

Calendar No. 149

113TH CONGRESS }
1st Session }

SENATE

{ REPORT
113-80

FINANCIAL SERVICES AND GENERAL GOVERNMENT
APPROPRIATIONS BILL, 2014

JULY 25, 2013.—Ordered to be printed

Mr. UDALL of New Mexico, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany S. 1371]

The Committee on Appropriations reports an original bill (S. 1371) making appropriations for financial services and general government for the fiscal year ending September 30, 2014, and for other purposes, reports favorably thereon and recommends that the bill do pass.

Amounts of new budget (obligational) authority for fiscal year 2014

Total of bill as reported to the Senate	\$44,304,163,000
Amount of 2013 appropriations ¹	43,345,888,000
Amount of 2014 budget estimate	45,435,193,000
Bill as recommended to Senate compared to—	
2013 appropriations	+ 958,275,000
2014 budget estimate	- 1,131,030,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

CONTENTS

	Page
Overview and Summary of the Bill	5
Program, Project, and Activity	5
Reprogramming Guidelines	5
Relationship With Budget Offices	6
Congressional Budget Justifications	7
Agency Reports	7
Title I: Department of the Treasury:	
Departmental Offices	9
Department-wide Systems and Capital Investments Programs	12
Office of Inspector General	12
Treasury Inspector General for Tax Administration	13
Special Inspector General for the Troubled Asset Relief Program	15
Financial Crimes Enforcement Network	16
Treasury Forfeiture Fund	18
Financial Management Service	18
Alcohol and Tobacco Tax and Trade Bureau	19
United States Mint	20
Bureau of the Public Debt	20
Bureau of the Fiscal Service	21
Community Development Financial Institutions Fund	22
Bureau of Engraving and Printing	23
Internal Revenue Service	24
Taxpayer Services	26
Enforcement	28
Operations Support	32
Business Systems Modernization	34
Administrative Provisions—Internal Revenue Service	36
Administrative Provisions—Department of the Treasury	37
Title II: Executive Office of the President and Funds Appropriated to the President:	
Compensation of the President	38
The White House	38
Executive Residence at the White House	39
White House Repair and Restoration	39
Council of Economic Advisers	40
National Security Council and Homeland Security Council	40
Office of Administration	40
Office of Management and Budget	41
Office of National Drug Control Policy	43
Federal Drug Control Programs:	
High Intensity Drug Trafficking Areas	44
Other Federal Drug Control Programs	45
Unanticipated Needs	46
Data-Driven Innovation	46
Integrated, Efficient and Effective Uses of Information Technology	47
Special Assistance to the President	48
Official Residence of the Vice President	48
Administrative Provisions—Executive Office of the President and Funds Appropriated to the President	49
Title III: The Judiciary:	
Supreme Court of the United States	50
Care of the Building and Grounds	51
United States Court of Appeals for the Federal Circuit	51
United States Court of International Trade	52

	Page
Title III—Continued	
Courts of Appeals, District Courts, and Other Judicial Services	52
Vaccine Injury Compensation Trust Fund	53
Defender Services	53
Fees of Jurors and Commissioners	54
Court Security	54
Administrative Office of the United States Courts	55
Federal Judicial Center	55
Judicial Retirement Funds	56
United States Sentencing Commission	56
Administrative Provisions—The Judiciary	56
Title IV—District of Columbia:	
Federal Funds:	
Federal Payment for Resident Tuition Support	58
Federal Payment for Emergency Planning and Security Costs in the District of Columbia	59
Federal Payment to the District of Columbia Courts	60
Federal Payment for Defender Services in District of Columbia Courts	61
Federal Payment to the Court Services and Offender Supervision Agency for the District of Columbia	62
Federal Payment to the Public Defender Service for the District of Columbia	63
Federal Payment to the District of Columbia Water and Sewer Au- thority	64
Federal Payment to the Criminal Justice Coordinating Council	64
Federal Payment for Judicial Commissions	66
Federal Payment for School Improvement	66
Federal Payment for the D.C. National Guard	69
Federal Payment for Redevelopment of the St. Elizabeths Hospital Campus	70
Federal Payment for HIV/AIDS Prevention	70
Federal Payment for D.C. Commission on the Arts and Humanities Grants	71
District of Columbia Funds	71
Title V—Independent Agencies:	
Administrative Conference of the United States	72
Christopher Columbus Fellowship Foundation	72
Commodity Futures Trading Commission	73
Consumer Product Safety Commission	75
Election Assistance Commission	78
Federal Communications Commission	78
Federal Deposit Insurance Corporation: Office of the Inspector General ...	81
Federal Election Commission	81
Federal Labor Relations Authority	82
Federal Trade Commission	83
General Services Administration	84
Harry S Truman Scholarship Foundation	94
Merit Systems Protection Board	95
Morris K. Udall and Stewart L. Udall Foundation	96
National Archives and Records Administration	97
National Credit Union Administration	101
Office of Government Ethics	102
Office of Personnel Management	103
Office of Special Counsel	107
Postal Regulatory Commission	108
Privacy and Civil Liberties Oversight Board	109
Recovery Accountability and Transparency Board	110
Securities and Exchange Commission	111
Selective Service System	115
Small Business Administration	115
United States Postal Service	125
United States Tax Court	129
Statement Concerning General Provisions	129
Title VI—General Provisions—This Act	131
Title VII—General Provisions—Governmentwide	133
Title VIII—General Provisions—District of Columbia	137
Compliance With Paragraph 7, Rule XVI of the Standing Rules of the Senate	139

	Page
Compliance With Paragraph 7(c), Rule XXVI of the Standing Rules of the Senate	140
Compliance With Paragraph 12, Rule XXVI of the Standing Rules of the Senate	140
Budgetary Impact of Bill	160
Comparative Statement of New Budget Authority	161

OVERVIEW AND SUMMARY OF THE BILL

The Financial Services and General Government appropriations bill provides funding for the Department of the Treasury, including the Internal Revenue Service; the Executive Office of the President; the Judiciary; the District of Columbia; and more than two dozen independent Federal agencies.

The Committee recommends \$44,304,163,000 in discretionary and mandatory appropriations. This represents an increase of \$958,275,000 above the fiscal year 2013 enacted level, and a decrease of \$1,131,030,000 below the budget request. Of the total, \$23,189,650,000 is provided in discretionary appropriations, including \$158,650,000 for the Small Business Administration Disaster Loans Program Account designated by Congress as disaster relief pursuant to Public Law 112–25. This discretionary amount is \$1,136,503,000 below the budget request of \$24,326,153,000. Mandatory appropriations total \$21,114,513,000.

PROGRAM, PROJECT, AND ACTIVITY

During fiscal year 2014, for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99–177), as amended, with respect to appropriations contained in the accompanying bill, the terms “program, project, and activity” [PPA] shall mean any item for which a dollar amount is contained in appropriations acts (including joint resolutions providing continuing appropriations) or accompanying reports of the House and Senate Committees on Appropriations, or accompanying conference reports and joint explanatory statements of the committee of conference.

REPROGRAMMING GUIDELINES

The Committee includes a provision (section 608) establishing the authority of agencies to reprogram funds and the limitation on that authority. The provision specifically requires the advance approval of the House and Senate Committees on Appropriations of any proposal to reprogram funds that: (1) creates a new program; (2) eliminates a program, project, or activity [PPA]; (3) increases funds or personnel for any PPA for which funds have been denied or restricted by the Congress; (4) proposes to redirect funds that were directed in such reports for a specific activity to a different purpose; (5) augments an existing PPA in excess of \$5,000,000 or 10 percent, whichever is less; (6) reduces an existing PPA by \$5,000,000 or 10 percent, whichever is less; or (7) creates, reorganizes, or restructures offices differently than the congressional budget justifications or the table at the end of the Committee report, whichever is more detailed.

The Committee retains the requirement that each agency submit an operating plan to the House and Senate Committees on Appro-

priations not later than 60 days after enactment of this act to establish the baseline for application of reprogramming and transfer authorities provided in this act. Specifically, each agency should provide a table for each appropriation with columns displaying the budget request; adjustments made by Congress; adjustments for rescissions, if appropriate; and the fiscal year enacted level. The table shall delineate the appropriation both by object class and by PPA. The report must also identify items of special congressional interest.

The Committee expects the agencies and bureaus to submit reprogramming requests in a timely manner and to provide a thorough explanation of the proposed reallocations, including a detailed justification of increases and reductions and the specific impact the proposed changes will have on the budget request for the following fiscal year. Except in emergency situations, reprogramming requests should be submitted no later than June 30.

The Committee expects each agency to manage its programs and activities within the amounts appropriated by Congress. The Committee reminds agencies that reprogramming requests should be submitted only in the case of an unforeseeable emergency or a situation that could not have been anticipated when formulating the budget request for the current fiscal year. Further, the Committee notes that when a Department or agency submits a reprogramming or transfer request to the Committees on Appropriations and does not receive identical responses from the House and the Senate, it is the responsibility of the Department or agency to reconcile the House and the Senate differences before proceeding, and if reconciliation is not possible, to consider the request to reprogram funds unapproved.

RELATIONSHIP WITH BUDGET OFFICES

Through the years, the Committee has channeled most of its inquiries and requests for information and assistance through the budget offices of the various departments, agencies, offices, and commissions. The Committee has often pointed to the natural affinity and relationship between the budget offices and the Committee which makes such a relationship workable. The Committee reiterates its longstanding position that while the Committee reserves the right to call upon any office or officer in the departments, agencies, and commissions, the primary conjunction between the Committee and these entities must be through the budget offices. To help ensure the Committee's ability to perform its responsibilities, the Committee insists on having direct, unobstructed, and timely access to the budget offices and expects to be able to receive forthright and complete responses from those offices and their employees.

The Committee has encountered growing difficulties in securing timely agency compliance with mandated reporting requirements and has experienced several situations in which deadlines for submission of reports were disregarded entirely. The Committee expects and directs all agencies from which reports are required to allow sufficient time to secure any necessary internal and external clearances of reports in order to satisfy congressional deadlines. The Committee strongly urges agencies to alert the Committee as

far as possible in advance of any expected slippage in meeting a report delivery due date.

CONGRESSIONAL BUDGET JUSTIFICATIONS

Budget justifications are prepared not for the use of the agency, but instead are the primary tool used by the House and Senate Committees on Appropriations to evaluate the resource requirements and fiscal needs of agencies. The Committee is aware that the format and presentation of budget materials is largely left to the agency within presentation objectives set forth by OMB. In fact, OMB Circular A-11, part 6 specifically states that the “agency should consult with your congressional committees beforehand to ensure their awareness of your plans to modify the format of agency budget documents.” The Committee expects all the budget justifications to adhere to this directive and provide the data needed to make appropriate and meaningful funding decisions.

The Committee directs that justifications submitted with the fiscal year 2015 budget requests by agencies funded under this act must contain the customary level of detailed data and explanatory statements to support the appropriations requests at the level of detail contained in the funding table included at the end of the report. Among other items, agencies shall provide a detailed discussion of proposed new initiatives, proposed changes in the agency’s financial plan from prior year enactment, and detailed data on all programs and comprehensive information on any office or agency restructurings. At a minimum, each agency must also provide adequate justification for funding and staffing changes for each individual office and materials that compare programs, projects, and activities that are proposed for fiscal year 2015 to the fiscal year 2014 enacted level.

The Committee includes a new general provision requiring that agencies provide, as a component incorporated within their fiscal year 2015 budget justification materials submitted to the Committee, a separate table briefly describing the top management challenges for fiscal year 2014 as identified by the agency inspector general, along with an explanation of how the fiscal year 2015 budget request addresses each such management challenge.

The Committee is aware that the analytical materials required for review by the Committee are unique to each agency in this act. Therefore, the Committee expects that each agency will coordinate with the House and Senate Committees on Appropriations in advance on its planned presentation for its budget justification materials in support of the fiscal year 2015 budget request.

AGENCY REPORTS

As a measure to reduce costs and conserve paper, the Committee reminds agencies funded by this act that currently provide separate copies of periodic reports (such as Performance and Accountability Reports) and correspondence to the chairs of the House and Senate Appropriations Committees and Subcommittees on Financial Services and General Government, and also to the ranking members of the committees and subcommittees, to send only one copy jointly addressed to the chairs of the Committee and sub-

committee and one copy jointly addressed to the ranking members of the Committee and subcommittee (separate copies should be sent to the House and the Senate). Eliminating duplication will reduce by one-half (from eight to four) the copies of periodic reports agencies send to the committees.

TITLE I
DEPARTMENT OF THE TREASURY
DEPARTMENTAL OFFICES
SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$307,771,000
Budget estimate, 2014	311,775,000
Committee recommendation	302,450,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Secretary of the Treasury has the primary role in formulating and managing the domestic and international tax and financial policies of the Federal Government. The Secretary’s responsibilities funded by the Departmental Offices Salaries and Expenses appropriation include: recommending and implementing U.S. domestic and international economic and tax policy; formulating fiscal policy; governing the fiscal operations of the Government; executing the Nation’s financial sanction policies; disrupting and dismantling terrorist financial infrastructure; protecting the United States and the international financial system from terrorist financing, money laundering, and other financial crimes; managing the public debt; managing international development policy; representing the United States on international monetary, trade, and investment issues; overseeing Department of the Treasury overseas operations; and directing the administrative operations of the Department of the Treasury. The majority of the Salaries and Expenses appropriation provides resources for policy formulation and implementation in the areas of domestic and international finance, terrorist financing and financial crimes, tax, economic, trade, financial operations and general fiscal policy. This appropriation also provides resources to support the Secretary, policy components, and departmental administrative policies in financial and personnel management, procurement operations, and information systems and telecommunications.

COMMITTEE RECOMMENDATION

The Committee recommends \$302,450,000 for the Departmental Offices account of the Department of the Treasury for fiscal year 2014. This amount is \$9,325,000 below the budget request and \$5,321,000 below the fiscal year 2013 enacted level. An additional \$7,400,000 will support the Department’s administration of the Resources and Ecosystems Sustainability, Tourist Opportunities and Revived Economies of the Gulf Coast States Act (RESTORE Act), to be derived from the trust fund established under that act.

The funding recommendations are made based on information included in the budget justification. The Committee notes Treasury's request to support implementation of the State Small Business Credit Initiative and directs Treasury to use recommended resources to conduct outreach and provide technical support to States participating in the program.

The Committee directs the Department to prioritize resources within the Departmental Offices account for the Office of Terrorism and Financial Intelligence in order to support safeguarding financial systems against illicit use and combating rogue nations, terrorist facilitators, money launderers, proliferators of weapons of mass destruction, and other national security threats.

National Money Laundering Strategy.—The Committee is concerned that a number of recommendations made in the 2007 National Money Laundering Strategy have not been implemented. Within 180 days of enactment, the Committee directs the Department of the Treasury, in coordination with the Department of Justice and the Department of Homeland Security, to report on its progress toward implementing each of the recommendations in the 2007 National Money Laundering Strategy.

Student Debt.—The Committee notes that there is over \$1,000,000,000,000 in outstanding student loan debt, of which \$150,000,000,000 is in private student loans. More than 850,000 students have defaulted on their private student loans worth more than \$8,100,000,000. The Committee directs the Department to work with the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the National Credit Union Administration, and the Federal Reserve to offer clear guidance consistent with safety and soundness principles recognizing the unique characteristics of private student loans compared to other debt and providing flexibility to lenders working with borrowers to avoid default.

Office of Financial Education.—The Committee is concerned about the low level of literacy and numeracy skills among the adult population of the United States, as one in seven adults do not have basic literacy skills to succeed in all but the most rudimentary literacy tasks. The Department's Office of Financial Education administers the National Financial Literacy Challenge and develops strategies to combat predatory lending. The Office of Financial Education also coordinates the efforts of the Financial Literacy and Education Commission, a group chaired by the Secretary of the Treasury and composed of representatives from 20 Federal departments, agencies, and commissions. The Commission works to improve financial literacy and education for people throughout the United States. The Committee encourages the Department to explore the degree to which current financial literacy programs benefit those individuals with less than basic literacy skills and to develop measurable goals and objectives for the Financial Literacy and Education Commission that address the needs of this population. Finally, the Committee urges the Department to explore opportunities to work with community-based adult and family literacy organizations to promote and implement future financial literacy initiatives.

Group Home Mortgage Program.—Under authorities provided pursuant to the Housing and Economic Recovery Act of 2008 (Public Law 110–289), the Federal housing Enterprises have been placed into conservatorship, with Treasury providing ongoing financial support to the Enterprises to ensure they remain active participants in the marketplace. The Group Home Mortgage Program—formerly Community Living mortgage loans—comprises approximately \$173,000,000 of Fannie Mae’s roughly \$3,000,000,000,000 portfolio and is designed to provide financing for small, community-based group homes for individuals who are unable to live independently. The program is intended to provide aid to individuals and legal entities, including nonprofit and for-profit corporations, limited partnerships, and government agencies that serve adults and children with physical and mental disabilities. The Committee urges Treasury and the Enterprises to explore adjustments to the lending requirements, or alternative financing structures, under the Group Home Mortgage Program—including enhanced down payment requirements—so that taxpayers will continue to benefit from profits generated under the program and members of the disabled community will continue to have accessible and affordable housing.

Economic Sanctions and Divestments.—The Committee recommendation includes resources for Terrorism and Financial Intelligence programs. With these funds, the Department will continue to issue and enforce economic and trade sanctions consistent with national security and foreign policy goals. These sanctions are a key tool for asserting U.S. policy toward countries and entities under sanction. The Committee directs the Department to fully implement all sanctions and divestment measures, particularly those applicable to North Korea, Belarus, Syria, Iran, Sudan, Zimbabwe and designated rebel groups operating in and around the Democratic Republic of Congo. The Committee directs the Department to promptly notify the Committee of any resource constraints that adversely impact the implementation of any sanctions program.

Sanctioning Those Fostering Violence in the Democratic Republic of Congo.—The Committee directs the Secretary of the Treasury in consultation with the Secretary of State to submit a report to the Committee on Appropriations, the Committee on Banking, Housing, and Urban Affairs, the Committee on Armed Services, and the Committee on Foreign Relations of the Senate and the Committee on Appropriations, the Committee on Financial Services, the Committee on Armed Services, and the Committee on Foreign Affairs of the House of Representatives not later than 60 days after enactment of this act, in classified form if necessary, listing persons impacted by the asset freeze in section 1284 of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112–239).

Ivory Poaching.—Militias, armed groups, insurgents and even terrorist groups are using profits from illegal ivory poaching and trafficking to further violence in Africa and elsewhere. Often the sales are to China and involved organized crime, shell companies, and arms traffickers. Accordingly, the Committee directs the Department to use all available resources to pursue and enforce money laundering and other related laws as related to the illegal ivory trade, particularly in Africa. The Department shall report to

the Committee semiannually during fiscal year 2014 on such enforcement actions taken during such fiscal year.

Management of Capital Investments.—The Committee notes that section 123 of the bill requires the Secretary of the Treasury to develop an annual Capital Investment Plan, to be submitted to the Committees on Appropriations of the Senate and the House of Representatives within 30 days following submission of the President’s annual budget request. The Committee directs the Department to include estimated funding needs for the lifetime capital needs for each project, not just for the budget year. The Committee also directs the Department to include in the Capital Investment Plan meaningful and understandable summaries of capital investments by project type (e.g., information technology). The Committee directs the Office of the Chief Information Officer to ensure that adequate resources are devoted both to projects in the capital phase and to proper maintenance and modernization of existing systems and to ensure that all projects are tracked properly and described completely in the annual Capital Investment Plan.

DEPARTMENT-WIDE SYSTEMS AND CAPITAL INVESTMENTS PROGRAMS
(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2013	
Budget estimate, 2014	\$2,725,000
Committee recommendation	2,725,000

PROGRAM DESCRIPTION

The 1997 Treasury and General Government Appropriations Act established this account, which is authorized to be used by or on behalf of Treasury bureaus at the Secretary’s discretion to modernize business processes and increase efficiency through technology investments, as well as other activities that involve more than one Treasury bureau or Treasury’s interface with other Government agencies.

COMMITTEE RECOMMENDATION

The Committee recommends \$2,725,000 for Department-wide Systems and Capital Investments Programs [DSCIP] for fiscal year 2014 in accordance with the budget request. Funding was not provided for DSCIP for fiscal year 2013.

The Committee notes that the DSCIP account has been utilized to fund a wide variety of multiyear initiatives. Given the complexity of these initiatives, the bill includes language in section 123 directing the Department of the Treasury to submit an annual Capital Investment Plan to the Committees on Appropriations within 30 days after the President’s budget submission.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$29,582,000
Budget estimate, 2014	31,351,000
Committee recommendation	32,000,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

As a result of the 1988 amendments to the Inspector General [IG] Act, the Secretary of the Treasury established the Office of Inspector General [OIG] in 1989.

The OIG conducts and supervises audits, evaluations, and investigations designed to: (1) promote economy, efficiency, and effectiveness and prevent fraud, waste, and abuse in departmental programs and operations; and (2) keep the Secretary and Congress fully and currently informed of problems and deficiencies in the administration of departmental programs and operations. The audit function provides program audit, contract audit, and financial statement audit services. Contract audits provide professional advice to agency contracting officials on accounting and financial matters relative to negotiation, award, administration, repricing, and settlement of contracts. Program audits review and audit all facets of agency operations. Financial statement audits assess whether financial statements fairly present the agency's financial condition and results of operations, the adequacy of accounting controls, and compliance with laws and regulations. These audits contribute significantly to improved financial management by helping Treasury managers identify improvements needed in their accounting and internal control systems. The evaluations function reviews program performance and issues critical to the mission of the Department. The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations.

COMMITTEE RECOMMENDATION

The Committee recommends \$32,000,000 for salaries and expenses of the Office of Inspector General. This amount is \$649,000 above the budget request and \$2,418,000 above the fiscal year 2013 enacted level. An additional amount of \$2,800,000 will support audits and investigations related to the Department's efforts to carry out the Resources and Ecosystems Sustainability, Tourists Opportunities and Revived Economies of the Gulf Coast States Act (RESTORE Act) to be derived from the trust fund established under that act.

The Committee directs the Inspector General to utilize funds provided to perform audits on Treasury's antimoney laundering and terrorist financing activities, capital investment spending and planning, the Community Development Financial Institutions Fund.

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$151,393,000
Budget estimate, 2014	149,538,000
Committee recommendation	156,375,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Treasury Inspector General for Tax Administration [TIGTA] was established by the IRS Restructuring and Reform Act of 1998

(Public Law 105–206). TIGTA was created to provide independent audit and investigative services necessary to improve the quality and credibility of oversight of the Internal Revenue Service [IRS] and ensure that the IRS is held to a high level of accountability.

TIGTA conducts audits, investigations, and inspections and evaluations to assess the operations and programs of the IRS and related entities, the IRS Oversight Board and the Office of Chief Counsel to (1) promote the economic, efficient, and effective administration of the Nation's tax laws and to detect and deter fraud and abuse in IRS programs and operations; and (2) recommend actions to resolve fraud and other serious problems, abuses, and deficiencies in these programs and operations, and keep the Secretary and Congress fully and currently informed of these issues and the progress made in resolving them.

The audit function provides program audit, limited contract audit, and financial audit services. Program audits review and audit all facets of the IRS and related entities in an effort to improve IRS systems and operations, while ensuring fair and equitable treatment of taxpayers. Contract audits focus on invoices/vouchers submitted to the IRS to determine whether charges are valid and to identify erroneous and improper payments. The investigative function provides for the detection and investigation of improper and illegal activities involving IRS programs and operations and protects the IRS and related entities against external attempts to corrupt or threaten the administration of the tax laws.

During fiscal year 2012, TIGTA recovered, protected, and identified monetary benefits totaling \$22,700,000,000, including \$388,000,000 in potential increased and protected revenue and \$22,100,000,000 in potential cost savings. In fiscal year 2012, the Office of Audit completed 117 audits, and the Office of Investigations opened 3,453 investigations and closed 3,346 investigations.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$156,375,000 for the Treasury Inspector General for Tax Administration. This amount is \$4,982,000 above the fiscal year 2013 enacted level and \$6,837,000 above the budget request. The Committee recognizes the expansive workload that TIGTA has assumed as well as considerable demands on its resources in order to be responsive to Congress, and includes a modest increase to support TIGTA's work. The Committee appreciates the challenges TIGTA faces in adapting its oversight activities to address increasingly complex and high-risk issues associated with IRS operations, including detection and investigation of fraud and electronic crime, review of procurement activities, and safeguarding of taxpayer privacy. The Committee recognizes that growth in the size and workload of the IRS generates concomitant increased work for TIGTA.

The Committee appreciates TIGTA's vigilance to identify weak or non-existent internal controls, lax oversight, and serious managerial deficiencies within the IRS organization that spawned an array of different, highly inappropriate and unacceptable activities occurring over a period of recent years. The Committee is troubled by the report findings describing questionable handling of applications for tax-exempt status, excessive unseemly expenditures for con-

ferences, and the misuse of travel and purchase cards. The Committee directs TIGTA to keep the Committee regularly informed about its ongoing audit, investigative, and examination work, including briefings on final reports before such reports are publicly released. The Committee expects TIGTA to timely bring to the Committee’s attention any issues concerning the IRS’s failure to undertake meaningful prompt remedial action to correct systemic deficiencies and to institute processes to prevent recurrence of any activities that call into question the IRS’s ability to uphold the trust of the American public.

The Committee relies on TIGTA’s annual assessment of the serious management challenges facing the IRS as it evaluates resource needs. In the most recent submission, TIGTA highlighted the growing problem of identity theft tied to tax refunds among the predominant challenges. The Committee notes that TIGTA has made numerous recommendations for the IRS to institute or improve processes that will bolster the IRS’s ability to detect and prevent the issuance of fraudulent tax refunds resulting from identity theft. These include enhanced use of third-party income and withholding information in tandem with fraud filters, and better coordination with responsible Federal agencies and banking institutions to develop mechanisms to ensure proper and accurate direct depositing of refunds. The Committee urges TIGTA to continue to assist the IRS in improving its arsenal of tools to better serve innocent taxpayer victims of identity theft and other schemes.

The Committee commends TIGTA for its ongoing review of the IRS’s business systems modernization program and other information technology projects. The Committee shares TIGTA’s concern that the IRS is developing and launching its modernized systems without adequately contemplating the security implications. The Committee also acknowledges the critical importance of the priorities TIGTA has identified in its strategic plan, including adapting to the IRS’s continuously evolving operations and mitigating intensified risks associated with modernization, security, addressing the tax gap, and human capital challenges facing the IRS in light of budgetary limitations.

In addition, TIGTA plays a pivotal role in responding to threats and attacks against IRS employees, property, and sensitive information. Furthermore, as the IRS bolsters its efforts to address international tax compliance and combat offshore evasion, TIGTA’s attendant responsibilities to build a foundation of inspections of the IRS’s global activities have grown, necessitating an international presence, new law enforcement partnerships, and working relationships with foreign revenue collection agencies and antifraud organizations.

SPECIAL INSPECTOR GENERAL FOR THE TROUBLED ASSET RELIEF
PROGRAM

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$41,716,000
Budget estimate, 2014	34,923,000
Committee recommendation	34,923,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Emergency Economic Stabilization Act (Public Law 110–343) established the Office of the Special Inspector General for the Troubled Asset Relief Program [SIGTARP] to perform audits and investigations of the Troubled Asset Relief Program [TARP].

COMMITTEE RECOMMENDATION

The Committee recommends \$34,923,000 for the SIGTARP for fiscal year 2014. The recommendation is \$6,793,000 below the fiscal year 2013 enacted level because the SIGTARP will be able to utilize carryover balances to fund a portion of fiscal year 2014. The recommendation is equal to the budget request. The Committee is pleased with the quality of the audits and investigations conducted by the SIGTARP, particularly with regard to written materials provided to the Congress and the public.

FINANCIAL CRIMES ENFORCEMENT NETWORK

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$110,566,000
Budget estimate, 2014	103,909,000
Committee recommendation	112,000,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Financial Crimes Enforcement Network [FinCEN], a bureau within the Treasury Department’s Office of Terrorism and Financial Intelligence, is the largest overt collector of financial intelligence in the United States. FinCEN’s mission is to safeguard the financial system from the abuses of financial crime, including terrorist financing, money laundering, and other illicit activity. FinCEN accomplishes its mission by administering the Bank Secrecy Act, a collection of statutes that form the Nation’s antimoney laundering/counterterrorist financing regulatory regime. As the delegated administrator of the Bank Secrecy Act, FinCEN is responsible for the development and implementation of regulations, rules, and guidance issued under the Bank Secrecy Act. FinCEN also oversees the work of eight Federal agencies that have been delegated responsibility to examine various sectors of the financial industry for compliance with the Bank Secrecy Act’s requirements. FinCEN is responsible for collecting, maintaining, and disseminating the information reported by financial institutions under the Bank Secrecy Act through a Governmentwide access service. FinCEN is the United States’ Financial Intelligence Unit [FIU] and a founding member of the Egmont Group of Financial Intelligence Units. As the United States’ FIU, FinCEN routinely shares information and cooperates with other FIUs around the world to address the global problems of terrorist financing, money laundering, and other illicit activity.

COMMITTEE RECOMMENDATION

The Committee recommends \$112,000,000 for the Financial Crimes Enforcement Network [FinCEN]. This amount is \$1,434,000

above the fiscal year 2013 enacted level and \$8,091,000 above the budget request.

The Committee is frustrated that the budget request proposes funding reductions for FinCEN activities. FinCEN plays a key role in preventing terrorism and promoting the Nation's security by deterring and detecting criminal financial activity. The recommended increase will allow FinCEN to maintain mission critical functions that would be hampered under the budget request, enable FinCEN to better leverage taxpayer investments in newly enhanced information systems, and improve FinCEN's ability to capitalize on the anticipated benefits resulting from the fiscal year 2013 reorganization.

Information Technology Modernization.—The Committee is pleased with FinCEN's continued efforts to modernize the technical environment for implementation of the Bank Secrecy Act [BSA]. The modernization, near completion, re-engineered the BSA data architecture, updated antiquated infrastructure required to support data capture and dissemination, implemented innovative Web services and enhanced electronic filing, and provided enhanced analytical tools. This system is used by banks, Federal law enforcement, State and local law enforcement, and other Federal intelligence agencies to report, gather, and analyze data to identify money laundering, terrorist financing, tax evasion, and vulnerabilities in the financial industry. The new system will enhance the capability of the Treasury and its partners to pursue money laundering, terrorist financing, and tax evasion.

The Committee is pleased with the results of the Treasury Office of Inspector General's audit of the modernization project (OIG-13-036). The Inspector General reported that through February 2013, FinCEN had generally met all scheduled milestones on time and that the project costs are within budget. The Committee appreciates that FinCEN has engaged stakeholder groups during the development process, including regulators, law enforcement, and industry users of BSA data. FinCEN is directed to continue to submit a semiannual report to the Committee on Appropriations summarizing the agency's progress regarding the modernization effort, including milestones planned and achieved, progress on cost and schedule, management of contractor oversight, strategies to involve stakeholders, and acquisition management efforts.

The Committee also directs FinCEN to focus efforts on improving the completeness and reliability of BSA data in accordance with recommendations by the Treasury Inspector General and the Government Accountability Office. The Committee notes that while a new BSA infrastructure will improve the capabilities of processing and analyzing BSA data, the accuracy, reliability, and timeliness of the data itself will ultimately determine the effectiveness of the system and related processes.

FinCEN Reorganization.—The Committee notes that FinCEN is undertaking a major reorganization during fiscal year 2013. The goal of the reorganization is to enhance the agency's ability to meet its mission by streamlining and better aligning the bureau's analytical, enforcement, liaison, and rulemaking capabilities and by improving communication internally and with stakeholders. The Committee notes that FinCEN has reported details of the reorganiza-

tion to the Committees on Appropriations, including its plans for communicating and managing the impact of the reorganization on stakeholders. The Committee directs FinCEN to continue frequent and detailed communication with stakeholders as the reorganization progresses. The Committee also directs FinCEN to report to the Committee semiannually on the progress of the reorganization, with the final report to be submitted one year after the last step of the reorganization is complete.

Human Trafficking.—The Committee recognizes that human trafficking and slavery are frequently conducted by transnational criminal organizations. The Committee notes FinCEN’s history of supporting law enforcement cases that combat human trafficking, and emphasizes the importance of continuing this effort as part of the bureau’s broader mission to detect and disrupt all forms of financial crime. In addition to analyzing financial flows for this important effort in the course of ongoing strategic operations, FinCEN shall use this data to ensure reporting institutions remain vigilant in detecting the laundering of human trafficking proceeds by issuing an advisory to financial institutions on filing suspicious activity reports [SARs] regarding human trafficking activities. The advisory should provide SAR filers a list of red flag indicators that may potentially signal human trafficking to be included in the narratives of relevant SAR filings.

TREASURY FORFEITURE FUND

(RESCISSION)

The Committee recommends a rescission of \$1,200,000,000 of unobligated balances in the Treasury Forfeiture Fund.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$217,369,000
Budget estimate, 2014 ²	
Committee recommendation ²	

¹Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

²The budget proposes to consolidate the Financial Management Service and the Bureau of the Public Debt under one appropriation entitled “Bureau of the Fiscal Service”. Funding proposed for the Bureau of the Fiscal Service for fiscal year 2014 is \$360,165,000. The Committee recommendation is consistent with the budget request.

PROGRAM DESCRIPTION

The Financial Management Service [FMS] implements payment policy and procedures for Federal agencies, issues and distributes payments, promotes the use of electronics in the payment process, provides debt collection operational services to client agencies, and implements collections policy, regulations, standards, and procedures for the Federal Government. FMS also provides financial accounting, reporting, and financing services to the Federal Government and the Government’s agents who participate in the payments and collections process by generating a series of Governmentwide reports.

COMMITTEE RECOMMENDATION

The Committee recommends a consolidated appropriation for the Financial Management Service and the Bureau of the Public Debt under a new appropriation entitled “Bureau of the Fiscal Service” and in the amount of \$360,165,000, consistent with the budget request.

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$99,678,000
Budget estimate, 2014 ²	96,211,000
Committee recommendation	100,678,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

² Does not reflect the transfer from the Internal Revenue Service under the Program Integrity Cap adjustment requested in the budget.

PROGRAM DESCRIPTION

The Homeland Security Act created the Alcohol and Tobacco Tax and Trade Bureau [TTB] within the Department of the Treasury and charged TTB with collecting revenue and protecting the public.

TTB enforces certain Federal laws and regulations relating to alcohol and tobacco. TTB works directly and in cooperation with others to maintain a sound revenue management and collection system that continues to reduce the regulatory burden, improve service, collect the revenue due, and prevent tax evasion and other criminal conduct. TTB is also responsible for preventing consumer deception, ensuring that regulated products comply with Federal commodity, safety, and distribution requirements, and providing customer service.

COMMITTEE RECOMMENDATION

The Committee recommends \$100,678,000 for TTB for fiscal year 2014. This amount is \$4,467,000 above the budget request, excluding the requested transfer from the Internal Revenue Service under the Program Integrity Cap adjustment requested in the budget. The recommendation would be \$533,000 below the budget request if the Program Integrity Cap Adjustment were to be enacted. The recommended amount is \$1,000,000 above the fiscal year 2013 enacted level.

The Committee recommendation includes \$2,000,000 for the costs of special law enforcement agents and related activities for targeting tobacco smuggling and other criminal diversion activities. Illegally trafficked tax-free tobacco is sold at lower prices, increasing consumption and tobacco-related illness while depriving governments of revenue. Since 2011, special TTB enforcement efforts led to the initiation of 58 cases with a total estimated combined Federal tax liability of \$340,000,000 and seizures and forfeitures of approximately \$115,000,000. Cases have included illegal manufacturing of cigarettes, illegal importation of tobacco products, excise tax evasion on cigarettes, illegal transportation of alcohol from lower tax States to higher tax States, importation of intentionally mislabeled wine, and illegal manufacturing of spirits.

UNITED STATES MINT
 UNITED STATES MINT PUBLIC ENTERPRISE FUND
 PROGRAM DESCRIPTION

The United States Mint manufactures coins, sells numismatic and investment products, and provides for security and asset protection. Public Law 104–52 established the U.S. Mint Public Enterprise Fund (the Fund). The Fund encompasses the previous Salaries and Expenses, Coinage Profit Fund, Coinage Metal Fund, and the Numismatic Public Enterprise Fund. The Mint submits annual audited business-type financial statements to the Secretary of the Treasury and to Congress in support of the operations of the revolving fund.

The operations of the Mint are divided into two major activities: Manufacturing and sales (including circulating coinage and numismatic and investment products); and protection. The Mint is credited with receipts from its circulating coinage operations, equal to the full cost of producing and distributing coins that are put into circulation, including depreciation of the Mint’s plant and equipment on the basis of current replacement value. Those receipts pay for the costs of the Mint’s operations, which include the costs of production and distribution. The difference between the face value of the coins and these costs is a profit, which is deposited as seigniorage to the general fund. In fiscal year 2012, the Mint transferred \$105,900,000 to the general fund. Any seigniorage used to finance the Mint’s capital acquisitions is recorded as budget authority in the year that funds are obligated for this purpose and as receipts over the life of the asset.

COMMITTEE RECOMMENDATION

The Committee recommends a spending level of \$19,000,000 for circulating coinage and protective service capital investments for the Mint. This amount is equal to both the fiscal year 2013 enacted level and the budget request.

BUREAU OF THE PUBLIC DEBT
 ADMINISTERING THE PUBLIC DEBT

Appropriations, 2013 ¹	\$172,290,000
Budget estimate, 2014 ²	
Committee recommendation ²	

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.
² The budget proposes to consolidate the Financial Management Service and the Bureau of the Public Debt under one appropriation entitled “Bureau of the Fiscal Service”. Funding proposed for the Bureau of the Fiscal Service for fiscal year 2014 is \$360,165,000. The Committee recommendation is consistent with the budget request.

PROGRAM DESCRIPTION

The Bureau of the Public Debt conducts all public debt operations and promotes the sale of U.S. savings-type securities.

COMMITTEE RECOMMENDATION

The Committee recommends a consolidated appropriation for the Financial Management Service and the Bureau of the Public Debt

under a new appropriation entitled “Bureau of the Fiscal Service” and in the amount of \$360,165,000, consistent with the budget request.

BUREAU OF THE FISCAL SERVICE

SALARIES AND EXPENSES

Appropriations, 2013 ¹ .....	.....
Budget estimate, 2014	\$360,165,000
Committee recommendation	360,165,000

¹The budget proposes to consolidate the Financial Management Service and the Bureau of the Public Debt under one appropriation entitled “Bureau of the Fiscal Service”. The fiscal year 2013 enacted level was \$217,369,000 for the Financial Management Service and \$172,290,000 for the Bureau of the Public Debt.

PROGRAM DESCRIPTION

The Bureau of the Fiscal Service is a proposed consolidation of the Financial Management Service and the Bureau of the Public Debt. The Bureau of the Fiscal Service will continue the operations of both agencies by providing central payment services to Federal agencies, operating the Federal Government’s collections and deposit systems, providing governmentwide accounting and reporting services, managing the collection of delinquent debt owed to the Federal Government, borrowing on behalf of the Federal Government, and providing support services for other Federal agencies on a reimbursable basis.

COMMITTEE RECOMMENDATION

The Committee recommends \$360,165,000 for the Bureau of the Fiscal Service, consistent with the budget request. The Fiscal Service is a consolidated bureau proposed by the President for fiscal year 2014 and therefore was not provided a specific appropriation for fiscal year 2013. Compared to the fiscal year 2013 enacted level for both the Financial Management Service [FMS] and the Bureau of the Public Debt [BPD], the recommendation represents a decrease of \$29,494,000.

The Committee appreciates the Department’s efforts, outlined in the January 7, 2013 letter to the General Services Administration, to ensure a smooth transition to a consolidated Bureau of the Fiscal Service and notes that the Department has committed to maintain operations of the former headquarters of the Financial Management Service until December 31, 2019.

