEMENT OF NATIONAL FOREST LANDS FOR SUBSISTENCE USES

Program and Financing (in millions of dollars)

Identification code 12-1119-0-1-302	2010 actual	CR	2012 est.	
Obligations by program activity:				
0001	Management of national forest lands for subsistence uses	3	3	1
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	1	1	1
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	3	3	.....
1930	Total budgetary resources available	4	4	1
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	1	1	.....
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	2	1	.....
3030	Obligations incurred, unexpired accounts	3	3	1
3040	Outlays (gross)	-4	-4	.....
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	1	.....	1
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	3	3	.....
Outlays, gross:				
4010	Outlays from new discretionary authority	3	3	.....
4011	Outlays from discretionary balances	1	1	.....
4020	Outlays, gross (total)	4	4	.....
4180	Budget authority, net (total)	3	3	.....
4190	Outlays, net (total)	4	4	.....

The President's Budget does not propose funding for this program in 2012. The agency will carry out the responsibilities described in the Alaska National Interest Lands Conservation Act (ANILCA) through other National Forest System funds.

Object Classification (in millions of dollars)

Identification code 12-1119-0-1-302	2010 actual	CR	2012 est.	
Direct obligations:				
11.1	Personnel compensation: Full-time permanent	1	1	.....
21.0	Travel and transportation of persons	1	1	.....
25.2	Other services from non-federal sources	1	1	1
99.0	Direct obligations	3	3	1

99.9	Total new obligations	3	3	1
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Employment Summary

Identification code 12-1119-0-1-302	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	16	16	.....

WILDLAND FIRE MANAGEMENT

(INCLUDING TRANSFERS AND CANCELLATION OF FUNDS)

For necessary expenses for forest fire presuppression activities on National Forest System lands, for emergency fire suppression on or adjacent to such lands or other lands under fire protection agreement, hazardous fuels reduction on or adjacent to such lands, and for emergency rehabilitation of burned-over National Forest System lands and water, \$1,707,062,000, to remain available until expended: Provided, That such funds including unobligated balances under this heading, are available for repayment of advances from other appropriations accounts previously transferred for such purposes: Provided further, That such funds shall be available to reimburse State and other cooperating entities for services provided in response to wildfire and other emergencies or disasters to the extent such reimbursements by the Forest Service for non-fire emergencies are fully repaid by the responsible emergency management agency: Provided further, That amounts in this paragraph may be transferred to the "State and Private Forestry", "National Forest System", and "Forest and Rangeland Research" accounts to fund State fire assistance, volunteer fire assistance, forest health management, forest and rangeland research, the Joint Fire Science Program, vegetation and watershed management, heritage site rehabilitation, and wildlife and fish habitat management and restoration: Provided further, That the costs of implementing any cooperative agreement between the Federal Government and any non-Federal entity may be shared, as mutually agreed on by the affected parties: Provided further, That of the funds provided herein, the Secretary of Agriculture may enter into procurement contracts or cooperative agreements, or issue grants for hazardous fuels reduction activities and for training and monitoring associated with such hazardous fuels reduction activities, on Federal land, or on adjacent non-Federal land for activities that benefit resources on Federal land: Provided further, That the Secretary of the Interior and the Secretary of Agriculture may authorize the transfer of funds appropriated for wildland fire management, in an aggregate amount not to exceed \$10,000,000, between the Departments when such transfers would facilitate and expedite jointly funded wildland fire management programs and projects: Provided further, That of the funds provided for hazardous fuels reduction, not to exceed \$5,000,000, may be used to make grants, using any authorities available to the Forest Service under the State and Private Forestry appropriation, for the purpose of creating incentives for increased use of biomass from national forest lands: Provided further, That \$192,000,000 in unobligated fire suppression balances under this heading are hereby permanently cancelled: Provided further, That no amounts may be cancelled from amounts that were designated by the Congress as an emergency requirement pursuant to the Concurrent Resolution on the Budget or the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12-1115-0-1-302	2010 actual	CR	2012 est.	
Obligations by program activity:				
0001	Wildland fire management	2,231	2,550	1,922
0801	Reimbursable program	20	137	137
0900	Total new obligations	2,251	2,687	2,059
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	712	511	322

WILDLAND FIRE MANAGEMENT—Continued
Program and Financing—Continued

Identification code 12-1115-0-1-302		2010 actual	CR	2012 est.
1021	Recoveries of prior year unpaid obligations	18		
1050	Unobligated balance (total)	730	511	322
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	2,104	2,104	1,898
1120	Appropriations transferred to other accounts	-156	-156	-100
1121	Appropriations transferred from other accounts	63	413	316
1131	Unobligated balance of appropriations permanently reduced			-192
1160	Appropriation, discretionary (total)	2,011	2,361	1,922
Spending authority from offsetting collections, discretionary:				
1700	Collected	78	137	137
1701	Change in uncollected payments, Federal sources	-57		
1750	Spending auth from offsetting collections, disc (total)	21	137	137
1900	Budget authority (total)	2,032	2,498	2,059
1930	Total budgetary resources available	2,762	3,009	2,381
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	511	322	322
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	1,007	998	366
3010	Uncollected pymts, Fed sources, brought forward, Oct 1	-137	-80	-80
3020	Obligated balance, start of year (net)	870	918	286
3030	Obligations incurred, unexpired accounts	2,251	2,687	2,059
3040	Outlays (gross)	-2,242	-3,319	-2,213
3050	Change in uncollected pymts, Fed sources, unexpired	57		
3080	Recoveries of prior year unpaid obligations, unexpired	-18		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	998	366	212
3091	Uncollected pymts, Fed sources, end of year	-80	-80	-80
3100	Obligated balance, end of year (net)	918	286	132
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	2,032	2,498	2,059
Outlays, gross:				
4010	Outlays from new discretionary authority	1,614	2,248	1,853
4011	Outlays from discretionary balances	628	1,071	360
4020	Outlays, gross (total)	2,242	3,319	2,213
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	-13	-47	-47
4033	Non-Federal sources	-65	-90	-90
4040	Offsets against gross budget authority and outlays (total)	-78	-137	-137
Additional offsets against gross budget authority only:				
4050	Change in uncollected pymts, Fed sources, unexpired	57		
4070	Budget authority, net (discretionary)	2,011	2,361	1,922
4080	Outlays, net (discretionary)	2,164	3,182	2,076
4180	Budget authority, net (total)	2,011	2,361	1,922
4190	Outlays, net (total)	2,164	3,182	2,076

Wildland Fire Management.—This appropriation provides funding for Forest Service fire management, presuppression, and suppression on National Forest System lands, adjacent State and private lands, and other lands under fire protection agreement. Other operations also include hazardous fuels treatments in the wildland-urban interface, research focused on fire management, forest health focused on areas with high fire potential, and support for State and volunteer fire departments.

Preparedness.—To protect National Forest System (NFS) lands from damage by wildfires commensurate with the threat to life, values at risk, public values, and management objectives.

Preparedness provides the basic fire organization and capability to prevent forest fires and to take prompt, effective initial attack suppression operations action on wildfires. This funding covers expenses associated with planning, prevention, detection, information, and education; pre-incident training; equipment and supply purchase and replacement; and other preparedness activities.

Through this program the Forest Service also assists other Federal agencies and States with planning assistance, sharing joint equipment use contracts, and interagency fire coordination centers.

Readiness levels reflect improvements in efficiencies and management controls, including those gained through a centralized aviation services office, as well as management of national shared resources such as: large airtankers, helitankers, hotshot crews and smokejumpers. The Budget request improves the transparency, accountability, and alignment of Forest Service budget execution with priorities, and reflects a deployment system that allocates fire preparedness resources (e.g., firefighters and equipment) effectively across the Nation.

Fire Operations-Suppression.—Risk-informed suppression of wildland fires on or threatening NFS lands, Department of the Interior lands, or other lands under fire protection agreement. The Budget request responsibly budgets for wildfires, providing full funding of the ten-year average of suppression costs, adjusted for inflation, and includes indirect costs as required by Congress. Suppression, FLAME, and preparedness costs have been realigned to inform accurate costs of initial attack, large complex fires, and readiness. To improve the management of wildland fire resources, the Forest Service will:

- Utilize the Senior Fire Leadership Council to provide executive level oversight monitoring of Suppression expenditures.

- Implement key findings from 2010 and prior year large fire cost reviews.

- Continue implementation of performance improvements including monitoring and analyzing large fire suppression expenditures with the stratified cost index and reducing the number of human caused ignitions.

- Utilize a risk-informed management response strategy for unplanned ignitions to manage risk, maximize resource utilization, manage loss and contain costs.

- Implement the updated implementation guidance for the Federal Wildland Fire policy, and, as appropriate, account for wildfires that contribute to attainment of desired ecological and natural resource conditions.

- Accurately share firefighting costs in the wildland-urban interface, or WUI, between responding agencies.

- Expand the use of the Wildland Fire Decision Support System (WFDSS), and its new decision analysis, to support managers in analyzing risk relative to strategic suppression decisions which affect suppression costs, firefighter and public safety, and impacts to property and resources.

- Utilize an integrated system to procure and allocate firefighting assets that improves their systems for determining the appropriate type and quantity of firefighting assets needed for the fire season or for effectively and efficiently procuring them.

- Place priority on those projects associated with a community wildfire protection plan, or equivalent.

These actions highlight important refinements within the Forest Services wildland fire management program that strengthen oversight and accountability of suppression spending and use risk management principles to guide decision-making at the strategic, program, and operational levels. As part of these efforts, the Forest Service will categorize incidents by risk and apply operational and managerial protocols to guide the risk-informed allocation and use of resources; improve firefighter and community safety; and develop and use credible performance indicators. By identifying and analyzing risk in a systematic fashion, the Forest Service is better equipped to assess wildfire intensity and associated threats posed to lives, improved property, or the environment. This risk-informed fire protection system allows

agency administrators the ability to choose from a full spectrum of wildfire management actions and appropriately scale their responses to the risks posed.

Other Wildland Fire Operations-Hazardous Fuels.—Provides funding for treatment of hazardous fuels within wildland urban interface areas of National Forest System lands and adjacent State and private lands. Treatments for purposes other than community protection will be funded by the National Forest System appropriation. Hazardous fuel reduction modifies the arrangement of or reduces the volume of naturally occurring flammable vegetation and forest litter. The program includes prescribed burning, mechanical treatments, and other methods. Treatments are designed to alter fire behavior and reduce negative impacts of wildland fires such as erosion or soils that, due to high fire temperatures, shed water rather than absorbing it. Managing forest fuels and increasing the use of fire is necessary to maintain the carbon sequestration capability of national forest lands.

The strategy of focusing treatments on the wildland urban interface will help minimize large, destructive, and costly wildfires, thereby protecting both communities and natural resources, and reducing safety risks to firefighters and the public. In 2012, all Hazardous Fuels funds will be allocated using the Hazardous Fuel Prioritization Allocation System, which ranks and prioritizes projects based on factors such as fire risk, value of the resources at risk, efficiency of treatments, and effectiveness of treatments. Priority will be given to projects identified in Community Wildfire Protection Plans.

Object Classification (in millions of dollars)

Identification code 12-1115-0-1-302	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	510	497	440
11.3 Other than full-time permanent	79	77	68
11.5 Other personnel compensation	142	139	123
11.8 Special personal services payments	19	19	16
11.9 Total personnel compensation	750	732	647
12.1 Civilian personnel benefits	261	262	225
13.0 Benefits for former personnel	23	26	20
21.0 Travel and transportation of persons	47	53	41
22.0 Transportation of things	7	8	6
23.1 Rental payments to GSA	12	13	10
23.2 Rental payments to others	27	31	23
23.3 Communications, utilities, and miscellaneous charges	39	44	34
24.0 Printing and reproduction	1	1	1
25.2 Other services from non-federal sources	569	767	489
25.3 Other goods and services from federal sources	120	167	103
25.4 Operation and maintenance of facilities	2	2	2
25.5 Research and development contracts	10	11	9
25.7 Operation and maintenance of equipment	6	7	5
26.0 Supplies and materials	54	72	47
31.0 Equipment	37	52	32
32.0 Land and structures	1	1	1
41.0 Grants, subsidies, and contributions	262	300	226
42.0 Insurance claims and indemnities	1	1	1
99.0 Direct obligations	2,229	2,550	1,922
99.0 Reimbursable obligations	20	137	137
99.5 Below reporting threshold	2		
99.9 Total new obligations	2,251	2,687	2,059

Employment Summary

Identification code 12-1115-0-1-302	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	12,450	12,165	11,516
2001 Reimbursable civilian full-time equivalent employment	38	38	37

FOREST SERVICE PAYMENTS TO COMMUNITIES
(Legislative proposal, not subject to PAYGO)

Contingent upon the enactment of authorizing legislation that authorizes payments to communities to benefit public schools, roads and other purposes, to fund projects that enhance forest ecosystems, restore and improve land health and water quality, and increase economic activity, and to fund fire prevention and county fire planning activities, \$328,000,000, to remain available until September 30, 2013.

Program and Financing (in millions of dollars)

Identification code 12-1130-2-1-302	2010 actual	CR	2012 est.
Obligations by program activity:			
0010 Payments to Communities			328
0900 Total new obligations (object class 41.0)			328
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			328
1930 Total budgetary resources available			328
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts			328
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)			328
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			328
4180 Budget authority, net (total)			328
4190 Outlays, net (total)			

The 2012 President's Budget proposes a five-year reauthorization of the Secure Rural Schools (SRS) Act. The program has recently been funded through mandatory appropriations; the 2012 Budget proposes \$328 million of discretionary funds for 2012, but the Administration is open to working with Congress to fund through either discretionary or mandatory appropriations.

This SRS proposal revises the allocation split between the three portions of the program from the current authority. The School and Roads portion is reduced by 20 percent of the current authority for the first year. The School and Roads portion is then reduced another 10 percent in the second year, and 25 percent each year thereafter. Starting in year 3, any state that would receive less than \$10 million in the SRS payment would no longer be eligible for this program. Those states would revert to the 25 percent fund payments. The Economic Investment & Forest Restoration/Protection portion is doubled from the current funding level. This funding is for projects that enhance forest ecosystems, restore and improve land health and water quality, and increase economic activity. This portion would be held constant through the five year reauthorization. The Fire Assistance portion would be reduced by 50 percent from the current funding level in year one. This portion will be eliminated starting in the second year. Other existing Forest Service programs already fund these activities.

FLAME WILDFIRE SUPPRESSION RESERVE FUND

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for large fire suppression operations of the Department of Agriculture and as a reserve fund for suppression and Federal emergency response activities, \$315,886,000, to remain available until expended: Provided, That such amounts are available only for transfer to the "Wildland Fire Management" account and only following a declaration by the Secretary that either (1) a wildland fire suppression event meets certain previously-established risk-based written criteria for signi-

FLAME WILDFIRE SUPPRESSION RESERVE FUND—Continued

ficant complexity, severity, or threat posed by the fire or (2) funds in the "Wildland Fire Management" account will be exhausted within 30 days.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 12–1120–0–1–302	2010 actual	CR	2012 est.
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1		351	351
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	413	413	316
1120 Appropriations transferred to other accounts	–62	–413	–316
1160 Appropriation, discretionary (total)	351		
1930 Total budgetary resources available	351	351	351
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	351	351	351
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	351		
4180 Budget authority, net (total)	351		
4190 Outlays, net (total)			

FLAME Wildfire Suppression Reserve Fund. - Amounts in the FLAME fund include a portion of the ten-year average of suppression obligations, adjusted for inflation, intended to support the most severe, complex, and threatening fires. The Secretary may permit transfers from this account to cover these complex fire events. The Secretary may also transfer funds in the event that USDA has exhausted its suppression resources due to an active fire season.