The Committee has included language (section 125) authorizing the Treasury Department to retain a portion of assets recovered under an unclaimed asset recovery program to cover the cost of such program. The Committee directs that any funds retained by Treasury pursuant to such section shall only be used for operational and administrative costs of recovering unclaimed assets. The remainder of the recovered assets shall be deposited in the Treasury for the purposes of deficit reduction.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM
ACCOUNT

Appropriations, 2013 ¹	\$220,558,000
Budget estimate, 2014	224,936,000
Committee recommendation	230,000,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Community Development Financial Institutions Fund makes investments in the form of grants, loans, equity investments, deposits, and technical assistance grants to new and existing community development financial institutions [CDFIs] through the CDFI program. CDFIs include community development banks, credit unions, venture capital funds, revolving loan funds, and microloan funds, among others. Recipient institutions engage in lending and investment for affordable housing, small business, and community development within underserved communities. The CDFI Fund administers the Bank Enterprise Award [BEA] Program, which provides a financial incentive to insured depository institutions to undertake community development financing activities.

COMMITTEE RECOMMENDATION

The Committee recommends \$230,000,000 for the CDFI Fund, which is an increase of \$9,442,000 to the fiscal year 2013 enacted level and an increase of \$5,064,000 the budget request.

The Committee supports funding for the CDFI Fund because of the program's unique ability to leverage private sector investment in community development projects such as affordable housing, retail development, and community centers, as well as lending to small businesses. Funding for the CDFI Fund expands the power of CDFIs to improve urban and rural communities through sound but patient investment. With just a small amount of seed financing from the CDFI Fund, CDFIs transform communities. CDFIs often provide the "last mile" of financing to our Nation's most challenged areas. CDFIs also provide banking services to the unbanked and others targeted by predatory lenders.

Healthy Food Financing Initiative.—The Committee recommends \$25,000,000 for the CDFI Fund to carry out the Healthy Food Financing Initiative. The goal of the initiative is to increase the availability of affordable, healthy foods in underserved urban and rural communities. Many of these communities are only served by fast food restaurants and convenience stores that offer limited healthy food options. Recommended funding will increase the availability of affordable financing for grocery store development, supplies and equipment to improve food production technology, and improvements and modernization of food distribution mechanisms and infrastructure.

The Committee finds that food hubs, which consolidate food from local farmers and distribute these foods to food processors, retailers, and restaurants, serve an important niche in creating local food systems that are economically viable, sustainable, and capable of increasing the availability of healthy, affordable foods. The Com-

mittee finds that food hubs also allow smaller and geographically distant farms to be more competitive and reach bigger markets. The Committee directs the CDFI Fund to encourage awardees to include food hubs as part of the overall strategy for increasing the availability of healthy, affordable foods as required under the Healthy Food Financing Initiative.

Native Programs.—The Committee recommends a set-aside of \$15,000,000 for grants, loans, and technical assistance and training programs to benefit Native American, Alaskan Natives, and Native Hawaiian communities in the coordination of development strategies, increased access to equity investments, and loans for development activities.

Bond Guarantee Program.—The Committee includes a provision enabling the Secretary of the Treasury to guarantee up to \$1,000,000,000 in bonds in fiscal year 2014, as authorized by section 1134 of the Small Business Jobs Act of 2010 (Public Law 111–240). The bond guarantees will not result in a cost to the taxpayer. The bonds will support CDFI lending and investment activities in underserved communities by providing a source of long-term capital, and the funds raised through the bonds will be used to capitalize new loans or refinance existing loans.

CDFI Capacity Building.—The Committee recommendation includes \$2,000,000 to enhance the CDFI Fund’s efforts in building the capacity of CDFIs to serve the needs of underserved communities. The Committee directs that such funds shall be used to support the enhancement of CDFIs’ presence and activities in underserved communities.

Non-Metropolitan and Rural Areas.—The Committee directs Treasury to take into consideration the unique conditions, challenges, and scale of non-metropolitan areas when designing programs to address economic revitalization and community development. The Committee notes that the CDFI Fund is required by 12 U.S.C. 4706(b) to seek to fund a geographically diverse group of award recipients, including those from non-metropolitan and rural areas.

BUREAU OF ENGRAVING AND PRINTING

PROGRAM DESCRIPTION

The Bureau of Engraving and Printing [BEP] has been the sole manufacturer of U.S. paper currency for almost 150 years. The origin of the BEP is traced to an act of Congress passed on February 25, 1862, 12 Stat. 345, authorizing the Secretary of the Treasury to issue a new currency—United States notes. While this law was the cornerstone authority for the operations of the engraving and printing division of the Treasury for many years, it was not until an Act of June 20, 1874, 18 Stat. 100, that the Congress first referred to this division as the “Bureau of Engraving and Printing.” The Bureau’s status as a distinct bureau within the Department of the Treasury was solidified by section 1 of the Act of June 4, 1897, 30 Stat. 18, which placed all of the business of the BEP under the immediate control of a director, subject to the direction of the Secretary of the Treasury. The 1897 law is now codified in 31 U.S.C. 303.

The BEP designs, manufactures, and supplies Federal Reserve notes and other security documents issued by the Federal Government. The operations of the BEP are currently financed by means of a revolving fund established in accordance with the provisions of Public Law 656, August 4, 1950 (31 U.S.C. 181), which requires the BEP to be reimbursed by customer agencies for all costs of manufacturing products and services performed. The BEP is also authorized to assess amounts to acquire capital equipment and provide for working capital needs. No direct appropriation is required to cover the activities of the BEP.

Currency Accessibility for the Blind and Visually Impaired.—The Committee is concerned about the ability of blind and visually impaired individuals to identify denominations of United States currency. In May 2008, the United States District Court for the District of Columbia ordered the Treasury Department to provide meaningful access to currency for blind and visually impaired persons in order to comply with the Rehabilitation Act of 1973. The Committee finds that this is an obligation we have to our service members and veterans who have lost their sight while serving their country.

The Committee directs the Government Accountability Office to report within 180 days on how the BEP can expedite the development, design, testing, and printing of currency with accessibility features, including tactile features and high-contrast numerals. The report should include a description of how the BEP may expedite the Federal acquisition process for the specialized equipment required to create accessibility features.

Further, the Committee directs Treasury's Office of Inspector General to provide to the Committee an assessment of BEP's plans to develop, design, test, and print currency with accessibility features within 60 days of receipt and to report on its progress and implementation every 6 months thereafter until the plan is fully implemented.

Finally, the Committee encourages the BEP to contract with the Library of Congress National Library Service for the Blind and Physically Handicapped, and relevant Executive Agencies, for the purpose of distributing supplemental currency readers to blind and other visually impaired U.S. citizens and legal residents.

INTERNAL REVENUE SERVICE

PROGRAM DESCRIPTION

The Internal Revenue Service [IRS] administers the Nation's tax laws and collects the revenue that funds more than 92 percent of the Federal Government's operations and public services. The IRS's mission is to provide taxpayers with quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all. The IRS focuses its enforcement programs toward increasing voluntary tax compliance by deterring taxpayers inclined to evade their tax obligations while vigorously pursuing those who violate the law. Each year, IRS employees deal directly with more American taxpayers than any other institution, public or private.

During fiscal year 2012, the IRS processed more than 237 million returns, issued over 123.3 million refunds, and collected over \$2,500,000,000,000 for the Federal Government. Of the more than 146 million individual income tax returns processed, nearly 81 percent were filed electronically. This marks a significant increase in electronically filed returns compared to the 31 percent in fiscal year 2001. The IRS provided taxpayer assistance through more than 372 million visits to the IRS.gov Web site, and assisted 97 million taxpayers through its toll-free telephone helpline or at walk-in Taxpayer Assistance Centers. The IRS employed a total work force of 97,941, including seasonal and part-time employees. In fiscal year 2012, the average cost of collecting \$100 in tax revenue was 48 cents, the lowest cost since 2008. An important focus for the IRS in recent years has been to undertake a major modernization of its systems, including expanding its Internet services and business operations to better serve taxpayers and enforce the law.

COMMITTEE RECOMMENDATION

The Committee recommends a total of \$12,069,559,000 for the Internal Revenue Service for fiscal year 2014. This is an increase of \$276,496,000 above the fiscal year 2013 enacted level and \$791,474,000 below the budget request.

Tax Gap.—The vast majority of Americans pay their fair share of taxes, yet there is still a “tax gap.” The tax gap is the difference between what taxpayers are supposed to pay and what they actually do pay. In January 2012, the IRS issued an updated estimate, based on tax year 2006 liabilities, reflecting a gross tax gap of \$450,000,000,000 and a net tax gap of \$385,000,000,000. Of the gross tax gap, more than 83 percent is attributable to underreporting of income. The determination in the 2001 assessment that compliance is far higher when reported amounts are subject to information reporting and, more so, when subject to withholding, remained valid with the 2006 tax gap estimate.

To reduce the tax gap, experts recommend a number of approaches. These include improving information reporting, improving taxpayer services, increasing research on noncompliance, improving the partnership between the IRS and the tax administration community, and leveraging technology to improve IRS’s systems. The Committee supports all of these approaches in combination.

Tax Compliance.—The Committee remains concerned that absent a better understanding of the current sources of noncompliance, efforts to improve compliance may be hampered, misdirected, and difficult to measure. To gain meaningful insights into taxpayer behavior, the Committee strongly supports the work of the National Taxpayer Advocate and the IRS Office of Research to examine factors that influence taxpayer compliance behavior, including how and the extent to which various factors influence such behavior, and how the establishment of a cognitive learning and applied research laboratory might facilitate continued evaluation.

Operating Plan and Notification.—In addition to the regular operating plan requirements detailed in the introduction in this report, the Committee directs the IRS to include details on any

planned reorganization, job reductions or increases to offices or activities within the agency, and modifications to any service or enforcement activity. The Committee also directs the IRS to obtain and include comments of the IRS Oversight Board as part of its operating plan submission to the Committee. Further, the IRS should promptly notify the Committee and the IRS Oversight Board of any substantial changes to these plans.

Budget Presentation for Staffing of New Initiatives.—The Committee is concerned that, in the annual budget justification materials submitted by the IRS to the Committee, resources designated for hiring of staff for new initiatives are not predicated on the expected hiring dates, but instead assume that such planned hiring will occur at the beginning of the fiscal year. This approach for budgeting for hiring of new staff does not mirror the reality of the typical hiring activity and has resulted in funds being directed for purposes and activities other than personnel acquisition that were not substantiated or described in the budget justification. The Committee strongly believes that transparency in the budget request documents is critical for congressional oversight and informed decision making. The Committee directs that, beginning with the justification materials submitted by the IRS to the Committee for fiscal year 2015, funding requests should more accurately reflect the anticipated hiring dates for staff identified for proposed new initiatives.

TAXPAYER SERVICES

Appropriations, 2013 ¹	\$2,235,224,000
Budget estimate, 2014	2,412,576,000
Committee recommendation	2,316,246,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Taxpayer Services appropriation provides for taxpayer services, including forms and publications; processing tax returns and related documents; filing and account services; taxpayer advocacy services; and assisting taxpayers to understand their tax obligations, correctly file their returns, and pay taxes due in a timely manner.

COMMITTEE RECOMMENDATION

The Committee recommends \$2,316,246,000 for Taxpayer Services, which is \$81,022,000 above the fiscal year 2013 enacted level, and \$96,330,000 below the budget request. Bill language is included providing not less than \$5,600,000 for the tax counseling for the elderly program, not less than \$10,000,000 for low-income taxpayer clinic [LITC] grants, not less than \$18,000,000, to be available for 2 years, for a community volunteer income tax assistance [VITA] matching grant program for tax return preparation assistance and \$210,000,000 for the Taxpayer Advocate Service.

The Committee recognizes the significant service challenges requiring rapid implementation that the IRS has faced as a result of recent tax law provisions designed to assist taxpayers in difficult economic times.

Telephone Level of Service.—The Committee acknowledges that telephonic access to the IRS is critical to promoting voluntary compliance. In recent years, the IRS has experienced a decline in its level of service on its toll-free taxpayer service line due to increased volume. In 2012, the IRS answered just 68 percent of its calls, and callers spent an average of 17 minutes waiting on hold. The Committee encourages the IRS to continue to make steady progress in its telephonic response performance and work to sustain taxpayer service delivery in an atmosphere of fiscal austerity and budgetary constraints.

E-Filing.—The Committee is heartened by the IRS's steady improved performance in increasing the number of tax filers who submit their returns electronically and without additional cost. Electronic filing benefits taxpayers and promotes effective tax administration because it decreases processing errors, expedites processing and payment of refunds, and allows the IRS to efficiently maintain up-to-date records. It costs the IRS 15 cents to process an electronically filed return, compared to \$3.50 to process a paper filed return.

During the fiscal year 2012 filing season, nearly 119 million individual tax returns, or almost 81 percent, were filed electronically, an increase of 4.7 percent from the previous year. Business returns filed electronically were up by 15 percent to 36.7 percent of the total filings, and tax professionals' use of electronically filing rose to nearly 76 million returns, a jump of over 5 percent compared to 2011.

In view of the high rate of electronic filing of tax returns, the IRS's ability to process returns on a daily basis, and the popularity of electronic deposit of refunds, the Committee strongly urges the IRS to reevaluate and update its measure on refund timeliness as recommended by GAO and the IRS Oversight Board.

Taxpayer Assistance Blueprint.—In response to the Committee's directive in the fiscal year 2006 Treasury Appropriations Act, the IRS, in consultation with the IRS Oversight Board and the National Taxpayer Advocate, developed a "Taxpayer Assistance Blueprint" to institute a 5-year strategic plan for taxpayer services. The Committee expects the Taxpayer Assistance Blueprint to be an integral and guiding component of ongoing strategic planning for delivering services. The Committee supports continued efforts to conduct research on taxpayer needs and taxpayer service performance.

The Committee directs the IRS, the IRS Oversight Board, and the National Taxpayer Advocate to continue to submit to Congress annual updates to the Taxpayer Assistance Blueprint identifying any changes to its current strategic plan for taxpayer service, including the results of any new research and relevant findings, and any open issues requiring additional research.

Community Volunteer Income Tax Assistance.—The Volunteer Income Tax Assistance [VITA] program is an important aspect of IRS efforts to provide income tax preparation assistance programs for low-income taxpayers.

A grant program established in 2008 provides direct funds to enable VITA programs to extend services to underserved populations and hardest-to-reach areas, both urban and nonurban, as well as to increase the capacity to file returns electronically, heighten qual-

ity control, enhance training of volunteers, and significantly improve the accuracy rate of returns prepared by VITA sites.

The Committee notes that in November 2012, IRS awarded matching grants to 207 organizations enabling them to offer free tax preparation services during the 2013 tax filing season at locations in all 50 States and the District of Columbia. The Committee recognizes that the applications for these grants far exceed the available resources.

The Committee provides that, within funds provided, \$18,000,000 shall be available for 2 years for exclusive use as part of continuing a matching grant program established and administered by the IRS, in consultation with the Taxpayer Advocate Service, for not for profit organizations which provide volunteer income tax return preparation services for lower income individual taxpayers.

The Committee strongly urges the IRS to make every effort to expand the quantity and funding level of VITA grants focused on serving persons with disabilities proportional to the growing disability population requiring tax assistance. The Committee understands that entities that are currently increasing their outreach efforts to better serve the needs of the disability population have experienced difficulty in applying for Federal grant assistance due to a lack of resources at the local level needed to complete the application. The Committee urges the IRS to allow national coalitions responsible for the coordination of local community partnerships focused specifically on the expanded provision of tax services for individuals with disabilities to compete in the VITA community matching grant processes.

Taxpayer Services in Alaska and Hawaii.—Given the remote distance of Alaska and Hawaii from the U.S. mainland and the difficulty experienced by Alaska and Hawaii taxpayers in receiving needed tax assistance by the national toll-free line, it is imperative that the Taxpayer Advocate Service Centers in these States are fully staffed and capable of resolving taxpayer problems of the most complex nature. The Committee directs the IRS to continue to staff each Taxpayer Advocate Service Center in each of these States with a collection technical advisor and an examination technical advisor in addition to the current complement of office staff. Staffing should be increased if, as the result of the IRS Restructuring and Reform Act of 1998, subsequent legislation, or other factors, the volume of cases or their complexity increases.

ENFORCEMENT

Appropriations, 2013 ¹	\$5,288,768,000
Budget estimate, 2014	5,666,787,000
Committee recommendation	5,342,980,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Enforcement appropriation provides for the examination of tax returns, both domestic and international; the administrative and judicial settlement of taxpayer appeals of examination findings; technical rulings; monitoring employee pension plans; determining qualifications of organizations seeking tax-exempt status; examining tax returns of exempt organizations; enforcing statutes

relating to detection and investigation of criminal violations of the internal revenue laws; identifying underreporting of tax obligations; securing unfiled tax returns; and collecting unpaid accounts.

COMMITTEE RECOMMENDATION

The Committee recommends \$5,342,980,000 for enforcement activities for fiscal year 2014. This amount is \$54,212,000 above the fiscal year 2013 enacted level and \$323,807,000 below the budget request. Bill language is included to provide not less than \$60,257,000 to the Interagency Crime and Drug Enforcement program.

Processing of Applications for Tax-Exempt Status.—Recently, the Treasury Inspector General for Tax Administration [TIGTA] released audit findings delineating the disturbing use of inappropriate case screening criteria in the handling of applications for tax-exempt status spanning numerous months. The report described unacceptable delays in case disposition, weak internal controls, communications breakdowns, and serious management deficiencies. The Committee shares the general outrage about these inexcusable organizational missteps that are wholly inconsistent with the IRS’s mission to promote integrity and fairness for all. The Committee strongly believes that immediate, meaningful, transparent, and sustained corrective action is warranted to restore any erosion of public trust in the IRS, strengthen the agency, and prevent any recurrence of the circumstances that led to the inappropriate behavior.

The Committee directs the IRS to vigilantly adopt, follow, and build upon the multi-step action plan outlined in the acting commissioner’s preliminary assessment published on June 24, 2013. The Committee is cognizant that the changes necessary will be challenging, time-consuming, and require strong, sustained leadership engagement at the highest levels.

The Committee is acutely aware that the lack of a precise definition of the term “primarily” in discerning the quantity and nature of an organization’s social welfare activities relative to an entity’s total activities including political campaign intervention is problematic. The absence of unequivocal guidance in the statute and rules for qualifying for 501(c)(4) tax-exempt status has generated considerable confusion. While this lack of clarity in no way excuses the IRS’s inconsistent treatment of certain applicants for tax-exempt status, it may have contributed to the processing delays. The Committee fully appreciates that the Department of the Treasury, not the IRS, is responsible for developing and promulgating tax policy consistent with the Tax Code authored by Congress. The Committee is encouraged that, consistent with one of the recommendations of TIGTA, the IRS has initiated discussion with the Treasury Department to pursue changes to guidance on measuring “primary activity” and clarification of the definition of “political campaign intervention” with respect to social welfare organizations seeking tax-exempt status. The Committee understands that these matters will be included in the Treasury’s next Priority Guidance Plan, and expects the Department to keep the Committee regularly and fully informed of the status of developments as revisions to the guidance are formulated and finalized.

Furthermore, the Committee strongly believes that the IRS, particularly the Exempt Organizations component, should work quickly to vastly improve its consultations with the Taxpayer Advocate Service [TAS]. This shall include responding to TAS directives for expedited processing of significant hardship cases, promptly referring over-age cases, and routinely alerting TAS to systemic issues. Moreover, the Committee notes that the Taxpayer Advocate has publicly issued a report outlining 16 recommendations to address the factors that contributed to the use of questionable screening criteria and processing delays. The Committee expects the IRS to consider and identify the suggestions and input of both the Taxpayer Advocate and the IRS Oversight Board in issuing any future public report on the status of reforms instituted in response to the TIGTA report on processing of applications for tax-exempt status.

Consistent with the reforms that the leadership of the IRS is instituting within the organization, the Committee includes three new administrative provisions in the bill setting forth specific directives and expectations of the Committee with regard to the handling of applications for tax-exempt status for social welfare organizations. These include mandates on the publication of guidance for processing applications, internal controls for expeditious case processing, and staff training.

Combating Refund Fraud and Identity Theft.—Identity theft is a serious and growing problem in the United States. Detection and deterrence pose a daunting challenge for the IRS. Taxpayers are harmed when identity thieves file fraudulent tax documents using stolen names and Social Security numbers, and wrongfully receive refunds. Identity theft can be devastating for victims, whose legitimate refunds are blocked, forcing them to spend months untangling their account problems with the IRS.

The Committee recommends that the IRS invest in techniques and processes including the adoption of unique identifiers to help decrease the ability of fraud perpetrators to gain access to social security numbers and other personally identifiable information. The Committee recommends enhanced recognition processes and creation of an alternate entity resolution and linking technology that would facilitate automated identification of duplicates in the system which in combination with other identifiers would prevent illegitimate access to the kinds of information that allow for refund-related identity theft to persist.

The Committee acknowledges that while the IRS has made some inroads in its capacity to flag and filter questionable filings, the IRS still needs to significantly improve its timeliness and effectiveness in responding to taxpayers who report that they have been victims of refund-related identity theft. The Committee is dismayed that resolving refund-related identity theft cases can consume more than 1 year and that communication between the IRS and victims is frequently limited and confusing. The Committee directs the IRS to institute, and share with the Committee within 90 days of enactment, an action plan and timetable predicated on a goal of reducing by half the average amount of time a taxpayer must await a disposition of a refund fraud claim.

Preventing Payroll Tax Fraud.—The Committee recognizes that many employers outsource payroll and related tax duties to third-

party payroll service providers to help assure filing deadlines and deposit requirements are met and streamline business operations. While most payroll service providers are trustworthy, failures can pose devastating financial setbacks for multiple clients, particularly small businesses. The Committee is aware that the National Taxpayer Advocate has recommended an array of practical solutions to address this persistent problem, including more effective early detection of potential fraud; registration, certification, and bonding requirements for third-party payroll tax services; restrictions on changing addresses of record; and greater consideration of offers in compromise to assist defrauded businesses with relief from tax liability.

The Committee directs the IRS to intensify its scrutiny of questionable practices of payroll service providers and continue to inform taxpayers of their responsibility for payment of all Federal and State employment taxes notwithstanding any contractual relationship with a payroll service provider. The Committee directs the IRS to report to the Committee within 90 days of enactment on (1) what data is currently collected on delinquent payroll service providers, (2) how this data is currently being used to prevent fraud, and (3) what the IRS would do with this data if given additional resources for this purpose.

The Committee includes an administrative provision requiring that the IRS issue a notice of confirmation of any address change relating to an employer making employment tax payments, and that such notice be sent to both the employer's former and new address and requires that an officer or employee of the Internal Revenue Service shall give special consideration to an offer-in-compromise from a taxpayer who has been the victim of fraud by a third party preparer.

National Research Program.—As noted previously, the Committee strongly supports the work of the National Research Program [NRP] to increase understanding of the tax gap. The Committee agrees with GAO, TIGTA, the National Taxpayer Advocate, and the IRS Oversight Board, which have all recommended greater and more frequent data collection and studies of the tax gap including the portion of the tax gap attributable to international transactions.

Performance Measures.—The Committee strongly urges the IRS to develop additional performance measures to evaluate the effectiveness of IRS programs such as preparer regulation, new information reports for merchant payment cards and stock basis, the Compliance Assurance Process [CAP] program, and Offshore Voluntary Disclosure programs. The Committee shares the perspective of the IRS Oversight Board that such measures would provide greater insight into how specific initiatives impact compliance and would contribute to better informed management and funding decisions.

Misclassification of Contractors.—The Committee continues to be highly concerned with the misclassification of workers as independent contractors rather than as employees. This misclassification leads to the underreporting and underpayment of employment and payroll taxes by employers and individuals, which accounts for a substantial portion of the gross tax gap. The Com-

mittee is encouraged by IRS actions to develop an agency-wide plan and a worker classification team to assist external stakeholders. The Committee understands that the IRS is undertaking a random sampling selection to study worker classification and other employment tax issues, including the safe harbor provision. The Committee looks forward to reviewing the findings and recommendations at the conclusion of this study.

The Committee is concerned that staffing within the IRS’s SS–8 program, responsible for making determinations as to a worker’s Federal employment tax status, has not kept pace with the record and sustained SS–8 filings during the past three filing seasons. The Committee believes that the IRS SS–8 program is critical to ensuring that workers are classified correctly, identifying leads for employment tax exams and criminal investigations, and combating the underreporting of employment taxes that contributes significantly to the tax gap. The Committee believes it is crucial, given the growing workload, that the IRS maintain sufficient staffing at SS–8 processing locations. Prior to making any staffing reductions at the SS–8 processing locations, the Committee directs the IRS to provide a report to the Committee that details the past 5 years of staffing levels and employee productivity, SS–8 receipt volumes, and rationale for the proposed workforce changes.

OPERATIONS SUPPORT

Appropriations, 2013 ¹	\$3,939,521,000
Budget estimate, 2014	4,480,843,000
Committee recommendation	4,109,506,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Operations Support appropriation provides for overall planning and direction of the IRS including Infrastructure, including administrative services related to space and housing, rent and space alterations, buildings service maintenance, guard services, and non-IT equipment; Shared Services and Support, including policy management, IRS-wide support for research, strategic planning, communications and liaison, finance, human resources, equity, diversity, and inclusion programs, printing, postage, business systems planning, corporate training, legal services, procurement, and employee benefit programs; and Information Services, including the staffing, equipment, and related costs to manage, maintain, and operate the information systems critical to the support of tax administration programs.

Funding for Operations Support budget activities undergirds both Taxpayer Services and Enforcement programs that depend on agile, sophisticated information systems to promptly and properly process tax and information returns, account for tax revenues collected, permit automated requests for account and return transcripts, issue billings for taxes owed, generate refund payments, assist in selection of returns for audit, and provide telecommunications services for the full array of IRS business activities, including Web site and toll-free phone access.

COMMITTEE RECOMMENDATION

The Committee recommends \$4,109,506,000 for Operations Support for fiscal year 2014. This amount is \$169,985,000 above the fiscal year 2013 enacted level and \$371,337,000 below the budget request. Bill language is included allowing up to \$250,000,000 of these funds to remain available until September 30, 2015, for information technology support and not to exceed \$1,000,000 to remain available until September 30, 2016, for research; not less than \$2,000,000 for the Internal Revenue Oversight Board; and \$25,000 for official reception and representation expenses.

The recommended funding supports initiatives being undertaken to implement the information technology and operational infrastructure critical to delivery of new tax credits and other IT changes necessitated by changes in the law. For any cost estimates, the Committee expects the IRS to follow the best practices outlined in GAO's Cost Guide for a comprehensive, well-documented, accurate, and credible cost estimate. It is imperative that the Committee be regularly apprised of updated cost estimates in order to have sufficient reliable information about the specific fiscal 2014 funding needs in the context of what has been expended to date and with what results, as well as what costs may be expected to arise in fiscal years beyond 2014.

Information Technology [IT] Management and Oversight.—The IRS funds 155 IT systems. Of these, 20 are major systems each having an annual budget of greater than \$10,000,000. The IRS has made significant strides in improving the management and oversight of its business systems modernization [BSM] program. The Committee strongly urges the IRS to vigilantly address major systemic problems with its non-BSM portfolio of information technology projects.

The Committee shares the concerns, cited by both TIGTA and GAO, that the IRS lacks a comprehensive integrated system to provide accurate, relevant, and timely financial and operating data that can be used to evaluate performance measures, productivity, and the associated costs of IRS programs. This deficiency hinders IRS management decisionmaking as well as congressional oversight of progress in achieving program goals.

The Committee notes that while the IRS uses its IT governance process to track progress in completing activities and achieving milestones in non-BSM IT project implementation, it lacks a quantitative measure for doing so and as a result, cannot determine the extent of functionality achieved as incremental stages of project development are reached. Quantitative measures are valuable project management tools for securing complete information for ascertaining status and progress in delivering systems.

In response to GAO's recommendation as part of its evaluation work related to the BSM spending plans several years ago, the IRS developed a useful measure based on capabilities to be achieved for each milestone. The Committee strongly encourages the IRS to consider developing and using a quantitative measure of scope for all of its non-BSM major IT systems to provide more complete understanding of the functionalities achieved along the course of project work, and to better ensure that investments are producing the re-

sults expected. In addition, TIGTA has identified problems in several areas of IT management and oversight including, but not limited to, such areas as classification of investment projects, oversight and governance structure, risk management, contingency planning, and contractor performance and accountability.

Although progress has been made, the Committee remains concerned about chronic material weaknesses in IRS’s internal controls over information security that expose systems to serious risk. The Committee expects the IRS to continue efforts to fully address information security vulnerabilities, including promptly instituting corrective action in response to recommendations of TIGTA and GAO in this area.

The Committee directs the administration and the IRS to include within the fiscal year 2015 budget request a proposed long-term multiyear funding strategy and timetable within the Operations Support account to upgrade and modernize the aging legacy IRS information technology infrastructure.

Strategic Planning for E-Service Enhancements.—E-services is a suite of Web-based products that allow tax professionals and taxpayers to conduct business with the IRS electronically. The Committee believes there is considerable untapped potential for more robust use of virtual technology and enhanced electronic communications in transactions between the IRS and taxpayers and tax professionals. The Committee directs the IRS to develop and share with the Committee, within 180 days of enactment, a strategic plan, including identification of specific short-term and long-term opportunities for new or enhanced uses of e-services and an assessment of the related resource needs.

Information Technology Reports.—The Committee directs the IRS to submit quarterly reports on particular major project activities to the Committees on Appropriations and the GAO, no later than 30 days following the end of each calendar quarter in fiscal year 2014. The Committee expects the reports to include detailed, plain English explanations of the costs and schedules for the previous 3 months and a description of the anticipated cost and schedule for the upcoming 3 months for the following major information technology project activities: IRS.gov; Returns Remittance Processing; EDAS/IPM; Information Returns and Document Matching; E-services; Taxpayer Advocate Service Integrated System and other projects associated with significant changes in law. The Committee further directs GAO to review and provide an annual report to the Committees evaluating the cost and schedule of activities of all major IRS information technology projects for the year, with particular focus on the projects about which the IRS is submitting quarterly reports to the Committee.

BUSINESS SYSTEMS MODERNIZATION

Appropriations, 2013 ¹	\$329,550,000
Budget estimate, 2014	300,827,000
Committee recommendation	300,827,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Business Systems Modernization account provides resources for revamping business practices and acquiring new technology. The IRS has undertaken a multiyear, multibillion dollar effort to migrate from its antiquated legacy system to bring the IRS tax administration system to a level of public and private sector best practices. The IRS is using a formal methodology to prioritize, approve, fund, and evaluate its portfolio of business systems modernization investments. This methodology is designed to enforce a documented, repeatable, and measurable process for managing investments throughout their life cycle. The process is reviewed by the Government Accountability Office on a regular basis.

COMMITTEE RECOMMENDATION

The Committee recommends \$300,827,000 for Business Systems Modernization [BSM] for fiscal year 2014. This amount is \$28,723,000 below the fiscal year 2013 enacted level and the same as the budget request. The Committee encourages the IRS to use resources available through user fee revenues to augment the direct discretionary appropriation for the BSM program.

The Committee is committed to ensuring continued progress as the IRS builds on the commendable foundational work accomplished in 2012 to successfully deploy the CADE2 program to provide daily account processing and to update the Modernized e-File program to launch additional system capabilities. The Committee recognizes that successful high-risk systems modernization efforts depend upon sustained and adequate funding to support automation refinements designed to help improve customer service through faster response, enhance compliance and enforcement activities, and enhance production volumes at lower error rates.

The Committee expects the IRS to continue to submit quarterly reports to the Committee and the Government Accountability Office [GAO] during fiscal year 2014, no later than 30 days following the end of each calendar quarter. The Committee expects the reports to include detailed, plain English explanations of the costs and schedules for CADE2 and MeF activities for the previous 3 months and a description of the anticipated cost and schedule for the upcoming 3 months. The Committee further directs GAO to review and provide an annual report to the Committee evaluating the cost and schedule of CADE2 and MeF activities for the year.

The Committee remains concerned that IRS systems modernization, by its nature, is a high-risk endeavor, and appreciates that the IRS has, in recent years, satisfied the majority of developmental milestones planned for completion early, under budget, or within 10 percent of cost and schedule estimates. Because of the tendency for certain projects or components to exceed schedule and cost estimates, the Committee urges IRS management to maintain close routine scrutiny of cost and schedule factors.

ADMINISTRATIVE PROVISIONS—INTERNAL REVENUE SERVICE
(INCLUDING TRANSFER OF FUNDS)

The Committee has included six administrative provisions carried in prior appropriations acts and five new directives as follows:

Section 101 continues a provision allowing the IRS to transfer up to 5 percent of any appropriation made available to the agency in fiscal year 2014 to any other IRS account, with the exception of the Enforcement account, which is limited to 3 percent. The IRS is directed to follow the Committee's reprogramming procedures outlined earlier in this report.

Section 102 continues a provision maintaining a training program in taxpayers' rights and cross-cultural relations.

Section 103 continues a provision requiring the IRS to institute and enforce policies and procedures, which will safeguard the confidentiality of taxpayer information and protect taxpayers against identity theft.

Section 104 continues a provision directing that funds shall be available for improved facilities and increased staffing to support sufficient and effective 1-800 help line services for taxpayers including enhanced reception and response time of taxpayer correspondence, particularly for victims of tax-related crimes.

Section 105 renews a provision enacted in Public Law 111-117 that prohibits the use of funds in this act to enter into, renew, extend, administer, implement, enforce, provide oversight of, or make any payment related to any qualified tax collection contract.

Section 106 continues a provision enacted in Public Law 113-6 that extends authority for appointment to critical administrative, technical, and professional positions needed to carry out the functions of the IRS.

Section 107 is a new provision allowing a 2-year renewal of the term of a critical pay provision based on critical organizational need.

Section 108 is a new provision requiring the IRS to issue notices to employers of any address change request and to give special consideration to offers in compromise for taxpayers who have been victims of payroll tax preparer fraud.

Section 109 is a new provision requiring the IRS to publicize on its Web site clear guidance for processing of applications for tax-exempt status involving potentially significant political campaign intervention.

Section 110 is a new provision requiring the IRS to institute controls and management oversight to ensure prompt processing of applications for tax-exempt status using objective criteria.

Section 111 is a new provision requiring the IRS to conduct staff training before each Federal election cycle including instruction on what activities constitute political campaign intervention.

Section 112 is a new provision that prohibits the use of funds by the IRS to target United States citizens for exercising any right guaranteed under the First Amendment to the Constitution.

ADMINISTRATIVE PROVISIONS—DEPARTMENT OF THE TREASURY
(INCLUDING TRANSFERS OF FUNDS)

The Committee includes 15 administrative provisions carried over from prior appropriations acts. The administrative provisions are as follows:

Section 113 authorizes certain basic services within the Treasury Department in fiscal year 2014, including purchase of uniforms; maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; and contracts with the Department of State for health and medical services to employees and their dependents serving in foreign countries.

Section 114 authorizes transfers, up to 2 percent, between Departmental Offices, Departmentwide Systems and Capital Investments Programs, Office of Inspector General, Special Inspector General for the Troubled Asset Relief Program, Bureau of the Fiscal Service, Alcohol and Tobacco Tax and Trade Bureau, and Financial Crimes Enforcement Network appropriations under certain circumstances.

Section 115 authorizes transfers, up to 2 percent, between the Internal Revenue Service and the Treasury Inspector General for Tax Administration under certain circumstances.

Section 116 requires that the purchase of law enforcement vehicles be consistent with departmental vehicle management principles.

Section 117 prohibits the Department of the Treasury and the Bureau of Engraving and Printing from redesigning the \$1 Federal Reserve Note.

Section 118 authorizes the Secretary of the Treasury to transfer funds from Salaries and Expenses, Bureau of the Fiscal Service, to the Debt Collection Fund as necessary to cover the costs of debt collection. Such amounts shall be reimbursed to the Salaries and Expenses account from debt collections received in the Debt Collection Fund.

Section 119 extends the authority to conduct a personnel management demonstration project.

Section 120 requires prior approval for the construction and operation of a museum by the United States Mint.

Section 121 prohibits the merger of the United States Mint and the Bureau of Engraving and Printing without prior approval of the committees of jurisdiction.

Section 122 authorizes the Department's intelligence activities.

Section 123 permits the Bureau of Engraving and Printing to use \$5,000 from the Industrial Revolving Fund for reception and representation expenses.

Section 124 requires the Secretary of the Treasury to develop an annual Capital Investment Plan.

Section 125 relates to refunds, drawbacks, and payments of claims by certain Federal agencies.

Section 126 relates to the recovery of assets of the United States.

Section 127 relates to bond financing under section 114A of the Riegle Community Development and Regulatory Improvement Act of 1994.

TITLE II
EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS
APPROPRIATED TO THE PRESIDENT

COMPENSATION OF THE PRESIDENT

Appropriations, 2013 ¹	\$450,000
Budget estimate, 2014	450,000
Committee recommendation	450,000

¹ Exempt from sequester of funds pursuant to section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act, as amended.

PROGRAM DESCRIPTION

This account provides for the compensation of the President, including an expense allowance as authorized by 3 U.S.C. 102.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$450,000 for compensation of the President, including an expense allowance of \$50,000. This is the same as the fiscal year 2013 enacted level and the same as the budget request. The expense account is for official use as authorized by title 3, United States Code, and is not considered taxable to the President. The bill specifies that any unused amount shall revert to the Treasury consistent with 31 U.S.C. 1552.

THE WHITE HOUSE

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$56,860,000
Budget estimate, 2014	55,110,000
Committee recommendation	55,110,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The “Salaries and Expenses” account of The White House provides staff assistance and administrative services for the direct support of the President. The White House also serves as the President’s representative before the media. In accordance with 3 U.S.C. 105, The White House office also supports and assists the activities of the spouse of the President.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$55,110,000 for The White House, Salaries and Expenses. The recommendation is \$1,750,000 below the fiscal year 2013 enacted level and is equal to the budget request.

The Committee directs the Executive Office of the President [EOP] to allocate sufficient resources to continue the robust operation of the Office of National AIDS Policy [ONAP]. ONAP is responsible for leading implementation of the National HIV/AIDS Strategy and holding Federal agencies and local jurisdictions accountable for implementing effective, scalable, and cost-effective interventions for HIV prevention and care through commissioning policy research, consulting with the community, and helping jurisdictions modernize data systems and other activities to align with the strategy. The Committee directs the administration to continue to coordinate a Governmentwide effort to achieve the goals of the National HIV/AIDS strategy.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

Appropriations, 2013 ¹	\$13,398,000
Budget estimate, 2014	12,768,000
Committee recommendation	12,768,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

These funds provide for the care, maintenance, repair, alteration, refurbishing, improvement, air-conditioning, heating, and lighting of the White House and the official and ceremonial functions of the President.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$12,768,000 for the Executive Residence at the White House. The Committee recommendation is \$630,000 less than the fiscal year 2013 enacted level and equal to the budget request. The bill also continues certain restrictions on reimbursable expenses for use of the Executive Residence.

WHITE HOUSE REPAIR AND RESTORATION

Appropriations, 2013 ¹	\$749,000
Budget estimate, 2014	750,000
Committee recommendation	750,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

This account funds the repair, alteration, and improvement of the Executive Residence at the White House. A separate account was established in fiscal year 1996 to program and track expenditures for the capital improvement projects at the Executive Residence at the White House.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$750,000 for White House Repair and Restoration, equal to the budget request and \$1,000 above the fiscal year 2013 enacted level.

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$4,184,000
Budget estimate, 2014	4,192,000
Committee recommendation	4,192,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Council of Economic Advisers analyzes the national economy and its various segments, advises the President on economic developments, recommends policies for economic growth and stability, appraises economic programs and policies of the Federal Government, and assists in the preparation of the annual Economic Report of the President to Congress.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$4,192,000 for salaries and expenses of the Council of Economic Advisers. This amount is equal to the budget request and is \$8,000 above the fiscal year 2013 enacted level.

NATIONAL SECURITY COUNCIL AND HOMELAND SECURITY COUNCIL

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$13,022,000
Budget estimate, 2014	12,621,000
Committee recommendation	12,621,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The National Security Council advises the President in integrating domestic, foreign, and military policies related to national security, and the Homeland Security Council advises the President in coordinating homeland security-related policies across the Government.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$12,621,000 for the salaries and expenses of the National Security Council and the Homeland Security Council. This amount is equal to the budget request and is \$401,000 below the fiscal year 2013 enacted level.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$112,726,000
Budget estimate, 2014	113,135,000
Committee recommendation	113,135,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Office of Administration provides administrative services to the EOP. These services, defined by Executive Order 12028 of

1977, include financial, personnel, library and records services, information management systems support, and general office services.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$113,135,000 for the Office of Administration for fiscal year 2014. This amount is an increase of \$409,000 to the fiscal year 2013 enacted level and is equal to the budget request.