RANGE BETTERMENT FUND

For necessary expenses of range rehabilitation, protection, and improvement, 50 percent of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the 16 Western States, pursuant to section 401(b)(1) of Public Law 94–579, as amended, to remain available until expended, of which not to exceed 6 percent shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12–5207–0–2–302	2010 actual	CR	2012 est.
0100 Balance, start of year	5	5	5
Receipts:			
0220 Receipts, Cooperative Range Improvements	3	3	3
0400 Total: Balances and collections	8	8	8
Appropriations:			
0500 Range Betterment Fund	–3	–3	–3
0799 Balance, end of year	5	5	5

Program and Financing (in millions of dollars)

Identification code 12–5207–0–2–302	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Range betterment fund	3	4	3
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	1	

Budget authority:			
Appropriations, discretionary:			
1101 Appropriation (special fund)	3	3	3
1930 Total budgetary resources available	4	4	3
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1		

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	1	1	2
3030 Obligations incurred, unexpired accounts	3	4	3
3040 Outlays (gross)	–3	–3	–3
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1	2	2

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	3	3	3
Outlays, gross:			
4010 Outlays from new discretionary authority	2	2	2
4011 Outlays from discretionary balances	1	1	1
4020 Outlays, gross (total)	3	3	3
4180 Budget authority, net (total)	3	3	3
4190 Outlays, net (total)	3	3	3

Fifty percent of grazing fees from National Forests in the 16 western States, once appropriated, are used to protect and improve rangeland productivity primarily through revegetation, construction and reconstruction, and maintenance of improvements under authority of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1751), as amended.

Object Classification (in millions of dollars)

Identification code 12–5207–0–2–302	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	1	1	1
25.2 Other services from non-federal sources		2	1
26.0 Supplies and materials	1	1	1
99.0 Direct obligations	2	4	3
99.5 Below reporting threshold	1		
99.9 Total new obligations	3	4	3

Employment Summary

Identification code 12–5207–0–2–302	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	10	10	10

STEWARDSHIP CONTRACTING PRODUCT SALES

Program and Financing (in millions of dollars)

Identification code 12–5540–0–2–302	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Stewardship contracting	4	9	9
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	6	10	9
Budget authority:			
Appropriations, mandatory:			
1201 Appropriation (special fund)	8	8	8
1930 Total budgetary resources available	14	18	17
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	10	9	8

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	2	3	1
3030 Obligations incurred, unexpired accounts	4	9	9
3040 Outlays (gross)	–3	–11	–10
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	3	1	

Budget authority and outlays, net:

Mandatory:

4090	Budget authority, gross	8	8	8
Outlays, gross:				
4100	Outlays from new mandatory authority	2	6	6
4101	Outlays from mandatory balances	1	5	4
4110	Outlays, gross (total)	3	11	10
4180	Budget authority, net (total)	8	8	8
4190	Outlays, net (total)	3	11	10

Object Classification (in millions of dollars)

Identification code 12-5540-0-2-302	2010 actual	CR	2012 est.	
Direct obligations:				
25.2	Other services from non-federal sources	3	8	8
41.0	Grants, subsidies, and contributions	1	1	1
99.9	Total new obligations	4	9	9

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l-4 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, \$90,000,000, to be derived from the Land and Water Conservation Fund and to remain available until expended.

ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL ACTS

For acquisition of lands within the exterior boundaries of the Cache, Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, Sequoia, and Cleveland National Forests, California, as authorized by law, \$955,000, to be derived from forest receipts.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands, such sums, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities, and for authorized expenditures from funds deposited by non-Federal parties pursuant to Land Sale and Exchange Acts, pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-9923-0-2-302	2010 actual	CR	2012 est.
0100	Balance, start of year		
Receipts:			
0220	Deposits, Acquisitions of Lands for National Forests, Special Acts	1	1
0221	Land Acquisition Proceeds for Exchanges, Acquisition of Lands to Complete Land Exchanges	6	29
0222	Facility Realignment and Enhancement Receipts, Acquisition of Lands to Complete Land Exchanges		1
0299	Total receipts and collections	7	31
0400	Total: Balances and collections	7	31
Appropriations:			
0500	Land Acquisition	-1	-1
0501	Land Acquisition	-6	-30
0599	Total appropriations	-7	-31
0799	Balance, end of year		

Program and Financing (in millions of dollars)

Identification code 12-9923-0-2-302	2010 actual	CR	2012 est.
Obligations by program activity:			
0001	Land Acquisitions	52	64
0002	Land Facilities Enhancement Fund	9	40

0003	Land Acquisition - Special Acts	1	1	1
0900	Total new obligations	62	105	132

Budgetary Resources:

Unobligated balance:

1000	Unobligated balance brought forward, Oct 1	46	57	47
1021	Recoveries of prior year unpaid obligations	2		
1050	Unobligated balance (total)	48	57	47
Budget authority:				
Appropriations, discretionary:				
1101	Appropriation (LWCF)	64	64	91
1101	Appropriation (1205208)	1	1	1
1160	Appropriation, discretionary (total)	65	65	92
Appropriations, mandatory:				
1201	Appropriation (12-5216)	6	30	30
Spending authority from offsetting collections, discretionary:				
1700	Collected	3		
1701	Change in uncollected payments, Federal sources	-3		
1750	Spending auth from offsetting collections, disc (total)			
1900	Budget authority (total)	71	95	122
1930	Total budgetary resources available	119	152	169
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	57	47	37

Change in obligated balance:

Obligated balance, start of year (net):

3000	Unpaid obligations, brought forward, Oct 1 (gross)	23	16	41
3010	Uncollected pymts, Fed sources, brought forward, Oct 1	-3		
3020	Obligated balance, start of year (net)	20	16	41
3030	Obligations incurred, unexpired accounts	62	105	132
3040	Outlays (gross)	-67	-80	-117
3050	Change in uncollected pymts, Fed sources, unexpired	3		
3080	Recoveries of prior year unpaid obligations, unexpired	-2		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	16	41	56

Budget authority and outlays, net:

Discretionary:

4000	Budget authority, gross	65	65	92
Outlays, gross:				
4010	Outlays from new discretionary authority	45	43	61
4011	Outlays from discretionary balances	10	24	40
4020	Outlays, gross (total)	55	67	101
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	-3		
Additional offsets against gross budget authority only:				
4050	Change in uncollected pymts, Fed sources, unexpired	3		
4070	Budget authority, net (discretionary)	65	65	92
4080	Outlays, net (discretionary)	52	67	101
Mandatory:				
4090	Budget authority, gross	6	30	30
Outlays, gross:				
4100	Outlays from new mandatory authority		6	6
4101	Outlays from mandatory balances	12	7	10
4110	Outlays, gross (total)	12	13	16
4180	Budget authority, net (total)	71	95	122
4190	Outlays, net (total)	64	80	117

This appropriation consolidates land acquisition authorities for acquisition of lands, waters, or interest therein, as authorized by law. Consistent with the President's commitment to the America's Great Outdoors Initiative, the Budget includes \$90 million for land acquisition through the Land and Water Conservation Fund to support the acquisition of high-priority forests and grasslands.

Land and Water Conservation Fund.—Lands and other interests are acquired adjacent to areas of the National Forest System for such purposes as outdoor recreation, wilderness management, wildlife habitat conservation, watershed protection and enhancement, and resource management.

Acquisition of Lands of National Forests, Special Acts.—To acquire lands within critical watersheds to provide soil stabilization and restoration of vegetation. Public Laws 76-589, 76-591 and 78-310 (54 Stat. 297, 298, 299, and 402; and 58 Stat. 227-228)

LAND ACQUISITION—Continued

authorize appropriations for the purchase of lands to minimize erosion and flood damage to critical watersheds within the following National Forests: the Cache, Uinta, and Wasatch, Utah; the Toiyabe, Nevada; and the Angeles, Cleveland, San Bernardino, and Sequoia, California. Appropriations are made from receipts on these national forests.

Acquisition of Lands to Complete Land Exchanges.—Deposits are made by State, county, or municipal governments, public school authorities, or non-Federal parties and are used to acquire lands for National Forest System purposes or for other authorized purposes.

Object Classification (in millions of dollars)

Identification code 12-9923-0-2-302	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	5	6	5
12.1 Civilian personnel benefits	1	1	1
21.0 Travel and transportation of persons	2	2	2
25.2 Other services from non-federal sources	1	1	1
25.3 Other goods and services from federal sources	2	2	2
32.0 Land and structures	50	92	120
41.0 Grants, subsidies, and contributions		1	1
99.0 Direct obligations	61	105	132
99.5 Below reporting threshold	1		
99.9 Total new obligations	62	105	132

Employment Summary

Identification code 12-9923-0-2-302	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	65	74	74
3001 Allocation account civilian full-time equivalent employment	150	150	140

FOREST SERVICE PERMANENT APPROPRIATIONS

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-9921-0-2-999	2010 actual	CR	2012 est.
0100 Balance, start of year	161	164	117
Receipts:			
0220 National Forests Fund	7		
0221 National Forests Fund, Payments to States	124	91	91
0222 Timber Roads, Purchaser Elections	4	4	4
0223 National Forests Fund, Roads and Trails for States	2	12	12
0224 Timber Salvage Sales	22	23	24
0225 Deposits, Brush Disposal	6	11	12
0226 Rents and Charges for Quarters, Forest Service	8	9	9
0227 Timber Sales Pipeline Restoration Fund	8	9	10
0228 Recreational Fee Demonstration Program, Forest Service	65	65	65
0229 Midewin National Tallgrass Prairie Rental Fees		1	1
0230 Charges, User Fees, and Natural Resource Utilization, Land between the Lakes, Forest Service	4	5	5
0231 Administration of Rights-of-way and Other Land Uses	1	4	4
0232 Miscellaneous Collections, Valles Caldera Fund	1	1	1
0233 Funds Retained, Stewardship Contracting Product Sales	8	5	5
0234 National Grasslands	11	13	14
0235 Miscellaneous Special Funds, Forest Service	32	3	3
0299 Total receipts and collections	303	256	260
0400 Total: Balances and collections	464	420	377
Appropriations:			
0500 Stewardship Contracting Product Sales	-8	-8	-8
0501 Forest Service Permanent Appropriations	-292	-295	-293
0599 Total appropriations	-300	-303	-301
0799 Balance, end of year	164	117	76

Program and Financing (in millions of dollars)

Identification code 12-9921-0-2-999	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Brush disposal	6	12	12
0002 Restoration of forest lands and improvements	15	25	25
0003 Recreation fee demonstration / enhancement programs	92	72	65
0004 Timber roads - purchaser election program	1	2	2
0005 Timber salvage sale program	28	28	28
0006 Timber pipeline restoration fund (includes forest botanical products)	7	10	11
0007 Roads and trails (10 % Fund)		1	
0008 Midewin Tallgrass Prairie funds	1	1	1
0009 Operation and maintenance of quarters	8	10	10
0010 Land between the lakes management fund	4	4	5
0011 Valles Caldera fund	2	2	1
0012 Administration of rights-of-way and other land uses	1	1	1
0013 Payment to states - national forest fund	76	118	108
0014 Payment to states - transfers from Treasury	387	310	279
0015 Payments to Minnesota	6	6	6
0016 Payments to counties - national grasslands	14	16	15
0091 Direct program activities, subtotal	648	618	569
0801 Admin rights of way - Reimbursable program	3	5	6
0900 Total new obligations	651	623	575
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	562	597	573
1021 Recoveries of prior year unpaid obligations	2		
1050 Unobligated balance (total)	564	597	573
Budget authority:			
Appropriations, discretionary:			
1130 Appropriations permanently reduced		-11	-12
Appropriations, mandatory:			
1200 Appropriation	387	310	279
1201 Appropriation (special fund)	292	295	293
1260 Appropriations, mandatory (total)	679	605	572
Spending authority from offsetting collections, mandatory:			
1800 Collected	5	5	6
1900 Budget authority (total)	684	599	566
1930 Total budgetary resources available	1,248	1,196	1,139
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	597	573	564
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	82	80	38
3030 Obligations incurred, unexpired accounts	651	623	575
3040 Outlays (gross)	-651	-665	-583
3080 Recoveries of prior year unpaid obligations, unexpired	-2		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	80	38	30
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross		-11	-12
Outlays, gross:			
4010 Outlays from new discretionary authority		-11	-12
Mandatory:			
4090 Budget authority, gross	684	610	578
Outlays, gross:			
4100 Outlays from new mandatory authority	521	466	442
4101 Outlays from mandatory balances	130	210	153
4110 Outlays, gross (total)	651	676	595
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources	-5	-5	-6
4160 Budget authority, net (mandatory)	679	605	572
4170 Outlays, net (mandatory)	646	671	589
4180 Budget authority, net (total)	679	594	560
4190 Outlays, net (total)	646	660	577
Memorandum (non-add) entries:			
5000 Total investments, SOY: Federal securities: Par value			3
5001 Total investments, EOY: Federal securities: Par value		3	3

Operation and Maintenance of Quarters.—Quarters rental deductions are collected from employees occupying Forest Service facilities. Amounts are deposited into a special fund and are

available for the maintenance and operation of employee-occupied quarters (5 U.S.C. 5911).

Resource Management, Timber Receipts.—Funds in this special account are available for trail maintenance, reconstruction, and construction; wildlife and fisheries habitat management; soil, water, and air management; cultural/heritage resource management; wilderness management; reforestation; and timber sale administration and management.

Recreation Fee Program.—The Secretary may establish, modify, charge, and collect recreation fees at Federal recreational lands and waters, including specific recreation sites or areas, for expanded recreation amenities, and special recreation permits. Amounts collected shall be used for repair, maintenance, interpretation, visitor information, limited habitat restoration, and direct operating or capital costs and other identified appropriate expenses. (16 U.S.C. 6801 note, 118 Stat.3377–3393)

Midwin National Tallgrass Prairie Rental Fees.—Monies received under a special use authorization are available to cover the cost to the United States of prairie improvement work at the Midwin National Tallgrass Prairie (Public Law 104–106, div. B, [Title XXIX, sec. 2915 (b), (c)], Feb. 10,1996, 110 Stat. 601).

Midwin National Tallgrass Prairie Restoration Fund.—Monies received from user fees and the salvage value proceeds from sale of any facilities and improvements are available to cover the costs of restoration and administrative activities. (Public Law 104–106, div. B, [Title XXIX, sec. 2915 (d), (e), and (f)], Feb. 10,1996, 110 Stat. 601)

Payment to Minnesota.—At the close of each fiscal year, the State of Minnesota is paid 0.75 percent of the appraised value of certain Superior National Forest lands in the counties of Cook Lake and St. Louis for distribution to these counties (16 U.S.C. 577g).

Payments to Counties, National Grasslands.—This program provides an annual payment to counties in which Title III—Bankhead-Jones Acquired Lands are located for funding public schools and roads. Of the net revenues for use of Title III Bankhead-Jones Farm Tenant Act lands, 25 percent is paid to the counties in which such lands are located for public school and road purposes (7 U.S.C. 1012).

Payments to States.—The Secure Rural Schools and Community Self-Determination Act of 2000 (SRS Act), P.L. 106–393, was enacted to provide five years of transitional assistance to rural counties affected by the decline in revenue from timber harvests on federal lands. The last payment authorized under P.L. 106–393 was for 2006. On October 3, 2008, P.L. 110–343 (H.R. 1424, Emergency Economic Stabilization Act of 2008, Energy Improvement and Extension Act of 2008, and Alternative Minimum Tax Relief Act of 2008) was signed into law. Section 106 of Division C of P.L. 110–343 amends and reauthorizes the SRS Act (P.L. 106–393). The SRS Act, as amended, retains the original title. The amended SRS Act, which was similar to P.L. 106–393 although it is structured to phase-out payments, expires at the end of fiscal year 2011 with the last payment being issued in 2012. The program has recently been funded through mandatory appropriations; the 2012 Budget proposes a five-year reauthorization with funding through discretionary appropriations, but the Administration is open to working with Congress to fund through either discretionary or mandatory appropriations.

Expenses, Brush Disposal.—Funds from payments by purchasers of National Forest timber to dispose of or treat slash and other debris that result from cutting operations (16 U.S.C. 490).