The Committee’s recommendation includes \$12,006,000 to stabilize and modernize the information technology infrastructure within the EOP. This funding supports the continuation of a major initiative that will refresh the aging information technology infrastructure, strengthen disaster recovery and information security capabilities, and transition the EOP’s communications architecture to integrate mobile devices while complying with security and records management requirements. The Committee is pleased with progress to date on the initiative and notes that metrics tracking results have improved. The Committee supports continued investment in the initiative to further modernize the IT infrastructure, accommodate increasing data needs, and prepare for cybersecurity threats.

The Committee directs the Office of Administration to place a top priority on the implementation of comprehensive policies and procedures for the preservation of all records, including electronic records such as emails, videos, and social networking communication, consistent with the requirements of the Presidential Records Act, the Federal Records Act, and other pertinent laws. The Office of Administration shall work closely with the National Archives and Records Administration [NARA] to ensure the full and complete maintenance and formatting of electronic records that will eventually be turned over to NARA. The Committee expects the Office of Administration to keep the Committee fully apprised of funding needs related to record preservation and retention.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$89,277,000
Budget estimate, 2014	93,397,000
Committee recommendation	93,397,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Office of Management and Budget [OMB] assists the President in the discharge of his budgetary, management, and other executive responsibilities.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$93,397,000 for the Office of Management and Budget, which is \$4,120,000 above the fiscal year 2013 enacted level and equal to the budget request.

The recommendation will allow OMB to continue its work developing and executing the President's Budget and overseeing the performance of Federal agencies. In recent years, OMB's non-politically appointed civil service staffing levels declined while undertaking new responsibilities under major legislation such as the Budget Control Act of 2011 and the Government Performance and Results Modernization Act of 2010. The Committee directs OMB to allocate increased funds toward restoring non-politically appointed civil service staffing levels, including for the Office of Federal Procurement Policy and the Office of Information and Regulatory Affairs. The Committee also directs OMB to utilize additional resources to respond in a timely and complete manner to requests from Congress, in particular requests related to program funding and operations.

Alternative Contracting Models.—The Committee believes that in some instances using transaction-based or no-cost contracting models for delivering or procuring information technology goods and services can save resources and increase efficiencies. The Committee believes that OMB should provide guidance to agencies on transaction-based and no-cost funding models including when it is appropriate to consider using these contract models, how to calculate potential savings from their use, and standards and best practices for conducting the procurement. The Committee directs OMB to report within 90 days after enactment of this act on the use of transaction-based or no-costing funding models for procuring information technology goods and services. The report shall include information on (a) transaction-based or no-cost funding model use by agencies; (b) quantifiable costs savings and cost avoidance through their use; (c) plans to continue or expand their future use; and (d) the status of the issuance of guidance to agencies regarding their use.

Federal Budgeting System.—The Committee notes that OMB maintains the Federal Government's core budgeting system, which is accessed by over 1,000 users Governmentwide to collect, validate, analyze, prepare, and publish information related to the Federal budget. The Committee appreciates OMB's submission of the required report detailing current capabilities of and deficiencies in the system. In recent years, OMB has added the capability for the system to collect, analyze, and share information on Governmentwide management and budgeting activities. However, the last major upgrade to the system was completed in 1993. The Committee notes that, using limited resources, OMB has made improvements to the system that have enhanced data quality and implemented efficiencies in the budget process. The Committee directs OMB to continue making enhancements to the system within current resources and to notify the Committee of any cost-effective opportunities that OMB may identify to further improve the system.

Chemical Security.—The Committee is concerned about the effectiveness of the Nation's chemical security efforts. The Committee directs OMB, as part of its mission to improve the effectiveness and efficiency of Government programs and rules, to conduct a comprehensive review of the regulatory regime related to chemical security and to provide a report to the Committee detailing the review within 180 days of enactment. The review and report shall

identify regulatory gaps that may pose an unacceptable security risk, identify and evaluate the effectiveness of strategies for closing such gaps, identify existing redundancies between current regulatory regimes, and identify and evaluate strategies for eliminating such redundancies. The report shall also describe how Federal entities with responsibilities for chemical security coordinate with each other and how such coordination can be improved, including specific milestones such as formal agreements. The review and report should be done in conjunction with the activity completed through the Chemical Government Coordinating Council and the Chemical Sector Coordination Council.

Status of Disaster Spending.—The Committee directs OMB to coordinate with the Recovery Accountability and Transparency Board to publish information on its Web site regarding the status of funding provided under Public Law 113–2, including commitments, obligations, unobligated balances, and expenditures. The Committee directs OMB to publish this information on a publicly available Web site within 60 days of the termination of the Hurricane Sandy Rebuilding Task Force, and provide quarterly updates.

Children’s Programs.—The Committee directs OMB to submit a report within 90 days of enactment on the feasibility of producing an analysis of current levels of spending on children and children’s programs, including a detailed breakdown by agency, department, and initiative.

Consultations with the Committee Under GPRAMA.—The Committee recalls that all Federal agencies have an obligation under the Government Performance and Results Act [GPRA] Modernization Act [GPRAMA] of 2010 (Public Law 111–352) to publish a strategic plan not later than the first Monday in February of any year following the year in which a presidential term of office commences. These plans are thus due in February 2014. In the preparation of such plans, the GPRAMA also requires that agencies consult periodically with Congress—including soliciting both “majority and minority views” from the appropriations committees—and that each agency incorporate into its strategic guidance a description of how agency goals and objectives “incorporate views and suggestions obtained through congressional consultations required [by the Act].” Although the OMB required that agencies submit the first draft of their strategic plans on or before June 3, 2013, few if any such consultations have as yet taken place with this Committee. The Committee, therefore, directs that agency representatives promptly contact both the Majority and the Minority staffs of this Committee in order to arrange GPRAMA consultations. The Committee further requests that OMB facilitate such contacts and discussions wherever necessary.

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$24,451,000
Budget estimate, 2014	22,647,000
Committee recommendation	23,000,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Office of National Drug Control Policy [ONDCP], established by the Anti-Drug Abuse Act of 1988, and reauthorized by Public Law 109–469, is charged with developing policies, objectives, and priorities for the National Drug Control Program. In addition, ONDCP administers the High Intensity Drug Trafficking Areas program, the Drug-Free Communities Support Program, and several other related initiatives.

This account provides funding for personnel compensation, travel, and other basic operations of the Office, and for general policy research to support the formulation of the National Drug Control Strategy.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$23,000,000 for ONDCP’s salaries and expenses. This amount is \$1,451,000 less than fiscal year 2013 enacted level and \$353,000 above the budget request. Due to budget constraints, no funding is provided for policy research.

FEDERAL DRUG CONTROL PROGRAMS

HIGH INTENSITY DRUG TRAFFICKING AREAS

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2013 ¹	\$238,045,000
Budget estimate, 2014	193,400,000
Committee recommendation	238,522,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The High Intensity Drug Trafficking Areas [HIDTA] program was established by the Anti-Drug Abuse Act of 1988 (Public Law 100–690) and the Office of National Drug Control Policy’s reauthorization (Public Law 109–469) to provide assistance to Federal, State, and local law enforcement entities operating in those areas most adversely affected by drug trafficking.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$238,522,000 for the HIDTA program, \$477,000 more than the fiscal year 2013 level and \$45,122,000 above the budget request. The Committee directs that funding shall be provided for the existing HIDTAs at no less than the fiscal year 2013 level.

ONDCP is directed to consult with the HIDTAs in advance of deciding programmatic spending allocations for discretionary (supplemental) funding.

The Committee recommendation specifies that up to \$2,700,000 may be used for auditing services and associated activities.

The Committee directs that HIDTA funds be transferred to the appropriate drug control agencies expeditiously and includes provisions in the bill to help prevent delay. Transferred funds that are no longer necessary for their original purpose may be transferred back to the HIDTA program.

The Committee recognizes the National HIDTA Assistance Center for providing programmatic support to the HIDTA program to include training, financial management/audit review, and other essential services.

HIDTA funds should not be used to supplant existing support for ongoing Federal, State, or local drug control operations normally funded out of the operating budgets of each agency. ONDCP is directed to withhold all HIDTA funds from a State until such time as a State or locality has met its financial obligation.

OTHER FEDERAL DRUG CONTROL PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2013 ¹	\$105,339,000
Budget estimate, 2014	95,376,000
Committee recommendation	105,550,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Anti-Drug Abuse Act of 1988 (Public Law 100–690), and the Office of National Drug Control Policy Reauthorization Act (Public Law 109–469) established this account to be administered by the Director of the Office of National Drug Control Policy. The funds appropriated to the program support high-priority drug control programs and may be transferred to drug control agencies.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$105,550,000 for Other Federal Drug Control Programs, which is \$211,000 more than the fiscal year 2013 enacted level and \$10,174,000 above the budget request. Within this amount, the Committee provides the following funding levels:

	Amount
Drug-Free Communities Support Program	\$92,000,000
National Community Anti-Drug Coalition training	2,000,000
Drug court training and technical assistance	1,400,000
Anti-doping activities	9,000,000
World Anti-Doping Agency (WADA)	1,900,000
Activities as authorized by Public Law 109–469, section 1105	1,250,000

Drug-Free Communities Support Program.—ONDCP directs the Drug-Free Communities Support Program [DFCSP] in partnership with the Substance Abuse and Mental Health Services Administration. DFCSP provides dollar-for-dollar matching grants of up to \$125,000 to local coalitions that mobilize their communities to prevent youth alcohol, tobacco, illicit drug, and inhalant abuse. Such grants support coalitions of youth; parents; media; law enforcement; school officials; faith-based organizations; fraternal organizations; State, local, and tribal government agencies; healthcare professionals; and other community representatives. The DFCSP enables these coalitions to strengthen their coordination and prevention efforts, encourage citizen participation in substance abuse reduction efforts, and disseminate information about effective pro-

grams. The Committee provides \$92,000,000 for the continuation of the DFCSF.

The Committee includes a provision in the bill directing ONDCP to provide \$2,000,000 of DFCSF funds for training and related purposes as authorized by section 4 of Public Law 107–82, as amended by Public Law 109–469.

UNANTICIPATED NEEDS

Appropriations, 2013 ¹	\$986,000
Budget estimate, 2014	1,000,000
Committee recommendation	1,000,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

These funds enable the President to meet unanticipated exigencies in support of the national interest, security, or defense.

COMMITTEE RECOMMENDATION

The Committee recommends \$1,000,000, which is \$14,000 more than the amount appropriated in fiscal year 2013 and equal to the budget request.

DATA-DRIVEN INNOVATION

(INCLUDING TRANSFERS OF FUNDS)

Appropriations, 2013	
Budget estimate, 2014 ¹	\$14,000,000
Committee recommendation	6,000,000

¹ Includes \$8,000,000 for the information technology management program. The Committee recommends \$8,000,000 for that program, equal to the fiscal year 2014 budget request, under the appropriation “Integrated, Efficient and Effective Uses of Information Technology”.

PROGRAM DESCRIPTION

The goal of the Data-Driven Innovation program is to expand and improve the use of data and evidence to maximize government effectiveness and efficiency. The Data-Driven Innovation program builds on the Partnership Fund for Program Integrity Innovation, which supported pilot projects designed to reduce errors, promote efficiency, and improve the service of Federal programs administered by States. The Data-Driven Innovation program will also support targeted projects with the goal of demonstrating results or testing methods that will be replicable across Federal programs.

COMMITTEE RECOMMENDATION

The Committee recommends \$6,000,000 for the Data-Driven Innovation program, \$8,000,000 below the fiscal year 2014 budget request. The Committee does not adopt the proposal to fund the information technology management program under the “Data-Driven Innovation” appropriation and instead recommends funds for that program under the appropriation “Integrated, Efficient and Effective Uses of Information Technology”. Adjusting for that change, the recommendation is equal to the budget request. No funding was provided for the Data-Driven Innovation program in fiscal year 2013.

The Committee reminds the EOP that the Committee expects to be regularly apprised of how efforts under the Data-Driven Innovation program affect agency and program-specific projects and missions on a case-by-case basis. The Committee expects EOP to demonstrate how all changes comply with current law and to notify the Committee and relevant authorizing committees as to how any projects or reforms will affect program designs, operations, and outcomes. The Committee directs that the Data-Driven Innovation program shall not be a substitute for the Committee’s routine consideration of agency needs or evaluation of program operations in accordance with the regular budget and oversight process. Finally, the Committee directs the EOP to notify the Committee immediately upon any change in an agency spending plan pursuant to any efforts under the Data-Driven Innovation program.

INTEGRATED, EFFICIENT AND EFFECTIVE USES OF INFORMATION
TECHNOLOGY

(INCLUDING TRANSFERS OF FUNDS)

Appropriations, 2013 ¹	\$4,990,000
Budget estimate, 2014 ²	
Committee recommendation	8,000,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

² The budget requested \$8,000,000 for the information technology management program under the appropriation “Data-Driven Investment”.

PROGRAM DESCRIPTION

The goal of the Integrated, Efficient and Effective Uses of Information Technology [IEEUIT] program is to turn around poorly performing information technology [IT] projects, improve the efficiency and effectiveness of agency IT portfolios, and centralize key IT services for Government agencies, saving taxpayer dollars in the future that would otherwise be spent on inefficient and duplicative IT services. The EOP began a major IT reform effort in fiscal year 2009 by leveraging existing resources provided for management improvements and dedicated funding for the effort was first provided in fiscal year 2012.

COMMITTEE RECOMMENDATION

The Committee recommends \$8,000,000 for the IEEUIT program. The recommendation is equal to the amount requested by the President for fiscal year 2014 for information technology management efforts requested under the appropriation “Data-Driven Innovation” and is an increase of \$3,010,000 to the fiscal year 2013 enacted level.

The Committee appreciates the administration’s comprehensive and innovative approach to improving IT development processes and maximizing efficiencies across the Federal IT portfolio. The Federal Government invests approximately \$80,000,000,000 a year in IT development for a wide variety of capabilities, spanning, for example, from basic desktop computing to a searchable database for investigating terrorist financing activity.

Using resources provided for general management improvements, in 2009 the administration began a major IT reform effort focused

on improving poorly performing IT projects, consolidating costly data centers, and consolidating common IT functions across Federal agencies. The administration estimates that taxpayer savings realized to date under the current IT reform initiative totals approximately \$489,000,000.

The Committee reminds the EOP that the Committee expects to be regularly apprised of how Governmentwide IT reform efforts affect agency-specific projects and missions on a case-by-case basis. The Committee directs that IT reform initiatives shall not be a substitute for the Committee’s routine consideration of agency needs in accordance with the regular budget process. Finally, the Committee directs the EOP to notify the Committee immediately upon any change in an agency spending plan pursuant to any efforts to modernize, streamline, or improve Federal IT projects.

SPECIAL ASSISTANCE TO THE PRESIDENT

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$4,319,000
Budget estimate, 2014	4,328,000
Committee recommendation	4,328,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

This appropriation provides for staff and expenses to enable the Vice President to provide assistance to the President in connection with the performance of executive duties and responsibilities. These funds also support the official activities of the spouse of the Vice President. The Vice President also has a staff funded by the Senate to assist him in the performance of his legislative duties.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$4,328,000 for special assistance to the President. This amount is the same as both the budget request and is an increase of \$9,000 to the fiscal year 2013 enacted level.

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2013 ¹	\$306,000
Budget estimate, 2014	307,000
Committee recommendation	307,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

This account supports the care and operation of the Vice President’s residence on the grounds of the Naval Observatory. These funds specifically support equipment, furnishings, dining facilities, and services required to perform and discharge the Vice President’s official duties, functions, and obligations.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$307,000 for the official residence of the Vice President. This amount is equal to the budget request and is \$1,000 above the fiscal year 2013 enacted level.

ADMINISTRATIVE PROVISIONS—EXECUTIVE OFFICE OF THE
PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

(INCLUDING TRANSFERS OF FUNDS)

Section 201 continues a provision that provides flexibility in the use of funds in accounts under the EOP.

Section 202 requires a detailed financial plan by the Director of ONDCP prior to the obligation of funds in fiscal year 2014.

Section 203 allows for the transfer of up to 2 percent among programs within ONDCP.

Section 204 establishes reprogramming requirements for ONDCP.

TITLE III
THE JUDICIARY

PROGRAM DESCRIPTION

Established under Article III of the Constitution, the judicial branch of Government is a separate but equal branch. The Federal judiciary consists of the Supreme Court, United States Courts of Appeals, District Courts, Bankruptcy Courts, Court of International Trade, Court of Federal Claims, and several other entities and programs. The organization of the judiciary, the district and circuit boundaries, the places of holding court, and the number of Federal judges are legislated by the Congress and signed into law by the President.

The Committee’s recommended funding levels support the Federal judiciary’s role of providing equal justice under the law and include sufficient funds to support this critical mission. The recommended funding level includes the salaries of judges and support staff and the operation and security of our Nation’s courts.

The judicial branch is subject to the same funding constraints facing the executive and legislative branches. It is imperative that the Federal judiciary devote its resources primarily to the retention of staff. Further, it is also important that the judiciary contain controllable costs such as travel, construction, and other expenses.

SUPREME COURT OF THE UNITED STATES

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$74,684,000
Budget estimate, 2014	74,838,000
Committee recommendation	74,838,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The United States Supreme Court consists of nine justices appointed under Article III of the Constitution of the United States, one of whom is appointed as Chief Justice of the United States. The Supreme Court acts as the final arbiter in the Federal court system.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$74,838,000 for the Justices, their supporting personnel, and the costs of operating the Supreme Court, excluding the care of the building and grounds. The recommendation is \$154,000 above the fiscal year 2013 funding level and the same as the budget request.

CARE OF THE BUILDING AND GROUNDS

Appropriations, 2013 ¹	\$8,143,000
Budget estimate, 2014	11,635,000
Committee recommendation	11,158,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

Care of the Building and Grounds, for expenditure by the Architect of the Capitol, provides for the structural and mechanical care of the United States Supreme Court Building and Grounds, including maintenance and operation of mechanical, electrical, and electronic equipment.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$11,158,000 for personnel and other services related to the Supreme Court building and grounds, which is supervised by the Architect of the Capitol. The recommendation is \$3,015,000 more than the fiscal year 2013 funding level and \$477,000 below the budget request.

The Court shall continue to provide to the Committee detailed single-spaced quarterly reports on the Supreme Court modernization project, including descriptions; timeliness; milestones; and funding committed, obligated, and expended, as well as any unobligated balances of each major capital project. In addition, the report should include the identification, descriptions, and status of any contract claims.

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$32,462,000
Budget estimate, 2014	33,355,000
Committee recommendation	33,355,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The United States Court of Appeals for the Federal Circuit was established on October 1, 1982 under Article III of the Constitution. The court was formed by the merger of the United States Court of Customs and Patent Appeals and the appellate division of the United States Court of Claims. The court consists of 12 judges who are appointed by the President, with the advice and consent of the Senate. Judges are appointed to the court under Article III of the Constitution of the United States.

The Federal Circuit has nationwide jurisdiction in a variety of subjects, including international trade, Government contracts, patents, certain claims for money from the United States Government, Federal personnel, and veterans' benefits. Appeals to the court come from all Federal district courts, the United States Court of Federal Claims, the United States Court of International Trade, and the United States Court of Veterans Appeals. The court also takes appeals of certain administrative agencies' decisions, including the Merit Systems Protection Board, the Board of Contract Ap-

peals, the Board of Patent Appeals and Interferences, and the Trademark Trial and Appeals Board. Decisions of the United States International Trade Commission, the Office of Compliance of the United States Congress, and the Government Accountability Office Personnel Appeals Board are also reviewable by the court.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$33,355,000. The recommendation is \$893,000 above the fiscal year 2013 funding level and the same as the budget request.

UNITED STATES COURT OF INTERNATIONAL TRADE

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$21,405,000
Budget estimate, 2014	21,973,000
Committee recommendation	21,378,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The United States Court of International Trade, located in New York City, consists of nine Article III judges. The court has exclusive nationwide jurisdiction over civil actions brought against the United States, its agencies and officers, and certain civil actions brought by the United States, arising out of import transactions and the administration and enforcement of the Federal customs and international trade laws.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$21,378,000. The recommendation is \$27,000 below the fiscal year 2013 funding level and \$595,000 below the budget request.

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$5,015,955,000
Budget estimate, 2014	5,170,239,000
Committee recommendation	5,089,169,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

Salaries and Expenses is one of four accounts that provide total funding for the Courts of Appeals, District Courts, and Other Judicial Services. In addition to funding the salaries of judges and support staff, this account also funds the operating costs of appellate, district, and bankruptcy courts, the Court of Federal Claims, and probation and pretrial services offices.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$5,089,169,000 for salaries and expenses. The recommendation is \$73,214,000

above the fiscal year 2013 funding level and \$81,070,000 below the budget request.

Perimeter Security Pilot Project.—The Committee is aware that the Judiciary’s review of the new U.S. Marshals Service Court Security Officer [CSO] staffing standards has been completed. The new standards call for a modest increase in staffing, but cannot be fully implemented at this time due to budget constraints. The Committee continues to support the efficacy of the Judiciary’s Perimeter Security Pilot Project, but understands that due to fiscal constraints, the Judiciary is unable to expand the program at this time.

VACCINE INJURY COMPENSATION TRUST FUND

Appropriations, 2013 ¹	\$4,990,000
Budget estimate, 2014	5,327,000
Committee recommendation	5,327,000

¹ Exempt from sequester of funds pursuant to section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act, as amended.

PROGRAM DESCRIPTION

Enacted by the National Childhood Vaccine Injury Act of 1986 (Public Law 99–660), the Vaccine Injury Compensation Program is a Federal no-fault program designed to resolve a perceived crisis in vaccine tort liability claims that threatened the continued availability of childhood vaccines nationwide. The statute’s primary intention is the creation of a more efficient adjudicatory mechanism that ensures a no-fault compensation result for those allegedly injured or killed by certain covered vaccines. This program protects the availability of vaccines in the United States by diverting a substantial number of claims from the tort arena.

Not only did this act create a special fund to pay judgments awarded under the act, but it also created the Office of Special Masters within the United States Court of Federal Claims to hear vaccine injury cases. The act stipulates that up to eight special masters may be appointed for this purpose. The special masters expenditures are reimbursed to the judiciary for vaccine injury cases from a special fund set up under the Vaccine Act.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$5,327,000. The recommendation is \$337,000 above fiscal year 2013 funding level and the same as the budget request.

DEFENDER SERVICES

Appropriations, 2013 ¹	\$1,037,920,000
Budget estimate, 2014	1,068,623,000
Committee recommendation	1,098,446,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Defender Services program ensures the right to counsel guaranteed by the Sixth Amendment, the Criminal Justice Act (18 U.S.C. 3006A(e)) and other congressional mandates for those who cannot afford to retain counsel and other necessary defense serv-

ices. The Criminal Justice Act provides that courts appoint counsel from Federal public and community defender organizations or from a panel of private attorneys established by the court. The Defender Services program helps to maintain public confidence in the Nation's commitment to equal justice under the law and ensures the successful operation of the constitutionally based adversary system of justice by which Federal criminal laws and federally guaranteed rights are enforced.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$1,098,446,000. The recommendation is \$60,526,000 above the fiscal year 2013 funding level and \$29,823,000 above the budget request. The Defender Services program is urged to reexamine the program for cost containment opportunities as the rest of the Judiciary has done and continues to do. The recommendation does not provide an increase in the hourly panel attorney pay rate.

FEES OF JURORS AND COMMISSIONERS

Appropriations, 2013 ¹	\$51,804,000
Budget estimate, 2014	54,414,000
Committee recommendation	54,891,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

This account provides for the statutory fees and allowances of grand and petit jurors and for the compensation of jury and land commissioners. Budgetary requirements depend primarily upon the volume and the length of jury trials demanded by parties to both civil and criminal actions and the number of grand juries being convened by the courts at the request of the United States Attorneys.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$54,891,000. The recommendation is \$3,087,000 above the fiscal year 2013 funding level and \$477,000 above the budget request.

COURT SECURITY

(INCLUDING TRANSFERS OF FUNDS)

Appropriations, 2013 ¹	\$499,000,000
Budget estimate, 2014	524,338,000
Committee recommendation	520,278,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Court Security appropriation was established in 1983 and funds the necessary expenses incident to the provision of protective guard services, and the procurement, installation, and maintenance of security systems and equipment for United States courthouses and other facilities housing Federal court operations, including building access control, inspection of mail and packages, directed security patrols, perimeter security provided by the Federal Protec-

tive Service, and other similar activities as authorized by section 1010 of the Judicial Improvement and Access to Justice Act (Public Law 100–702).

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$520,278,000. The recommendation is \$21,278,000 above the fiscal year 2013 funding level and \$4,060,000 below the budget request.

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$82,743,000
Budget estimate, 2014	85,354,000
Committee recommendation	83,601,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Administrative Office [AO] of the United States Courts was created in 1939 by an act of Congress. It serves the Federal judiciary in carrying out its constitutional mission to provide equal justice under the law. Beyond providing numerous services to the Federal courts, the AO provides support and staff counsel to the Judicial Conference of the United States and its committees, and implements Judicial Conference policies as well as applicable Federal statutes and regulations. The AO is the focal point for communication and coordination within the Federal judiciary and with Congress, the executive branch, and the public on behalf of the judiciary.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$83,601,000. This recommendation is \$858,000 above the fiscal year 2013 funding level and \$1,753,000 below the budget request.

FEDERAL JUDICIAL CENTER

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$26,946,000
Budget estimate, 2014	27,664,000
Committee recommendation	26,400,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Federal Judicial Center, located in Washington, DC, improves the management of Federal judicial dockets and court administration through education for judges and staff, and research, evaluation, and planning assistance for the courts and the Judicial Conference. The Center’s responsibilities include educating judges and other judicial branch personnel about legal developments and efficient litigation management and court administration. Additionally, the Center also analyzes the efficacy of case and court management procedures and ensures the Federal judiciary is aware of the methods of best practice.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$26,400,000. The recommendation is \$546,000 below the fiscal year 2013 funding level and \$1,264,000 below the budget request.

JUDICIAL RETIREMENT FUNDS

PAYMENT TO JUDICIARY TRUST FUNDS

Appropriations, 2013 ¹	\$125,464,000
Budget estimate, 2014	126,931,000
Committee recommendation	126,931,000

¹ Exempt from sequester of funds pursuant to section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act, as amended.

PROGRAM DESCRIPTION

The funds in this account cover the estimated future benefit payments to be made to retired bankruptcy judges and magistrate judges, claims court judges, and spouses and dependent children of deceased judicial officers.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$126,931,000 for payments to the Judicial Officers' Retirement Fund and the Claims Court Judges Retirement Fund. The recommendation is \$1,467,000 above the fiscal year 2013 funding level and consistent with the budget request.

UNITED STATES SENTENCING COMMISSION

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$16,467,000
Budget estimate, 2014	17,016,000
Committee recommendation	16,637,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The United States Sentencing Commission establishes, reviews, and revises sentencing guidelines, policies, and practices for the Federal criminal justice system. The Commission is also required to monitor the operation of the guidelines and to identify and report necessary changes to the Congress.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$16,637,000. The recommendation is \$170,000 above the fiscal year 2013 funding level and \$379,000 below the budget request.

ADMINISTRATIVE PROVISIONS—THE JUDICIARY

(INCLUDING TRANSFERS OF FUNDS)

The Committee recommends the following administrative provisions for the judiciary:

Section 301 allows the judiciary to expend funds for the employment of experts and consultative services.

Section 302 allows the judiciary, subject to the Committee's reprogramming procedures, to transfer up to 5 percent between appropriations, but limits to 10 percent the amount that may be transferred into any one appropriation.

Section 303 limits official reception and representation expenses incurred by the Judicial Conference of the United States to no more than \$11,000.

Section 304 grants the judicial branch the same tenant alteration authorities as the executive branch.

Section 305 provides continued authority for a court security pilot program.

Section 306 provides certain contracting authorities to the three remaining judicial branch entities without them.

Section 307 extends for 1 year the authorization of a temporary judgeship in Kansas, Hawaii, Missouri, Alabama, Arizona, Florida, New Mexico, Texas, and California.

Section 308 authorizes additional district judgeships in Arizona, California, Delaware, Minnesota, New Mexico, and Texas and converts a temporary judgeship to permanent status in Arizona, in California, and in New Mexico.

Section 309 amends the Jury Selection and Service Act to add additional categories under which a juror may not be excluded.

TITLE IV
DISTRICT OF COLUMBIA
FEDERAL PAYMENTS
FEDERAL FUNDS

A total of \$674,802,000 in Federal funds are estimated to be available to the District of Columbia government, the District of Columbia Courts, the District of Columbia Court Services and Offender Supervision Agency, and other D.C. entities. This is \$713,000 above the fiscal year 2013 enacted level and \$1,530,000 below the budget request.

FEDERAL PAYMENT FOR RESIDENT TUITION SUPPORT

Appropriations, 2013 ¹	\$29,940,000
Budget estimate, 2014	35,000,000
Committee recommendation	35,000,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Resident Tuition Support program was created by the District of Columbia College Access Act of 1999 (Public Law 106-98), expanded through the District of Columbia College Access Improvement Act of 2002 (Public Law 107-157), and amended and reauthorized through Public Law 110-97. This program provides eligible college-bound District residents the opportunity to expand their higher education choices.

Under the program, financial assistance is available to qualified District residents who attend public colleges outside of the District of Columbia, private postsecondary institutions in the District of Columbia, Maryland, or Virginia, or any historically black college or university. The private-school tuition grants are restricted to nonprofit institutions. Students who attend public schools receive assistance equal to the difference between the tuition paid by residents of the State in which the institution is located and the tuition charged to nonresident students, with an annual limit of \$10,000 and a lifetime limit of \$50,000. Private-school students receive a \$2,500 maximum annual grant, with a lifetime limit of \$12,500.

Since its inception over a decade ago, the program has disbursed more than \$317,500,000 as of April 2013 for the benefit of more than 19,664 District of Columbia residents, with grants averaging \$6,900 per year. For the most recently completed academic year (2011-2012), 5,253 students received \$33,450,000 in grants. Sixty percent of the program grantees are the first in their families to attend college. Program participants have enrolled in more than 600 colleges and universities in 49 States. This has brought an in-

fusion of the District’s students as well as Federal dollars to State university systems nationwide.

COMMITTEE RECOMMENDATION

The Committee recommends a Federal payment of \$35,000,000 for the resident tuition support program, \$5,060,000 above the fiscal year 2013 enacted level and the same as the budget request.

The Committee urges the Office of the State Superintendent of Education to continue its efforts to improve the student retention, persistence, and college graduation rate of program participants. The Committee believes that innovative initiatives designed to promote retention of District students in colleges and universities should be expanded where possible. The Committee acknowledges the challenges facing the students who do enroll in college to reach graduation. Data reveal that among program grantees, many students interrupt their enrollment or drop out entirely on their path to a degree, and over 48 percent graduate from college in 6 years.

The Committee is encouraged by the initiatives that the State Superintendent has launched or is contemplating that are designed to enhance college retention and success. These programs include financial aid forums, guidance counselor certification, boot camps and summer institute programs, high achievers program, a retention mentor program, and a smart college choice campaign to guide students in selection of colleges and universities particularly suited to their academic and financial needs.

The Committee is pleased that the Office of the State Superintendent of Education has developed a number of administrative changes to help contain overall costs so that the funds provided are invested in an effective and efficient manner. Further, the Committee is encouraged by new, shortened application period and award notification windows and an invoicing deadline for participating colleges and universities to improve the processing of payments.

The Committee directs that the State Superintendent shall include, as a component of the fiscal year 2015 budget justification submission, an annual update of the District’s efforts, including research findings, to enhance the retention, persistence, and graduation rates of program participants, including early awareness and readiness initiatives to promote academic college preparation, guidance, and other support mechanisms and partnerships. The budget justification should also describe the status and effectiveness of cost containment measures instituted.

FEDERAL PAYMENT FOR EMERGENCY PLANNING AND SECURITY COSTS
IN THE DISTRICT OF COLUMBIA

Appropriations, 2013 ¹	\$24,651,000
Budget estimate, 2014	14,900,000
Committee recommendation	14,900,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

Due to the fact that the District of Columbia is the seat of the Federal Government and headquarters of many international organizations, District police, fire, and emergency personnel have had

to provide security for a number of events. As the need for the District of Columbia to provide security increases, overtime costs for personnel escalate and divert local police from neighborhood patrols. The complexity and costs associated with these events, including unique needs for crowd control, surveillance, and protection against unusual threats, are high and growing, and demand effective and efficient coordinated operations.

COMMITTEE RECOMMENDATION

The Committee recommends a Federal payment of \$14,900,000, for the District of Columbia for the costs of providing public safety at events related to the presence of the national capital in the District of Columbia, for the costs of providing support requested by the United States Secret Service Division in carrying out their protective duties under the direction of the Secretary of Homeland Security, and for the costs of providing support to respond to immediate and specific terrorist threats or attacks in the District of Columbia or surrounding jurisdictions. This is \$9,751,000 below the fiscal year 2013 enacted level and the same as the budget request.

The fiscal year 2013 enacted level included \$9,800,000 in enhanced funding for planning activities leading up to and associated with the 57th Presidential Inauguration.

In addition, the District may use any funds remaining from prior year appropriations under this heading. The District may use the payment to cover the costs of Executive transportation support including motorcades and helicopter landings. The Committee directs the District of Columbia to submit a detailed budget justification for emergency planning and security with its funding request for fiscal year 2015. The Committee further directs the District of Columbia to submit, within 60 days of the end of fiscal year 2014, a report to the House and the Senate Committees on Appropriations detailing the purposes and amounts expended using the funds, particularly noting any deviation from the original proposed spending.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA COURTS

Appropriations, 2013 ¹	\$232,375,000
Budget estimate, 2014	222,667,000
Committee recommendation	232,137,316

¹Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

Under the National Capital Revitalization and Self-Government Improvement Act of 1997 (Public Law 105-33, title XI), the Federal Government is required to finance the District of Columbia Courts. This Federal payment to the District of Columbia Courts funds the operations of the District of Columbia Court of Appeals, Superior Court, the Court System, and the Capital Improvement Program. Capital improvement projects include implementation of the updated Facilities Master Plan, with particular focus on expansion of the Moultrie Courthouse to address space shortfalls. By law, the annual budget includes estimates of the expenditures for the operations of the Courts prepared by the Joint Committee on Judicial Administration as well as the President's recommendation for funding the Courts' operations.

COMMITTEE RECOMMENDATION

The Committee recommends a Federal payment to the District of Columbia Courts of \$232,137,316, which is \$237,684 below the fiscal year 2013 enacted level and \$9,470,316 above the President's budget request. This amount includes \$13,374,726 for the Court of Appeals, \$114,921,340 for the Superior Court, \$69,213,250 for the Court System, and \$34,628,000 for capital improvements to courthouse facilities.

The Committee recommendation for the District of Columbia Superior Court is \$2,355,000 above the President's recommended funding of \$112,566,340 and will permit the Court to enhance public safety and reduce recidivism among juvenile males by creating a drop-in center for supervision and services.

The Committee recommendation for the District of Columbia Court System is \$226,000 above the President's recommended funding of \$68,987,250 and will permit the Court System to support strategic transformation of human resources management to an integral partnership within the administration of the courts.

The Committee recommendation for capital improvements provides \$6,889,000 above the President's recommendation of \$27,739,000 to support the Facilities Master Plan, particularly the Moultrie Courthouse Addition (C Street Expansion). The Committee acknowledges that steady progress on the Facilities Master Plan should provide a cost-effective path to address deficiencies in the Courts' space needs and promote improved public access to services.

The Committee supports the Courts' request to maintain the current level of funds available for its official reception and representation purposes. These resources enable the Courts to meet various community outreach responsibilities including supporting legal education in the District of Columbia as the home of six law schools; work with the D.C. Bar committees; and host the significant number of international guests who visit the D.C. Courts to learn about legal systems in democratic societies. The Committee notes that the current amount of the Courts' reception and representation funds is commensurate with small Federal agencies and considerably less than the comparative representation funds available to other District officials.

FEDERAL PAYMENT FOR DEFENDER SERVICES IN DISTRICT OF COLUMBIA COURTS

Appropriations, 2013 ¹	\$54,890,000
Budget estimate, 2014	49,890,000
Committee recommendation	49,890,000

¹Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The District of Columbia Courts appoint and compensate attorneys to represent persons who are financially unable to obtain such representation. The Defender Services programs provide counsel for indigent persons who are charged with criminal offenses, for family proceedings involving child abuse, neglect, and termination of parental rights, and for guardianship proceedings for protection

of mentally incapacitated individuals and minors whose parents are deceased.

In addition to legal representation, these programs provide indigent persons with services such as transcripts of court proceedings, expert witness testimony, foreign and sign language interpretation, and investigations and genetic testing.

COMMITTEE RECOMMENDATION

The Committee recommends a Federal payment of \$49,890,000 for Defender Services in the District of Columbia Courts. This is \$5,000,000 below the fiscal year 2013 enacted level and the same as the budget request.

The reduction in the budgetary needs for this program is attributable to the laudable savings realized from use of a new accounting methodology and enhanced technology that provide more precise tools to account for and project costs. The Committee commends the vast improvements in business processes and management that have reduced the timespan from initial appointment of counsel to payment for services to 3 years, down from 7 years.

FEDERAL PAYMENT TO THE COURT SERVICES AND OFFENDER SUPERVISION AGENCY FOR THE DISTRICT OF COLUMBIA

Appropriations, 2013 ¹	\$212,557,000
Budget estimate, 2014	227,968,000
Committee recommendation	227,968,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Court Services and Offender Supervision Agency [CSOSA] for the District of Columbia is an independent Federal agency created by the National Capital Revitalization and Self-Government Improvement Act of 1997 (Public Law 105-33, title XI). CSOSA acquired the operational responsibilities for the former District agencies in charge of probation and parole, and houses the Pretrial Services Agency within its framework. The mission of CSOSA is to increase public safety, prevent crime, reduce recidivism, and support the fair administration of justice in close collaboration with the community. The CSOSA appropriation supports the Community Supervision Program which monitors or supervises approximately 15,500 offenders on a daily basis and 24,000 different offenders over the course of a year and the Pretrial Services Agency [PSA] which supervised released defendants in 24,663 cases during fiscal year 2012.

COMMITTEE RECOMMENDATION

The Committee recommends a Federal payment of \$227,968,000, which is \$15,411,000 above the fiscal year 2013 enacted level and the same as the budget request. Of this amount, \$59,519,000 is designated for the Pretrial Services Agency and \$168,449,000 is designated for the Community Supervision Program.

The Committee is supportive of CSOSA's efforts to successfully reintegrate ex-offenders to their communities and notes the centrality of job training and employment readiness in reducing recidi-

vism. CSOSA is encouraged to work with organizations that have demonstrated effectiveness and best practices to improve the outcomes for men and women returning home from prison and under court supervision.

CSOSA has enjoyed a long history of working with grassroots, nonprofit providers of transitional housing, including faith-based organizations, that offer counseling, mentoring, and life skills training to men and women returning home from prison. The Committee notes that this is a model program for the Nation.

The Committee is encouraged that the Community Supervision Program has continued to maintain officer-to-offender caseload levels closer to nationally recommended levels, a significant improvement over the 100:1 average ratios prior to the Agency’s inception.

The Committee appreciates the efforts of CSOSA management to identify savings and other efficiencies through targeted cutbacks, streamlining of programs, and strategic reorganization as the agency fulfills its critical mission and addresses high priority public safety needs amid Governmentwide fiscal constraints.

The Committee commends the collaborative efforts of the Community Supervision Program to continue to partner with the District of Columbia Government, the United States Parole Commission, and the Bureau of Prisons [BOP] to implement the Secure Residential Treatment Program in 2009. This program aims to provide a secure, residential substance abuse treatment intervention/sanction alternative to high-risk, chronic substance abusing and criminally involved male D.C. code offenders in lieu of revoking them to BOP custody. The Committee understands that in July 2012, the District of Columbia Government and BOP assumed financial responsibility for operational expenses. The Committee encourages CSOSA to keep the Committee regularly informed of how well this program is meeting its goals of increasing offenders’ chances of successful community reintegration and breaking the cycle of recidivism.