Licensee programs, Forest Service.—Funds from fees for the use of characters by private enterprises are collected under regulations promulgated by the Secretary as follows:

Smokey Bear.—For furthering the nationwide forest fire prevention campaign (16 U.S.C. 580(2)).

Woodsy Owl.—For promoting wise use of the environment and programs which foster maintenance and improvement of environmental quality (16 U.S.C. 580(1)).

Restoration of forestlands and improvements.—Funds from claim settlements involving damage to lands or improvements and from forfeiture of deposits and bonds by permittees and timber purchasers are used for the restoration made necessary by the action which led to the settlement of forfeiture (16 U.S.C. 579c).

Timber Purchaser Roads Constructed by Forest Service.—Funds from timber receipts for Government constructed permanent roads for purchasers of timber who qualify as small businesses and elect to have the Forest Service construct the roads designated under the timber sale contract where costs exceed \$20,000 (16 U.S.C. 472a(i)).

Tongass Timber Supply Fund.—Funds from sales of Alaska timber to maintain the timber supply from the Tongass National Forest at a specified level (16 U.S.C. 539d).

Timber Salvage Sales.—Funds are used for salvage of insect-infested, dead, damaged, or down timber, and to remove associated trees for stand improvement (16 U.S.C. 472a(h)).

Timber Sales Pipeline Restoration Fund.—Funds are used for restoring the timber pipeline and funding the backlog of recreation projects on National Forest System lands (P.L. 104–134, Sec. 101 (c), [Title III Sec. 327], April 26, 1996, 110 Stat. 1321–206 and 207).

Valles Caldera Fund.—Funds authorized under the Valles Caldera Preservation Act (Public Law 106–248) are available without further appropriation for any purpose consistent with the purposes of the Act. Notwithstanding sections 1341 and 3302 of title 31 of the United States Code, all monies received from donations under subsection (g) or from the management of the Preserve shall be retained and shall be available, without further appropriation, for the administration, preservation, restoration, operation and maintenance, improvement, repair, and related expenses incurred with respect to properties under its management jurisdiction (16 U.S.C. 698v-4, 698v-6).

Forest Botanical Products.—Funds are used for the recovery of fair market value for the sale of forest botanical products; the collection of fees to cover the costs of analyzing, granting, modifying, and monitoring the harvest of these products; the determination of sustainable harvest levels; and the establishment of personal use levels for which fees would not be collected (16 U.S.C. 528 note).

Administration of Rights-of-Way and Other Land Uses.—Fees collected from applicants and holders of special use authorizations are available to recover costs for processing applications and monitoring compliance with special use authorizations (31 U.S.C. 9701; 43 U.S.C. 1764(g); 30 U.S.C. 815(1); P.L. 82–137; P.L. 66–146; P.L. 94–579; 113 Stat. 1501A-196–197 as amended by 118 Stat. 3105; 119 Stat. 555 and P.L. 110–161; 16 U.S.C. 4601–6d; 117 Stat. 294–297).

Object Classification (in millions of dollars)

Identification code 12–9921–0–2–999	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	46	42	40
11.3 Other than full-time permanent	14	13	12
11.5 Other personnel compensation	3	3	3
11.9 Total personnel compensation	63	58	55
12.1 Civilian personnel benefits	18	16	15
13.0 Benefits for former personnel	1	1	1

FOREST SERVICE PERMANENT APPROPRIATIONS—Continued
Object Classification—Continued

Identification code 12-9921-0-2-999	2010 actual	CR	2012 est.	
21.0	Travel and transportation of persons	2	2	2
22.0	Transportation of things	1	1	1
23.2	Rental payments to others	1	1	1
23.3	Communications, utilities, and miscellaneous charges	5	5	4
24.0	Printing and reproduction	1	1	1
25.2	Other services from non-federal sources	62	57	53
25.3	Other goods and services from federal sources	7	6	6
25.7	Operation and maintenance of equipment	1	1	1
26.0	Supplies and materials	9	8	8
31.0	Equipment	2	2	2
32.0	Land and structures	2	2	2
41.0	Grants, subsidies, and contributions	472	457	417
99.0	Direct obligations	647	618	569
99.0	Reimbursable obligations	3	5	6
99.5	Below reporting threshold	1		
99.9	Total new obligations	651	623	575

Employment Summary

Identification code 12-9921-0-2-999	2010 actual	CR	2012 est.	
1001	Direct civilian full-time equivalent employment	1,314	1,312	1,259
2001	Reimbursable civilian full-time equivalent employment	23	33	36

WORKING CAPITAL FUND

Program and Financing (in millions of dollars)

Identification code 12-4605-0-4-302	2010 actual	CR	2012 est.	
Obligations by program activity:				
0801	Working capital fund	243	252	264
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	127	125	63
1021	Recoveries of prior year unpaid obligations	2		
1050	Unobligated balance (total)	129	125	63
Budget authority:				
Spending authority from offsetting collections, discretionary:				
1700	Collected	239	190	210
1930	Total budgetary resources available	368	315	273
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	125	63	9
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	52	42	61
3030	Obligations incurred, unexpired accounts	243	252	264
3040	Outlays (gross)	-251	-233	-228
3080	Recoveries of prior year unpaid obligations, unexpired	-2		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	42	61	97
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	239	190	210
Outlays, gross:				
4010	Outlays from new discretionary authority	204	171	189
4011	Outlays from discretionary balances	47	62	39
4020	Outlays, gross (total)	251	233	228
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	-236	-187	-207
4033	Non-Federal sources	-3	-3	-3
4040	Offsets against gross budget authority and outlays (total)	-239	-190	-210
4070	Budget authority, net (discretionary)			
4080	Outlays, net (discretionary)	12	43	18
4180	Budget authority, net (total)			
4190	Outlays, net (total)	12	43	18

The Working Capital Fund is a self-sustaining revolving fund that provides services to national forests, to research experiment stations, to other Federal agencies when necessary, to State and private agencies as provided by law, and to persons who cooperate with the Forest Service in fire control and other authorized programs.

Forestry-related supply and support services include:

Equipment Services.—The Fund owns, operates, maintains, replaces, and repairs common-use, motor-driven, and similar equipment. This equipment is rented to administrative units, that is, national forests, research experiment stations, and other units, and, in some cases, to other agencies, at rates which recover the cost of operation, repair and maintenance, management, and depreciation. The rates also include an increment which provides additional cash which, when added to depreciation earnings and the residual value of equipment, provides sufficient funds to replace the equipment.

Aircraft Services.—The Fund operates, maintains, and repairs Forest Service-owned aircraft used in fire surveillance and suppression and in other Forest Service programs. The aircraft are rented to national forests, research experiment stations, and in some cases to other agencies, at rates which recover the cost of depreciation, operation, maintenance, repair, and improvements in the airworthiness of the aircraft. Aircraft replacement costs are financed from either appropriated funds or the Forest Service Working Capital Fund, or a combination of both.

Supply Services.—The fund operates the following common services, and provides for cost-recovery of Working Capital Fund Program Management: Photo reproduction laboratories that store, reproduce, and supply aerial photographs, aerial maps, and other photographs of national forest lands. Photographic reproductions are sold to national forests, research experiment stations, and others at cost. Sign shops that manufacture and supply special signs for the national forests for use in regulating traffic and as information to the public and other users of the national forests. Signs are sold to national forests and research experiment stations at cost.

Nurseries.—The fund operates seed supply services that provide tree seed for direct seeding or sowing in nurseries for the production of trees. Activities include purchase or collection of cones, extraction of seeds, cleaning and testing, and storage and delivery. The fund operates in conjunction with tree nurseries; that is, forest tree nurseries and cold storage facilities for storage of tree seedlings. Tree seedlings are sold to national forests, State foresters, and other cooperators at cost.

The Budget includes Forest Service implementation, in conjunction with the General Services Administration, of a vehicle allocation methodology that analyzes fleet vehicle effectiveness, cost-to-serve, life cycle costs, vehicle pooling, procurement practices, and reduction of operating costs.

Object Classification (in millions of dollars)

Identification code 12-4605-0-4-302	2010 actual	CR	2012 est.	
Reimbursable obligations:				
Personnel compensation:				
11.1	Full-time permanent	36	37	39
11.3	Other than full-time permanent	2	2	2
11.5	Other personnel compensation	4	4	4
11.9	Total personnel compensation	42	43	45
12.1	Civilian personnel benefits	13	13	14
21.0	Travel and transportation of persons	5	5	5
22.0	Transportation of things	1	1	1
23.2	Rental payments to others	1	1	1
23.3	Communications, utilities, and miscellaneous charges	2	2	2
24.0	Printing and reproduction	1	1	1
25.2	Other services from non-federal sources	21	22	24
25.3	Other goods and services from federal sources	3	3	3

25.7	Operation and maintenance of equipment	16	17	18
26.0	Supplies and materials	60	63	66
31.0	Equipment	75	79	82
41.0	Grants, subsidies, and contributions	1	1	1
42.0	Insurance claims and indemnities	1	1	1
99.0	Reimbursable obligations	242	252	264
99.5	Below reporting threshold	1		
99.9	Total new obligations	243	252	264

Employment Summary

Identification code 12-4605-0-4-302	2010 actual	CR	2012 est.
2001 Reimbursable civilian full-time equivalent employment	659	659	659

Trust Funds

FOREST SERVICE TRUST FUNDS

Special and Trust Fund Receipts (in millions of dollars)

Identification code 12-9974-0-7-302	2010 actual	CR	2012 est.
0100 Balance, start of year			
Receipts:			
0200 Transfers from General Fund of Amounts Equal to Certain Customs Duties, Reforestation Trust Fund	30	30	30
0220 Forest Service Cooperative Fund	56	55	55
0299 Total receipts and collections	86	85	85
0400 Total: Balances and collections	86	85	85
Appropriations:			
0500 Forest Service Trust Funds	-86	-85	-85
0599 Total appropriations	-86	-85	-85
0799 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-9974-0-7-302	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Cooperative work trust fund	74	79	79
0002 Cooperative work advance payments	10	10	10
0003 Reforestation trust fund	31	30	30
0091 Direct program activities, subtotal	115	119	119
0801 Reimbursable program-coop work other	21	25	25
0900 Total new obligations	136	144	144

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	362	336	302
1021 Recoveries of prior year unpaid obligations	1		
1050 Unobligated balance (total)	363	336	302
Budget authority:			
Appropriations, mandatory:			
1202 Appropriation (trust fund)	86	85	85
Spending authority from offsetting collections, mandatory:			
1800 Collected	23	25	25
1900 Budget authority (total)	109	110	110
1930 Total budgetary resources available	472	446	412
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	336	302	268

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	48	42	73
3030 Obligations incurred, unexpired accounts	136	144	144
3040 Outlays (gross)	-141	-113	-112
3080 Recoveries of prior year unpaid obligations, unexpired	-1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	42	73	105

Budget authority and outlays, net:

Mandatory:			
4090 Budget authority, gross	109	110	110
Outlays, gross:			
4100 Outlays from new mandatory authority	106	88	88

4101 Outlays from mandatory balances	35	25	24
4110 Outlays, gross (total)	141	113	112
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources	-23	-25	-25
4160 Budget authority, net (mandatory)	86	85	85
4170 Outlays, net (mandatory)	118	88	87
4180 Budget authority, net (total)	86	85	85
4190 Outlays, net (total)	118	88	87

Memorandum (non-add) entries:

5000 Total investments, SOY: Federal securities: Par value	6	6	6
5001 Total investments, EOY: Federal securities: Par value	6	6	6

Cooperative Work Trust Fund.—Funds, including deposits from purchasers of timber, are received and used for specified work in forest investigations, protection, and improvement of the National Forest System, including protection, reforestation, and administration of private lands adjacent to National Forests (7 U.S.C. 2269; 16 U.S.C. 498, 535, 572, 572a, 576b, 1643; and 31 U.S.C. 1321).

Cooperative Work Trust Fund—Other.—This fund is used to collect deposits received from partners and cooperators for protecting and improving resources of the National Forest System as authorized by cooperative agreements. Deposit funds support a wide variety of activities that benefit and support program in Forest and Rangeland Research, on National Forest System lands, and for other agency activities.

Land Between the Lakes Trust Fund.—Interest earned from funds transferred by the Tennessee Valley Authority is available for public education, grants, recreation internships, conservation and multiple-use management of the Land Between the Lakes (16 U.S.C. 460lll-31).

Reforestation Trust Fund.—Amounts from this account are used for reforestation and timber stand improvement as authorized by 16 U.S.C. 1606a(d).

Object Classification (in millions of dollars)

Identification code 12-9974-0-7-302	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	42	39	39
11.3 Other than full-time permanent	4	4	4
11.5 Other personnel compensation	2	2	2
11.9 Total personnel compensation	48	45	45
12.1 Civilian personnel benefits	16	17	17
21.0 Travel and transportation of persons	1	1	1
23.1 Rental payments to GSA	1	1	1
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	2	3	3
25.2 Other services from non-federal sources	27	32	32
25.3 Other goods and services from federal sources	5	7	7
25.7 Operation and maintenance of equipment	1	1	1
26.0 Supplies and materials	6	6	6
31.0 Equipment	3	3	3
41.0 Grants, subsidies, and contributions	2	2	2
99.0 Direct obligations	113	119	119
99.0 Reimbursable obligations	20	25	25
99.5 Below reporting threshold	3		
99.9 Total new obligations	136	144	144

Employment Summary

Identification code 12-9974-0-7-302	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	1,020	785	785

FOREST SERVICE TRUST FUNDS—Continued
Employment Summary—Continued

Identification code 12-9974-0-7-302	2010 actual	CR	2012 est.
2001 Reimbursable civilian full-time equivalent employment		235	235

ADMINISTRATIVE PROVISIONS, FOREST SERVICE
(INCLUDING TRANSFERS OF FUNDS)

Appropriations to the Forest Service for the current fiscal year shall be available for: (1) purchase of passenger motor vehicles; acquisition of passenger motor vehicles from excess sources, and hire of such vehicles; purchase, lease, operation, maintenance, and acquisition of aircraft from excess sources to maintain the operable fleet for use in Forest Service wildland fire programs and other Forest Service programs; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (2) services pursuant to 7 U.S.C. 2225, and not to exceed \$100,000 for employment under 5 U.S.C. 3109; (3) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (4) acquisition of land, waters, and interests therein pursuant to 7 U.S.C. 428a; (5) expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, and 558a note); (6) the cost of uniforms as authorized by 5 U.S.C. 5901-5902; and (7) debt collection contracts in accordance with 31 U.S.C. 3718(c).

Any appropriations or funds available to the Forest Service may be transferred to the Wildland Fire Management appropriation for forest firefighting, emergency rehabilitation of burned-over or damaged lands or waters under its jurisdiction, and fire preparedness due to severe burning conditions upon the Secretary's notification of the House and Senate Committees on Appropriations that all fire suppression funds appropriated under the headings "Wildland Fire Management" and "FLAME Wildfire Suppression Reserve Fund" will be exhausted within 30 days.

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development in connection with forest and rangeland research, technical information, and assistance in foreign countries, and shall be available to support forestry and related natural resource activities outside the United States and its territories and possessions, including technical assistance, education and training, and cooperation with United States and international organizations.

Funds available to the Forest Service shall be available for priority projects within the scope of the approved budget, which shall be carried out by the Youth Conservation Corps and shall be carried out under the authority of the Public Lands Corps Act of 1993, Public Law 103-82, as amended by Public Lands Corps Healthy Forests Restoration Act of 2005, Public Law 109-154.

Of the funds available to the Forest Service, \$4,000 is available to the Chief of the Forest Service for official reception and representation expenses.