FEDERAL PAYMENT TO THE PUBLIC DEFENDER SERVICE FOR THE DISTRICT OF COLUMBIA

Appropriations, 2013 ¹	\$37,167,000
Budget estimate, 2014	40,607,000
Committee recommendation	40,607,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Public Defender Service [PDS] for the District of Columbia, an independent organization established by a District of Columbia statute (16 D.C. Code 2-1601-1608), has a distinct mission to provide and promote quality legal representation services within the District of Columbia justice system. PDS provides legal representation to indigent adults and children facing loss of liberty and provides support in the form of training, consultation, and legal reference services to members of the local bar appointed as counsel in criminal, juvenile, and mental health cases involving indigent individuals.

COMMITTEE RECOMMENDATION

The Committee recommends a Federal payment to the Public Defender Service for the District of Columbia of \$40,607,000, which is \$3,440,000 above the fiscal year 2013 enacted level and the same as the budget request.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

Appropriations, 2013 ¹	\$14,970,000
Budget estimate, 2014	14,500,000
Committee recommendation	14,500,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

Approximately one-third of the District is served by a combined sewer system, constructed by the Federal Government in 1890, in which both sanitary waste and storm water flow through the same pipes. When the collection system or the Blue Plains treatment plant reach capacity, typically during periods of heavy rainfall, the system is designed to overflow the excess water. This mixture of sewage and storm water runoff is discharged to the Anacostia and Potomac Rivers, Rock Creek, and tributary waters between 60 and 75 times each year. Under a judicial consent decree entered on March 23, 2005, the Water and Sewer Authority is undertaking a 20-year, \$2,600,000,000 sewer construction program to reduce combined sewer overflows [CSO]. The Clean Rivers Project includes deep underground storage tunnels, side tunnels to reduce flooding, pump station rehabilitation, and the elimination of over a dozen CSO outfalls along the Potomac and Anacostia Rivers and Rock Creek. When completed in 2025, this project is expected to vastly improve water quality and significantly reduce debris in our Nation's capital waterways as well as improve the health of the Chesapeake Bay.

COMMITTEE RECOMMENDATION

The Committee recommends a Federal payment of \$14,500,000 to be matched by at least \$14,500,000 provided by the Water and Sewer Authority, to continue implementation of the Long-Term Combined Sewer Overflow Control Plan. This is \$470,000 below the fiscal year 2013 enacted level and the same as the budget request. The Committee understands that the Clean Rivers project is currently exploring a more expansive investment in green infrastructure with low impact development technologies. The Committee is encouraged by the potential benefits not only for stormwater management, but for job creation, improved air quality, greener public and private spaces, and added wildlife habitat.

FEDERAL PAYMENT TO THE CRIMINAL JUSTICE COORDINATING COUNCIL

Appropriations, 2013 ¹	\$1,796,000
Budget estimate, 2014	1,800,000
Committee recommendation	1,800,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Criminal Justice Coordinating Council for the District of Columbia [CJCC] is the primary forum in which District of Columbia criminal justice agencies can identify and address interagency coordination on issues such as illegal drugs, juvenile justice, halfway houses, information technology, and identification of arrestees to improve public safety in the District of Columbia for its residents, visitors, victims, and offenders.

The CJCC was originally established pursuant to a memorandum of agreement in May 1998 and functions as an independent working group to foster cooperation among the more than a dozen Federal and local governmental agencies which have law enforcement responsibility in our Nation's capital. Under a local enactment in August 2001, the CJCC was established as an independent agency within the District of Columbia.

The CJCC maintains the Justice Integrated Information System [JUSTIS] using technology that allows for the seamless sharing of information at critical decision points throughout the justice system. JUSTIS connects Federal agencies, the District government, and court information systems, so that criminal activity can be easily monitored across an array of participating agencies. Agencies currently using JUSTIS include the Metropolitan Police Department, the D.C. Department of Corrections, D.C. Superior Court, the U.S. Park Police, the U.S. Capitol Police, the U.S. Bureau of Alcohol, Tobacco, Firearms, and Explosives, the Pretrial Services Agency, CSOSA, the U.S. Attorney's Office for the District of Columbia, and the D.C. and Maryland Public Defenders Service. No other system provides this range of access to Federal and local information in the District.

COMMITTEE RECOMMENDATION

The Committee recommends a Federal payment of \$1,800,000 to CJCC. This is \$4,000 above the fiscal year 2013 enacted level and the same as the budget request.

Among the activities that the recommended Federal payment will support during fiscal year 2014 is continued enhancements to expand the reach of the JUSTIS information system's capabilities to promote sharing of public safety information and more effective mobilization in response to matters transcending a single agency. The Committee expects that the resources will also support the GunStat initiative; improved information sharing on mental health and substance abuse to redirect persons to necessary support services; records management, court-based release, court processing and papering reforms; clear business processes to help reduce the number of outstanding warrants; and a comprehensive approach to truancy prevention.

The Committee directs the CJCC to submit annual performance measures in an annual report to accompany the fiscal year 2015 budget justification, which should also describe progress made on specific CJCC initiatives.

FEDERAL PAYMENT FOR JUDICIAL COMMISSIONS

Appropriations, 2013 ¹	\$499,000
Budget estimate, 2014	500,000
Committee recommendation	500,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Commission on Judicial Disabilities and Tenure provides support to the District of Columbia Court of Appeals and Superior Court through reviewing and investigating allegations of judicial misconduct. The Judicial Nomination Commission recommends candidates to the President of the United States for nomination to judicial vacancies in these courts. In accordance with the National Capital Revitalization and Self-Government Improvement Act of 1997 (Public Law 105-33), the Federal Government is responsible for financing of the District of Columbia Courts, including the operations of the District of Columbia Court of Appeals, Superior Court, the Court System, and the Capital Improvement Program. Although independent of the Courts by design, these two Commissions provide important functions within the judicial branch of local government in the District of Columbia.

COMMITTEE RECOMMENDATION

The Committee recommends \$500,000 as a Federal payment for the judicial commissions, of which \$205,000 is designated for the Judicial Nomination Commission and \$295,000 is designated for the Commission on Judicial Disabilities and Tenure. This amount is \$1,000 above the fiscal year 2013 enacted level and the same as the budget request. Funds shall remain available until September 30, 2015. The Committee continues to support the rationale of recognizing these commissions as local judicial branch agencies for which Federal support for the operations is necessary.

FEDERAL PAYMENT FOR SCHOOL IMPROVEMENT

Appropriations, 2013 ¹	\$59,880,000
Budget estimate, 2014	52,200,000
Committee recommendation	42,200,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Committee continues its commitment to improving educational opportunities for the children of the District of Columbia. For nearly a decade, Congress has supported a three-sector funding arrangement to provide Federal resources for the District of Columbia Public Schools, public charter schools, and for a scholarship program for low-income students to attend private schools.

For the last 6 years the District has charted a new management course for the District's challenged public school system in response to Public Law 110-33, which vested authority over the school superintendent, operating budget, and capital program in the Mayor beginning in 2007. Given that District of Columbia public school students have chronically performed well below national averages in reading and mathematics, the Committee commends the

progress that has been made to streamline bureaucracy, recruit new principals, expand course offerings available to students, expand pre-K classrooms, complete major renovations, and raise math and reading test scores. For the ensuing 2013–2014 school year, enrollment of 46,060 students is projected, representing a decline of over 1,000 students below the 2012–2013 enrollment.

Public charter schools in the District of Columbia have grown considerably since the first two opened in 1996 and served 160 students. In school year 2012–2013, 56 tuition-free, autonomous public charter schools on 100 campuses operated in the District, enrolling 33,699 students in every ward of the city, and serving 43 percent of all District of Columbia public school students. Enrollment in charter schools is projected to increase by over 3,700 in school year 2013–2014, a growth rate of 11 percent. The District of Columbia School Reform Act of 1995 (Public Law 104–134), one of the strongest charter school laws in the Nation, guarantees charter school autonomy from the District of Columbia Public Schools and from the District government and mandates uniform per student funding of all public school students, both traditional and charter.

Congress established the private school scholarship program as a 5-year pilot in 2003. In April 2011, the Opportunity Scholarship Program was reauthorized for 5 years through enactment of Public Law 112–10, division C. The intent of this program is to help increase the District of Columbia’s capacity to provide parents, particularly low-income parents whose children attend low-performing schools, more options for quality education. In school year 2012–2013, 1,584 students participated in the program and were enrolled at 52 participating nonpublic schools.

COMMITTEE RECOMMENDATION

The Committee recommends a Federal payment of \$42,200,000, which is \$17,680,000 below the fiscal year 2013 enacted level and \$10,000,000 below the budget request. These funds are allocated as follows: \$20,000,000 for the District of Columbia Public Schools to improve public school education, \$20,000,000 to expand quality charter schools and \$2,200,000 for the Secretary of Education for private school scholarships under Public Law 112–10, division C.

Private School Scholarships.—The Committee supports continuing the Opportunity Scholarship program, and notes that Congress expressed its clear intent to advance this program through continuous funding and a 5 year reauthorization in 2011. The Committee is aware that the available unexpended balances are due, in part, to factors beyond the program’s control, and expects that any funding appropriated for the Opportunity Scholarship Program, including currently available balances, will be used to continue the program and enroll new students in order to facilitate a credible and scientifically valid evaluation of the program.

The Committee’s recommendation takes into consideration expected resource needs for the scholarship program based on historic attrition and enrollment rates and anticipated increases in program participation by new students, measured against funds on hand. Based on program data, for school year 2013–2014, the projected costs are \$16,624,847, which will support 1,752 students, including 1,304 renewals and 448 new awards calculated at the max-

imum inflation-adjusted scholarship rate. This enrollment level would be 168 additional students, or an 11-percent increase, above the school year 2012–2013 participation. For school year 2014–2015, the projected costs are \$16,911,709, which will support 1,741 students, calculated at the maximum inflation-adjusted scholarship rate. The Committee believes it is essential to evaluate these projected resource needs in light of the fact that there is at least \$33,439,651 in unexpended prior year carryover funding currently available to the program. The Committee’s recommended funding of \$2,200,000 will support the ongoing administration and evaluation component of the program without depleting funds available for scholarship awards.

The Committee directs the Secretary of Education to develop, as necessary, any appropriate cost containment protocols, consistent with Public Law 112–10, division C, to address any potential enrollment oversubscription issues posed by retention of students newly entering the program and extension to new enrollments in future school years to ensure that expansion of the program is undertaken in conformity with the authorized funding level.

The Committee expects that any school enrolling a scholarship participant under the Opportunity Scholarship Program should satisfy certain minimum reasonable expectations as an educational setting in full compliance with the statutory requirements of section 3007(a)(4) of Public Law 112–10, division C relating to valid certificates of occupancy, school accreditation, site inspections, financial stability, fiscal management controls, and teacher qualifications.

The Committee directs the Secretary of Education to work with the Office of Management and Budget to develop and implement suitable administrative control mechanisms to promote greater oversight of the program.

Public Schools.—The Committee directs the District of Columbia Public Schools [DCPS] to submit a detailed spending plan outlining specific activities no later than 60 days after enactment of this act. The Committee expects that this spending plan should contain a particular emphasis on initiatives to improve the recruitment and retention of a high-quality teacher and principal workforce in District public schools.

The District has 11,000 special needs students for whom the District must provide or secure educational services. The Committee expects the District to continue to make substantial progress in achieving compliance with the 2006 Federal court-ordered consent decree, eliminating inadequacies in treatment and support for special needs students, and establishing more inclusive learning environments for these students within the District of Columbia Public Schools system.

Public Charter Schools.—With respect to the recommended Federal payment for fiscal year 2014 for public charter schools, the Committee directs the District of Columbia Public Charter School Board to submit to Congress, through the Office of the State Superintendent of Education, a detailed spending plan outlining specific activities no later than 60 days after enactment of this act. This spending plan should particularly emphasize enhancing the academic quality of existing charter schools, expanding the capacity of

high-performing charter schools, and executing a robust performance management system to help identify low-performing schools and close them. The Committee expects that funding provided for charter schools will be used in accordance with the plan submitted.

Over the years, public charter schools have moved into and revitalized former DCPS school buildings that otherwise would have been developed into condominiums or used for other commercial purposes. These buildings, including several historic structures, often long-abandoned and severely blighting neighborhoods, have been converted to public charter schools. However, despite a law giving the charter schools a “right of first offer” whenever the District government disposes of a former public school building by sale, lease, or transfer, charter schools often lose out to commercial developers.

The Committee directs the Mayor of the District of Columbia to submit to the Committees on Appropriations, as part of the fiscal year 2015 Federal payment budget justification materials, a detailed fiscal year 2015–2019 public education facilities plan that will ensure public charter school equitable access to surplus or underutilized DCPS space consistent with the law.

The Committee reminds the government of the District of Columbia that students in public charter schools are to have access to the same publicly funded services that are offered to students in traditional public schools. These include school nurses, School Resource Officers, crossing guards, and mental health and other wrap-around services.

FEDERAL PAYMENT FOR THE D.C. NATIONAL GUARD

Appropriations, 2013 ¹	\$374,000
Budget estimate, 2014	500,000
Committee recommendation	500,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The D.C. National Guard is a Federal, rather than a local, entity and responds to orders of the President of the United States who is the Commander-in-Chief of the D.C. National Guard pursuant to law (District of Columbia Official Code § 49–409 and Executive Order No. 11485 (October 1, 1969)). Unlike a Governor of a State, the Mayor is not authorized to deploy the National Guard under any circumstances. The District of Columbia National Guard is specifically trained to support law enforcement during critical missions, such as demonstrations, Presidential inaugurations and funerals, and emergency services for weather-related contingencies. The D.C. Air Guard patrols the skies over the District on round-the-clock alert. However, residency restrictions preclude a significant number of Guard members from eligibility for tuition assistance programs, which has severely hampered recruitment and retention efforts.

COMMITTEE RECOMMENDATION

The Committee recommends a Federal payment of \$500,000 for the D.C. National Guard designated for the Major General David F. Wherley, Jr. District of Columbia National Guard Retention and

College Access Program, a tuition assistance program for non-resident District of Columbia National Guard members. This amount is \$126,000 above the fiscal year 2013 enacted level and the same as the budget request.

FEDERAL PAYMENT FOR REDEVELOPMENT OF THE ST. ELIZABETHS HOSPITAL CAMPUS

Appropriations, 2013 .....	.....
Budget estimate, 2014	\$9,800,000
Committee recommendation	9,800,000

PROGRAM DESCRIPTION

St. Elizabeths, established by Congress in 1855 as the Government Hospital for the Insane and officially renamed as St. Elizabeths Hospital in 1916, is presently divided into two campuses. The West Campus, owned by the Federal Government and under the custody and control of the General Services Administration, will be the new headquarters for the Department of Homeland Security. The East Campus, owned by the District of Columbia, is still in use as a mental health facility. The fiscal year 2014 budget request seeks a new Federal payment of \$9,800,000 to support various redevelopment planning activities on the East Campus to stimulate economic and community revitalization in tandem with the transformation of the West Campus property.

COMMITTEE RECOMMENDATION

The Committee recommends a one-time Federal payment of \$9,800,000, to remain available until expended, to support the revitalization efforts underway at the East Campus of St. Elizabeths in the District of Columbia. The Committee understands that the Federal funding will be leveraged with a total of \$202,000,000 in local and private funds in fiscal years 2012 through 2016 to support revitalization that will bring together opportunities for community business development, workforce development, financial services, and other economic benefits for the community.

FEDERAL PAYMENT FOR HIV/AIDS PREVENTION

Appropriations, 2013 ¹	\$4,990,000
Budget estimate, 2014	5,000,000
Committee recommendation	5,000,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The District of Columbia is facing a daunting HIV epidemic. Based on the national HIV/AIDS case based reporting system, the District currently has the highest AIDS diagnosis rate in the country. Currently, 2.7 percent of the population was diagnosed and is living with HIV in the District. Early diagnosis and increased access to care improves health outcomes and reduces the chances of spreading the disease. According to the most recent local epidemiology report, more than 76 percent of persons in the District entered into care and treatment within 3 months of their HIV diagnosis, a steady increase from the 58 percent in 2006. The percentage of infected individuals whose disease progressed from HIV to

AIDS decreased to 24.2 percent, down from 47 percent in 2004. HIV-related deaths per year have dropped from 237 in 2006 to 66 in 2010, and there were no pediatric HIV diagnoses in 2010, which is notable given that as recently as 2005, the District accounted for nearly 10 percent (6 of 68) pediatric AIDS cases nationwide.

COMMITTEE RECOMMENDATION

The Committee acknowledges the serious health situation and recommends a special Federal payment of \$5,000,000 to support the use of emerging and effective technology and social networking to promote regular and routine testing to significantly increase the number of District residents who know their HIV status and increase the number of HIV positive residents immediately linked to care. This amount is \$10,000 above the fiscal year 2013 enacted level and the same as the budget request.

FEDERAL PAYMENT FOR D.C. COMMISSION ON THE ARTS AND HUMANITIES GRANTS

Appropriations, 2013	
Budget estimate, 2014	\$1,000,000
Committee recommendation	

The budget requests a special Federal payment of \$1,000,000 to fund competitively awarded grants for nonprofit fine and performing arts organizations based in and primarily serving the District of Columbia. This request relates to a proposal to eliminate funding for the National Capital Arts and Cultural Affairs [NCACA] grants program administered by the Commission on Fine Arts, a Federal entity funded under the Interior appropriation.

COMMITTEE RECOMMENDATION

The Committee is unable to support the request for a new special Federal payment to the District of Columbia for grants for nonprofit fine and performing arts organizations in fiscal year 2014.

DISTRICT OF COLUMBIA FUNDS

The Committee recommends, for the operating expenses of the District of Columbia, the amount which will be submitted to Congress by the government of the District of Columbia as set forth in the enrolled version of the Fiscal Year 2014 Budget Request Act of 2013, District of Columbia Bill 20–198, as may be amended. Of the total amount of funds, the Committee recommends the distribution of funds between local funds, Federal grant funds, Medicaid payments, other funds and private funds. The Committee further recommends an additional \$124,200,000 in appropriated Federal payments as set forth under this title. The Committee directs that any changes to the financial plan as submitted by the District must follow the reprogramming guidelines.

TITLE V
INDEPENDENT AGENCIES

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$2,894,000
Budget estimate, 2014	3,200,000
Committee recommendation	3,200,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Administrative Conference of the United States [ACUS] is an independent agency and advisory committee created to study administrative processes in order to recommend improvements to Congress and agencies.

COMMITTEE RECOMMENDATION

The Committee recommends \$3,200,000 for ACUS, equal to the budget request and \$306,000 above the fiscal year 2013 enacted level.

CHRISTOPHER COLUMBUS FELLOWSHIP FOUNDATION

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$449,000
Budget estimate, 2014	150,000
Committee recommendation	150,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Christopher Columbus Fellowship Foundation is an independent agency established by Congress in 1992 (Public Law 102–281) to encourage and support research, study, and labor designed to produce new discoveries in all fields of endeavor for the benefit of mankind. Its mission is accomplished through the sponsorship of national competitions designed to promote innovation in the fields of homeland security, life sciences, and education. Through its Frontiers of Discovery—Work in Progress and Discover the Future programs, the agency recognizes cutting-edge innovations of worthy American scientists, student inventors, and exemplary teachers who inspire despite especially challenging educational environments or personal physical disabilities.

Initial funding for the Christopher Columbus Fellowship Foundation was derived from the sale of three denominations of specially minted coins sold by the United States Mint from August 1992 through June 1993. Revenues from the coin sales surcharges were

deposited in the Christopher Columbus Fellowship Fund at the Department of the Treasury, and made available to the Foundation. To address the fact that the coin sales revenues had been depleted, Congress authorized funding for the Christopher Columbus Fellowship Foundation in the Omnibus Appropriations Act, 2009 (Public Law 111–8).

COMMITTEE RECOMMENDATION

The Committee recommends \$150,000 for fiscal year 2014 for the Christopher Columbus Fellowship Foundation. This is \$299,000 below the fiscal year 2013 enacted level and \$150,000 above the request. The Committee expects the Foundation to seek alternative sources of funds for its operations other than discretionary appropriations.

COMMODITY FUTURES TRADING COMMISSION

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$204,883,000
Budget estimate, 2014	315,000,000
Committee recommendation	315,000,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Commodity Futures Trading Commission [CFTC] was established as an independent agency by the Commodity Futures Trading Commission Act of 1974 (88 Stat. 1389; 7 U.S.C. 4a). The Commission administers the Commodity Exchange Act, 7 U.S.C. section 1, et seq.

The 1974 Act brought under Federal regulation futures trading in all goods, articles, services, rights, and interests; commodity options trading; and leverage trading in gold and silver bullion and coins; and otherwise strengthened the regulation of the commodity futures trading industry. It established a comprehensive regulatory structure to oversee the volatile futures trading complex. The CFTC's statutory mandate was renewed and/or expanded in 1978, 1982, 1986, 1992, 1995, 2000, 2008, and 2010.

The CFTC is the sole Federal regulator responsible for overseeing the futures, options, and swaps markets by encouraging competitiveness and efficiency, ensuring market integrity, and protecting market participants against manipulation, abusive trading practices, fraud, and other unscrupulous activities. Effective oversight by the CFTC fosters open, competitive, and financially sound markets. This enables the markets to better serve their designated functions of providing a price discovery mechanism and a means to offset price risk.

Under the Dodd-Frank Wall Street and Consumer Protection Act (Public Law 111–203), the CFTC acquired expanded responsibilities for comprehensive oversight of the once-unregulated over-the-counter U.S. derivatives market to protect and benefit end-users and the broader American public. This complex swaps market has a notional value of nearly eight times the size of that of the futures markets. For the first time, 75 entities have registered as swap dealers and two as major swap participants.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$315,000,000 for the Commodity Futures Trading Commission. This is \$110,117,000 above the fiscal year 2013 enacted level and the same as the budget request. The Committee supports the need for increased resources for the CFTC above the fiscal year 2013 enacted level to satisfy its substantially broadened regulatory workload and to ensure appropriate oversight of the futures markets, which are growing steadily in volume and new users and rapidly evolving in their complexity and diversity.

The Committee emphasizes that this recommend funding is indispensable for conducting vigilant oversight of the futures and swaps markets to ensure market integrity and transparency and protect participants against manipulation, fraud, abusive trading practices, and unscrupulous conduct. The funding level will permit the CFTC to devote greater resources to its examinations function to ensure ongoing compliance with statutory and regulatory requirements. It will foster continued execution of the requirements of the Dodd-Frank Wall Street Reform Act facilitating transition from “start-up” rule-writing to direct examinations and surveillance activities. Moreover, it will allow mission-critical investments in new and upgraded sophisticated technology to collect, monitor, and analyze voluminous quantities of data generated round-the-clock by global trading markets. For example, the CFTC needs to continue to enhance and incorporate software to load swaps data into a data warehouse computer for use in market surveillance, risk monitoring, enforcement, and economic analysis.

The CFTC regulates the activities of 62,958 registrants, including 51,068 salespersons, 1,172 commodity pool operators, 2,470 commodity trading advisors, 5,650 floor brokers, 1,102 floor traders, 128 futures commission merchants, 14 retail foreign exchange dealers, and 1,354 introducing brokers. Currently, the CFTC has designated 16 contract markets (boards of trade or exchanges) that meet criteria for trading futures or options or both. In addition, 17 derivative clearing organizations are registered with the CFTC.

The Committee is particularly concerned that without the requested resources, the CFTC will continue to face extreme challenges in accomplishing all that it is expected to do, and at a significant technological disadvantage. It is imperative that the staffing and organization of the CFTC adapt to keep pace with the growth surge which cannot be undertaken without an increase in its operating budget that balances investments in human capital and technology.

As emphasized in the CFTC’s 2011–2015 strategic plan, “effective oversight can only be accomplished if the regulator has access to all relevant activity in the markets.” Promptly collecting, synthesizing, managing, and analyzing the vast volume of data and information is paramount in CFTC’s surveillance work and real-time public reporting. Without question, enhanced cutting-edge technology is essential to CFTC’s capacity to leverage financial and human resources to execute not only the CFTC’s core mission, but for fulfilling the expanded responsibilities under Dodd-Frank reforms.

Spending Plan.—The Committee directs the CFTC to submit, within 30 days of enactment, a detailed spending plan for the allocation of the funds made available, displayed by discrete program, project, and activity, including staffing projections, specifying both FTEs and contractors, and planned investments in information technology.

Information Technology Investments.—The Committee underscores the crucial need for the CFTC to make mission-critical investments in technology to sort through the millions of pieces of information generated daily by markets. The CFTC’s responsibilities to integrate both swaps and futures markets and perform required analysis and oversight requires a comprehensive overhaul of the current systems and a greater attention to automating surveillance and market risk analysis. The amount and detail of trade data collected and analyzed by the CFTC is expanding with its new authority over swaps markets and can only be managed by completely automating the collection and analysis of market data.

Regulatory Coordination and Harmonization.—The Committee stresses that with the enactment of Public Law 111–203, it is all the more critical for the CFTC, in collaboration with the Securities and Exchange Commission [SEC], to ensure optimum harmonization in executing the respective oversight responsibilities of each agency with respect to over-the-counter derivative products. The Committee expects the CFTC and the SEC to limit, to the greatest extent possible, inconsistent regulation of similar products and entities that could lead to opportunities for regulatory arbitrage. The Committee continues to support the use of funds to support the Joint SEC–CFTC Advisory Committee.

CONSUMER PRODUCT SAFETY COMMISSION

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$114,271,000
Budget estimate, 2014	117,000,000
Committee recommendation	117,000,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Consumer Product Safety Commission [CPSC] is an independent regulatory agency that was established on May 14, 1973, and is responsible for protecting the public against unreasonable risks of injury from consumer products; assisting consumers to evaluate the comparative safety of consumer products; developing uniform safety standards for consumer products and minimizing conflicting State and local regulations; and promoting research and investigation into the causes and prevention of product-related deaths, illnesses, and injuries.

In carrying out its mandate, the CPSC establishes mandatory product safety standards, where appropriate, to reduce the unreasonable risk of injury to consumers from consumer products; helps industry develop voluntary safety standards; bans unsafe products if it finds that a safety standard is not feasible; monitors recalls of defective products; informs and educates consumers about product hazards; conducts research and develops test methods; collects and

publishes injury and hazard data; and promotes uniform product regulations by governmental units.

On August 14, 2008, Congress reauthorized the Commission by enacting the Consumer Product Safety Improvement Act of 2008 [CPSIA] (Public Law 110–314). CPSIA represents the most substantial change in the Consumer Product Safety Commission’s authorities since the creation of the Commission. Among other things, it enhances the Commission’s recall authority, streamlines the rulemaking process, provides for the creation of a new searchable database of consumer product complaints, and requires product certification.

On August 12, 2011, certain provisions of the CPSIA were amended by Public Law 112–28, which gave the Commission additional flexibility and authorities to deal with certain product safety issues.

On January 14, 2013, the Drywall Safety Act (Public Law 112–266) gave the Commission authority to stop further imports of problem drywall by ensuring that all drywall is marked with manufacturer and country of origin and does not contain levels of sulfur that could cause corrosion in homes.

COMMITTEE RECOMMENDATION

The Committee recommends \$117,000,000 for the Consumer Product Safety Commission, which is \$2,729,000 above the fiscal year 2013 funding level and the same as the budget request.

In 2008, Congress overwhelmingly passed the Consumer Product Safety Improvement Act [CPSIA]. The CPSIA was specifically intended to remove many of the regulatory restrictions that impaired the CPSC’s ability to quickly and proactively respond to emerging consumer product hazards, especially those affecting children. The Committee supports the Commission’s current regulatory efforts, particularly those that seek to ensure we have strong mandatory safety standards for durable infant and toddler products and harmful chemicals, and believes that any effort to impose additional statutory constraints on these proceedings is unwarranted.

The Committee includes a provision making technical corrections to the Virginia Graeme Baker Pool and Spa Safety Act and a provision requiring the Government Accountability Office to study whether CPSC has adequate authorities to respond quickly to emerging product safety hazards.

As the Commission considers new upholstered furniture flammability standards, CPSC should take steps to reduce or limit the use of flame retardant chemicals. In 2012, the Commission released a study that indicates that flame retardant chemicals, as currently used in upholstered furniture foam, have no practical impact on flammability. It has been argued that flame retardant chemicals can cause liver and thyroid toxicity as well as neurological and reproductive problems.

Currently, the State of California is updating its standard for furniture flammability, which most furniture sold in the United States is manufactured to meet. California’s new proposed standard, expected to be effective beginning in 2014, would increase fire safety without requiring flame retardant chemicals. This standard would prevent smoldering ignitions, such as from cigarettes, which

are the leading cause of furniture fires and deaths, as testified to in the subcommittee's hearing on the effectiveness of furniture flammability standards last year.

Although CPSC proposed a draft standard in 2008 similar to California's current effort, the Commission is considering a new standard with an open flame test that would likely result in the use of both fire barriers and flame retardant chemicals in furniture. This has raised concerns from many including from some in the public health community and some in industry. The Committee urges the CPSC to continue work on a furniture flammability standard that addresses smoldering ignition risk and does not impede the eventual adoption of, and compliance with, California's new proposed standard.

The Committee remains concerned with the risks posed by window coverings, and other accessible household cords. As the Senate committee reports for the past few years have noted in detail, fatalities and nonfatal incidents with corded window coverings continue to occur. The CPSC has recently docketed a petition on this issue, which the Committee urges the Commission to review expeditiously, considering the issues and possible regulatory options, including risk associated with window coverings currently in homes.

In December 2012, the Government Accountability Office [GAO] released a report titled: "Consumer Product Safety Commission: Agency Faces Challenges in Responding to New Product Risks." In that report, GAO concluded that "section 29(f) of the Consumer Product Safety Act has not achieved the results expected by Congress when it enacted this provision and CPSC may benefit from having more flexibility to exchange information with its counterparts in other countries, which would help CPSC prevent unsafe products from entering the U.S. marketplace." To be responsive to the deficiency found by GAO, the Committee includes a provision that will provide the CPSC with enhanced flexibility to execute information sharing arrangements with certain foreign counterparts. The Committee believes that these modifications will allow the CPSC to more effectively respond to new and emerging consumer product hazards, and prevent dangerous products from entering the U.S. stream of commerce."

ADMINISTRATIVE PROVISIONS—CONSUMER PRODUCT SAFETY
COMMISSION

Section 501 makes technical corrections to the Virginia Graeme Baker Pool and Spa Safety Act.

Section 502 requires a GAO study of CPSC's ability to respond quickly to emerging product safety hazards.

Section 503 provides enhanced flexibility to allow the CPSC to execute information sharing agreements with foreign governments and to more effectively respond to new and emerging product safety hazards.

ELECTION ASSISTANCE COMMISSION
SALARIES AND EXPENSES
(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2013 ¹	\$11,477,000
Budget estimate, 2014	11,062,500
Committee recommendation	11,062,500

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Election Assistance Commission [EAC] was created by the Help America Vote Act of 2002 [HAVA] (Public Law 107-252). Under HAVA, the EAC's role is to promulgate voluntary State guidelines for election systems, maintain a national certification program for voting equipment, serve as a national clearinghouse of information on improving the administration of Federal elections, and provide related guidance on meeting HAVA requirements. The EAC is also charged with awarding and auditing grants to improve election administration and to enhance election equipment, and with maintaining a national mail voter registration form developed in accordance with the National Voter Registration Act of 1993.

COMMITTEE RECOMMENDATION

The Committee provides \$11,062,500 for EAC's administrative expenses, which is \$414,500 less than the fiscal year 2013 enacted level and the same as the budget request. The Committee bill requires that \$2,750,000 of these funds be transferred to the National Institute for Standards and Technology [NIST] for technical assistance related to the development of voluntary State voting systems guidelines.

Within 30 days of the transfer, the Director of NIST (or designee) shall provide to the Executive Director (or Acting) of the EAC and the Committee an expenditure plan for the funds that includes: (1) the number and position title and office of each staff person doing work and amount of time each staff person spends on that work; (2) the specific tasks accomplished including length of time needed to accomplish the task; (3) an explanation of expenditures, including contracts and grants, and use of the EAC funding transferred to NIST (including enumeration of funds); (4) an explanation of how the work accomplished relates to mandated activities under HAVA. Finally, the Executive Director (or Acting) of the EAC and Director of NIST (or designee) shall work together to set priorities for the work outlined in order to meet timelines.

FEDERAL COMMUNICATIONS COMMISSION
SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$339,844,000
Budget estimate, 2014	359,299,000
Committee recommendation	359,299,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Federal Communications Commission [FCC] is charged with regulating interstate and international communications by radio, television, wire, satellite, and cable. The FCC is also charged with promoting the safety of life and property through wire and radio communications. The mandate of the FCC under the Communications Act is to make available to all people of the United States a rapid, efficient, nationwide, and worldwide wire and radio communication service. The FCC performs five major functions to fulfill this charge: (1) spectrum allocation; (2) creating rules to promote fair competition and protect consumers where required by market conditions; (3) authorization of service; (4) enhancing public safety and homeland security; and (5) enforcement.

COMMITTEE RECOMMENDATION

The Committee recommendation provides \$359,299,000 for the salaries and expenses of the Federal Communications Commission [FCC], of which \$359,299,000 is to be derived from the collection of fees. The recommendation is \$19,455,000 above the fiscal year 2013 enacted level and equal to the budget request.

The recommendation includes \$11,089,340 for the activities of the Office of Inspector General. The Committee directs the FCC to continue to submit the independent budget of the FCC Inspector General to the President without alteration.

The Committee also recommends that up to \$89,400,000 be retained from spectrum auction activities to fund the administrative expenses of conducting such auctions. The recommendation will support, among other auction-related activities, the cost of the FCC's expanded responsibilities related to the implementation of incentive auctions provisions included in the Middle Class Tax Relief and Job Creation Act of 2012 (Public Law 112–96).

The Committee has included language (section 510) to extend FCC's exemption from the Anti-deficiency Act [ADA] until December 31, 2015.

The Committee has included language (section 511) that prohibits the FCC from enacting certain recommendations regarding universal service that were made by the Joint Board of FCC members and State utility commissioners.

Office of Native Affairs and Policy [ONAP].—The FCC found that many tribal communities face significant obstacles to the deployment of broadband infrastructure, including high buildout costs, limited financial resources that deter investment by commercial providers, and a shortage of technically trained members who can undertake deployment and adoption planning. Available data, which are sparse, suggest that less than 10 percent of residents on tribal lands have access to broadband service.

ONAP was created by unanimous Commission vote in July 2010 in response a recommendation in the FCC's National Broadband Plan, which recognized that the lack of basic and advanced communications services on tribal lands leaves tribal members with less access to telecommunications services than any other segment of the population. ONAP is responsible for developing and driving a Commission-wide tribal agenda and ensuring tribal voices are

taken into account in Commission proceedings. ONAP's work with tribes is focused on bringing modern communications infrastructure and the resulting benefits to tribal nations and Native communities throughout the United States.

The Committee directs the FCC to develop a plan to fully implement its Statement of Policy on Establishing a Government-to-Government Relationship with Indian tribes adopted in June 2000 and, to support that goal, recommends not less than \$300,000 to support consultation with federally recognized Indian tribes, Alaska Natives villages, and entities related to Hawaiian Home Lands in order to ensure continuation of robust outreach to such communities. The Committee also directs the FCC to report to the Committee on any resource needs related to ONAP and implementing the Statement of Policy on Establishing a Government-to-Government Relationship with Indian Tribes.

Universal Service Reform.—The Committee commends the FCC for its ongoing work to reform the Universal Service Fund [USF] and support the expansion of broadband availability in rural areas. The Committee remains concerned, however, that participants in reformed USF support structures continue to delay finalizing capital expenditures and investments in new telecommunications infrastructure because support levels may be uncertain. The Committee therefore urges the FCC to continue working to finalize reformed USF support as soon as is practicable.

International Coordination.—The Committee is aware that the Commission continues to work to implement the first-ever voluntary reverse auction of broadcast television spectrum in order to repurpose underutilized spectrum for mobile broadband use. This effort, which was authorized as part of the Middle Class Tax Relief and Job Creation Act of 2012, is critical to ensuring that the United States maintains its position as the global leader on mobile broadband deployment.

In order to successfully complete the auction, the Commission will need to reassign some remaining broadcast stations to new frequencies. For stations located along the northern and southern border, this raises unique challenges as frequency assignments in those areas must be coordinated with Canada and Mexico. The Committee notes that reassignment and reallocation of frequencies was authorized subject to international coordination.

Therefore, the Committee strongly urges the Commission to take into account the importance of these negotiations as it implements the auction and reassigns spectrum.

Call Completion in Rural Areas.—The Committee is concerned that the persistence of calls failing to complete to rural areas threatens public safety and local economies. Telephone service in rural areas has become less reliable as consumers experience calls that fail to complete, are delayed, have poor voice quality, lack correct caller ID information, or are never connected. While the Committee finds that the FCC's February 2012 Declaratory Ruling on Rural Call Completion Issues has helped make progress towards addressing call completion problems, the problems are continuing to occur. The FCC must take decisive steps to ensure that rural consumers and businesses do not face continuing disconnection. The Committee directs the FCC to take immediate action to ensure

that all providers fulfill their obligation to properly route and complete all calls, including by continuing to promote industry best practices and by using all authorized and appropriate enforcement powers to take action against parties found to be engaging in the prohibited activities outlined in the Declaratory Ruling. The Committee also directs the FCC to submit a report to the Committee within 60 days of enactment detailing the process and extent to which FCC is tracking call completion rates, how the FCC is reviewing anomalies in call completion rates, and what steps the FCC plans to take to resolve call completion problems.

FEDERAL DEPOSIT INSURANCE CORPORATION
OFFICE OF THE INSPECTOR GENERAL

Appropriations, 2013 ¹	\$34,568,000
Budget estimate, 2014	34,568,000
Committee recommendation	34,568,000

¹ Exempt from sequester of funds pursuant to section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act, as amended.

PROGRAM DESCRIPTION

The Federal Deposit Insurance Corporation [FDIC] Office of Inspector General [OIG] conducts audits, investigations, and other reviews to assist and augment the FDIC's contribution to the stability of, and public confidence in, the Nation's financial system. A separate appropriation more effectively ensures the OIG's independence consistent with the Inspector General Act of 1978 and other legislation.

COMMITTEE RECOMMENDATION

The Committee recommends \$34,568,000 for the FDIC inspector general, the same as both the budget request and the fiscal year 2013 enacted level. Funds are to be derived from the Deposit Insurance Fund and the Federal Savings and Loan Insurance Corporation resolution fund.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$66,234,000
Budget estimate, 2014 ²	65,791,000
Committee recommendation	66,395,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.
² Consistent with 2 U.S.C. 437d(d), the Federal Election Commission [FEC] provided to the Congress a copy of the budget request the FEC submitted to the President. That request for fiscal year 2014 totaled \$67,000,000.

PROGRAM DESCRIPTION

The Federal Election Commission [FEC] was created through the 1974 Amendments to the Federal Election Campaign Act of 1971 (Public Law 93-443). Consistent with its duty of executing our Nation's Federal campaign finance laws, and in pursuit of its mission of maintaining public faith in the integrity of the Federal campaign finance system, FEC conducts three major regulatory programs: (1) providing public disclosure of funds raised and spent to influence

Federal elections; (2) enforcing compliance with restrictions on contributions and expenditures made to influence Federal elections; and (3) administering public financing of Presidential campaigns.

COMMITTEE RECOMMENDATION

The Committee recommends \$66,395,000 for the Federal Election Commission, which is \$604,000 more than the President’s budget request and \$161,000 more than the fiscal year 2013 enacted level. The recommendation is \$605,000 below the budget request the FEC submitted to the President. The FEC concurrently submitted a copy of such request to the Congress as authorized by 2 U.S.C. 437d(d).

The Committee has included language (section 621) that would save the FEC \$430,000 annually by requiring Senate candidate committees, and supporters of Senate candidates, to file campaign finance reports electronically, consistent with the requirements for all other political committees and campaigns. Under current law, such filings are required to be manually submitted.

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$24,674,000
Budget estimate, 2014	25,490,000
Committee recommendation	25,490,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Federal Labor Relations Authority [FLRA] is an independent administrative Federal agency created by title VII of the Civil Service Reform Act of 1978 (Public Law 95–454) with a mission to carry out five statutory responsibilities in relation to the Federal workforce: (1) determining the appropriateness of units for labor organization representation; (2) resolving complaints of unfair labor practices; (3) adjudicating exceptions to arbitrator’s awards; (4) adjudicating legal issues relating to the duty to bargain; and (5) resolving impasses during negotiations.

The FLRA’s authority is divided by law and by delegation among a three-member authority and an Office of General Counsel, appointed by the President and subject to Senate confirmation; and the Federal Service Impasses Panel, which consists of seven part-time members appointed by the President.

In addition, the FLRA is engaged in case-related interventions, training and facilitation of labor-management partnerships, and resolving disputes. FLRA promotes labor-management cooperation by providing training and assistance to labor organizations and agencies on resolving disputes, facilitates the creation of partnerships, and trains the parties on rights and responsibilities under the Federal Labor Relations Management statute.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$25,490,000 for the Federal Labor Relations Authority. This amount is equal to the

budget request and \$816,000 above the fiscal year 2013 enacted level.

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$310,940,000
Budget estimate, 2014	301,000,000
Committee recommendation	301,000,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Federal Trade Commission [FTC] administers a variety of Federal antitrust and consumer protection laws. Activities in the antitrust area include detection and elimination of illegal collusion, anticompetitive mergers, unlawful single-firm conduct, and injurious vertical agreements. The FTC enforces consumer protection laws involving advertising, marketing, and financial practices; fights consumer fraud; and addresses privacy and identity protection concerns.

COMMITTEE RECOMMENDATION

The Committee recommendation provides \$301,000,000. The recommendation is \$9,940,000 below the fiscal year 2013 enacted level and equal to the budget request.

Of the amounts provided, \$15,000,000 is derived from Do-Not-Call fees and \$197,000,000 is derived from Hart-Scott-Rodino pre-merger filing fees. Section 624 of the bill adjusts, for inflation, pre-merger filing fees. These fees have not been adjusted for inflation since 2001. Section 624 also establishes a new tier for merger transactions valued at over \$1,000,000. The total amount of direct appropriations for this account is therefore \$89,000,000.

The Committee continues to place a high priority on the FTC's mission to protect consumers and preserve competition in the marketplace. The Committee is pleased with the FTC's efforts to protect consumers by investigating fraud and misleading practices related to mortgage lending, identity theft, data security, and healthcare. The Committee is also pleased that the FTC has worked to preserve competition in the marketplace through education and enforcement of Federal laws related to anticompetitive practices. Over the past 3 years, the FTC saved consumers more than \$3,000,000,000 in economic injury by stopping illegal practices in the marketplace. In 2012 alone, the FTC took action against mergers likely to harm competition in markets with a total of \$20,200,000,000 in sales. The Committee directs the FTC to robustly continue such activities.

Children's Online Privacy Protection.—The Children's Online Privacy Protection Act [COPPA] was enacted in 1998 to put parents in control of what information is collected from their young children online. COPPA requires Web sites and online services, including apps, to notify parents directly and get their approval before they collect, use, or disclose a child's personal information. The FTC issued updated rules on July 1, 2013 that widened the definition of children's personal information to include persistent identi-

fiers such as cookies that track a child's activity online, as well as geolocation information, photos, videos, and audio recordings. The Committee appreciates the FTC's work related to children's online privacy and directs the FTC to continue to diligently enforce COPPA to ensure that children's privacy continues to be protected as technology evolves.

Pay for Delay.—The Supreme Court's decision in *Federal Trade Commission v. Actavis* held that “reverse settlements” between brand name drug companies and generic drug companies are not immune from antitrust scrutiny. These agreements, in which brand name drug companies pay generic drug companies to stay off of the market or delay their entry into the market, can rob consumers and taxpayers of the savings offered by generic drug competition. Congress expects the FTC to pursue challenges to such settlement agreements when they threaten competition and harm consumers.

Sports Concussion.—The Committee is encouraged by the FTC's efforts to protect children, parents, and coaches of young athletes from over-hyped and unsupported claims that certain sports equipment reduces the risk of concussion. According to the Centers for Disease Control and Prevention, a concussion is a type of traumatic brain injury that can occur in any sport or recreation activity.

Given the potential for real injury to children, the Committee urges the FTC to remain vigilant in its enforcement efforts against potential unfair and deceptive practices related to sports concussion. The FTC should review any National Academies' report on sports-related concussions in youth for any matter that may inform efforts to protect consumers from unfair or deceptive practices in or affecting commerce.

Do-Not-Call Initiative.—The recommendation includes funding for the FTC Do-Not-Call initiative and implementation of the Telemarketing Sales Rule [TSR], of which the entire amount is to be derived from the collection of fees. The Do-Not-Call initiative was launched pursuant to the FTC's amended TSR to establish a national database of telephone numbers of consumers who choose not to receive telephone solicitations from telemarketers. The Do-Not-Call initiative has received broad support from, and will provide significant benefits to, consumers from all corners of the United States.

GENERAL SERVICES ADMINISTRATION

PROGRAM DESCRIPTION

The General Services Administration [GSA] was established by the Federal Property and Administrative Services Act of 1949 (Public Law 81-152) when Congress mandated the consolidation of the Federal Government's real property and administrative services. GSA is organized into the Public Buildings Service, the Federal Acquisition Service, the Office of Governmentwide Policy, and the Office of Citizen Services.

COMMITTEE RECOMMENDATION

Battery Purchases.—The Committee is concerned that Federal agencies are not adequately considering service life when contracting for large quantities of batteries. Disregarding battery life

prevents the Government from determining which product offers the best value to the taxpayer. For example, purchasing a slightly more expensive product with a significantly longer service life may provide a better value to the taxpayer.

The Committee directs GSA to submit a report not later than 90 days after enactment on the costs and benefits of: (1) collecting industry standard test results for service life from vendors selling batteries through GSA; and (2) sharing this data with Federal agencies seeking technical assistance to prepare a contract for the purchase of batteries. If benefits exceed costs, the Committee expects GSA to implement such a policy.

FBI Headquarters Consolidation.—The Committee directs GSA to move forward in a timely and transparent way with the consolidation of FBI Headquarters so that employees currently located at the J. Edgar Hoover building may be co-located with their colleagues who are currently spread out across 20 leased offices in the region. The Committee strongly encourages GSA to follow the Environment and Public Works Committee-passed resolution which directs GSA to find a 45 to 55 acre location within a reasonable distance of the White House, the U.S. Capitol, and Quantico that is also within 2.0 miles of a Metrorail station and 2.5 miles of the Capital Beltway. This consolidation is in the best interests of the FBI's information sharing, collaboration, and integration of strategic priorities. The FBI must have a central headquarters that meets its needs for security and transportation access.

Use of Stairs.—The Committee continues to believe that the Federal Government should be a leader in encouraging workplace wellness. The Committee directs that GSA begin to undertake the following actions at future GSA-owned and leased buildings: (1) display signage next to all banks of elevators or on elevator doors, at the entrance to all nonemergency use public stairwells, and at the base of escalators, indicating the location of and encouraging use of the stairs; and (2) utilize new building designs that promote the use of stairs. In order to ascertain precisely how much progress has been made and how much remains, GSA is directed to provide a report within 120 days after enactment of this act on the percentage of Federal buildings with such signage as well as on actions undertaken with regard to the design of new facilities, with a view to increasing the likely use of stairs.

Green Buildings.—The Committee agrees with the findings of the "Green Building Certification System Review" (PNNL-20966) regarding the transparency and consensus based approaches used by various green building rating systems (PNNL-20966, pages 4.6, 4.7 and 4.8 respectively). The Committee notes that green building rating systems utilized by the General Services Administration, including the LEED green building rating system, are compliant with Office of Management and Budget [OMB] Circular A-119 regarding Federal Participation in the Development and Use of Voluntary Consensus Standards and in Conformity Assessment Activities.

The Committee is aware that the National Academies of Science report on green building rating systems pursuant to section 2830 of Public Law 112-81, shows that the preponderance of available evidence finds that green building rating systems provide a framework for reducing energy and water use in buildings, compared to

design approaches and practices used for conventional buildings. The Committee notes these findings are consistent with a PNNL post-occupancy review of General Services Administration [GSA] facilities that found LEED Gold buildings have a 27 percent reduction in energy use and 19 percent lower operating costs.

Pursuant to Public Law 111–8, section 748 and Executive Order 13423 the GSA must reduce and minimize the quantity of toxic and hazardous chemicals materials acquired and used by the agency. In complying with these acts, the Committee encourages the GSA to look at methods and strategies that provide a greater understanding and valuation of human health impacts related to construction, operation and occupation of facilities in its portfolio.

Sustainable Roofing Systems.—The Committee recommends that agency budgets be allowed to consider opportunities for long-term contracts under which the Government would pay over the life of the contract rather than upfront, for the acquisition of sustainable roofing systems for Federal buildings. Sustainable roofing systems should minimize the burden on the environment, conserve energy, and extend the useful life of the roof asset. In addition, the Committee encourages the GSA to consider a pilot program for implementation of a sustainable roof system with a payment over time plan to develop more information on the overall savings to the Government.

FEDERAL BUILDINGS FUND—LIMITATIONS ON AVAILABILITY OF REVENUE

Limitation on availability of revenue:	
Limitation on availability, 2013 ¹	\$8,017,967,000
Limitation on availability, budget estimate, 2014	9,950,560,000
Committee recommendation	9,950,560,000

¹ Exempt from sequester of funds pursuant to section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act, as amended

The Federal Buildings Fund program consists of the following activities financed largely from rent charges:

Construction and Acquisition of Facilities.—This activity provides for the construction or purchase of facilities and prospectus-level extensions to existing buildings. All costs directly attributable to site acquisition, construction, and the full range of design and construction services, and management and inspection of construction projects are funded under this activity.

Repairs and Alterations.—This activity provides for repairs and alterations of existing buildings as well as associated design and construction services. Protection of the Government’s investment, health and safety of building occupants, transfer of agencies from leased space, and cost effectiveness are the principal criteria used in establishing priorities. Repairs to prevent deterioration and damage to buildings, their support systems, and operating equipment are given priority.

Installment Acquisition Payments.—This activity provides for payments for liabilities incurred under purchase contract authority and lease purchase arrangements. GSA makes periodic payments to cover principal, interest, and other requirements on the debt incurred for construction of Federal buildings.

Rental of Space.—This activity provides for the leasing of privately owned buildings. Including space occupied by Federal agencies in U.S. Postal Service facilities, GSA provided 193 million square feet of rental space in fiscal year 2012. GSA expects to provide 197 million square feet of rental space in fiscal year 2013 and 194 million in fiscal year 2014.

Building Operations.—

Building Services.—This activity provides services for Government-owned and -leased facilities, including cleaning, utilities and fuel, maintenance, security, and miscellaneous services (such as moving, evaluation of new materials and equipment, and field supervision).

Salaries and Expenses.—This activity provides general management and administration of all real property related programs including salaries and benefits paid from the Federal Buildings Fund, administrative costs funded directly by the Federal Buildings Fund, and contributions to the GSA Working Capital Fund.

Other Reimbursable Programs.—When requested by other Federal agencies, the Public Buildings Service provides building services, such as tenant alterations, cleaning and other operations, and protection services which are in excess of those services provided under the commercial rental charges.

To the extent practicable, before expansion, building projects should envision maximum utilization.

CONSTRUCTION AND ACQUISITION

Limitation on availability, 2013 ¹	\$50,000,000
Limitation on availability, budget estimate, 2014	816,167,000
Committee recommendation	816,167,000

¹ Exempt from sequester of funds pursuant to section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act, as amended.

PROGRAM DESCRIPTION

The construction and acquisition fund shall be available for site, design, construction, management, and inspection costs for the construction of new Federal facilities.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of \$816,167,000 for construction and acquisition of facilities in fiscal year 2014.

REPAIRS AND ALTERATIONS

Limitation on availability, 2013 ^{1,2}	\$287,000,000
Limitation on availability, budget estimate, 2014	1,302,382,000
Committee recommendation	1,261,382,000

¹ Exempt from sequester of funds pursuant to section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act, as amended.

² Includes emergency funding of \$7,000,000 in the Disaster Relief Appropriations Act, 2013 (division A of Public Law 113-2).

PROGRAM DESCRIPTION

Under this activity, the General Services Administration [GSA] executes its responsibility for repairs and alterations [R&A] of both Government-owned and -leased facilities under the control of GSA.

The primary goal of this activity is to provide commercially equivalent space to tenant agencies. Safety, quality, and operating efficiency of facilities are given primary consideration in carrying out this responsibility.

R&A workload requirements originate with scheduled onsite inspections of buildings by qualified regional engineers and building managers. The work identified through these inspections is programmed in order of priority into the Inventory Reporting Information System and incorporated into a 5-year plan for accomplishment, based upon funding availability, urgency, and the volume of R&A work that GSA has the capability to execute annually. Since fiscal year 1995, design and construction services activities associated with repair and alteration projects have been funded in this account.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of \$1,261,382,000 for repairs and alterations in fiscal year 2014.

CONSTRUCTION AND REPAIR

Appropriations, 2013 .....	.....
Budget estimate, 2014 .....	.....
Committee recommendation	\$41,000,000

COMMITTEE RECOMMENDATION

The Committee recommends \$41,000,000 for both construction and repair of Federal facilities in fiscal year 2014.

The fiscal year 2014 budget request includes \$41,000,000 for the John A. Campbell Courthouse. The bill provides the requested funding which is included for repair of the existing courthouse and for construction to fully meet the housing and security needs of the Court (including relocating judicial entities from leased space) in the most cost-effective way possible. While it is the intent of Congress to provide for the security and space needs for the Southern District of Alabama District Court in the most cost-efficient manner, the project must meet the security needs of the court, according to the U.S. Marshal's guidelines, as well as provide adequate space for the U.S. District Court and Clerk's office, U.S. Eleventh Circuit Court of Appeals, U.S. Marshals Service, U.S. Bankruptcy Court, Bankruptcy Administrator, Probation Office, U.S. Senator's field office, and a remote office for the U.S. Attorney.

INSTALLMENT ACQUISITION PAYMENTS

Limitation on availability, 2013 ¹	\$126,801,000
Limitation on availability, budget estimate, 2014	113,470,000
Committee recommendation	113,470,000

¹ Exempt from sequester of funds pursuant to section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act, as amended.

PROGRAM DESCRIPTION

The Public Buildings Amendments of 1972 enable GSA to enter into contractual arrangements for the construction of a backlog of approved but unfunded projects. This activity provides for the payment of interest to the Federal Financing Bank related to facilities

acquired pursuant to the Public Buildings Amendments of 1972 (40 U.S.C. 592).

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of \$113,470,000 for installment acquisition payments consistent with the budget request.

RENTAL OF SPACE

Limitation on availability, 2013 ¹	\$5,210,198,000
Limitation on availability, budget estimate, 2014	5,387,109,000
Committee recommendation	5,387,109,000

¹ Exempt from sequester of funds pursuant to section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act, as amended.

PROGRAM DESCRIPTION

GSA is responsible for leasing general purpose space and land incident thereto for Federal agencies, except in cases where GSA has delegated its leasing authority. GSA's policy is to lease privately owned buildings and land only when: (1) Federal space needs cannot be otherwise accommodated satisfactorily in existing Government-owned or -leased space; (2) leasing proves to be more efficient than the construction or alteration of a Federal building; (3) construction or alteration is not warranted because requirements in the community are insufficient or are indefinite in scope or duration; or (4) completion of a new Federal building within a reasonable time cannot be assured.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of \$5,387,109,000 for rental of space. The Committee recommendation is \$176,911,000 above the fiscal year 2013 enacted level and the same as the budget request.

BUILDING OPERATIONS

Limitation on availability, 2013 ¹	\$2,350,968,000
Limitation on availability, budget estimate, 2014	2,331,432,000
Committee recommendation	2,331,432,000

¹ Exempt from sequester of funds pursuant to section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act, as amended.

PROGRAM DESCRIPTION

This activity provides for the operation of all Government-owned facilities under the jurisdiction of GSA and building services in GSA-leased space where the terms of the lease do not require the lessor to furnish such services. Services included in building operations are cleaning, protection, maintenance, payments for utilities and fuel, grounds maintenance, and elevator operations. Other related supporting services include various real property management and staff support activities such as space acquisition and assignment; the moving of Federal agencies as a result of space alterations in order to provide better space utilization in existing buildings; onsite inspection of building services and operations accomplished by private contractors; and various highly specialized contract administration support functions.

The space, operations, and services referred to above are furnished by GSA to its tenant agencies in return for payment of rent. Due to considerations unique to their operation, GSA also provides varying levels of above-standard services in agency headquarters facilities, including those occupied by the EOP, such as the east and west wings of the White House.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of \$2,331,432,000 for building operations. This amount is \$19,536,000 less than the fiscal year 2013 enacted level and the same as the budget request.

GOVERNMENTWIDE POLICY

Appropriations, 2013 ¹	\$60,993,000
Budget estimate, 2014	62,548,000
Committee recommendation	62,548,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Office of Governmentwide Policy [OGP], working cooperatively with other agencies, provides the leadership needed to develop and evaluate policies associated with high-performance green buildings and real property, acquisition policy, personal property, travel and transportation management, vehicles and aircraft, committee and regulations management, and management of Federal spending data. OGP collaborates with partner agencies and other stakeholders to improve public access to policy information and support data, and improve transparency in Government.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$62,548,000 for Governmentwide Policy. This amount is \$1,555,000 above the fiscal year 2013 enacted level and consistent with the budget request.

Human trafficking and slavery occur internationally and in the United States, and are pervasive in the manufacturing, agriculture, and services industries (e.g., hotels). As the largest customer of goods and services in the world, the U.S. Government could significantly reduce slavery worldwide by purchasing goods and services free of slave labor. Executive Order 13627 (“Strengthening Protections Against Trafficking in Persons in Federal Contracts”) and the “End Trafficking in Government Contracting Act” (title XVII of Public Law 112–239) are important first steps in eradicating slavery and trafficking from the U.S. Government supply chain, by focusing on procurement for overseas bases. The Committee encourages the Administrator, with public input including from non-governmental organizations, to establish guidelines consistent with Executive Order 13627 in GSA procurement programs. In addition, GSA should ensure that appropriate training exists to facilitate implementation of these guidelines.

OPERATING EXPENSES

Appropriations, 2013 ¹	\$69,361,000
Budget estimate, 2014	64,453,000
Committee recommendation	64,453,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

Operating Expenses supports a variety of operational activities which are not feasible or appropriate for a user fee arrangement. Major programs include the personal property utilization and donation activities of the Federal Acquisition Service; the real property utilization and disposal activities of the Public Buildings Service; the activities of the Civilian Board of Contract Appeals; and the Management and Administration activities, including support of Governmentwide emergency response and recovery activities, and top-level agency-wide management, administration, and communications activities.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$64,453,000 for Operating Expenses. This amount is \$4,908,000 below the fiscal year 2013 enacted level and consistent with the budget request.

OFFICE OF INSPECTOR GENERAL

Appropriations, 2013 ¹	\$57,884,000
Budget estimate, 2014	62,908,000
Committee recommendation	62,908,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

This appropriation provides agency-wide audit and investigative functions to identify and correct management and administrative deficiencies within the General Services Administration [GSA], which create conditions for existing or potential instances of fraud, waste, and mismanagement. The audit function provides internal audit and contract audit services. Contract audits provide professional advice to GSA contracting officials on accounting and financial matters relative to the negotiation, award, administration, repricing, and settlement of contracts. Internal audits review and evaluate all facets of GSA operations and programs, test internal control systems, and develop information to improve operating efficiencies and enhance customer services. The investigative function provides for the detection and investigation of improper and illegal activities involving GSA programs, personnel, and operations.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$62,908,000 for the Office of Inspector General. This amount is \$5,024,000 above the fiscal year 2013 enacted level and the same as the budget request.

ELECTRONIC GOVERNMENT [E-GOV] FUND
(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2013 ¹	\$12,375,000
Budget estimate, 2014	20,150,000
Committee recommendation	20,150,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

This program supports interagency “electronic government” or “e-gov” initiatives and projects that use the Internet or other electronic methods to provide individuals, businesses, and government agencies with simpler and more timely access to Federal information, benefits, services, and business opportunities. The program would also further the administration’s implementation of the Government Paperwork Elimination Act [GPEA] of 1998, which calls upon agencies to provide the public with optional use and acceptance of electronic information, services, and signatures, when practicable.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$20,150,000 for the Electronic Government Fund. This amount is \$7,775,000 above the fiscal year 2013 enacted level and the same as the budget request.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

Appropriations, 2013 ¹	\$3,663,000
Budget estimate, 2014	3,550,000
Committee recommendation	3,550,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

This appropriation provides pensions, office staffs, and related expenses for former Presidents Jimmy Carter, George H.W. Bush, William Clinton, and George W. Bush, and for postal franking privileges for the widow of former President Ronald Reagan.

COMMITTEE RECOMMENDATION

The Committee recommends \$3,550,000 for allowances and office staff for former Presidents, \$113,000 below the fiscal year 2013 funding level and the same as the budget request.

Below is listed a detailed analysis of the Committee’s recommendation for fiscal year 2014 funding:

FISCAL YEAR 2014 BUDGET ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

[In thousands of dollars]

	Carter	G.H. Bush	Clinton	G.W. Bush	Widows	Total
Personnel compensation		96	96	96		288
Personnel benefits		65	119	102		286
Benefits for former Presidents (pensions)	203	203	215	211		832
Travel		62		42		104
Rental Payments to GSA	110	183	425	421		1,139
Communications, utilities, and misc.	20	65	15	95	7	202

FISCAL YEAR 2014 BUDGET ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS—
Continued
[In thousands of dollars]

	Carter	G.H. Bush	Clinton	G.W. Bush	Widows	Total
Printing	5	14	18	26	.....	63
Other services	125	82	30	168	.....	405
Supplies	3	15	7	40	.....	65
Equipment	4	50	26	86	.....	166
Fiscal year 2014 request	470	835	951	1,287	7	3,550

FEDERAL CITIZEN SERVICES FUND

Appropriations, 2013 ¹	\$34,032,000
Budget estimate, 2014	34,804,000
Committee recommendation	34,804,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Federal Citizen Services Fund provides for the salaries and expenses of the Office of Citizen Services and Innovative Technologies [OCSIT]. OCSIT provides the means for citizens, businesses, other governments, and the media to obtain information and services easily from the Government via the Web, email, printed media, and telephone. OCSIT leads several interagency groups to share best practices and develop strategies for improving the way Government provides services to the American public.

OCSIT provides information and services to the public primarily through USA.gov and GobiernoUSA.gov, the official web portal of the U.S. Government. OCSIT also provides direct telephone (1–800–FED–INFO), email and online assistance to citizens through the National Contact Center, and offers comprehensive and cost-effective contact center solutions to customer Federal agencies through the USA Services program. OCSIT also coordinates the publication and distribution of information through the Government Printing Office’s Public Documents Distribution Center in Pueblo, Colorado.

The Federal Citizen Services [FCS] Fund is financed from annual appropriations to pay for the salaries and expenses of OCSIT staff and Citizens Services programs. Reimbursements from Federal agencies pay for the direct costs of information services OCSIT provides on their behalf. The FCS Fund also receives funding from user fees for publications ordered by the public, payments from private entities for services rendered, and gifts from the public. All income is available without regard to fiscal year limitations, but is subject to an annual aggregate expenditure limit as set forth in appropriation acts.

COMMITTEE RECOMMENDATION

The Committee recommends \$34,804,000 for the Federal Citizen Services Fund, an increase of \$772,000 above the fiscal year 2013 enacted level and the same as the budget request. The appropriation will be augmented by reimbursements from Federal agencies

for distribution of consumer publications, user fees from the public, and other income.

ADMINISTRATIVE PROVISIONS—GENERAL SERVICES ADMINISTRATION
(INCLUDING TRANSFERS OF FUNDS)

Section 520 authorizes GSA to use funds for the hire of passenger motor vehicles.

Section 521 authorizes GSA to transfer funds within the Federal buildings fund to meet program requirements.

Section 522 requires that the fiscal year 2015 budget request meet certain standards.

Section 523 provides that no funds may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided, to any agency which does not pay the requested rate.

Section 524 continues the provision that permits GSA to pay small claims less than \$250,000 made against the Government.

Section 525 provides that certain lease agreements must conform to an approved prospectus.

Section 526 allows GSA to use green building certification systems that are voluntary, consensus-based, and consistent with statute and Federal requirements.

HARRY S TRUMAN SCHOLARSHIP FOUNDATION

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$747,000
Budget estimate, 2014	
Committee recommendation	750,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Harry S Truman Scholarship Foundation is an independent agency established by Congress in 1975 (Public Law 93-642) to encourage exceptional college students to pursue careers in public service through the Truman Scholarship program. The Truman Scholarship is a merit-based award available to college juniors who plan to pursue careers in Government or elsewhere in public service. Truman Scholars receive up to \$30,000 for graduate or professional school, participate in leadership development activities, and have special opportunities for internships and employment with the Federal Government.

The Foundation Trust Fund was established with a one-time \$30,000,000 appropriation in 1976. The authorizing legislation directed that this endowment be invested solely in U.S. Treasury Securities, the interest from which has funded the Foundation's operating budget. With the decline in interest rates, the Foundation has experienced a significant decline in Federal financial support. From fiscal year 2002 to fiscal year 2012, despite having cut expenditures by 40 percent, annual trust fund revenue has declined 63 percent. The Foundation anticipates a budget deficit of \$1,650,000 without the requested appropriation.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$750,000 for the Harry S Truman Scholarship Foundation. This amount is \$3,000 above the fiscal year 2013 enacted level and \$750,000 above the budget request. The appropriation is provided to offset the decline in trust fund revenues, to increase direct financial support to scholars, to ensure compliance with Government audit reporting requirements, and to invest in technology and financial development activities.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2013 ¹	\$40,177,000
Budget estimate, 2014 ²	40,070,000
Committee recommendation	42,740,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

² Consistent with 5 U.S.C. 1204(k), the Merit Systems Protection Board submitted an independent budget estimate to the Congress. The independent request for fiscal year 2014 totaled \$45,413,000.

PROGRAM DESCRIPTION

The Merit Systems Protection Board [MSPB] was established by the Civil Service Reform Act of 1978. MSPB is an independent quasi-judicial agency manifested to protect Federal merit systems against partisan political and other prohibited personnel practices and to ensure adequate protection for employees against abuses by agency management.

MSPB assists Federal agencies in running a merit-based civil service system. This is accomplished on a case-by-case basis through hearing and deciding employee appeals and on a systemic basis by reviewing significant actions and regulations of the Office of Personnel Management [OPM] and conducting studies of the civil service and other merit systems. The intended results of MSPB's efforts are to assure that personnel actions taken against employees are processed within the law and that actions taken by OPM and other agencies support and enhance Federal merit principles.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$42,740,000 for the Merit Systems Protection Board [MSPB], an increase of \$2,563,000 to the fiscal year 2013 enacted level. The recommendation is a decrease of \$2,673,000 to the MSPB's independent budget request as authorized by 5 U.S.C. 1204(k) and is an increase of \$2,670,000 to the President's budget request. The Committee makes available not more than \$2,345,000 for adjudicating retirement appeals through an appropriation from the trust fund consistent with past practice.

MORRIS K. UDALL AND STEWART L. UDALL FOUNDATION

MORRIS K. UDALL AND STEWART L. UDALL TRUST FUND

Appropriations, 2013 ¹	\$2,196,000
Budget estimate, 2014	2,100,000
Committee recommendation	2,100,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The General Fund payment to the Morris K. Udall and Stewart L. Udall Trust Fund is invested in Treasury securities with maturities suitable to the needs of the Fund. Interest earnings from the investments are used to carry out the activities of the Morris K. Udall and Stewart L. Udall Foundation. The Foundation awards scholarships, fellowships, and grants, and funds activities of the Udall Center.

The Morris K. Udall and Stewart L. Udall Foundation also supports training programs for professionals in health care policy and public policy, such as the Native Nations Institute [NNI]. NNI, based at the University of Arizona, provides Native Americans with leadership and management training, and analyzes policies relevant to tribes.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$2,100,000 for the Morris K. Udall and Stewart L. Udall Trust Fund. This amount is equal to the budget request and a decrease of \$96,000 to the fiscal year 2013 enacted level.

The Committee is highly concerned about reports that the Udall Foundation (Foundation) may not have been maintaining adequate internal controls over its funding, employment policies, and contracting procedures. The Committee understands that the Foundation may not have performed annual assessments of its internal controls despite submitting statements indicating it had; inappropriately awarded sole source contracts; approved contract modifications leading to significant cost overruns; and demonstrated poor control over personnel management.

The Committee has requested the Government Accountability Office [GAO] to evaluate the Foundation's internal controls and refer any potential criminal findings to the Department of Justice, consistent with current law. The Committee looks forward to the results of the GAO evaluation for informing future funding and policy recommendations.

The Committee notes that the Foundation has begun to overhaul its internal controls and appreciates the Foundation's transparency regarding such reforms. The Committee directs the Foundation to fully cooperate with GAO and implement recommended reforms as soon as possible. The Committee also directs the Foundation to report semiannually to the Committee regarding its progress on implementing reformed internal controls, including milestones planned and achieved.

Finally, the Committee provides for the Inspector General of the Department of the Interior to conduct annual audits and investigations of the Foundation in order to ensure that the Foundation's

spending, management, and other activities are subject to regular oversight and review.

ENVIRONMENTAL DISPUTE RESOLUTION FUND

Appropriations, 2013 ¹	\$3,784,000
Budget estimate, 2014	3,600,000
Committee recommendation	3,600,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The U.S. Institute for Environmental Conflict Resolution is a Federal program established by Public Law 105–156 to assist parties in resolving environmental, natural resource, and public lands conflicts. The Institute is part of the Morris K. Udall and Stewart L. Udall Foundation and serves as an impartial, nonpartisan institution providing professional expertise, services, and resources to all parties involved in such disputes. The Institute helps parties determine whether collaborative problem solving is appropriate for specific environmental conflicts, how and when to bring all the parties together for discussion, and whether a third-party facilitator or mediator might be helpful in assisting the parties in their efforts to reach consensus or to resolve the conflict. In addition, the Institute maintains a roster of qualified facilitators and mediators with substantial experience in environmental conflict resolution and can help parties in selecting an appropriate neutral professional.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$3,600,000 for the Environmental Dispute Resolution Fund. This amount is a decrease of \$184,000 to the fiscal year 2013 enacted level and is equal to the budget request.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

The National Archives and Records Administration [NARA] is the national recordkeeper, managing the Government's archives and records, and operating the Presidential libraries. NARA is an independent agency created by statute in 1934 and tasked with the unique mission to identify, access, protect, preserve, and make available for use the important documents and records of all three branches of the Federal Government. NARA administers the Information Security Oversight Office, is the publisher of the Federal Register, and makes grants for historical documentation through the National Historical Publications and Records Commission. In addition, NARA is charged with additional responsibilities including mediating Freedom of Information Act disputes and coordinating controlled unclassified information.

OPERATING EXPENSES

Appropriations, 2013 ¹	\$372,553,000
Budget estimate, 2014	370,706,000
Committee recommendation	370,706,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

This account provides for basic operations dealing with management of the Federal Government's archives and records, operation of Presidential libraries, review for declassification of classified security information, and other duties.

COMMITTEE RECOMMENDATION

The Committee recommends \$370,706,000 for operating expenses of the National Archives and Records Administration for fiscal year 2014. This amount is \$1,847,000 below the fiscal year 2013 enacted level and the same as the budget request.

The Committee's recommendation supports initiatives to strengthen NARA's record management leadership role; address archival storage needs; continue to develop, build, and expand the IT infrastructure to conduct the business of the National Declassification Center established in Executive Order 13526; operate and maintain the Electronic Records Archive [ERA]; and improve research room holdings protection.

The Committee notes that security of NARA's collections and holdings has been identified as a material weakness by the Archivist and cited as a management challenge by the Inspector General. The Committee directs and expects NARA to institute, maintain, and enforce effective inventory controls and adequate levels of security within its facilities to reduce the risk of loss, damage, or destruction of irreplaceable historic documents and artifacts.

As the steward of an astronomical volume of temporary and permanent agency records, the Committee strongly urges the Archivist to continue to explore bar-coding and other innovative alternatives for cataloging boxed materials entrusted to NARA's care, institute enhanced quality controls, regain accountability for the security of classified records in its custody, and institute more stringent management controls at the Washington National Records Center and any other facilities in which NARA is the custodian of Federal records.

The Committee commends NARA's leadership in ensuring that the Federal Government identifies and protects its records from the time of their creation, so records are available to operational staff at critical times and later preserved for access to the public. The Committee acknowledges the August 2012 issuance of the Managing Government Records Directive to establish a robust records management framework and actions to support agency records management programs. The Committee is dismayed that the percentage of Federal agencies achieving a passing score for compliance in targeted areas of records management is very low. The Committee is hopeful that the issuance of the Directive will elevate the visibility and importance of integrating records management planning and programs into Federal agency routine business operations. The Committee urges NARA to continue to explore ways to decrease the risks to Federal records and improve agency records management practices, through inspections, mandatory agency self-assessments, training curricula including on-line courses to reach a broader audience across the Federal Government, and other compliance tools.

The Committee believes that providing reliable access to electronic records far into the future, regardless of advancements in technology, is of utmost importance. The Committee strongly urges NARA, as it operates and maintains the ERA, to ensure effective and efficient preservation, appraisal, scheduling, and routine transfer of electronic records by Federal agencies. The Committee expects NARA to prioritize its efforts to accelerate user adoption of the ERA system, including providing instructional guidance and training materials.

OFFICE OF INSPECTOR GENERAL

Appropriations, 2013 ¹	\$4,092,000
Budget estimate, 2014	4,130,000
Committee recommendation	4,130,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The mission of the Office of Inspector General [OIG] is to ensure that NARA safeguards and preserves the records of our Government while providing the American people with access to the essential documentation of their rights and the actions of their Government. The OIG accomplishes this by combating fraud, waste, and abuse through high-quality objective audits and investigations covering all aspects of agency operations at 44 facilities nationwide. The OIG also serves as an independent, internal advocate for the economy, efficiency, and effectiveness of NARA and its operations.

COMMITTEE RECOMMENDATION

The Committee recommends \$4,130,000 for the Office of Inspector General [OIG]. This amount is \$38,000 above the fiscal year 2013 enacted level and the same as the budget request. The Committee supports a distinct account for the OIG in order to clearly identify the resources necessary to staff and operate the expanding mission-critical oversight and accountability functions performed by the OIG to ensure responsible NARA stewardship over public records.

REPAIRS AND RESTORATION

Appropriations, 2013 ¹	\$9,082,000
Budget estimate, 2014	8,000,000
Committee recommendation	8,000,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

This account provides for the repair, alteration, and improvement of Archives facilities and Presidential libraries nationwide, and provides adequate storage for holdings. Funding made available will better enable NARA to maintain its facilities in proper condition for public visitors, researchers, and NARA employees, and also maintain the structural integrity of the buildings.

COMMITTEE RECOMMENDATION

The Committee recommends \$8,000,000 for the repairs and restoration account. This amount is \$1,082,000 below the fiscal year 2013 enacted level and the same as the budget request.

The Committee appreciates NARA’s submission of an update of its comprehensive capital needs assessment for its entire infrastructure of Presidential libraries and records facilities, as part of the fiscal year 2014 budget submission and urges NARA to include an appropriate level of funding for repair of valuable historic Presidential libraries in the fiscal year 2015 budget request.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

GRANTS PROGRAM

Appropriations, 2013 ¹	\$4,990,000
Budget estimate, 2014	3,000,000
Committee recommendation	5,000,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The National Historical Publications and Records Commission [NHPRC] provides grants nationwide to preserve and publish records that document American history. Administered within the National Archives, which preserves Federal records, NHPRC helps State, local, and private institutions preserve non-Federal records, helps publish the papers of major figures in American history, and helps archivists and records managers improve their techniques, training, and ability to serve a range of information users. Since 1964, the NHPRC has funded nearly 5,000 projects at local government archives, colleges and universities, and other nonprofit institutions to facilitate use of public records and other collections by scholars, family and local historians, journalists, documentary filmmakers, and many others.

COMMITTEE RECOMMENDATION

The Committee recommends \$5,000,000 for the National Historical Publications and Records Commission [NHPRC]. This amount is \$10,000 above the fiscal year 2013 enacted level and \$2,000,000 above the budget request.

The Committee supports the central role the NHPRC program plays in the preservation and dissemination of the Nation’s documentary heritage and its success in leveraging private sector contributions.

The Committee notes that the funding provided will enable NARA, through the NHPRC, to undertake a variety of initiatives, including advancing archives preservation, access, and digitization projects within the interlocking repositories of historic records and hidden collections; ensuring public access to some of the most important historical resources that are maintained outside of Federal repositories; and digitizing nationally significant historic records collections to facilitate round-the-clock Internet availability.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

PROGRAM DESCRIPTION

The National Credit Union Administration [NCUA] Central Liquidity Facility [CLF] was created by the National Credit Union Central Liquidity Facility Act (Public Law 95-630). The CLF is a mixed-ownership Government corporation managed by the National Credit Union Administration Board and owned by its member credit unions.

The purpose of the CLF is to improve the general financial stability of credit unions by meeting their seasonal and emergency liquidity needs and thereby encourage savings, support consumer and mortgage lending, and provide basic financial resources to all segments of the economy. To become eligible for CLF services, credit unions invest in the capital stock of the CLF, and the facility uses the proceeds of such investments and the proceeds of borrowed funds to meet the liquidity needs of credit unions. The primary sources of funds for the CLF are stock subscriptions from credit unions and borrowings.

The CLF may borrow funds from any source, with the amount of borrowing limited to 12 times the amount of subscribed capital stock and surplus.

Loans are available to meet short-term requirements for funds attributable to emergency outflows from managerial difficulties or local economic downturns. Seasonal credit is also provided to accommodate fluctuations caused by cyclical changes in such areas as agriculture, education, and retail business. Loans can also be made to offset protracted credit problems caused by factors such as regional economic decline.

COMMITTEE RECOMMENDATION

The Committee recommends that lending through the CLF be limited to the maximum level provided for by section 307(a)(4)(A) of the Federal Credit Union Act. This limitation provides the NCUA maximum flexibility to assist with credit unions' financial liquidity. The Committee also recommends the budget request of limiting administrative expenses for the CLF to \$1,250,000 in fiscal year 2014.

COMMUNITY DEVELOPMENT REVOLVING LOAN FUND

Appropriations, 2013 ¹	\$1,245,000
Budget estimate, 2014	1,128,000
Committee recommendation	1,128,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Community Development Revolving Loan Fund Program [CDRLF] was established in 1979 to assist officially designated "low-income" credit unions in providing basic financial services to low-income communities. Low-interest loans and deposits are made available to assist these credit unions. Loans or deposits are nor-

mally repaid in 5 years, although shorter repayment periods may be considered. Technical assistance grants [TAGs] are also available to low-income credit unions for improving operations as well as addressing safety and soundness issues. Credit unions use TAG funds for specific initiatives, including taxpayer assistance, financial education, home ownership initiatives, and training assistance.

COMMITTEE RECOMMENDATION

The Committee recommends \$1,128,000 for technical assistance grants to community development credit unions. This funding level is equal to the budget request and \$117,000 below the fiscal year 2013 enacted level. The Committee expects the CDRLF to continue making loans from available funds derived from repaid loans and interest earned on previous loans to designated credit unions.

The Committee supports NCUA’s outreach efforts to underserved rural and urban communities across America through technical assistance grants provided within CDRLF. The Committee encourages NCUA to continue its efforts to provide financial education, particularly regarding consumer credit and home mortgages, and to provide alternatives to predatory lending services through targeted technical assistance grants and support.