Pursuant to sections 405(b) and 410(b) of Public Law 101-593, of the funds available to the Forest Service, up to \$3,000,000 may be advanced in a lump sum to the National Forest Foundation to aid conservation partnership projects in support of the Forest Service mission, without regard to when the Foundation incurs expenses, for projects on or benefitting National Forest System lands or related to Forest Service programs: Provided, That of the Federal funds made available to the Foundation, no more than \$300,000 shall be available for administrative expenses: Provided further, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds made available by the Forest Service: Provided further, That the Foundation may transfer Federal funds to Federal or a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds: Provided further, That authorized investments of Federal funds held by the Foundation may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

Pursuant to section 2(b)(2) of Public Law 98-244, \$3,000,000 of the funds available to the Forest Service may be advanced to the National

Fish and Wildlife Foundation in a lump sum to aid cost-share conservation projects, without regard to when expenses are incurred, on or benefitting National Forest System lands or related to Forest Service programs: Provided, That such funds shall be matched on at least a one-for-one basis by the Foundation or its sub-recipients: Provided further, That the Foundation may transfer Federal funds to a Federal or non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds.

Funds appropriated to the Forest Service shall be available for interactions with and providing technical assistance to rural communities and natural resource-based businesses for sustainable rural development purposes: Provided, That no more than 2 percent of any unit's budget may be used for such purposes: Provided further, That no more than 5 percent of the funds in any budget line item may be used for such purposes.

Funds available to the Forest Service, not to exceed \$55,000,000, shall be assessed for the purpose of performing fire, administrative and other facilities maintenance and decommissioning. Such assessments shall occur using a square foot rate charged on the same basis the agency uses to assess programs for payment of rent, utilities, and other support services.

Notwithstanding any other provision of law, any appropriations or funds available to the Forest Service not to exceed \$500,000 may be used to reimburse the Office of the General Counsel (OGC), Department of Agriculture, for travel and related expenses incurred as a result of OGC assistance or participation requested by the Forest Service at meetings, training sessions, management reviews, land purchase negotiations and similar non-litigation related matters.

GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

	2010 actual	CR	2012 est.
Offsetting receipts from the public:			
12-143500 General Fund Proprietary Interest Receipts, not Otherwise Classified		1	1
12-181100 National Grasslands	44	40	41
12-222100 National Forest Fund	13		
12-270110 Agriculture Credit Insurance, Negative Subsidies		1	1
12-270130 Agriculture Credit Insurance, Downward Reestimates of Subsidies	212	456	
12-270210 Rural Electrification and Telephone Loans, Negative Subsidies	61	70	118
12-270230 Rural Electrification and Telephone Loans, Downward Reestimates of Subsidies	229	313	
12-270330 Rural Water and Waste Disposal, Downward Reestimates of Subsidies	158	96	
12-270510 Rural Community Facility, Negative Subsidies			4
12-270630 Rural Community Facility, Downward Reestimates of Subsidies	35	48	
12-270610 Rural Housing Insurance, Negative Subsidies	1	36	16
12-270630 Rural Housing Insurance, Downward Reestimates of Subsidies	130	44	
12-270730 Rural Business and Industry, Downward Reestimates of Subsidies	15	21	
12-270830 P.L. 480 Loan Program, Downward Reestimates of Subsidies	431	7	
12-271030 Rural Development Loans, Downward Reestimates of Subsidies	5	6	
12-271130 Rural Telephone Bank Loans, Downward Reestimates of Subsidies	3	4	
12-271330 Economic Development Loans, Downward Reestimates of Subsidies	5	3	
12-274630 Downward Reestimates, Distance Learning, Telemedicine, and Broadband Program	11	22	
12-275610 Negative Subsidies, Farm Storage Facility Loans	1	5	7
12-275630 Farm Storage Facility Loans, Downward Reestimate of Subsidies	17	27	
12-275730 Commodity Credit Corporation Export Guarantee Financing, Downward Reestimate of Subsidies	94	188	
12-277930 Multifamily Housing Revitalization Fund, Downward Reestimates of Subsidies	8	2	
12-278630 Rural Energy for America Program, Downward Reestimates of Subsidies		2	
12-279310 Commodity Credit Corporation Export Guarantee Financing, Negative Subsidies	33	46	33
12-322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts	6	5	5
General Fund Offsetting receipts from the public	1,512	1,443	226
Intragovernmental payments:			

12-388500 Undistributed Intragovernmental Payments and Receivables from Cancelled Accounts	2	.....	.....
General Fund Intragovernmental payments	2	.....	.....

TITLE VII—GENERAL PROVISIONS

(INCLUDING CANCELLATIONS AND TRANSFERS OF FUNDS)

SEC. 701. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the current fiscal year under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 461 passenger motor vehicles, of which 456 shall be for replacement only, and for the hire of such vehicles.

SEC. 702. The Secretary of Agriculture may transfer unobligated balances of discretionary funds appropriated by this Act or other available unobligated discretionary balances of the Department of Agriculture to the Working Capital Fund for the acquisition of plant and capital equipment necessary for the delivery of financial, administrative, and information technology services of primary benefit to the agencies of the Department of Agriculture: Provided, That none of the funds made available by this Act or any other Act shall be transferred to the Working Capital Fund without the prior notification to the agency administrator: Provided further, That none of the funds transferred to the Working Capital Fund pursuant to this section shall be available for obligation without the prior notification to the Committees on Appropriations of both Houses of Congress: Provided further, That of annual income amounts in the Working Capital Fund of the Department of Agriculture allocated for the National Finance Center, the Secretary may reserve not more than 4 percent for the replacement or acquisition of capital equipment, including equipment for the improvement and implementation of a financial management plan, information technology, and other systems of the National Finance Center or to pay any unforeseen, extraordinary cost of the National Finance Center: Provided further, That none of the amounts reserved shall be available for obligation unless the Secretary submits notification of the obligation to the Committees on Appropriations of the House of Representatives and the Senate: Provided further, That the limitation on the obligation of funds pending notification to Congressional Committees shall not apply to any obligation that, as determined by the Secretary, is necessary to respond to a declared state of emergency that significantly impacts the operations of the National Finance Center; or to evacuate employees of the National Finance Center to a safe haven to continue operations of the National Finance Center.

SEC. 703. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 704. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 percent of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

SEC. 705. Appropriations to the Department of Agriculture for the cost of direct and guaranteed loans made available in the current fiscal year shall remain available until expended to disburse obligations made in the current fiscal year for the following accounts: the Rural Development Loan Fund program account, the Rural Electrification and Telecommunication Loans program account, and the Rural Housing Insurance Fund program account.

SEC. 706. None of the funds appropriated by this Act may be used to carry out section 410 of the Federal Meat Inspection Act (21 U.S.C. 679a) or section 30 of the Poultry Products Inspection Act (21 U.S.C. 471).

SEC. 707. None of the funds made available to the Department of Agriculture by this Act may be used to acquire new information technology systems or significant upgrades, as determined by the Office of the Chief Information Officer, without the approval of the Chief Information Officer and the concurrence of the Executive Information Technology Investment Review Board: Provided, That notwithstanding any other provision of

law, none of the funds appropriated or otherwise made available by this Act may be transferred to the Office of the Chief Information Officer unless prior notification has been transmitted to the Committees on Appropriations of both Houses of Congress: Provided further, That none of the funds available to the Department of Agriculture for information technology shall be obligated for projects over \$25,000 prior to receipt of written approval by the Chief Information Officer.

SEC. 708. Funds made available under section 1240I and section 1241(a) of the Food Security Act of 1985 and section 524(b) of the Federal Crop Insurance Act (7 U.S.C. 1524(b)) in the current fiscal year shall remain available until expended to disburse obligations made in the current fiscal year.

SEC. 709. Notwithstanding any other provision of law, any former RUS borrower that has repaid or prepaid an insured, direct or guaranteed loan under the Rural Electrification Act, or any not-for-profit utility that is eligible to receive an insured or direct loan under such Act, shall be eligible for assistance under section 313(b)(2)(B) of such Act in the same manner as a borrower under such Act.

SEC. 710. Notwithstanding any other provision of law, for the purposes of a grant under section 412 of the Agricultural Research, Extension, and Education Reform Act of 1998, none of the funds in this or any other Act may be used to prohibit the provision of in-kind support from non-Federal sources under section 412(e)(3) in the form of unrecovered indirect costs not otherwise charged against the grant, consistent with the indirect rate of cost approved for a recipient.