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$18,627,000
Budget estimate, 2014	15,325,000
Committee recommendation	15,325,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Office of Government Ethics [OGE], a separate agency within the executive branch, was established by the Ethics in Government Act of 1978 (Public Law 95–521). The OGE is charged by law to provide overall direction of executive branch policies designed to prevent conflicts of interest and ensure high ethical standards for executive branch employers. The OGE carries out these responsibilities by promulgating and maintaining enforceable standards of ethical conduct for nearly 4 million civilian employees and uniformed service members in more than 130 executive branch agencies and the White House; overseeing a financial disclosure system that reaches 28,000 public and over 325,000 confidential filers; providing direct education and training products to 5,700 ethics officials; conducting outreach to the general public, the private sector, and civil society; and sharing good practices with and providing technical assistance to State, local, and foreign governments and international organizations.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$15,325,000 for salaries and expenses of the OGE in fiscal year 2014. This amount is \$3,302,000 below the fiscal year 2013 enacted level and the same as the budget request.

The Committee’s recommendation supports OGE’s mission-critical work to foster high ethical standards for executive branch employees, prevent conflicts of interest, and strengthen the public’s confidence that the Government’s business is conducted with impartiality and integrity. The OGE has designated three priorities to advance these objectives in fiscal year 2014: (1) interpret, implement, and advise on ethics laws, policies, and program management; (2) harness technology to promote transparency, education, and oversight; and (3) ensure effective communications both within the Federal Government and with outside audiences to enhance understanding of ethics laws, policies, and program management, and promote transparency, education, and oversight.

Under Public Law 113–6, Congress provided an additional \$5,000,000 above the fiscal year 2012 funding of \$13,664,000, to remain available until expended, to help the OGE comply with its statutory mandates under the Stop Trading on Congressional Knowledge [STOCK] Act of 2012 (Public Law 112–105). The STOCK Act established new requirements for executive branch ethics programs, ethics officials, and the hundreds of thousands of Federal employees who currently file either public or confidential financial disclosure reports pursuant to the Ethics in Government Act.

Implementation of the STOCK Act imposes pivotal additional responsibilities on the OGE, most notably the mandate to develop, deploy, operate, and maintain automated systems to provide electronic filing for 28,000 public financial disclosure filers across the executive branch. The Committee’s recommended funding supports the requested additional \$1,660,000 to support the technical and staffing requirements for the systems as well as other STOCK Act mandates, including submission of periodic transaction reports by filers, compliance with specific notification and recusal restrictions regarding employment negotiations or agreements, and enhanced disclosure requirements for certain filers.

The Committee directs OGE officials to keep the Committee regularly informed about developments and progress related to its STOCK Act implementation activities.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

Appropriations, 2013 ¹	\$97,578,000
Budget estimate, 2014	95,757,000
Committee recommendation	95,757,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Office of Personnel Management [OPM] was established by Public Law 95–454, the Civil Service Reform Act of 1978, enacted on October 13, 1978. OPM is responsible for management of Federal human resources policy and oversight of the merit civil service system. Although individual agencies are largely responsible for personnel operations, OPM provides a Governmentwide framework for human resources policy, advises and assists agencies (often on

a reimbursable basis) with workforce planning and personnel matters, and ensures that agency operations are consistent with requirements of law on issues such as veterans preference and merit system compliance. OPM oversees examination of applicants for employment in the competitive service; issues regulations and policies on recruitment, hiring, classification and pay, training, and other aspects of personnel management; and manages the process for personnel security and background checks for suitability and national security clearances. OPM is also responsible for administering the retirement, health benefits, and life insurance programs affecting most Federal employees, retired Federal employees, and their families and survivors.

COMMITTEE RECOMMENDATION

The Committee recommends a general fund appropriation of \$95,757,000 for the salaries and expenses of the Office of Personnel Management. This amount is \$1,821,000 less than the fiscal year 2013 level and the same as the budget request.

The recommendation includes the requested funding for the Enterprise Human Resources Integration project, the Human Resources Line of Business project, and the workforce acquisition initiative.

Retirement Processing.—The Committee recognizes OPM’s progress in addressing the backlog of retirement claims. OPM is directed to continue to inform the Committee of developments to improve processing rates.

Retirement Modernization.—The Committee directs OPM to continue providing reports and status update briefings, as developments and milestones occur, and future plans are determined.

LIMITATION

(TRANSFER OF TRUST FUNDS)

Limitation, 2013 ¹	\$112,291,000
Budget estimate, 2014	118,578,000
Committee recommendation	118,578,000

¹ Exempt from sequester of funds pursuant to section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act, as amended.

PROGRAM DESCRIPTION

These funds will be transferred from the appropriate trust funds of the Office of Personnel Management to cover administrative expenses for the retirement and insurance programs, including the cost of automating the retirement recordkeeping systems.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of \$118,578,000 which is \$6,287,000 more than the fiscal year 2013 level and the same as the budget request.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

Appropriations, 2013 ¹	\$3,136,000
Budget estimate, 2014	4,684,000
Committee recommendation	4,684,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Office of Inspector General is charged with establishing policies for conducting and coordinating efforts which promote economy, efficiency, and integrity in the Office of Personnel Management's activities which prevent and detect fraud, waste, and mismanagement in the agency's programs. Contract audits provide professional advice to agency contracting officials on accounting and financial matters regarding the negotiation, award, administration, repricing, and settlement of contracts. Internal agency audits review and evaluate all facets of agency operations, including financial statements. Evaluation and inspection services provide detailed technical evaluations of agency operations. Insurance audits review the operations of health and life insurance carriers, healthcare providers, and insurance subscribers. The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations. Administrative sanctions debar from participation in the health insurance program those healthcare providers whose conduct may pose a threat to the financial integrity of the program itself or to the well-being of insurance program enrollees.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$4,684,000 for salaries and expenses of the Office of Inspector General in fiscal year 2014. This amount is \$1,548,000 more than the fiscal year 2013 enacted level and the same as the budget request.

(LIMITATION ON TRANSFER FROM TRUST FUNDS)

Limitation, 2013 ¹	\$21,132,000
Budget estimate, 2014	21,340,000
Committee recommendation	21,340,000

¹ Exempt from sequester of funds pursuant to section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act, as amended.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation on transfers from the trust funds in support of the Office of Inspector General [OIG] activities totaling \$21,340,000 for fiscal year 2014. This amount is \$208,000 more than the fiscal year 2013 enacted level, and the same as the budget request. The Committee includes a provision that funds OIG oversight of the OPM Revolving Fund. For fiscal year 2014, the oversight funding equals one-third of 1 percent of the Revolving Fund budget estimate.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH
BENEFITS

Appropriations, 2013 ¹	\$10,818,000,000
Budget estimate, 2014	11,404,000,000
Committee recommendation	11,404,000,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

This appropriation covers the Government's share of the cost of health insurance for annuitants covered by the Federal Employees Health Benefits Program and the Retired Federal Employees Health Benefits Act of 1960, as well as administrative expenses incurred by OPM for these programs.

COMMITTEE RECOMMENDATION

The Committee recommends a mandatory appropriation of \$11,404,000,000 for Government payments for annuitants, employees health benefits.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE
INSURANCE

Appropriations, 2013 ¹	\$51,000,000
Budget estimate, 2014	53,000,000
Committee recommendation	53,000,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

Public Law 96–427, the Federal Employees' Group Life Insurance Act of 1980, requires that all employees under the age of 65 who separate from the Federal Government for purposes of retirement on or after January 1, 1990, continue to make contributions toward their basic life insurance coverage after retirement until they reach the age of 65. These retirees will contribute two-thirds of the cost of the basic life insurance premium, identical to the amount contributed by active Federal employees for basic life insurance coverage. As with the active Federal employees, the Government is required to contribute one-third of the cost of the premium for retirees' basic coverage. OPM, acting as the payroll office on behalf of Federal retirees, has requested, and the Committee has provided, the funding necessary to make the required Government contribution associated with annuitants' postretirement life insurance coverage.

COMMITTEE RECOMMENDATION

The Committee recommends a mandatory appropriation of \$53,000,000 for the Government payment for annuitants, employee life insurance.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Appropriations, 2013 ¹	\$9,780,000,000
Budget estimate, 2014	9,178,000,000
Committee recommendation	9,178,000,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The civil service retirement and disability fund was established in 1920 to administer the financing and payment of annuities to retired Federal employees and their survivors. The fund covers the operation of the Civil Service Retirement System and the Federal Employees' Retirement System.

This appropriation provides for the Government's share of retirement costs, transfers of interest on the unfunded liability and annuity disbursements attributable to military service, and survivor annuities to eligible former spouses of some annuitants who did not elect survivor coverage.

COMMITTEE RECOMMENDATION

The Committee recommends a mandatory appropriation of \$9,178,000,000 for payment to the civil service retirement and disability fund.

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$18,934,000
Budget estimate, 2014	20,639,000
Committee recommendation	20,639,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The U.S. Office of Special Counsel [OSC] provides a safe channel for Federal employees to report waste, fraud, abuse, and threats to public health and safety.

The OSC was first established on January 1, 1979. From 1979 until 1989, it operated as an autonomous investigative and prosecutorial arm of the Merit Systems Protection Board [MSPB]. In 1989, Congress enacted the Whistleblower Protection Act (Public Law 101-12), which made OSC an independent agency within the executive branch. In 1994, the Uniformed Services Employment and Reemployment Rights Act [USERRA] (Public Law 103-353) became law. It defined employment-related rights of persons in connection with military service, prohibited discrimination against them because of that service, and gave OSC new authority to pursue remedies for violations by Federal agencies.

Enactment of the Whistleblower Protection Enhancement Act (Public Law 112-199) in November 2012 significantly expanded the jurisdiction of the OSC and the types of cases the OSC is required by law to investigate.

The OSC continues to experience significant growth in its caseload. In fiscal year 2012, the new case intake volume reached nearly 4,800, representing an increase over record levels of cases presented in the previous fiscal year. Caseload size trends reflect growth of 68 percent since fiscal year 2008. Areas of significant growth included prohibited personnel practice complaints as well as USERRA cases, which nearly doubled in volume with the launch of a new 3-year demonstration project to help further protect veteran's employment rights as authorized under the Veterans' Bene-

fits Act of 2010 (Public Law 111–275). Hatch Act cases and whistleblower disclosure matters continued at elevated levels in fiscal year 2012.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$20,639,000 for the OSC. This amount is \$1,705,000 above the fiscal year 2013 enacted level and the same as the budget request.

The Committee acknowledges that the OSC continues to experience dramatic growth in its caseload and rapid increases in requests for its services, although staffing levels have remained relatively unchanged. The Committee commends OSC’s efforts to institute significant cost-savings measures, achieve a 52-percent increase in productivity since fiscal year 2008, realize a 3-percent reduction in costs per case, and vastly improve its ability to obtain favorable corrective outcomes. The Committee’s recommended level will help ensure that the OSC can manage its escalating workload and discharge its mission without incurring backlogs.

POSTAL REGULATORY COMMISSION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2013 ¹	\$14,275,000
Budget estimate, 2014	14,304,000
Committee recommendation	14,304,000

¹Exempt from sequester of funds pursuant to section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act, as amended.

PROGRAM DESCRIPTION

The Postal Regulatory Commission [PRC] is an independent agency that has exercised regulatory oversight over the United States Postal Service since its creation by the Postal Reorganization Act of 1970. For over 3 decades, that oversight consisted primarily of conducting public, on-the-record hearings concerning proposed rates, mail classification, and major service changes, and recommended decisions for action to the Postal Service Board of Governors. The mission of the PRC is to ensure transparency and accountability of the United States Postal Service and foster a vital and efficient universal mail system.

The Postal Accountability and Enhancement Act (Public Law 109–435) assigned significant responsibilities to the PRC. These enhanced authorities include providing regulatory oversight of the pricing of Postal Service products and services, ensuring Postal Service transparency and accountability, consulting on delivery service standards and performance measures, consulting on international postal policies, preventing cross-subsidization or other anticompetitive postal practices, and serving as a forum to act on complaints with postal products and services. The PRC provides leadership and recommends policies that foster a robust and viable postal system.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation, out of the Postal Fund, of \$14,304,000 for the Postal Regulatory Commission. This amount is \$29,000 above the fiscal year 2013 enacted level and the same as the budget request. The funds will support 77 FTEs and enable the PRC to meet its mission of ensuring transparency and accountability in postal operations, services, and finances.

The Committee notes that in fiscal year 2014, the PRC will be engaged in issuing advisory opinions and hearing cases of major national policy import as the Postal Service adjusts to changing mail usage; reviewing efforts of the Postal Service to restructure its network; overseeing the exercise of pricing flexibility; and fully evaluating the merits of new ideas for innovative products and services that could boost postal revenue, provide greater efficiencies, and produce cost savings. With the Postal Service's closure or consolidation of potentially hundreds of mail processing facilities and a significant number of postal retail facilities, the Committee understands that the number of appeals to the PRC and the volume of documents per docket as a result of these actions can be expected to grow exponentially over the next few years.

The Committee appreciates the vital statutory role the PRC plays in the Universal Postal Union, a specialized agency of the United Nations, to support the Secretary of State in foreign policy related to international postal services, including treaties and conventions. The Committee urges the PRC, which is funded from the Postal Service Fund which is derived directly from postal rates and fees paid by postal customers, to continue to optimize efficient use of its resources, including exercising prudent decisionmaking and strict accountability for its necessary travel expenditures.

PRIVACY AND CIVIL LIBERTIES OVERSIGHT BOARD

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$898,000
Budget estimate, 2014	3,100,000
Committee recommendation	4,100,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

Recommended by the July 22, 2004 report of the National Commission on Terrorist Attacks Upon the United States (the 9/11 Commission), the Privacy and Civil Liberties Oversight Board [PCLOB] was originally established through the Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108-458). The PCLOB was made a component of the White House Office within the Executive Office of the President.

Under the Implementing Recommendations of the 9/11 Commission Act of 2007 (Public Law 110-53), the PCLOB was reconstituted as an independent agency within the executive branch. The dual mission of the PCLOB is to: (1) analyze and review actions the executive branch takes to protect the Nation from terrorism, ensuring that the need for such actions is balanced with the need to protect privacy and civil liberties; and (2) ensure that liberty concerns are appropriately considered in the development and implementa-

tion of laws, regulations, and policies related to efforts to protect the Nation against terrorism.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$4,100,000 for the PCLOB. This amount is \$3,202,000 above the fiscal year 2013 enacted level and \$1,000,000 above the budget request.

The Committee strongly supports the mission of the PCLOB. The Committee notes that the original Board ceased operations on January 30, 2008, with the intention that a new, more independent Board would be instituted in its place.

The Committee is pleased that after over 5 years of dormancy, the PCLOB has been reconstituted and that, as of May 7, 2013, has a confirmed full-time chairman. The Committee acknowledges the substantial array of administrative tasks coincident to launching the Board as an independent agency, including securing work space, recruiting staff expertise, acquiring information technology, and implementing a strategic work plan and performance measures to fulfill its unique responsibilities. The Committee is cognizant that, in light of recent developments raising public concerns about the adequacy of privacy and civil liberties protections, the role and responsibilities of the Board will be of particular significance. The Committee commends the Board for hosting a recent public workshop with invited experts, academics, and advocacy organizations regarding certain surveillance programs.

The Committee recommends enhanced funding of an additional \$1,000,000 above the budget request in recognition of the critical importance that the Board achieve full operational capability without delay and that the resources available will permit the PCLOB to immediately undertake robust activities to accomplish its mission.

RECOVERY ACCOUNTABILITY AND TRANSPARENCY BOARD

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$28,293,000
Budget estimate, 2014	12,500,000
Committee recommendation	20,000,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Recovery Accountability and Transparency Board [Recovery Board] was established by the American Recovery and Reinvestment Act of 2009 [Recovery Act] to ensure accountability and transparency in the expenditure of Recovery Act funds and to minimize fraud, waste, and mismanagement. The Recovery's Board's responsibilities under the Recovery Act will sunset on September 30, 2013. The Disaster Relief Appropriations Act of 2013 required the Recovery Board to detect and remediate waste, fraud, and abuse of Federal spending related to the impact of Hurricane Sandy. The Recovery's Board's responsibilities under the Disaster Relief Appropriations Act will sunset on September 30, 2015.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$20,000,000 for the Recovery Board. The recommendation is \$8,293,000 below the fiscal year 2013 enacted level. The recommendation is \$7,500,000 above the budget request to ensure that the Recovery Board has sufficient resources to carry out its responsibilities on spending related to Hurricane Sandy.

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$1,321,000,000
Budget estimate, 2014	1,674,000,000
Committee recommendation	1,674,000,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Securities and Exchange Commission [SEC] is an independent agency responsible for administering many of the Nation's laws regulating the areas of securities and finance.

The mission of the SEC is to administer and enforce Federal securities laws in order to protect investors, maintain fair, honest, and efficient markets, and promote capital formation. This includes ensuring full disclosure of financial information, regulating the Nation's securities markets, and preventing and policing fraud and malpractice in the securities and financial markets. The strength of the American economy and our Nation's financial markets is dependent upon investors' confidence in the financial disclosures and statements released by publicly traded companies.

As the investor's advocate, the SEC has responsibility for approximately 35,000 entities, including direct oversight of about 11,000 investment advisers, 9,700 mutual funds and exchange traded funds, and close to 4,600 broker-dealers with more than 160,000 branch offices. It is also responsible for reviewing the disclosures and financial statements of more than 9,500 reporting companies, overseeing approximately 460 transfer agents, 17 national securities exchanges, eight active clearing agencies, and 10 nationally recognized statistical rating organizations, as well as the Public Company Accounting Oversight Board, the Financial Industry Regulatory Authority, the Municipal Securities Rulemaking Board, the Securities Investor Protection Corporation, and the Financial Accounting Standards Board. The SEC also acquired new or expanded oversight responsibilities with respect to the derivatives markets, hedge fund and other private fund advisers, municipal advisers, credit rating agencies, clearing agencies, and entities registering with the SEC in connection with the security-based swap regulatory regime.

The enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) (Public Law 111-203) added significantly to SEC's responsibilities, including bringing transparency and accountability to the over-the-counter derivatives market; registering and overseeing hedge fund and private equity advisers; enhanced supervision of nationally recognized statistical rating organizations and clearing agencies; heightened regulation

of asset-backed securities; and creation of a new whistleblower program.

With the enactment of the Jumpstart Our Business Startups [JOBS] Act (Public Law 112–106), the SEC has additional responsibilities to undertake various initiatives, including rulemaking and studies touching on capital formation, disclosure and registration requirements, and implementing rules and methods relating to a new exemption that will allow crowdfunding.

COMMITTEE RECOMMENDATION

The Committee recommends a total budget (obligational) authority of \$1,674,000,000 for the salaries and expenses of the SEC, to be fully derived from \$1,674,000,000 in fee collections. This total funding level is \$353,000,000 above the fiscal year 2013 enacted level and the same as the budget request.

The Committee's recommended funding increase is expected to allow the SEC to more aggressively police the securities markets through examinations and enforcement actions. The resources will help enhance risk-based oversight of the investment management industry, expand inspections of credit rating agencies, and permit the SEC to conduct more comprehensive examinations, reach a broader universe of the entities it regulates, and improve its ability to uncover and prosecute fraud.

In addition, the recommended increase supports urgent, critical investments in information technology upgrades so that SEC staff are equipped with cutting edge automation support tools to enhance their ability to promptly handle tips, complaints, and referrals as well as to better identify emerging risks using improved surveillance tools. The Committee expects the SEC to implement key controls to effectively safeguard the confidentiality, integrity, and availability of its financial and sensitive information and systems.

The Committee strongly believes that fair and orderly markets are essential to restore public confidence in and bolster the integrity of our capital markets. The Committee emphasizes that with this significant recommended funding increase comes a concomitant responsibility on the part of the SEC to aggressively safeguard the investing public. The SEC must be vigilant in its enforcement of securities laws, and failures to properly investigate and take appropriate action will not be condoned.

Fee Offset Nature of Account.—Pursuant to the Dodd-Frank Act, transaction fees receipts are treated as offsetting collections equal to the amount of the appropriation. In addition, an "SEC Reserve Fund" is designated for necessary functions as determined by the SEC and drawn from registration fee receipts. The Committee reminds the SEC of its obligation to notify Congress of the date, amount, and purpose of any obligation from the Fund within 10 days of such obligation.

Spending Plan.—The Committee directs the SEC to submit, within 30 days of enactment, a detailed spending plan for the allocation of appropriated funds displayed by discrete program, project, and activity, including staffing projections, specifying both FTEs and contractors, and planned investments in information technology.

Regulatory Reform Efforts.—While recognizing the many challenges facing the SEC, the Committee strongly urges the SEC to act expeditiously to adopt strong and effective regulatory proposals to reform the financial system, consistent with Congress’s intent in enacting the Dodd-Frank Act and the JOBS Act.

Use of Independent Leasing Authority.—The Committee understands that the SEC is pursuing corrective measures to address the serious problems identified in the October 3, 2011, GAO Decision B–322160 relating to the agency’s exercise of its independent leasing authority and adherence to budgetary obligation recording practices for multiyear contracts over the last 20 years. The Committee directs that, as part of the spending plan to be submitted to the Committee no later than 30 days following enactment of this act, the SEC shall include a detailed remedial action plan and timetable, reviewed before its submission by the Inspector General, describing how the SEC intends to rectify the Antideficiency Act violation and what procedures it has instituted to ensure compliance with the recording statute (31 U.S.C. 1501(a)(1)).

Regulatory Coordination and Harmonization.—The Committee stresses that with the enactment of the Dodd-Frank Act, it is all the more critical for the SEC, in collaboration with the CFTC, to ensure optimum harmonization in executing the respective oversight responsibilities of each agency with respect to over-the-counter derivative products. The Committee expects the SEC and the CFTC to limit, to the greatest extent possible, inconsistent regulation of similar products and entities that could lead to opportunities for regulatory arbitrage. The Committee continues to support the use of funds to support the Joint SEC–CFTC Advisory Committee.

Money Market Mutual Funds.—Given the role that money market mutual funds play in short-term financing for State and local governments, the Committee is concerned that a floating net asset value will alter the nature of money market mutual funds, tighten capital availability, and increase costs. The Committee urges the SEC, as it continues to examine proposals to reform money market mutual funds, to engage with State and local government officials to address their concerns.

Disclosure to Investors.—The Committee remains concerned that American investors may be unwittingly investing in companies or organizations with ties to countries that sponsor terrorism or are linked to human rights violations. The Committee believes that a company’s association with sponsors of terrorism and human rights abuses, no matter how large or small, can have a materially adverse result on a public company’s operations, financial condition, earnings, and stock prices, all of which can negatively affect the value of an investment. Investors and consumers also have a reasonable right to know what activities their investments or purchases may be directly or indirectly supporting.

In order to protect American investors’ savings and to disclose these business relationships to investors, an Office of Global Security Risk was established within the Division of Corporation Finance. The Committee notes that under the Dodd-Frank Act, public companies are required to provide disclosure to the SEC in matters involving conflict minerals, extractive industries, and mining safety

matters. The Committee understands that the SEC will be implementing the requirements, as directed, in the coming months. The Committee expects the work of the Office to remain a high priority during fiscal year 2014 and directs the SEC to continue to submit quarterly reports on its activities.

The Committee is concerned that current SEC regulations leave broad discretion to companies to decide if disclosure of their activities is required with respect to business interests in or with a state sponsor of terrorism. Companies are only required to make disclosures in cases where the companies judges the information is “material” to investors or is necessary to ensure a required statement is not misleading. In November 2007, the SEC issued a concept release seeking comment about whether to develop a new mechanism to facilitate greater access to companies’ disclosures concerning their business activities in or with state sponsors of terrorism. The comment period ended on January 22, 2008, and the SEC has taken no action since that time.

The Committee believes that business conducted by a publicly traded company that could subject such company to sanctions should be considered material and disclosed. Therefore, the Committee directs the Commission to issue final rules that require each issuer to disclose activities that may subject it to sanctions under section 5 of the Iran Sanctions Act of 1996.

Climate Change Disclosure.—The Committee directs the SEC to submit to the Committee, no later than 90 days following enactment of this act, an updated staff report focused on the quality, specificity, and thoroughness of disclosure related to climate change, with particular attention to the adequacy of disclosure by large companies in key sectors. The Committee expects that the report fully describe the status of SEC’s own initiatives to carry out the February 2010 guidance (75 Fed. Reg. 6290) as well as efforts the SEC will implement in fiscal year 2014. The Committee strongly urges that, during fiscal year 2014, the SEC convene the public roundtable on climate change disclosure as contemplated in the 2010 guidance.

JOBS Act Studies.—The Committee directs the SEC to study and submit a report to the Committee, no later than 2 years following enactment of this Act, on the impact of the JOBS Act on capital formation, including but not limited to: (1) the amount of capital raised under the new offering methods in the JOBS Act; (2) the number of issuances and amount raised between registered and unregistered offerings; (3) the number of placement agents and brokers facilitating the new offering methods; (4) the number of Federal, State, other actions taken against issuers with respect to the new offering venues; and (5) the costs associated with raising capital under the new rules in comparison to the prior rules.

The Committee is concerned about press reports of shell companies attempting to qualify as emerging growth companies in order to evade securities laws to which they would otherwise be subject, and directs the SEC to closely monitor the situation.

The Committee directs the SEC to study and submit a report to the Committee, no later than 1 year following enactment of this act, on whether and how the definition of the term “held of record”

in section 12(g)(5) of the Securities Exchange Act of 1934 (15 U.S.C. 781(g)(5)) should be revised.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$23,936,000
Budget estimate, 2014	24,134,000
Committee recommendation	22,900,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Selective Service System is an independent Federal agency, operating with permanent authorization under the Military Selective Service Act (50 U.S.C. App. 451 et seq.). The agency is not part of the Department of Defense, but its basic mission is to be prepared to supply manpower to the Armed Forces adequate to ensure the security of the United States during a time of national emergency. Since 1973, the Armed Forces have relied on volunteers to fill military manpower requirements. However, the Selective Service System remains the primary vehicle by which personnel will be brought into the military if Congress and the President should authorize a return to the draft.

In December 1987, Selective Service was tasked by law (Public Law 100-180) to develop plans for a postmobilization healthcare personnel delivery system capable of providing the necessary critically skilled healthcare personnel to the Armed Forces in time of emergency. An automated system capable of handling mass registration and inductions is now complete, together with necessary draft legislation, a draft Presidential proclamation, prototype forms and letters, and other products. These products will be available should the need arise. The development of supplemental standby products, such as a compliance system for healthcare personnel, continues using very limited existing resources.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$22,900,000 for the Selective Service System. This amount is \$1,036,000 below the fiscal year 2013 enacted level and \$1,234,000 below the budget request.

SMALL BUSINESS ADMINISTRATION

Appropriations, 2013 ^{1,2}	\$1,847,180,000
Budget estimate, 2014 ³	968,838,000
Committee recommendation ³	949,238,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

² Includes emergency funding of \$804,000,000 in the Disaster Relief Appropriations Act, 2013 (division A of Public Law 113-2).

³ Includes \$158,650,000 in disaster relief funding pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985.

PROGRAM DESCRIPTION

The Small Business Administration [SBA] provides American entrepreneurs access to capital, Federal contracting opportunities,

and entrepreneurial education in order to grow businesses and create jobs. SBA also provides disaster assistance for businesses of all sizes, non-profit organizations, homeowners, and renters.

COMMITTEE RECOMMENDATION

The Committee recommendation provides \$949,238,000 for the Small Business Administration [SBA]. The recommendation is \$897,942,000 below the fiscal year 2013 enacted level, which included \$804,000,000 in emergency funding, and \$19,600,000 below the budget request. The recommendation includes \$158,650,000 for the Disaster Loans Program Account designated by Congress as disaster relief pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985. Funding is distributed among the SBA appropriation accounts as described below.

ENTREPRENEURIAL DEVELOPMENT PROGRAMS

Appropriations, 2013	
Budget estimate, 2014	
Committee recommendation	\$211,490,000

PROGRAM DESCRIPTION

SBA’s Entrepreneurial Development Programs support non-credit business assistance to entrepreneurs. The appropriation includes funding for a vast network of resource partners located throughout the Nation, including Small Business Development Centers, Women’s Business Centers, SCORE (previously Service Corps of Retired Executives) chapters, and Veterans Business Outreach centers. This resource network and several other SBA programs provide training, counseling, and technical assistance to entrepreneurs.

The “Entrepreneurial Development Programs” appropriation is a new appropriation recommended by the Committee for fiscal year 2014. The appropriation provides funding for non-credit business assistance programs previously funded under the appropriation for “Salaries and Expenses.”

COMMITTEE RECOMMENDATION

The Committee recommendation provides \$211,490,000 for the SBA Entrepreneurial Development Programs. Both the fiscal year 2013 enacted level and the budget request included funding for SBA’s Entrepreneurial Development Programs within the Salaries and Expenses appropriation. After adjusting for the recommended changes to the appropriations accounts, the recommendation represents an increase of \$19,487,000 above the fiscal year 2013 enacted level and an increase of \$1,150,000 above the budget request.

The Committee recommendations, by program, are displayed in the following table:

ENTREPRENEURIAL DEVELOPMENT PROGRAMS

[In thousands of dollars]

	Fiscal year 2013 enacted ¹	Fiscal year 2014 budget estimate	Committee recommendation
Small Business Development Centers	112,275	104,680	114,750
SCORE	6,986	6,520	7,140
Women’s Business Centers	13,972	13,050	14,000

ENTREPRENEURIAL DEVELOPMENT PROGRAMS—Continued

[In thousands of dollars]

	Fiscal year 2013 enacted ¹	Fiscal year 2014 budget estimate	Committee recommendation
Women's Business Council	996	900	1,000
Microloan Technical Assistance	19,960	19,850	20,000
Veterans Business Outreach Centers	2,495	2,500	2,500
PRIME	3,493		
Native American Outreach	1,248	1,050	2,000
7(j) Technical Assistance	3,094	2,790	3,100
HUBZone	2,495	2,000	2,000
Regional Innovation Clusters	4,990	5,000	5,000
Disaster Recovery ²	19,960		
Entrepreneurial Education and Growth Accelerators		45,000	15,000
Boots to Business		7,000	5,000
State Trade and Export Promotion [STEP]			20,000
Total, Entrepreneurial Development Programs	191,963	210,340	211,490

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.² Emergency funding provided in the Disaster Relief Appropriations Act, 2013 (division A of Public Law 113–2).

The Committee directs that the amounts provided for SBA's Entrepreneurial Development Programs, as specified in the table above, shall be administered in the same manner as previous years and shall not be reduced, reallocated, or reprogrammed to provide additional funds for other programs, initiatives, or activities.

Small Business Development Centers.—The Committee continues to support the Small Business Development Center [SBDC] Program and recommends \$114,750,000 for fiscal year 2014, \$2,475,000 above the fiscal year 2013 enacted level and \$10,070,000 above the budget request. The Committee is disappointed that the budget request again proposes to reduce support for the SBDC program. The SBDC network—which encompasses over 900 service centers across the Nation—provides management and technical assistance to an estimated 1.2 million small business owners and aspiring entrepreneurs each year. In particular, the Committee finds that procurement technical assistance provided at the local level by SBDCs is valuable for connecting local small businesses to procurement opportunities. As the economy struggles, SBDCs have reported a significant increase in demand for their expertise as businesses seek guidance on how to weather the economic downturn and as newly unemployed Americans look for advice on starting a small business as a new career path. Providing support for SBDCs is more critical than ever as our economy works to recover and grow. The Committee directs SBA to prioritize the continuation of a robust SBDC network and to partner with the network and SBA's other resource partners in the implementation of all of SBA's lending, entrepreneurial development, and procurement programs.

Microloan Program.—The Committee recommends \$20,000,000 for grants to Microloan intermediaries under the Microloan program for marketing, management, and technical assistance provided to borrowers. An additional \$4,600,000 is recommended under the heading “Business Loans Program Account” to support estimated lending volume of \$25,000,000 under the Microloan program.

Veterans Programs.—The Committee supports funding for veterans programs and provides \$2,500,000 for veterans business outreach centers. When determining the allocation of the funding, the Committee strongly encourages SBA to consider centers with significant experience in conducting outreach to veterans.

The Committee also recommends \$5,000,000 for SBA's Boots to Business program to assist veterans seeking to start their own businesses and create jobs. The Committee understands that SBA plans for Boots to Business to be accessible to all veterans and to become a standard portion of the curricula offered at the revised Transition Assistance Program [TAP] offered to service members, providing the option of entrepreneurship training to all of our Nation's veterans.

Native American Outreach.—SBA's Office of Native American Affairs works to ensure that American Indians, Alaska Natives, and Native Hawaiians seeking to create, develop, and expand small businesses have full access to SBA's entrepreneurial development, lending, and procurement programs. The Committee recommends \$2,000,000 for SBA's Native American outreach programs, an increase of \$950,000 above the budget request and \$752,000 above the fiscal year 2013 enacted level. The Committee directs SBA to submit a spending plan within 60 days of enactment detailing planned spending on Native American outreach programs in fiscal year 2014.

Regional Innovation Clusters.—The Committee recommends \$5,000,000 for SBA's regional innovation clusters. The Committee encourages SBA to support nonprofit organizations that provide business development services designed to accelerate industry sectors built on regional assets under the initiative.

State Trade and Export Program [STEP].—The Committee recommends \$20,000,000 for STEP for fiscal year 2014. STEP provides grants to states to supplement their export promotion programs with the goal of increasing the number of small businesses that are exporting and raising the value of exports for small businesses that are already exporting. States provide matching funds for STEP grants and have used funds to support trade missions, international marketing efforts, export counseling, and export trade show exhibits. The recommendation provides funding for the third and final year of the program, as authorized by the Small Business Jobs Act of 2010.

Entrepreneurial Education and Growth Accelerators.—The Committee recommends \$15,000,000 for the entrepreneurial education and growth accelerators programs requested by the President. The recommendation will allow SBA to expand its Entrepreneurial Education initiative, which provides intensive training to small business owners with existing small businesses that have completed the "startup" phase and are facing common, solvable challenges to sustain and grow their businesses. The recommendation will also allow SBA to provide grants, under a competitive process, to universities and private sector organizations to start a new or scale an existing growth accelerator program to support startups with high-growth potential. The Committee directs SBA to require \$4 of matching funds for every \$1 awarded under the growth accelerator program.

SALARIES AND EXPENSES

Appropriations, 2013 ^{1 2}	\$436,513,000
Budget estimate, 2014	485,923,000
Committee recommendation	254,833,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

² Includes emergency funding of \$20,000,000 in the Disaster Relief Appropriations Act, 2013 (division A of Public Law 113–2).

PROGRAM DESCRIPTION

The Salaries and Expenses appropriation provides for the overall operating expenses of the SBA, including compensation and benefits for staff located at headquarters, regional, and district offices, rent and other agency-wide costs, and operating costs for program offices, including the Office of Capital Access, Office of Credit Risk Management, Office of Entrepreneurial Development, Office of Investments and Innovation, Office of Government Contracting and Business Development, Office of International Trade, Office of Management and Administration, and for other program and supporting offices.

The Salaries and Expenses appropriation previously provided funding for non-credit business assistance programs. The Committee recommendation for fiscal year 2014 provides funding for those programs under a new appropriation titled “Entrepreneurial Development Programs”.

COMMITTEE RECOMMENDATION

The Committee recommendation provides \$254,833,000 for salaries and expenses of the SBA. The recommendation is \$181,680,000 below the fiscal year 2013 enacted level and is \$231,090,000 below the budget request. The decrease in funding recommended for fiscal year 2014 reflects the Committee recommendation to provide funding for non-credit business assistance programs under a new appropriation titled “Entrepreneurial Development Programs.” After adjusting for the recommended changes to the appropriations accounts, the recommendation represents an effective increase of \$10,323,000 to the fiscal year 2013 enacted level and an effective decrease of \$20,750,000 to the budget request.

Export Promotion.—As part of the administration’s Export Promotion Cabinet, the SBA has a goal of supporting 50,000 new small business exporters by 2017. The recommendation includes funding requested to support efforts to expand trade financing by commercial lending institutions and community banks, remove barriers to identifying and connecting to foreign buyers, and ensure that SBA’s resource partners are equipped to provide export counseling.

Procurement Center Representatives.—SBA’s Procurement Center Representatives [PCRs] promote small business participation in Federal contracting. The recommendation includes funding requested to enhance the PCR program to increase Federal contracting opportunities for small businesses, connect the Federal Government with more innovative small businesses, and save taxpayer dollars by increasing the competitiveness of Federal contracting. The Committee directs SBA to ensure that PCRs conduct outreach to local partners in order to leverage resources and share best practices.

Credit Risk Management.—The Committee recommends \$12,000,000 for SBA's Office of Credit Risk Management [OCRM]. In support of its mission to analyze and manage the risk of SBA's estimated \$75,000,000,000 loan portfolio, OCRM performs performance analytics to identify and understand lender performance trends and assess the quality of the overall loan portfolio. The Committee finds that OCRM plays a key role in eliminating waste, fraud, and abuse in SBA lending programs and protecting taxpayer losses on loans by ensuring lenders comply with procedures that mitigate the risk of loss under SBA's loan programs.

The Committee is concerned about the quality of lender oversight activities at SBA, particularly considering the magnitude of SBA's loan portfolio, and notes that SBA's Office of Inspector General [IG] continues to identify weaknesses in SBA's lender oversight process. SBA loan programs rely on numerous outside parties (e.g., private lenders, local economic development organizations, nonprofit community lenders, and venture capital investors) to complete loan transactions, and many of SBA's loans are made by lenders to whom SBA has delegated loan-making authority. For example, the SBA IG reports that in fiscal year 2011, approximately 67 percent of the dollars guaranteed under SBA's 7(a) program were made by lenders using delegated authorities. The Committee concurs with the SBA IG's finding that the risks inherent in delegated lending require an effective oversight program to: (1) monitor lender compliance with SBA policies and procedures; and (2) take corrective action when a material noncompliance is detected.

The Committee finds that credit risk management should be a key tenet of SBA's efforts to administer efficient and effective loan programs to ensure the best use of taxpayer dollars. The Committee directs SBA to report to the Committee within 90 days of enactment on the status of SBA's current credit risk management capabilities and how those capabilities can be strengthened. The report shall also include an analysis of the advantages and disadvantages of changing SBA's organizational structure so that OCRM is independent from SBA's Office of Capital Access and the director of OCRM reports directly to the SBA Administrator.

Finally, the Committee finds that the Loan and Lender Monitoring System [L/LMS] is a vital component of the SBA's technical capability to provide oversight of its largest lending programs, the 7(a) and 504 loan programs. OCRM uses L/LMS as a tool for managing the risk in the loan and lender portfolios. The Committee directs SBA to continue utilizing L/LMS to ensure that lenders are employing sound financial risk management techniques to manage and monitor risk within their SBA loan portfolios. The Committee directs SBA to maintain the current capabilities and capacity of the L/LMS system and encourages the agency to consider how updating or expanding the system could improve lender oversight capabilities.

Major Information Technology Acquisition.—The Committee recommends \$6,100,000 to continue development activities related to the modernization of SBA's agency-wide loan management and accounting system. Additional funding will be contributed from amounts provided for the administrative expenses of the Disaster Loans Program Account because the modernization supports that

program in addition to SBA's business loan programs. The Committee expects that appropriations provided for fiscal year 2014 will fulfill development funding required for the modernized system. Operation and maintenance costs for the new system will continue in future fiscal years, consistent with other information technology systems.

The Committee will continue to monitor progress on the modernization due to the risk inherent in major Federal information technology [IT] projects. The Government Accountability Office [GAO] finds that "Federal IT projects too frequently incur numerous cost overruns and schedule slippages while contributing little to mission-related outcome" (GAO 12-7). The Committee directs SBA to focus modernization activities on activities identified by GAO as common factors of successful Federal IT programs. In particular, the Committee directs SBA to ensure, consistent with GAO recommendations, that: (1) program officials actively engage with stakeholders; (2) senior agency executives support the program; (3) end users participate in testing of system functionality prior to formal end user acceptance testing; and (4) program officials maintain regular communication with contractors.

The Committee directs SBA to continue to report quarterly to the Committees on Appropriations summarizing the agency's progress regarding the modernization effort. The Committee directs that such reports shall include progress on time and budget, both estimated and planned, beginning with the first fiscal year of the modernization project. The Committee emphasizes the need for such reports to include plain language descriptions of the project in place of technical jargon.

Employee Ownership.—The Committee finds that employee ownership protects jobs, promotes economic growth, supports local economies, and is often a viable alternative for business owners considering succession. The Committee directs SBA to promote employee ownership in developing and implementing entrepreneurial development programs. The Committee also directs SBA to submit a report within 90 days of enactment on what SBA programs can do to promote employee ownership through training, education, and financing.

OFFICE OF INSPECTOR GENERAL

Appropriations, 2013 ^{1 2}	\$21,234,000
Budget estimate, 2014	19,400,000
Committee recommendation	19,400,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

² Includes emergency funding of \$5,000,000 in the Disaster Relief Appropriations Act, 2013 (division A of Public Law 113-2).

PROGRAM DESCRIPTION

The SBA Office of Inspector General conducts audits to identify wasteful expenditures and program mismanagement, investigates fraud and other wrongdoing, and takes other actions to deter and detect waste, fraud, abuse, and inefficiencies in SBA programs and operations.

COMMITTEE RECOMMENDATION

The Committee recommendation provides \$19,400,000 for the Office of Inspector General. The recommendation is \$1,834,000 below the fiscal year 2013 enacted level, which included \$5,000,000 in emergency funding, and is equal to the budget request.

The Committee directs the Inspector General to continue routine analysis and reporting on SBA's modernization of its loan management and accounting systems, including acquisition, contractor oversight, implementation, and progress regarding budget and schedule.

OFFICE OF ADVOCACY

Appropriations, 2013 ¹	\$9,102,000
Budget estimate, 2014	8,455,000
Committee recommendation	8,455,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The Office of Advocacy, an independent office within SBA, solicits and represents the views, concerns, and interests of small businesses before Congress, the White House, Federal agencies, Federal courts, and State policymakers.

COMMITTEE RECOMMENDATION

The Committee recommendation provides \$8,455,000 for the Office of Advocacy. The recommendation is \$647,000 below the fiscal year 2013 enacted level and is equal to the budget request.

The Committee is concerned that the Office of Advocacy is not sufficiently inclusive and transparent in soliciting and incorporating the views of small businesses into its processes, recommendations, and comments on Federal policies, activities, rulemakings, and legislation.

The Government Accountability Office [GAO] is currently undertaking an evaluation of the Office of Advocacy to review the extent to which it maintains and follows policies and procedures for determining when it will comment on the regulatory process, when it will comment on non-regulatory activities, and how it will solicit and accept input representing the varying perspectives of small businesses. The Committee looks forward to reviewing the GAO evaluation for informing future funding and policy recommendations.

The Committee directs the Office of Advocacy to submit a report to the Committee within 60 days of enactment detailing the process under which it solicits feedback from small businesses and ensures that its recommendations and comments represent a balanced perspective on the views of affected small business stakeholders.

BUSINESS LOANS PROGRAM ACCOUNT
(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2013 ¹	\$484,266,000
Budget estimate, 2014	263,160,000
Committee recommendation	263,160,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

SBA administers a variety of loan programs to expand entrepreneurs' access to capital to start and grow small businesses. The 7(a) loan program is the Federal Government's primary business loan program to assist small businesses in obtaining financing when they do not qualify for traditional credit. Under 7(a), SBA guarantees a portion (typically 75 to 90 percent) of loans made by private lenders. Under the 504 program, SBA supports loans to small businesses for financing major fixed assets such as real estate and major equipment. The 504 program combines SBA guaranteed loans made by nonprofit Certified Development Companies [CDCs] with loans from private lenders to provide financing for small businesses.

Under the Small Business Investment Company [SBIC] program, SBA partners with professionally managed investment funds, called SBICs. The SBICs combine their own capital with funds borrowed with an SBA guarantee to make investments in small businesses. Finally, under the Microloan program, SBA provides funds to specialized nonprofit, community-based intermediary lenders which provide small loans for working capital, inventory, and other operating expenses. The maximum Microloan is \$50,000 and the average loan made under the program is \$13,000.

COMMITTEE RECOMMENDATION

The Committee recommendation provides \$263,160,000. The recommendation is \$221,106,000 below the fiscal year 2013 enacted level and is equal to the budget request.

The recommendation provides \$151,560,000 for administrative expenses, which may be transferred to and merged with SBA salaries and expenses to cover the common overhead expenses associated with the business loans programs.

The recommendation provides \$4,600,000 for the Microloan direct loan program to support lending volume estimated at \$25,000,000. An additional amount of \$20,000,000 is recommended under the heading "Entrepreneurial Development Programs" for technical assistance grants to Microlending intermediaries. The Committee directs SBA to continue to conduct outreach to existing financial entities that may be well-suited to participate in the Microloan program so that the program can grow and expand access to microcapital across the country. SBA shall submit a written report to the Committees on Appropriations within 90 days of enactment summarizing the agency's plans for expanding the reach of the Microloan program.

The recommendation provides \$107,000,000 to subsidize \$7,500,000,000 of lending under the 504 guaranteed loan program. For a typical year, estimated fees collected from lenders and bor-

rowers fully offset estimated Government payments on losses under the 504 loan program. However, the budget requests funding for fiscal year 2014 because fee collections are not expected to offset the cost to the Government for that year due to circumstances related to the economic downturn. The recommended funding will allow SBA to continue operating the 504 loan program in fiscal year 2014. The Committee expects the 504 loan program to return to typical operation when the economy fully recovers. The recommendation does not include funding for fiscal year 2014 to subsidize the 7(a) program, consistent with the President's request, because fee collections are expected to fully offset the cost of the program, enabling lending volume of up to \$17,500,000,000.

DISASTER LOANS PROGRAM ACCOUNT
(INCLUDING TRANSFERS OF FUNDS)

Appropriations, 2013 ^{1 2}	\$896,065,000
Budget estimate, 2014 ³	191,900,000
Committee recommendation ³	191,900,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

² Includes emergency funding of \$779,000,000 in the Disaster Relief Appropriations Act, 2013 (division A of Public Law 113-2).

³ Includes \$158,650,000 in disaster relief funding pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985.

PROGRAM DESCRIPTION

SBA provides low-interest, long-term loans to businesses of all sizes, homeowners, renters, and nonprofit organizations affected by disasters. SBA disaster loans are the primary form of Federal assistance for the repair and rebuilding of non-farm, private sector disaster losses. SBA makes two types of disaster loans. Physical disaster loans are for permanent rebuilding and replacement of uninsured or underinsured disaster-damaged privately owned real and/or personal property and are available to businesses of all sizes, nonprofit organizations, homeowners, and renters. Economic Injury Disaster Loans provide necessary working capital for small businesses and nonprofit organizations until normal operations resume after a disaster.

COMMITTEE RECOMMENDATION

The Committee recommends \$191,900,000 for the administrative costs of the Disaster Loans program, \$704,165,000 below the fiscal year 2013 enacted level which included \$779,000,000 in emergency funding. The recommendation is equal to the budget request and, of the total recommendation, \$158,650,000 is designated by Congress as disaster relief pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985.

SBA is urged to promptly notify the Committee of the status of disasters requiring loan assistance. The Committee directs SBA to improve the quality of service and provide greater transparency for disaster loan applicants, particularly with regard to application status. The Committee directs SBA to submit a report to the Committee within 90 days of enactment describing the feasibility of a secure Web portal for disaster loan applicants, including an estimate of the cost of such Web portal, a detailed description of poten-

tial new capabilities, and an analysis of private sector best practices for status tracking.

The Committee is concerned that SBA has not yet initiated pilot testing of the Expedited Disaster Loan Program and the Immediate Disaster Assistance Program authorized by Public Law 110–234. The Committee notes that funding provided for those programs remains unused. The Committee urges SBA to test both of these programs in response to disasters occurring in fiscal year 2014 in order to best ready these programs for future disaster response.

ADMINISTRATIVE PROVISIONS—SMALL BUSINESS ADMINISTRATION
(INCLUDING TRANSFER OF FUNDS)

Section 530 continues a provision concerning transfer authority and availability of funds.

Section 531 authorizes SBA to carry out section 1122 of Public Law 111–240 during fiscal year 2014.

UNITED STATES POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

Appropriations, 2013 ¹	\$78,153,000
Budget estimate, 2014	70,751,000
Committee recommendation	70,751,000

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

PROGRAM DESCRIPTION

The Post Office dates back to 1775. It became the Postal Service in 1971 as an independent establishment of the executive branch of the United States Government. The Postal Service’s basic function and obligation is to provide postal services to bind the Nation together through the personal, educational, literary, and business correspondence of the people. Its mission is to provide prompt, reliable, and efficient services to patrons in all areas and render postal services to all communities. The Postal Service does not depend upon taxpayer subsidies through discretionary appropriations for its operations but generates nearly all of its more than \$65,000,000,000 in annual gross operating revenue by charging users of the mail for the costs of postage, products, and services.

COMMITTEE RECOMMENDATION

The Committee recommends appropriations totaling \$70,751,000 for payment to the Postal Service Fund, a decrease of \$7,402,000 below the fiscal year 2013 enacted level and the same as the budget request.

This amount constitutes an advance appropriation for fiscal year 2015 to compensate for revenue forgone on free mail for the blind and for overseas voters.

The Committee includes provisions in the bill to ensure that mail for overseas voting and mail for the blind shall continue to be free; that 6-day delivery and rural delivery of mail shall continue without reduction; and that none of the funds provided be used to consolidate or close small rural and other small post offices in fiscal year 2014.

Mail Delivery.—Since fiscal year 1981, annual appropriations bills have each included language requiring 6-day per week postal delivery. The Committee believes that 6-day mail delivery is one of the most important services provided by the Federal Government to its citizens. Especially in rural and small-town America, this critical postal service is the linchpin that serves to bind the Nation together.

Fiscal Health.—The Committee remains concerned about the fragile fiscal health of the Postal Service. The Postal Service continues to experience unsustainable financial losses, threatening its viability. Decline in first-class mail volume continues to have a staggering impact on the Postal Service.

The most recent financial report issued in May 2013 reflected a net loss of \$1,900,000,000 in the second quarter of 2013, compared with a \$1,300,000,000 loss in the first quarter. Operating revenues of \$16,300,000,000 for the second quarter were \$121,000,000 higher than the same period a year ago, largely attributable to receipts from package delivery services and advertising mail. The revenue boost marked the first revenue increase in 5 years, a positive fiscal indicator. Although the Postal Service's expenses were \$1,200,000,000 less than the same period in 2012, the overall expenses of \$18,200,000,000 for the quarter offset the otherwise healthy increase in revenue to produce the net loss. Quarterly mail volume declined to 38,800,000,000 pieces, down from 39,400,000,000 pieces for the same period a year ago. Revenue from first-class mail, which is the largest source of Postal Service revenue, declined by \$198,000,000 or 2.7 percent, from the revenue realized in the same period last year, and first-class mail volume declined by 713 million pieces, or 4.1 percent.

Postal Retail Network.—The Committee acknowledges that on May 9, 2012, the Postal Service announced its intent to implement a strategy to balance the need for continued retail services while achieving cost savings that will not result in the wholesale shuttering of small and rural post offices but could modify retail window hours. The Committee appreciates the Postal Service's need to adjust its infrastructure, but emphasizes that it is imperative to evaluate the perspectives of affected postal customers in determining the most viable solution for any community impacted by the proposed changes.

The Committee notes that on August 23, 2012, the Postal Regulatory Commission [PRC] issued an advisory opinion on the Post Office Structure Plan to match post office retail hours with workload. While the PRC found the plan to be consistent with public policy, the PRC offered a number of concrete recommendations to further enhance the initiative, particularly concerning access, community input, revenue and staffing. For example, in surveying communities, postal customers should be provided clear choice between alternatives. Moreover, the PRC stressed the importance of an internal review and data collection plan to monitor and measure changes in revenue to help evaluate whether the initiative is meeting its objectives and goals. To preserve adequate retail access and maintain universal service, the Committee strongly urges the Postal Service to incorporate the recommendations of the PRC into its conduct of the structure plans.

The Committee strongly urges the Postal Service to continue to expand the co-location of postal services and other innovative approaches to serving communities, significantly grow its inventory of automated postal centers for self-service access particularly in currently underserved areas, and widely disseminate information through national advertising promoting the benefits to postal customers of on-line and self-service options.

Consolidation of Mail Processing Facilities.—The Postal Service is developing and implementing a major realignment of its postal facilities to achieve greater efficiencies, reduce redundancies, and realize cost savings. Many questions and concerns remain unanswered about how consolidation of the processing and transportation networks will impact current nationwide delivery service standards for first-class mail, periodicals, package services, and standard mail, as well as how the postal workforce, mailers, customers, and communities may be impacted by the realignment decisions.

As proposed, the Postal Service would eliminate overnight service for first-class mail and periodicals, and would instead provide 2- and 3-day delivery service. These service standard changes are contemplated in order to capture significant cost savings from the proposed consolidation of a significant portion of the mail processing and transportation networks.

In July 2012, the Postal Service proceeded with a phased implementation plan that included interim services standards until January 31, 2014, generally preserving most overnight first-class mail service, and consolidating 140 plants.

The Committee understands that on September 28, 2012, the PRC issued an advisory opinion analyzing the Postal Service's plan to close and consolidate 229 of its 461 processing plants to better match declining mail volume and achieve savings. The Committee notes that the PRC identified potential net savings estimates lower than levels projected by the Postal Service. The PRC focused on the utility of more robust modeling in selecting facilities for closure, emphasizing that actual plant productivities are best measured by comparing work hours to the volume of mail processed, rather than the physical size of the plant.

The PRC also cautioned that projected cost savings may be offset by volume losses if mailers decide that changed service levels no longer meet their needs. The PRC urged the Postal Service to adopt a plan to better inform all customers of the service they can expect to receive, and to develop and inform mailers of a transportation hub plan.

The Committee remains concerned that the information provided by the Postal Service to customers concerning the potential decline in the service they may experience is vague and inadequate. The Committee underscores the need for the Postal Service to assimilate the PRC's recommendations as facilities designated for study are selected and assessed.

The Committee directs the Postal Service to submit a report to the Committee, no later than 45 days following enactment of this act, describing the extent to which each of the recommendations of the PRC have been adopted.

To ensure a fair and transparent process for decisions about mail processing facilities, the Committee directs the Postal Service to conduct a public community meeting and obtain the results of an audit by the Postal Service Inspector General showing that the prior study is no longer valid before closing or consolidating a mail processing facility that has been recently studied for closure that was either terminated, suspended, or halted.

The Committee is concerned that the U.S. Postal Service’s Network Optimization Plan, as finalized on July 1, 2012 and published in the Federal Register under 39 CFR Part 121, has resulted in service delivery standards in some areas at levels below the quality enjoyed in other states. For this reason the Committee directs the Government Accountability Office [GAO] to study and report to the Committee by January 15, 2014, on the extent to which relaxed service standards for alternate means of transportation [AMOT] implemented by the U.S. Postal Service based on its July, 2012 Network Optimization Plan have disproportionately impacted mailers and postal customers in states or regions of the country that depend on AMOT for normal delivery and whether such impacts have resulted in inequities in ensuring universal service.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2013 ¹	\$240,985,000
Budget estimate, 2014	241,468,000
Committee recommendation	241,468,000

¹ Exempt from sequester of funds pursuant to section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act, as amended.

PROGRAM DESCRIPTION

The United States Postal Service Office of Inspector General [OIG] is an independent organization established in 1996 and charged with reporting to Congress on the overall efficiency, effectiveness, and economy of Postal Service programs and operations. The OIG plays a key role in maintaining the integrity and accountability of America’s postal service, its revenue and assets, and its employees. The OIG meets this responsibility by conducting and supervising objective and independent audits, investigations, and other reviews.

In fiscal year 2012, the OIG issued 208 audit reports, of which 52 indicated financial impact in the form of funds put to better use, questioned costs, or potential revenue of \$12,072,831,145. The OIG completed 3,993 investigative cases, secured 1,119 arrests and indictments, and referred 1,679 administrative actions. The Inspector General’s investigations of injury compensation fraud, financial fraud, and contract fraud produced a total of \$189,193,265 in cost avoidance during fiscal year 2012. Cumulative fines, restitution, and recoveries totaled \$2,281,277,293. There were 112,087 hotline contacts.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation, out of the Postal Fund, of \$241,468,000 for the United States Postal Service Office of Inspector General. This amount is \$483,000 above the fiscal year 2013 funding level and the same as the budget request. The Committee appreciates the efforts of the Inspector General to perform its exemplary audit and investigative work under severe spending constraints.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

Appropriations, 2013 ¹	\$50,977,000
Budget estimate, 2014	52,653,294
Committee recommendation	52,653,294

¹ Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

PROGRAM DESCRIPTION

The U.S. Tax Court is an independent judicial body in the legislative branch established in 1969 under Article I of the Constitution of the United States. The Court was created to provide a national forum for the resolution of disputes between taxpayers and the Internal Revenue Service, resolve cases expeditiously while giving careful consideration to the merits of each matter, and ensure the uniform interpretation of the Internal Revenue Code.

The Tax Court is one of three courts in which taxpayers can bring suit to contest IRS liability determinations, and the only one in which taxpayers can do so without prepaying any portion of the disputed taxes. The matters over which the Court has jurisdiction are set forth in various sections of title 26 of the United States Code.

The Court is composed of 19 judges, one of whom the judges elect as chief judge. Tax Court judges are appointed to 15-year terms by the President with the advice and consent of the Senate. In their judicial duties the judges are assisted by senior judges, who participate in the adjudication of regular cases, and by special trial judges, who hear small tax cases and certain regular cases assigned to them by the chief judge.

The Court conducts trial sessions in 74 cities throughout the United States, including Hawaii and Alaska. Decisions by the Court are reviewable by the U.S. Courts of Appeals and, if certiorari is granted, by the Supreme Court.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$52,653,294 for the U.S. Tax Court. This amount is \$1,676,294 above the fiscal year 2013 enacted level and the same as the budget request.

STATEMENT CONCERNING GENERAL PROVISIONS

The Financial Services and General Government appropriations bill includes general provisions which govern both the activities of the agencies covered by the bill, and, in some cases, activities of

agencies, programs, and general government activities that are not specifically covered by the bill.

The bill contains a number of general provisions that have been carried in this bill for many years and which are routine in nature and scope. General provisions in the bill are explained under this section of the report. Those general provisions that deal with a single agency only are shown as administrative provisions immediately following that particular agency's or department's appropriation accounts in the bill. Those provisions that address activities or directives affecting all of the agencies covered in this bill are contained in title VI. General provisions that are Governmentwide in scope are specified in title VII of this bill. General provisions applicable to the District of Columbia are set forth in title VIII of this bill.

TITLE VI

GENERAL PROVISIONS—THIS ACT

Section 601 continues the provision prohibiting pay and other expenses of non-Federal parties intervening in regulatory or adjudicatory proceedings funded in this act.

Section 602 continues the provision prohibiting obligations beyond the current fiscal year and prohibits transfers of funds unless expressly provided.

Section 603 continues the provision limiting expenditures for any consulting service through procurement contracts where such expenditures are a matter of public record and available for public inspection.

Section 604 continues the provision prohibiting funds in this act from being transferred without express authority.

Section 605 continues the provision prohibiting the use of funds to engage in activities that would prohibit the enforcement of section 307 of the 1930 Tariff Act (46 Stat. 590).

Section 606 continues the provision prohibiting the use of funds unless the recipient agrees to comply with the Buy American Act.

Section 607 continues the provision prohibiting funding for any person or entity convicted of violating the Buy American Act.

Section 608 continues the provision authorizing the reprogramming of funds and specifies the reprogramming procedures for agencies funded by this act.

Section 609 continues the provision ensuring that 50 percent of unobligated balances may remain available for certain purposes.

Section 610 continues the provision restricting the use of funds for the Executive Office of the President to request official background reports from the Federal Bureau of Investigation without the written consent of the individual who is the subject of the report.

Section 611 continues the provision ensuring that the cost accounting standards shall not apply with respect to a contract under the Federal Employees Health Benefits Program.

Section 612 continues the provision allowing use of certain funds relating to nonforeign area cost of living allowances.

Section 613 continues the provision waiving restrictions on the purchase of nondomestic articles, materials, and supplies in the case of acquisition by the Federal Government of information technology.

Section 614 continues a provision on the acceptance by agencies or commissions funded by this act, or by their officers or employees, of payment or reimbursement for travel, subsistence, or related expenses from any person or entity (or their representative) that engages in activities regulated by such agencies or commissions.

Section 615 continues a provision allowing the Public Company Accounting Oversight Board to obligate amounts collected from monetary penalties for the purpose of funding scholarships for accounting students, as authorized by the Sarbanes-Oxley Act of 2002 (Public Law 107–204).

Section 616 continues a provision permitting the Securities and Exchange Commission and the Commodity Futures Trading Commission to fund a joint advisory committee to advise on emerging regulatory issues, notwithstanding section 708 of this act.

Section 617 continues the provision requiring certain agencies to provide quarterly reports on unobligated prior year fund balances.

Section 618 continues the provision requiring agencies covered by this act with independent leasing authority to consult with the General Services Administration before seeking new office space or making alterations to existing office space.

Section 619 continues the provision prohibiting expenditure of funds to any corporation with certain unpaid Federal tax liabilities unless the agency has considered suspension or debarment of the corporation and made a determination that further action is not necessary to protect the interests of the Government.

Section 620 continues the provision prohibiting the expenditure of funds to any corporation that was convicted of a felony criminal violation within the preceding 24 months unless the agency has considered suspension or debarment of the corporation and made a determination that further action is not necessary to protect the interests of the Government.

Section 621 is a new provision related to electronic filing of campaign finance reports by Senators and candidates seeking election to the Senate.

Section 622 continues a provision relating to use of funds for certain terrestrial operations by commercial providers in broadcast spectrum.

Section 623 is a new provision eliminating a requirement that a separate homeland security funding analysis be included with the President's annual budget.

Section 624 is a new provision that adjusts for inflation certain filing fees related to mergers.

Section 625 is a new provision relating to agency reporting requirements under the American Recovery and Reinvestment Act of 2009.

Section 626 is a new provision requiring that agency budget justifications include a separate table and explanations relating to management challenges identified by Inspectors General.

Section 627 is a new provision establishing a working group to facilitate cooperation between the Federal Trade Commission and the Commodity Futures Trading Commission with respect to petroleum markets.

Section 628 is a new provision relating to travel to Cuba for professional research or professional meetings or conferences related to disaster prevention, emergency preparedness, and natural resource protection.

TITLE VII
GENERAL PROVISIONS—GOVERNMENTWIDE
DEPARTMENTS, AGENCIES, AND CORPORATIONS
(INCLUDING TRANSFERS OF FUNDS)

Section 701 continues the provision requiring agencies to administer a policy designed to ensure that all of its workplaces are free from the illegal use of controlled substances.

Section 702 continues the provision setting specific limits on the cost of passenger vehicles purchased by the Federal Government with exceptions for police, heavy duty, electric hybrid, and clean fuels vehicles with an exception for commercial vehicles that operate on emerging motor vehicle technology.

Section 703 continues the provision allowing funds made available to agencies for travel to also be used for quarters allowances and cost-of-living allowances.

Section 704 continues the provision prohibiting the government, with certain specified exceptions, from employing non-U.S. citizens whose posts of duty would be in the continental United States.

Section 705 continues the provision ensuring that agencies will have authority to pay the General Services Administration for space renovation and other services.

Section 706 continues the provision allowing agencies to use receipts from the sale of materials for acquisition, waste reduction and prevention, environmental management programs, and other Federal employee programs.

Section 707 continues the provision providing that funds for administrative expenses may be used to pay rent and other service costs in the District of Columbia.

Section 708 continues the provision precluding interagency financing of groups absent prior statutory approval.

Section 709 continues the provision prohibiting the use of appropriated funds for enforcing regulations disapproved in accordance with the applicable law of the United States.

Section 710 continues the provision limiting the amount that can be used for redecoration of offices under certain circumstances.

Section 711 continues the provision that permits interagency funding of national security and emergency preparedness telecommunications initiatives, which benefit multiple Federal departments, agencies, and entities.

Section 712 continues the provision requiring agencies to certify that a schedule C appointment was not created solely or primarily to detail the employee to the White House.

Section 713 continues the provision prohibiting the use of funds to prevent Federal employees from communicating with Congress

or to take disciplinary or personnel actions against employees for such communication.

Section 714 continues the provision prohibiting Federal training not directly related to the performance of official duties.

Section 715 continues the provision prohibiting the use of appropriated funds for publicity or propaganda designed to support or defeat legislation pending before Congress.

Section 716 continues the provision prohibiting the use of appropriated funds by an agency to provide home addresses of Federal employees to labor organizations, absent employee authorization, or court order.

Section 717 continues the provision prohibiting the use of appropriated funds to provide nonpublic information such as mailing or telephone lists to any person or organization outside of the Government without approval of the Committees on Appropriations.

Section 718 continues the provision prohibiting the use of appropriated funds for publicity or propaganda purposes within the United States not authorized by Congress.

Section 719 continues the provision directing agencies' employees to use official time in an honest effort to perform official duties.

Section 720 continues the provision authorizing the use of current fiscal year funds to finance an appropriate share of the Federal Accounting Standards Advisory Board administrative costs.

Section 721 continues a provision authorizing the transfer of funds to the General Services Administration to finance an appropriate share of various governmentwide boards and councils under certain conditions.

Section 722 continues the provision authorizing breastfeeding at any location in a Federal building or on Federal property.

Section 723 continues the provision permitting interagency funding of the National Science and Technology Council, and requiring an OMB report on the budget and resources of the Council.

Section 724 continues the provision requiring identification of the Federal agencies providing Federal funds and the amount provided for all proposals, solicitations, grant applications, forms, notifications, press releases, or other publications related to the distribution of funding to a State.

Section 725 continues the provision prohibiting the use of funds to monitor personal information relating to the use of Federal Internet sites.

Section 726 continues the provision regarding contraceptive coverage under the Federal Employees Health Benefits Plan.

Section 727 continues the provision recognizing that the United States is committed to ensuring the health of the Olympic, Pan American and Paralympic athletes, and supports the strict adherence to antidoping in sport activities.

Section 728 continues the provision allowing departments and agencies to use official travel funds to participate in the fractional aircraft ownership pilot programs.

Section 729 continues the provision prohibiting funds for implementation of OPM regulations limiting detailees to the legislative branch and placing certain limitations on the Coast Guard Congressional Fellowship program.

Section 730 continues the provision prohibiting the expenditure of funds for the acquisition of certain additional Federal law enforcement training facilities.

Section 731 continues a provision that prohibits the use of funds to begin or announce a study or a public-private competition regarding the conversion to contractor performance of any function performed by civilian Federal employees pursuant to Office of Management and Budget Circular A-76 or any other administrative regulation, directive, or policy.

Section 732 continues a provision that prohibits executive branch agencies from creating or funding prepackaged news stories that are broadcast or distributed in the United States unless specific notification conditions are met.

Section 733 continues a provision prohibiting funds used in contravention of the Privacy Act, section 552a of title 5, United States Code or section 522.224 of title 48 of the Code of Federal Regulations.

Section 734 continues and makes permanent a provision requiring OMB to submit a crosscut budget report on Great Lakes restoration activities not later than 45 days after the submission of the budget of the President to Congress.

Section 735 continues a provision prohibiting funds in this or any other act from being used for a Federal contract with inverted corporations, unless the contract preceded this act or the Secretary grants a waiver in the interest of national security.

Section 736 prohibits the Office of Personnel Management or any other agency from using funds to implement regulations changing the competitive areas under reductions-in-force for Federal employees.

Section 737 modifies a provision enacted in fiscal year 2010 requiring agency compilation of inventories of service contracts.

Section 738 directs OMB to issue guidance relating to the ban on direct conversion to contract performance of work performed by Federal employees, absent public-private competition.

Section 739 continues a provision requiring agencies to remit to the Civil Service Retirement and Disability Fund an amount equal to the Office of Personnel Management's average unit cost of processing a retirement claim for the preceding fiscal year to be available to the Office of Personnel Management for the cost of processing retirements of employees who separate under Voluntary Early Retirement Authority or who receive Voluntary Separation Incentive Payments.

Section 740 prohibits certain personnel management constraints.

Section 741 limits the pay increases of certain prevailing rate employees.

Section 742 eliminates automatic statutory pay increases for the Vice President, political appointees paid under the executive schedule, ambassadors who are not career members of the Foreign Service, politically appointed (noncareer) Senior Executive Service employees, and any other senior political appointee paid at or above level IV of the executive schedule.

Section 743 modifies the formula for calculating the cap on the amount that the Federal Government reimburses Federal contractors for executive compensation.

Section 744 continues a provision requiring reports to Inspectors General concerning expenditures for agency conferences.

Section 745 declares the inapplicability of these general provisions to title IV and title VIII.

Given the need for transparency and accountability in the Federal budgeting process, and that the Consumer Financial Protection Bureau's budget is funded independently of the annual appropriations spending bills, the Committee directs the Bureau to provide an informal, nonpublic full briefing at least annually before the relevant Appropriations subcommittee on the Bureau's finances and expenditures.

TITLE VIII
GENERAL PROVISIONS—DISTRICT OF COLUMBIA
(INCLUDING TRANSFER OF FUNDS)

Section 801 continues the provision that appropriates funds for refunding overpayments of taxes collected and for paying settlements and judgments against the District of Columbia government.

Section 802 continues the provision that prohibits the use of Federal funds for publicity or propaganda purposes.

Section 803 continues the provision that establishes notification requirements for certain reprogramming and transfer requirements with respect to funds and specifies a timeframe for approval and execution of requests to reprogram and transfer local funds.

Section 804 continues the provision that prohibits the use of Federal funds for salaries, expenses, or other costs associated with the offices of U.S. Senator or Representative under section 4(d) of the D.C. Statehood Constitutional Convention Initiatives of 1979.

Section 805 continues the provision that restricts the use of official vehicles to official duties and not between a residence and workplace, except under certain circumstances.

Section 806 continues the provision that prohibits the use of Federal funds by the District of Columbia Attorney General or any other officer or entity of the District government to provide assistance for any petition drive or civil action which seeks to require Congress to provide for voting representation in Congress for the District of Columbia.

Section 807 continues the provision that prohibits the use of Federal funds in this act to distribute, for the purpose of preventing the spread of blood borne pathogens, sterile needles or syringes in any location that has been determined by local public health officials or local law enforcement authorities to be inappropriate for such distribution.

Section 808 continues the provision that includes a “conscience clause” on legislation that pertains to contraceptive coverage by health insurance plans.

Section 809 continues the provision prohibiting use of Federal funds to change the legality of marijuana use.

Section 810 restricts the use of Federal funds for abortion, with certain exceptions.

Section 811 continues a provision requiring the submittal of a revised appropriated funds operating budget that reflects the total amount of the approved appropriation and realigns all budget data for personal services and other-than-personal-services with anticipated actual expenditures.

Section 812 continues a provision requiring the submittal of a revised appropriated funds budget for the District of Columbia Schools that aligns the schools’ budgets to actual enrollment.

Section 813 continues, with modification, a provision authorizing the transfer of local funds to capital and enterprise funds.

Section 814 is a new provision that prohibits obligations beyond the current fiscal year and prohibits transfers of funds unless expressly provided.

Section 815 is a new provision that ensures that 50 percent of unobligated balances may remain available for certain purposes.

Section 816 is a new provision relating to the transmission of the District of Columbia local budget to the Congress.

Section 817 is a new provision permitting the District of Columbia to obligate and expend local funds upon enactment by the District of Columbia government of its annual budget and to establish the start of the local fiscal year.

Section 818 is a new provision granting the District of Columbia authority to spend local funds if the District's budget has not been approved by Congress at the start of a fiscal year.

Section 819 is a new provision allowing the expenditure of funds by the District of Columbia under certain contingency fee contracts for the provision of legal services.

Section 820 continues the provision which limits references to "this Act" as referring to only this title.

COMPLIANCE WITH PARAGRAPH 7, RULE XVI OF THE
STANDING RULES OF THE SENATE

Paragraph 7 of rule XVI requires that Committee reports on general appropriations bills identify each Committee amendment to the House bill “which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session.”

The Committee is filing an original bill, which is not covered under this rule, but reports this information in the spirit of full disclosure.

Items providing funding for fiscal year 2014 which lack authorization are as follows:

Department of the Treasury

Departmental Offices
Department-wide Systems and Capital Investments
Office of the Inspector General
Inspector General for Tax Administration
Financial Crimes Enforcement Network
Fiscal Service
Alcohol and Tobacco Tax and Trade Bureau
Community Development Financial Institutions Fund
Internal Revenue Service:
Taxpayer Services
Enforcement
Operations Support
Business Systems Modernization

Executive Office of the President

Office of Management and Budget
Office of National Drug Control Policy

District of Columbia

Federal Payment for Resident Tuition Support
Federal Payment for the District of Columbia Water and Sewer Authority
Federal Payment for Judicial Commissions
Federal Payment for the D.C. National Guard

Independent Agencies

Administrative Conference of the United States
Election Assistance Commission
Federal Communications Commission
Federal Election Commission
Federal Trade Commission
General Services Administration:

E-Government Fund
 Federal Buildings Fund ¹
 Merit Systems Protection Board
 National Archives and Records Administration, National Historical Publications and Records Commission
 National Credit Union Administration: Community Development Revolving Loan Fund
 Office of Government Ethics
 Office of Special Counsel

COMPLIANCE WITH PARAGRAPH 7(c), RULE XXVI OF THE
 STANDING RULES OF THE SENATE

Pursuant to paragraph 7(c) of rule XXVI, on July 25, 2013, the Committee ordered favorably reported an original bill (S. 1371) making appropriations for financial services and general government for the fiscal year ending September 30, 2014, and for other purposes, provided that the bill be subject to amendment and that the bill be consistent with the subcommittee funding guidance, by a recorded vote of 16–14, a quorum being present. The vote was as follows:

Yeas	Nays
Chairwoman Mikulski	Mr. Shelby
Mr. Leahy	Mr. Cochran
Mr. Harkin	Mr. McConnell
Mrs. Murray	Mr. Alexander
Mrs. Feinstein	Ms. Collins
Mr. Durbin	Ms. Murkowski
Mr. Johnson	Mr. Graham
Ms. Landrieu	Mr. Kirk
Mr. Reed	Mr. Coats
Mr. Pryor	Mr. Blunt
Mr. Tester	Mr. Moran
Mr. Udall	Mr. Hoeven
Mrs. Shaheen	Mr. Johanns
Mr. Merkley	Mr. Boozman
Mr. Begich	
Mr. Coons	

COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE
 STANDING RULES OF THE SENATE

Paragraph 12 of rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute include “(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which

¹Deposits into the Federal Buildings Fund are available for real property management and related activities in the amounts specified in annual appropriations laws, as provided by 40 U.S.C. 592.

would be made by the bill or joint resolution if enacted in the form recommended by the Committee.”

In compliance with this rule, changes in existing law proposed to be made by the bill are shown as follows: existing law to be omitted is enclosed in black brackets; new matter is printed in italic; and existing law in which no change is proposed is shown in roman.

TITLE 2—THE CONGRESS

CHAPTER 14—FEDERAL ELECTION CAMPAIGNS

Subchapter I—Disclosure of Federal Campaign Funds

§ 432. Organization of political committees

(a) Treasurer; vacancy; official authorizations

* * * * *

[(g) Filing with and receipt of designations, statements, and reports by Secretary of Senate; forwarding to Commission; filing requirements with Commission; public inspection and preservation of designations, etc.]

[(1) Designations, statements, and reports required to be filed under this Act by a candidate for the office of Senator, by the principal campaign committee of such candidate, and by the Republican and Democratic Senatorial Campaign Committees shall be filed with the Secretary of the Senate, who shall receive such designations, statements, and reports, as custodian for the Commission.]

[(2) The Secretary of the Senate shall forward a copy of any designation, statement, or report filed with the Secretary under this subsection to the Commission as soon as possible (but no later than 2 working days) after receiving such designation, statement, or report.]

[(3) All designations, statements, and reports required to be filed under this Act, except designations, statements, and reports filed in accordance with paragraph (1), shall be filed with the Commission.]

[(4) The Secretary of the Senate shall make the designations, statements, and reports received under this subsection available for public inspection and copying in the same manner as the Commission under section 438(a)(4) of this title, and shall preserve such designations, statements, and reports in the same manner as the Commission under section 438(a)(5) of this title.]

(g) Filing of Designations, Statements, and Reports With the Commission

All designations, statements, and reports required to be filed under this Act shall be filed with the Commission.

TITLE 5—GOVERNMENT ORGANIZATION AND EMPLOYEES

PART III—EMPLOYEES

Subpart I—Miscellaneous

CHAPTER 95—PERSONNEL FLEXIBILITIES RELATING TO THE INTERNAL REVENUE SERVICE

§ 9503. Streamlined critical pay authority

(a) Notwithstanding section 9502, and without regard to the provisions of this title governing appointments in the competitive service or the Senior Executive Service and chapters 51 and 53 (relating to classification and pay rates), the Secretary of the Treasury may, **[Before September 30, 2013]** *before September 30, 2015*, establish, fix the compensation of, and appoint individuals to, designated critical administrative, technical, and professional positions needed to carry out the functions of the Internal Revenue Service, if—

(1) * * *

* * * * *

(5) the terms of such appointments are limited to no more than 4 years *renewable for an additional two years, based on a critical organizational need*;

TITLE 10—ARMED FORCES

Subtitle A—General Military Law

PART IV—SERVICE, SUPPLY, AND PROCUREMENT

CHAPTER 137—PROCUREMENT GENERALLY

§ 2324. Allowable costs under defense contracts

(e) SPECIFIC COSTS NOT ALLOWABLE.—(1) * * *

(A) * * *

* * * * *

[(P) Costs of compensation of any contractor employee for a fiscal year, regardless of the contract funding source, to the extent that such compensation exceeds the benchmark compensation amount determined applicable for the fiscal year by the Administrator for Federal Procurement Policy under section 1127 of title 41, except that the Secretary of Defense may establish one or more narrowly targeted exceptions for scientists and engineers upon a determination that such exceptions are needed to ensure that the Department of Defense has continued access to needed skills and capabilities.]

(P) Costs of compensation of any contractor employees for a fiscal year, regardless of the contract funding source, to the extent that such compensation exceeds the annual amount paid to the President in accordance with section 102 of title 3, except that the head of the agency may establish one or more narrowly targeted exceptions for scientists, engineers, or other specialists

upon a determination that such exceptions are needed to ensure that the agency has continued access to needed skills and capabilities.

TITLE 12—BANKS AND BANKING

CHAPTER 47—COMMUNITY DEVELOPMENT BANKING

Subchapter I—Community Development Banking and Financial Institutions

§ 4713a Guarantees for bonds and notes issued for community or economic development purposes

(a) Definitions

* * * * *

[(h) Authorization of appropriations

[(1) In general

【There are authorized to be appropriated to the Secretary, such sums as are necessary to carry out this section.

[(2) Use of fees

【To the extent that the amount of funds appropriated for a fiscal year under paragraph (1) are not sufficient to carry out this section, the Secretary may use the fees collected under subsection (g) for the cost of providing guarantees of bonds and notes under this section.】

(h) FEDERAL CREDIT REFORM ACT.—The provisions of this section satisfy the requirements of subsections (b) and (e) of section 504 of the Congressional Budget Act of 1974.