SEC. 711. Except as otherwise specifically provided by law, unobligated balances remaining available at the end of the fiscal year from appropriations made available for salaries and expenses in this Act for the Farm Service Agency and the Rural Development mission area, shall remain available through September 30, 2013, for information technology expenses.

SEC. 712. The Secretary of Agriculture may authorize a State agency to use funds provided in this Act to exceed the maximum amount of liquid infant formula specified in 7 C.F.R. 246.10 when issuing liquid infant formula to participants.

SEC. 713. None of the funds appropriated or otherwise made available by this Act may be used for first-class travel by the employees of agencies funded by this Act in contravention of sections 301–10.122 through 301–10.124 of title 41, Code of Federal Regulations.

SEC. 714. None of the funds made available in this Act may be used to pay the salaries or expenses of personnel to—

- (1) inspect horses under section 3 of the Federal Meat Inspection Act (21 U.S.C. 603);
- (2) inspect horses under section 903 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 1901 note; Public Law 104–127); or
- (3) implement or enforce section 352.19 of title 9, Code of Federal Regulations.

SEC. 715. In the case of each program established or amended by the Food, Conservation, and Energy Act of 2008 (Public Law 110–246), other than by title I or subtitle A of title III of such Act, that is authorized or required to be carried out using funds of the Commodity Credit Corporation—(1) such funds shall be available for salaries and related administrative expenses, including technical assistance, associated with the implementation of the program, without regard to the limitation on the total amount of allotments and fund transfers contained in section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i); and (2) the use of such funds for such purpose shall not be considered to be a fund transfer or allotment for purposes of applying the limitation on the total amount of allotments and fund transfers contained in such section.

SEC. 716. Hereafter, notwithstanding section 310B(g)(5) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(g)(5)), the Secretary may assess a one-time fee for any guaranteed business and industry loan in an amount that does not exceed 3 percent of the guaranteed principal portion of the loan.

SEC. 717. In carrying out subsection (h) of section 502 of the Housing Act of 1949, the Secretary may use the authority described in subsections (h) and (j) of section 538 of such Act.

SEC. 718. The Secretary may reserve, through April 1, 2012, up to 5 percent of the funding available for the following items for projects in areas that are engaged in strategic regional development planning as defined by the Secretary: business and industry guaranteed loans; rural development loan fund; rural business enterprise grants; rural business

opportunity grants; rural energy for America program; value-added producer grants; broadband program; water and waste program; rural community facilities program; and wholesale farmers and alternative market development programs.

SEC. 719. Appropriations to the Department of Agriculture made available in fiscal years 2005, 2006, and 2007 to carry out section 601 of the Rural Electrification Act of 1936 (7 U.S.C. 950bb) for the cost of direct loans shall remain available until expended to disburse valid obligations made in fiscal years 2005, 2006, 2007 and 2008.

SEC. 720. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out a program under subsection (b)(2)(A)(iv) of section 14222 of Public Law 110–246 in excess of \$1,116,522,000: Provided, That none of the funds made available in this Act or any other Act shall be used for salaries and expenses to carry out in this fiscal year section 19(i)(1)(E) of the Richard B. Russell National School Lunch Act, as amended, in excess of \$38,159,000, including the transfer of funds under subsection (c) of section 14222 of Public Law 110–246, until October 1, 2012: Provided further, That \$114,478,000 made available on October 1, 2012, to carry out section 19(i)(1)(E) of the Richard B. Russell National School Lunch Act, as amended, shall be excluded from the limitation described in subsection (b)(2)(A)(v) of section 14222 of Public Law 110–246.

SEC. 721. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out the following:

(a) a Wetlands Reserve Program as authorized by sections 1237–1237F of the Food Security Act of 1985, as amended (16 U.S.C. 3837), to enroll in excess of 271,158 acres in the fiscal year 2012: Provided, That such program shall be permanently reduced by 158,895 acres.

(b) a Conservation Stewardship Program as authorized by Chapter 2 of subtitle D of title XII of the Food Security Act of 1985, as amended (16 U.S.C. 3838d–3838i), to enroll in excess of 12,004,796 acres in the fiscal year 2012: Provided, That such program shall be permanently reduced by 764,204 acres.

(c) a Grasslands Reserve Program as authorized by subchapter D of Chapter 2 of subtitle D of title XII of the Food Security Act of 1985, as amended (16 U.S.C. 3838n–3838q), to enroll in excess of 203,515 acres in the fiscal year 2012: Provided, That such program shall be permanently reduced by 165,684 acres.

(d) an Agricultural Management Assistance Program as authorized by section 524 of the Federal Crop Insurance Act, as amended (7 U.S.C. 1524), in excess of \$2,500,000 for the Natural Resources Conservation Service. Funds exceeding this amount for fiscal year 2012 are hereby permanently cancelled.

(e) an Environmental Quality Incentives Program as authorized by sections 1240–1240H of the Food Security Act of 1985, as amended (16 U.S.C. 3839aa–3839aa(8)), in excess of \$1,408,000,000. Funds exceeding this amount for fiscal year 2012 are hereby permanently cancelled.

(f) a program authorized by section 14(h)(1) of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1012(h)(1)). Of the funds available under such section for fiscal year 2012, \$165,000,000 are hereby permanently cancelled.

(g) a Wildlife Habitat Incentives Program established under section 1240N of the Food Security Act of 1985, as amended (16 U.S.C. 3839bb–1), in excess of \$73,000,000. Funds exceeding this amount for fiscal year 2012 are hereby permanently cancelled.

(h) payments for the Collection, Harvest, Storage and Transportation for a Biomass Crop Assistance Program as authorized by section 9011(d) of Public Law 107–171, in excess of \$70,000,000. Funds exceeding this amount for fiscal year 2012 are hereby permanently cancelled.

SEC. 722. Of the unobligated balances in the Agricultural Research Service, Buildings and Facilities account, \$223,748,898 are hereby permanently cancelled: Provided, That no amounts may be cancelled from amounts that were designated by the Congress as an emergency requirement pursuant to the Concurrent Resolution on the Budget or the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

SEC. 723. Of the funds made available by this Act, not more than \$2,400,000 shall be used to cover necessary expenses of activities related to all advisory committees, panels, commissions, and task forces of the Department of Agriculture, except for panels used to comply with negotiated rule makings and panels and used to evaluate competitively awarded grants.

SEC. 724. Of the unobligated balances available for the Wildlife Habitat Incentives Program under section 1240N of the Food Security Act of 1985 (16 U.S.C. 3839bb–1), as identified by Treasury Account reference 12X3322, \$10,188,000 are hereby permanently cancelled: Provided, That no amounts may be cancelled from amounts that were designated by the Congress as an emergency requirement pursuant to the Concurrent Resolution on the Budget or the Balanced Budget and Emergency Deficit Control Act of 1985, as amended. Of the unobligated balances available for the program under the Water Bank Act (16 U.S.C. 1301 et seq.), as identified by Treasury Account reference 12X3320, \$745,000 are hereby permanently cancelled: Provided, That no amounts may be cancelled from amounts that were designated by the Congress as an emergency requirement pursuant to the Concurrent Resolution on the Budget or the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

SEC. 725. All of the unobligated balances available under the heading "Cooperative State Research, Education and Extension Service, Buildings and Facilities" are hereby permanently cancelled: Provided, That no amounts may be cancelled from amounts that were designated by the Congress as an emergency requirement pursuant to the Concurrent Resolution on the Budget or the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

SEC. 726. None of the funds in this Act shall be available to pay indirect costs charged against any agricultural research, education, or extension grant awards issued by the National Institute of Food and Agriculture that exceed 30 percent of total Federal funds provided under each award: Provided, That notwithstanding section 1462 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3310), funds provided by this Act for grants awarded competitively by the National Institute of Food and Agriculture shall be available to pay full allowable indirect costs for each grant awarded under section 9 of the Small Business Act (15 U.S.C. 638).