* * * * *

[(k) Termination

This section is repealed, and the authority provided under this section shall terminate, on September 30, 2014.】

TITLE 15—COMMERCE AND TRADE

CHAPTER 1—MONOPOLIES AND COMBINATIONS IN RESTRAINT OF TRADE

§ 18a. Premerger notification and waiting period

(a) Filing

* * * * *

ASSESSMENT AND COLLECTION OF FILING FEES

Pub. L. 101–162, title VI, § 605, Nov. 21, 1989, 103 Stat. 1031, as amended by Pub. L. 101–302, title II, May 25, 1990, 104 Stat. 217; Pub. L. 102–395, title I, Oct. 6, 1992, 106 Stat. 1847; Pub. L. 103–317, title I, Aug. 26, 1994, 108 Stat. 1739; Pub. L. 106–553,

§ 1(a)(2) [title VI, § 630(b)], Dec. 21, 2000, 114 Stat. 2762, 2762A-109, provided that:

“(a) * * *

“(b) **【The filing fees】** *Subject to subsection (c), the filing fees referred to in subsection (a) are—*

“(1) **【\$45,000】** *\$60,000 if the aggregate total amount determined under section 7A(a)(2) of the Clayton Act (15 U.S.C. 18a(a)(2)) is less than \$100,000,000 (as adjusted and published for each fiscal year beginning after September 30, 2004, in the same manner as provided in section 8(a)(5) of the Clayton Act (15 U.S.C. 19(a)(5)) to reflect the percentage change in the gross national product for such fiscal year compared to the gross national product for the year ending September 30, 2003);*

“(2) **【\$125,000】** *\$170,000 if the aggregate total amount determined under section 7A(a)(2) of the Clayton Act (15 U.S.C. 18a(a)(2)) is not less than \$100,000,000 (as so adjusted and published) but less than \$500,000,000 (as so adjusted and published); **【and】***

“(3) **【\$280,000】** *\$375,000 if the aggregate total amount determined under section 7A(a)(2) of the Clayton Act (15 U.S.C. 18a(a)(2)) is not less than \$500,000,000 (as so adjusted and published)**【.】** but less than \$1,000,000,000 (as so adjusted and published); and*

“(4) *\$500,000 if the aggregate total amount determined under section 7A(a)(2) of the Clayton Act (15 U.S.C. 18a(a)(2)) is not less than \$1,000,000,000 (as so adjusted and published).”*

“(c) *For fiscal year 2016, and each fiscal year thereafter, the Federal Trade Commission shall publish in the Federal Register and increase the amount of each filing fee under subsection (b) in the same manner and on the same dates as provided under section 8(a)(5) of the Clayton Act (15 U.S.C. 19(a)(5)) to reflect the percentage change in the gross national product for the fiscal year as compared to the gross national product for fiscal year 2013 except that the Federal Trade Commission—*

“(1) *shall round any increase in a filing fee under this subsection to the nearest \$5,000;*

“(2) *shall not increase filing fees under this subsection if the increase in the gross national product is less than 1 percent; and*

“(3) *shall not decrease filing fees under this subsection.”*

* * * * *

CHAPTER 47—CONSUMER PRODUCT SAFETY

§ 2078. Cooperation with States and other Federal agencies

(a) Programs to promote Federal-State cooperation * * *

* * * * *

(f) Sharing of information with Federal, State, local, and foreign government agencies

(1) Agreements and conditions

* * * * *

[(2)] (3) Abrogation of agreements

The Commission may abrogate any agreement or memorandum of understanding with another agency if the Commission determines that the other agency has failed to maintain in confidence any information provided under such agreement or memorandum of understanding, or has used any such information for purposes other than those set forth in such agreement or memorandum of understanding.

[(3)] (4) Additional rules against disclosure

Except as provided in paragraph (4), the Commission shall not be required to disclose under section 552 of title 5 or any other provision of law—

* * * * *

[(4) Limitation] (5) Rules of construction

[Nothing in this subsection authorizes] *Nothing in this subsection may be construed—*

(A) to authorize the Commission to withhold information from the Congress or prevent the Commission from complying with an order of a court of the United States in an action commenced by the United States or the Commission[.]; or

(B) to prohibit the Commission from providing any information received under this subsection, which is related to an immediate health or safety threat to the public or to a potential violation of a criminal law, to the Attorney General or to other appropriate Federal, State, or local agencies.

[(5)] (6) Definition

* * * * *

CHAPTER 106—POOL AND SPA SAFETY

§ 8004. State swimming pool safety grant program

(a) In general

* * * * *

(b) Eligibility

To be eligible for a grant under the program, a State shall—

(1) * * *

(A) except as provided in section 8005(a)(1)(A)(i) of this title, applies to **[all swimming pools constructed after the date that is 6 months after the date of enactment of the Financial Services and General Government Appropriations Act, 2012 in the State]** *all swimming pools constructed in the State after the date the State first submits an application to the Commission for a grant under this section; and*

* * * * *

(e) Authorization of appropriations

【There are authorized to be appropriated to the Commission for each of fiscal years 2009 and 2010 \$2,000,000 to carry out this section, such sums to remain available until expended.】 *There is authorized to be appropriated to the Commission such sums as may be necessary to carry out this section through fiscal year 2015.* Any amounts appropriated pursuant to this subsection that remain unexpended and unobligated at the end of 【fiscal year 2012】 *fiscal year 2015* shall be retained by the Commission and credited to the appropriations account that funds enforcement of the Consumer Product Safety Act [15 U.S.C. 2051 et seq.].

§ 8005. Minimum State law requirements**(a) In general****(1) Safety standards**

A State meets the minimum State law requirements of this section if—

(A) the State requires by statute—

(i) the enclosure of all outdoor residential pools and spas by barriers to entry that will effectively prevent small children from gaining unsupervised and unfettered access to the pool or spa; *and*

【(ii) that all pools and spas be equipped with devices and systems designed to prevent entrapment by pool or spa drains;】

【(iii) *(i)* that pools and spas built more than 1 year after the date of the enactment of such statute have—

(I) more than 1 drain;

(II) 1 or more unblockable drains; or

(III) no main drain; *and*

【(iv) 1 every swimming pool and spa that has a main drain, other than an unblockable drain, be equipped with a drain cover that meets the consumer product safety standard established by section 8003 of this title; and

【(v) that periodic notification is provided to owners of residential swimming pools or spas about compliance with the entrapment protection standards of the ASME/ANSI A112.19.8 performance standard, or any successor standard; and】

【(2) No liability inference associated with State notification requirement

【The minimum State law notification requirement under paragraph (1)(A)(v) shall not be construed to imply any liability on the part of a State related to that requirement.】

【(3) (2) Use of minimum State law requirements

The Commission—

(A) shall use the minimum State law requirements under paragraph (1) solely for the purpose of determining

the eligibility of a State for a grant under section 8004 of this title; and

(B) may not enforce any requirement under paragraph (1) except for the purpose of determining the eligibility of a State for a grant under section 8004 of this title.

[(4)] (3) Requirements to reflect national performance standards and Commission guidelines

In establishing minimum State law requirements under [paragraph (1)] *paragraph (1)(B)*, the Commission shall—

**TITLE 22—FOREIGN RELATIONS AND INTERCOURSE
CHAPTER 79—TRADE SANCTIONS REFORM AND EXPORT ENHANCEMENT**

§ 7209. Requirements relating to certain travel-related transactions with Cuba

(a) * * *

* * * * *

(b) **Prohibition on travel relating to tourist activities**

* * * * *

(c) *The Secretary of the Treasury shall promulgate regulations authorizing by general license the travel related and other transactions ordinarily incident to professional research by full-time professionals and their staff; attendance at professional meetings or conferences in Cuba if the sponsoring organization is a United States professional organization; and the organization and management of professional meetings and conferences in Cuba if the sponsoring organization is a United States professional organization, if such travel is related to disaster prevention, emergency preparedness, and natural resource protection, including for fisheries, coral reefs, and migratory species.*

TITLE 28—JUDICIARY AND JUDICIAL PROCEDURE

PART I—ORGANIZATION OF COURTS

CHAPTER 5—DISTRICT COURTS

§ 133. Appointment and number of district judges

(a) The President shall appoint, by and with the advice and consent of the Senate, district judges for the several judicial districts, as follows:

	Districts	Judges
Alabama:	* * * * *	
Arizona	* * * * *	12]
Arizona	* * * * *	15
[California:		

Districts	Judges
【Northern	14
【Eastern	6
【Central	27
【Southern	13】
<i>California:</i>	
Northern	14
Eastern	10
Central	28
Southern	13
* * * * * * *	
【Delaware	4】
<i>Delaware</i>	5
* * * * * * *	
【Minnesota	7】
<i>Minnesota</i>	8
* * * * * * *	
【New Mexico	6】
<i>New Mexico</i>	8
* * * * * * *	
【Texas:	
【Northern	12
【Southern	20
【Eastern	7
【Western	15】
<i>Texas:</i>	
Northern	12
Southern	20
Eastern	7
Western	15
* * * * * * *	

PART V—PROCEDURE

CHAPTER 121—JURIES; TRIAL BY JURY

§ 1862. Discrimination prohibited

No citizen shall be excluded from service as a grand or petit juror in the district courts of the United States or in the Court of International Trade on account of race, color, religion, sex, *sexual orientation*, *gender identity*, national origin, or economic status.

* * * * * * *

CHAPTER 123—FEES AND COSTS

§ 1914. District court; filing and miscellaneous fees; rules of court

(a) The clerk of each district court shall require the parties instituting any civil action, suit or proceeding in such court, whether by original process, removal or otherwise, to pay a filing fee of 【\$350】 \$362, except that on application for a writ of habeas corpus the filing fee shall be \$5.

TITLE 31—MONEY AND FINANCE

Subtitle I—General

CHAPTER 5—OFFICE OF MANAGEMENT AND BUDGET

Subchapter I—Organization

§ 501. Office of Management and Budget

* * * * *

Pub. L. 111–117, div. C, title VII, § 743, Dec. 16, 2009, 123 Stat. 3216, as amended by Pub. L. 112–74, div. C, title VII, § 740, Dec. 23, 2011, 125 Stat. 939, provided that:

“(a) * * *

* * * * *

“(e) * * *

“(1) * * *

“(2) ensure that—

* * * * *

“(B) **[**the agency is giving special management attention to functions that are closely associated with inherently governmental functions;**]** *to the maximum extent practicable, the agency is not using contractor employees to perform any functions closely associated with inherently governmental functions;*

* * * * *

Subtitle II—The Budget Process

CHAPTER 11—THE BUDGET AND FISCAL, BUDGET, AND PROGRAM INFORMATION

§ 1105. Budget contents and submission to Congress

(a) * * *

(1) * * *

* * * * *

[(35)(A)(i) a detailed, separate analysis, by budget function, by agency, and by initiative area (as determined by the administration) for the prior fiscal year, the current fiscal year, the fiscal years for which the budget is submitted, and the ensuing fiscal year identifying the amounts of gross and net appropriations or obligational authority and outlays that contribute to homeland security, with separate displays for mandatory and discretionary amounts, including—

[(I) summaries of the total amount of such appropriations or new obligational authority and outlays requested for homeland security;

[(II) an estimate of the current service levels of homeland security spending;

[(III)] the most recent risk assessment and summary of homeland security needs in each initiative area (as determined by the administration); and

[(IV)] an estimate of user fees collected by the Federal Government on behalf of homeland security activities;

[(ii)] with respect to subclauses (I) through (IV) of clause (i), amounts shall be provided by account for each program, project and activity; and

[(iii)] an estimate of expenditures for homeland security activities by State and local governments and the private sector for the prior fiscal year and the current fiscal year.

[(B)] In this paragraph, consistent with the Office of Management and Budget’s June 2002 “Annual Report to Congress on Combatting Terrorism”, the term “homeland security” refers to those activities that detect, deter, protect against, and respond to terrorist attacks occurring within the United States and its territories.

[(C)] In implementing this paragraph, including determining what Federal activities or accounts constitute homeland security for purposes of budgetary classification, the Office of Management and Budget is directed to consult periodically, but at least annually, with the House and Senate Budget Committees, the House and Senate Appropriations Committees, and the Congressional Budget Office.】

[(36)] (35) as supplementary materials, a separate analysis of the budgetary effects for all prior fiscal years, the current fiscal year, the fiscal year for which the budget is submitted, and ensuing fiscal years of the actions the Secretary of the Treasury has taken or plans to take using any authority provided in the Emergency Economic Stabilization Act of 2008, including—

* * * * *

[(37)] (36)¹ information on estimates of appropriations for the fiscal year following the fiscal year for which the budget is submitted for the following medical care accounts of the Veterans Health Administration, Department of Veterans Affairs account:

* * * * *

[(38)] (37) a separate statement for the Crow Settlement Fund established under section 411 of the Crow Tribe Water Rights Settlement Act of 2010, which shall include the estimated amount of deposits into the Fund, obligations, and outlays from the Fund.

[(37)] (38)² the list of plans and reports, as provided for under section 1125, that agencies identified for elimination or consolidation because the plans and reports are determined outdated or duplicative of other required plans and reports.

* * * * *

CHAPTER 13—APPROPRIATIONS

Subchapter II—Trust Funds and Refunds

§ 1324. Refund of internal revenue collections

- (a) * * *
- (b) * * *
 - (1) * * *
 - (2) * * *

(c) *Amounts appropriated under subsection (a) of this section shall be administered, as appropriate, as if they were made available through separate appropriations to the Secretary of the Treasury, the Secretary of Homeland Security, and the Attorney General. Funds so appropriated shall be available to the Secretary of the Treasury for refunds by the Internal Revenue Service of taxes collected pursuant to the Internal Revenue Code and related interest; separately to the Secretary of the Treasury for refunds and drawbacks of alcohol, tobacco, firearms and ammunition taxes and refunds of other taxes which may arise and any interest on such refunds, including payment of claims for prior fiscal years; to the Secretary of Homeland Security for refunds and drawbacks of receipts collected pursuant to the customs revenue functions administered by the Department of Homeland Security pursuant to delegation by the Secretary of the Treasury and any interest on such refunds, including payment of claims for prior fiscal years; and to the Attorney General for refunds of firearms taxes and refunds of other taxes which may arise and any interest on such refunds, including payment of claims for prior fiscal years.*

* * * * *

Subtitle III—Financial Management

CHAPTER 37—CLAIMS

Subchapter II—Claims of the United States Government

§ 3711. Collection and compromise

- (a) * * *
 - * * * * *
 - (i)(1) * * *
 - * * * * *

(5) This subsection is not intended to limit existing statutory authority of agencies to sell loans, debts, or other assets.

(j)(1) *The Secretary of the Treasury (referred to in this subsection as the “Secretary”) may locate and recover assets of the United States Government on behalf of any executive, judicial, or legislative agency in accordance with such procedures as the Secretary considers appropriate.*

(2) *Notwithstanding any other law concerning the depositing and collection of Federal payments, including section 3302(b) of this title, the Secretary may retain a portion of the amounts recovered pursuant to this subsection to cover the Secretary’s costs associated*

with locating and recovering assets of the United States. The amounts retained shall be deposited into an account established in the Treasury to be known as the “Unclaimed Assets Recovery Account” (referred to in this paragraph as the “Account”). Amounts deposited in the Account shall be available until expended to cover costs associated with implementation and operation of the Secretary’s asset recovery program established under this subsection.

(3) To carry out the purposes of this subsection, the Secretary may:

(A) Transfer to the Account from funds appropriated to the Department of Treasury such amounts as may be necessary to meet liabilities and obligations incurred prior to the receipt of recovered assets; and

(B) Reimburse any appropriation from which funds were transferred under this paragraph from the amounts retained from recovered assets. Any reimbursement under this paragraph shall occur during the period of availability of the funds originally transferred from an appropriation and shall be available for the same time period and purposes as originally appropriated.

TITLE 41—PUBLIC CONTRACTS

Subtitle I—Federal Procurement Policy

DIVISION B—OFFICE OF FEDERAL PROCUREMENT POLICY

CHAPTER 11—ESTABLISHMENT OF OFFICE AND AUTHORITY AND FUNCTIONS OF ADMINISTRATOR

Subchapter II—Authority and Functions of the Administrator

§ 1127. Determining benchmark compensation amount

(a) * * *

* * * * *

(b) * * *

(c) APPLICABILITY.—This section shall apply only with respect to costs of compensation incurred under contracts entered into before the date that is 180 days after the date of the enactment of this subsection.

* * * * *

DIVISION C—PROCUREMENT

CHAPTER 43—ALLOWABLE COSTS

§ 4301. Definitions

In this chapter:

(1) COMPENSATION.—* * *

* * * * *

[(4) SENIOR EXECUTIVE.—The term “senior executive”, with respect to a contractor, means the 5 most highly compensated employees in management positions at each home office and each segment of the contractor.]

* * * * *

§ 4304. Specific costs not allowable

(a) * * *

(1) * * *

* * * * *

[(16) Costs of compensation of senior executives of contractors for a fiscal year, regardless of the contract funding source, to the extent that the compensation exceeds the benchmark compensation amount determined applicable for the fiscal year by the Administrator under section 1127 of this title.]

(16) Costs of compensation of any contractor or subcontractor employee for a fiscal year, regardless of the contract funding source, to the extent that such compensation exceeds the annual amount paid to the President of the United States in accordance with section 102 of title 3, except that the head of an executive agency may establish one or more narrowly targeted exceptions for scientists, engineers, and other specialist positions upon a determination that such exceptions are needed to ensure that the executive agency has continued access to needed skills and capabilities.

**JUDICIAL IMPROVEMENTS ACT OF 1990, PUBLIC LAW
101-650**

TITLE II—FEDERAL JUDGESHIPS

SEC. 203. DISTRICT JUDGES FOR THE DISTRICT COURTS.

(a) * * *

* * * * *

(c) TEMPORARY JUDGESHIPS.—The President shall appoint, by and with the advice and consent of the Senate—

* * * * *

Except with respect to the district of Kansas, the western district of Michigan, the eastern district of Pennsylvania, the district of Hawaii, and the northern district of Ohio, the first vacancy in the office of district judge in each of the judicial districts named in this subsection, occurring 10 years and six months or more after the confirmation date of the judge named to fill the temporary judgeship created by this subsection, shall not be filled. The first vacancy in the office of district judge in the district of Kansas occurring [22 years and six months] *23 years and six months* or more after the confirmation date of the judge named to fill the temporary judgeship created for such district under this subsection, shall not be filled. The first vacancy in the office of district judge in the western district of Michigan, occurring after December 1, 1995, shall not be filled. The first vacancy in the office of district

judge in the eastern district of Pennsylvania, occurring 5 years or more after the confirmation date of the judge named to fill the temporary judgeship created for such district under this subsection, shall not be filled. The first vacancy in the office of district judge in the northern district of Ohio occurring 19 years or more after the confirmation date of the judge named to fill the temporary judgeship created under this subsection shall not be filled. The first vacancy in the office of the district judge in the district of Hawaii occurring [19 years and six months] *20 years and six months* or more after the confirmation date of the judge named to fill the temporary judgeship created under this subsection shall not be filled. For districts named in this subsection for which multiple judgeships are created by this Act, the last of those judgeships filled shall be the judgeships created under this section.

—————

21ST CENTURY DEPARTMENT OF JUSTICE APPROPRIATIONS AUTHORIZATION ACT, PUBLIC LAW 107-273

TITLE III—MISCELLANEOUS

Pub. L. 107-273, div. A, title III, §312(c), Nov. 2, 2002, 116 Stat. 1788, as amended by Pub. L. 113-6, div. F, title III, §312(c), Mar. 26, 2013, 127 Stat. 418, provided that:

“(c) Temporary Judgeships.—

“(1) IN GENERAL.— * * *

* * * * *

“(2) VACANCIES NOT FILLED.—The first vacancy in the office of district judge in each of the offices of district judge authorized by this subsection, except in the case of the central district of California and the western district of North Carolina, occurring [11 years] *12 years* or more after the confirmation date of the judge named to fill the temporary district judgeship created in the applicable district by this subsection, shall not be filled. The first vacancy in the office of district judge in the central district of California occurring [10 years and 6 months] *11 years and 6 months* or more after the confirmation date of the judge named to fill the temporary district judgeship created in that district by this subsection, shall not be filled. The first vacancy in the office of district judge in the western district of North Carolina occurring 10 years or more after the confirmation date of the judge named to fill the temporary district judgeship created in that district by this subsection, shall not be filled.

**ENSURING NEEDED HELP ARRIVES NEAR CALLERS
EMPLOYING 911 ACT, 2004, PUBLIC LAW 108-494**

* * * * *

Universal Service Antideficiency Temporary Suspension Act

TITLE III—UNIVERSAL SERVICE

SEC. 302. APPLICATION OF CERTAIN TITLE 31 PROVISIONS TO UNIVERSAL SERVICE FUND.

(a) IN GENERAL.—During the period beginning on the date of enactment of this Act and ending on [December 31, 2013] *December 31, 2015*, section 1341 and subchapter II of chapter 15 of title 31, United States Code, do not apply—

* * * * *

(b) POST-2005 FULFILLMENT OF PROTECTED OBLIGATIONS.—Section 1341 and subchapter II of chapter 15 of title 31, United States Code, do not apply after [December 31, 2013] *December 31, 2015*, to an expenditure or obligation described in subsection (a)(2) made or authorized during the period described in subsection (a).

**AMERICAN RECOVERY AND REINVESTMENT ACT OF
2009, PUBLIC LAW 111-5**

DIVISION A—APPROPRIATIONS PROVISIONS

TITLE XV—ACCOUNTABILITY AND TRANSPARENCY

Subtitle A—Transparency and Oversight Requirements

SEC. 1511. CERTIFICATIONS.

With respect to covered funds made available to State or local governments for infrastructure investments, the Governor, mayor, or other chief executive, as appropriate, shall certify that the infrastructure investment has received the full review and vetting required by law and that the chief executive accepts responsibility that the infrastructure investment is an appropriate use of taxpayer dollars. Such certification shall include a description of the investment, the estimated total cost, and the amount of covered funds to be used, and shall be posted on a website [and linked to the website established by section 1526]. A State or local agency may not receive infrastructure investment funding from funds made available in this Act unless this certification is made and posted.

* * * * *

SEC. 1512. REPORTS ON USE OF FUNDS.

(a) * * *

* * * * *

[(c) RECIPIENT REPORTS.—Not later than 10 days after the end of each calendar quarter, each recipient that received recovery

funds from a Federal agency shall submit a report to that agency that contains—

* * * * *

[(d) AGENCY REPORTS.—Not later than 30 days after the end of each calendar quarter, each agency that made recovery funds available to any recipient shall make the information in reports submitted under subsection (c) publicly available by posting the information on a website.]

(d) AGENCY REPORTS.—Starting October 1, 2013, each agency that made recovery funds available to any recipient shall make available to the public detailed spending data as prescribed by the Office of Management and Budget and pursuant to the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109–282).

(e) OTHER REPORTS.—The Congressional Budget Office and the Government Accountability Office shall comment on the information described in subsection (c)(3)(D) for any reports submitted under subsection (c). Such comments shall be due within 45 days after such reports are submitted.

(f) COMPLIANCE.—Within 180 days of enactment, as a condition of receipt of funds under this Act, Federal agencies shall require any recipient of such funds to provide the information required under subsection (c).

(g) GUIDANCE.—Federal agencies, in coordination with the Director of the Office of Management and Budget, shall provide for user-friendly means for recipients of covered funds to meet the requirements of this section.

(h) REGISTRATION.—Funding recipients required to report information per subsection (c)(4) must register with the Central Contractor Registration database or complete other registration requirements as determined by the Director of the Office of anagement and Budget.

* * * * *

SEC. 1514. INSPECTOR GENERAL REVIEWS.

(a) REVIEWS.—Any inspector general of a Federal department or executive agency shall review, as appropriate, any concerns raised by the public about specific investments using funds made available in this Act. Any findings of such reviews not related to an ongoing criminal proceeding shall be relayed immediately to the head of the department or agency concerned. In addition, the findings of such reviews, along with any audits conducted by any inspector general of funds made available in this Act, shall be posted on the inspector general’s website [and linked to the website established by section 1526], except that portions of reports may be redacted to the extent the portions would disclose information that is protected from public disclosure under sections 552 and 552a of title 5, United States Code.

* * * * *

Subtitle B—Recovery Accountability and Transparency Board

* * * * *

SEC. 1523. FUNCTIONS OF THE BOARD.

(a) * * *

* * * * *

(b) **REPORTS.**—* * *

(1) * * *

* * * * *

(4) **PUBLIC AVAILABILITY.**—

(A) **IN GENERAL.**—All reports submitted under this subsection shall be made publicly available and posted on **[the website established by section 1526] a public website.**

* * * * *

SEC. 1530. TERMINATION OF THE BOARD.

The Board shall terminate on September 30, **[2013] 2015.**

DISTRICT OF COLUMBIA HOME RULE ACT

TITLE IV—THE DISTRICT CHARTER

PART D—DISTRICT BUDGET AND FINANCIAL MANAGEMENT

Subpart 1—Budget and Financial Management

ENACTMENT OF APPROPRIATIONS BY CONGRESS

Sec. 446. [D.C. Official Code § 1–204.46] The Council, within 56 calendar days after receipt of the budget proposal from the Mayor, and after public hearing, shall by act adopt the annual budget for the District of Columbia government. Any supplements thereto shall also be adopted by act by the Council after public hearing. **[Such budget so adopted shall be submitted by the Mayor to the President for transmission by him to the Congress.]** *The Mayor shall submit to the President of the United States for transmission to Congress the portion of the budget so adopted with respect to Federal funds and the Mayor shall notify the Speaker of the House of Representatives, and the President of the Senate, as to the portion of the budget so adopted with respect to local funds; provided, that in a control year (as defined in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (D.C. Official Code, sec. 47–393(4)), the Mayor shall submit to the President of the United States for transmission to Congress the budget so adopted.* Except as provided in section 445A(b), section 467(d), section 471(c), section 472(d)(2), section 475(e)(2), section 483(d), and section 490(f), (g), (h)(3), and (i)(3), [D.C. Official Code

§ 1–204.45a(b), § 1–204.67(d), § 1–204.71(c), § 1–204.72(d)(2), § 1–204.75(e)(2), § 1–204.83(d), and subsections (f), (g), (h)(3), and (i)(3) of §§ 1–204.90] no amount may be obligated or expended by any officer or employee of the District of Columbia government unless such amount has been approved by Act of Congress, and then only according to such Act: *Provided, That, notwithstanding any other provision of this Act, effective for fiscal year 2013, and for each succeeding fiscal year, during a period in which there is an absence of a Federal appropriations Act authorizing the expenditure of District of Columbia local funds, the District of Columbia may obligate and expend local funds for programs and activities at the rate set forth in the Budget Request Act adopted by the Council, or a reprogramming adopted pursuant to this section.* Notwithstanding any other provision of this Act, [the Mayor shall not transmit any annual budget or amendments or supplements thereto, to the President of the United States] *the Mayor shall not submit to the President of the United States, or, for a fiscal year which is not a control year, notify the Speaker of the House of Representatives and the President of the Senate regarding, any annual budget or amendments or supplements thereto until the completion of the budget procedures contained in this Act. After the adoption of the annual budget for a fiscal year (beginning with the annual budget for fiscal year 1995), no reprogramming of amounts in the budget may occur unless the Mayor submits to the Council a request for such reprogramming and the Council approves the request, but only if any additional expenditures provided under such request for an activity are offset by reductions in expenditures for another activity.*

* * * * *

ACCEPTANCE OF GRANT AMOUNTS NOT INCLUDED IN ANNUAL BUDGET

Sec. 446B. [D.C. Official Code § 1–204.46b] (a) * * *

* * * * *

(f) * * *

BUDGET AND FISCAL YEAR AUTONOMY

Sec. 446C. (a) *BUDGET AUTONOMY.—Notwithstanding the fourth sentence of section 446 of the Home Rule Act (D.C. Official Code, sec. 1–204.46), the second and third sentences of section 447 of the Home Rule Act (D.C. Official Code, sec. 1–204.47), section 602(c) of the Home Rule Act (D.C. Official Code, sec. 1–206.02(c)), or sections 816 and 817 of the Financial Services and General Government Appropriations Act, 2009 (D.C. Official Code, secs. 47–369.01 and 47–369.02), upon the enactment by the District of Columbia of the annual budget, or any amendments or supplements thereto, for a fiscal year, officers and employees of the District of Columbia government may obligate and expend District of Columbia funds and hire employees in accordance with that budget.*

(b) *FISCAL YEAR AUTONOMY.—Notwithstanding section 441 of the Home Rule Act (D.C. Official Code, sec. 1–204.41), the fiscal year of the District government and any entity of the District government shall commence and end on such dates as may be established by the District of Columbia.*

(c) EXCEPTION FOR CONTROL YEAR.—Subsection (a) shall not apply in the case of any fiscal year that is a control year, as defined in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (D.C. Official Code, sec. 47-393(4)).

(d) EFFECTIVE DATE.—This section shall apply with respect to fiscal year 2014 and each succeeding fiscal year.

BUDGETARY IMPACT OF BILL

PREPARED IN CONSULTATION WITH THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC.
308(a), PUBLIC LAW 93-344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee guidance ¹	Amount in bill	Committee guidance	Amount in bill
Comparison of amounts in the bill with Committee guidance to its subcommittees of amounts in the budget resolution for 2014: Subcommittee on Financial Services and General Government:				
Mandatory	NA	21,229	NA	² 21,223
Discretionary	23,031	23,190	NA	² 24,186
Security	27	27	NA	NA
Nonsecurity	23,004	23,163	NA	NA
Projections of outlays associated with the recommendation:				
2014				³ 39,449
2015				4,355
2016				869
2017				306
2018 and future years				194
Financial assistance to State and local governments for				
2014	NA	653	NA	445

¹ There is no section 302(a) allocation to the Committee on Appropriations for fiscal year 2014.

² Includes outlays from prior-year budget authority.

³ Excludes outlays from prior-year budget authority.

NA: Not applicable.

NOTE.—Consistent with the funding recommended in the bill for disaster relief funding and in accordance with section 251(b)(2)(D) of the BBEDCA of 1985, the Committee anticipates that the Budget Committee will provide, at the appropriate time, 302(a) allocation for the Committee on Appropriations reflecting an upward adjustment of \$159,000,000 in budget authority plus associated outlays.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2013 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2014
[In thousands of dollars]

Item	2013 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2014 appropriation	Budget estimate
TITLE I—DEPARTMENT OF THE TREASURY					
Departmental Offices					
Salaries and expenses	307,771	311,775	302,450	-5,321	-9,325
Department-wide Systems and Capital Investments Programs	2,725	2,725	2,725	+2,725	.....
Office of Inspector General	31,351	31,351	32,000	+2,418	+649
Treasury Inspector General for Tax Administration	151,393	149,538	156,575	+4,982	+6,837
Special Inspector General for TARP	41,716	34,923	34,923	-6,793	.....
Financial Crimes Enforcement Network	110,566	103,909	112,000	+1,434	+8,091
Subtotal, Departmental Offices	641,028	634,221	640,473	-555	+6,252
Treasury Forfeiture Fund (reversion)	-950,000	-950,000	-1,200,000	-250,000	-250,000
Total, Departmental Offices	-308,972	-315,779	-559,527	-250,555	-243,748
Financial Management Service					
Alcohol and Tobacco Tax and Trade Bureau	217,369	.....	.....	-217,369	.....
Bureau of the Public Debt	99,678	96,211	100,678	+1,000	+4,467
Bureau of the Fiscal Service	172,290	.....	.....	-172,290	.....
Community Development Financial Institutions Fund Program Account	220,558	360,165	360,165	+360,165	.....
Payment of Government Losses in Shipment	2,000	224,936	230,000	+9,442	+5,064
.....	.....	2,000	2,000	.....	.....
Total, Department of the Treasury, non-IRS	402,923	367,533	133,316	-269,607	-234,217
Internal Revenue Service					
Taxpayer services	2,235,224	2,412,576	2,316,246	+81,022	-96,330
Enforcement	5,288,768	5,420,883	5,342,980	+54,212	-77,903
Enhanced tax enforcement activities .....	.....	245,904	.....	.....	-245,904

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2013 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2014—Continued
[In thousands of dollars]

Item	2013 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2014 appropriation	Budget estimate
Subtotal	5,288,768	5,666,787	5,342,980	+ 54,212	- 323,807
Operations support	3,939,521	4,314,757	4,109,506	+ 169,985	- 205,251
Enhanced tax enforcement activities .....	.....	166,086	.....	.....	- 166,086
Subtotal	3,939,521	4,480,843	4,109,506	+ 169,985	- 371,337
Business systems modernization	329,550	300,827	300,827	- 28,723	.....
Total, Internal Revenue Service	11,793,063	12,861,033	12,069,559	+ 276,496	- 791,474
Total, title I, Department of the Treasury	12,195,986	13,228,566	12,202,875	+ 6,889	- 1,025,691
Appropriations	(13,145,986)	(13,766,576)	(13,402,875)	(+ 256,889)	(- 363,701)
Rescissions	(- 950,000)	(- 950,000)	(- 1,200,000)	(- 250,000)	(- 250,000)
TITLE II—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT					
The White House					
Salaries and expenses	56,860	55,110	55,110	- 1,750	.....
Compensation of the President	450	450	450	.....	.....
Subtotal	57,310	55,560	55,560	- 1,750	.....
Executive Residence at the White House:					
Operating expenses	13,398	12,768	12,768	- 630	.....
White House repair and restoration	749	750	750	+ 1	.....
Subtotal	14,147	13,518	13,518	- 629	.....
Council of Economic Advisers	4,184	4,192	4,192	+ 8	.....
National Security Council and Homeland Security Council	13,022	12,621	12,621	- 401	.....

Office of Administration	112,726	113,135	113,135	+409	.....
Total, The White House	201,389	199,026	199,026	-2,363	.....
Office of Management and Budget	89,277	93,397	93,397	+4,120	.....
Office of National Drug Control Policy					
Salaries and expenses	24,451	22,647	23,000	-1,451	+ 353
High Intensity Drug Trafficking Areas Program	238,045	193,400	238,522	+477	+45,122
Other Federal Drug Control Programs	105,339	95,376	105,550	+211	+ 10,174
Total, Office of National Drug Control Policy	367,835	311,423	367,072	-763	+55,649
Unanticipated needs	986	1,000	1,000	+14	.....
Data-driven innovation .....	.....	14,000	6,000	+6,000	-8,000
Integrated, efficient and effective uses of information technology	4,990	.....	8,000	+3,010	+8,000
Special Assistance to the President and Official Residence of the Vice President:					
Salaries and expenses	4,319	4,328	4,328	+9	.....
Operating expenses	306	307	307	+1	.....
Subtotal	4,625	4,635	4,635	+10	.....
Total, title II, Executive Office of the President and Funds Appropriated the President	669,102	623,481	679,130	+10,028	+55,649
TITLE III—THE JUDICIARY					
Supreme Court of the United States					
Salaries and expenses:					
Salaries of Justices	2,207	2,213	2,213	+6	.....
Other salaries and expenses	72,477	72,625	72,625	+148	.....
Subtotal	74,684	74,838	74,838	+154	.....
Care of the building and grounds	8,143	11,635	11,158	+3,015	-477
Total, Supreme Court of the United States	82,827	86,473	85,996	+3,169	-477

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2013 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2014—Continued

[In thousands of dollars]

Item	2013 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2014 appropriation	Budget estimate
United States Court of Appeals for the Federal Circuit					
Salaries and expenses:					
Salaries of judges	2,524	2,532	2,532	+8	.....
Other salaries and expenses	29,938	30,823	30,823	+885	.....
Total, United States Court of Appeals for the Federal Circuit	32,462	33,355	33,355	+893	.....
United States Court of International Trade					
Salaries and expenses:					
Salaries of judges	1,715	1,727	1,727	+12	.....
Other salaries and expenses	19,690	20,246	19,651	-39	-595
Total, U.S. Court of International Trade	21,405	21,973	21,378	-27	-595
Courts of Appeals, District Courts, and Other Judicial Services					
Salaries and expenses:					
Salaries of judges and bankruptcy judges	338,037	353,062	353,062	+15,025	.....
Other salaries and expenses	4,677,918	4,817,177	4,736,107	+58,189	-81,070
Subtotal	5,015,955	5,170,239	5,089,169	+73,214	-81,070
Vaccine Injury Compensation Trust Fund	4,990	5,327	5,327	+337	.....
Defender services	1,037,920	1,068,623	1,098,446	+60,526	+29,823
Fees of jurors and commissioners	51,804	54,414	54,891	+3,087	+477
Court security	499,000	524,338	520,278	+21,278	-4,060
Total, Courts of Appeals, District Courts, and Other Judicial Services	6,609,669	6,822,941	6,768,111	+158,442	-54,830

Salaries and expenses	82,743	85,354	83,601	+ 858	- 1,753
Administrative Office of the United States Courts					
Federal Judicial Center	26,946	27,664	26,400	- 546	- 1,264
Judicial Retirement Funds	125,464	126,931	126,931	+ 1,467	.....
United States Sentencing Commission	16,467	17,016	16,637	+ 170	- 379
Total, title III, the Judiciary	6,997,983	7,221,707	7,162,409	+ 164,426	- 59,298
TITLE IV—DISTRICT OF COLUMBIA					
Federal Payment for Resident Tuition Support	29,940	35,000	35,000	+ 5,060	.....
Federal payment for Emergency Planning and Security Costs in the District of Columbia	24,651	14,900	14,900	- 9,751	.....
Federal Payment to the District of Columbia Courts	232,375	222,667	232,137	- 238	+ 9,470
Federal Payment for Defender Services in District of Columbia Courts	54,890	49,890	49,890	- 5,000	.....
Federal Payment to the Court Services and Offender Supervision Agency for the District of Columbia	212,557	227,968	227,968	+ 15,411	.....
Federal Payment to the District of Columbia Public Defender Service	37,167	40,607	40,607	+ 3,440	.....
Federal Payment to the District of Columbia Water and Sewer Authority	14,970	14,500	14,500	- 470	.....
Federal Payment to the Criminal Justice Coordinating Council	1,796	1,800	1,800	+ 4	.....
Federal Payment for Judicial Commissions	499	500	500	+ 1	.....
Federal Payment for School Improvement	59,880	52,200	42,200	- 17,680	- 10,000
Federal Payment for the D.C. National Guard	374	500	500	+ 126	.....
Federal Payment for Redevelopment of the St. Elizabeth's Hospital Campus .....	.....	9,800	9,800	+ 9,800	.....
Federal Payment for Testing and Treatment of HIV/AIDS	4,990	5,000	5,000	+ 10	.....
Federal payment for D.C. Commission on the Arts and Humanities Grants .....	.....	1,000	.....	.....	- 1,000
Total, Title IV, District of Columbia	674,089	676,332	674,802	+ 713	- 1,530
TITLE V—OTHER INDEPENDENT AGENCIES					
Administrative Conference of the United States	2,894	3,200	3,200	+ 306	.....
Christopher Columbus Fellowship Foundation	449	.....	150	- 299	+ 150
Commodity Futures Trading Commission	204,883	315,000	315,000	+ 110,117	.....
Consumer Product Safety Commission	114,271	117,000	117,000	+ 2,729	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2013 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2014—Continued

[In thousands of dollars]

Item	2013 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2014 appropriation	Budget estimate
Salaries and expenses	11,477	11,063	11,063	-414	.....
Election Assistance Commission .....					.....
Federal Communications Commission	339,844	359,299	359,299	+19,455	.....
Offsetting fee collections—current year	-339,844	-359,299	-359,299	-19,455	.....
Direct appropriation .....					.....
Federal Deposit Insurance Corporation: Office of Inspector General (by transfer)	(34,568)	(34,568)	(34,568)	.....	.....
Federal Election Commission	66,234	65,791	66,395	+161	+604
Federal Labor Relations Authority	24,674	25,490	25,490	+816	.....
Federal Trade Commission .....					.....
Salaries and expenses	310,940	301,000	301,000	-9,940	.....
Offsetting fee collections—current year	-115,000	-103,000	-197,000	-82,000	-94,000
Offsetting fee collections, telephone database	-15,000	-15,000	-15,000	.....	.....
Direct appropriation	180,940	183,000	89,000	-91,940	-94,000
General Services Administration .....					.....
Federal Buildings Fund .....					.....
Limitations on Availability of Revenue:					.....
Construction and acquisition of facilities	50,000	816,167	816,167	+766,167	-41,000
Repairs and alterations	280,000	1,302,382	1,261,382	+981,382	+41,000
Construction and repair			41,000	+41,000	.....
Installment acquisition payments	126,801	113,470	113,470	-13,331	.....
Rental of space	5,210,198	5,387,109	5,387,109	+176,911	.....
Building operations	2,350,968	2,331,432	2,331,432	-19,536	.....

Subtotal, Limitations on availability of revenue	8,017,967	9,950,560	9,950,560	+ 1,932,593	.....
Repayment of debt	87,620	.....	.....	- 87,620	.....
Rental income to fund	- 9,777,590	- 9,950,560	- 9,950,560	- 172,970	.....
Total, Federal Buildings Fund	- 1,672,003	.....	.....	+ 1,672,003	.....
Government-wide policy	60,993	62,548	62,548	+ 1,555	.....
Operating expenses	69,361	64,453	64,453	- 4,908	.....
Office of Inspector General	57,884	62,908	62,908	+ 5,024	.....
Electronic Government Fund	12,375	20,150	20,150	+ 7,775	.....
Allowances and office staff for former Presidents	3,663	3,550	3,550	- 113	.....
Federal Citizen Services Fund	34,032	34,804	34,804	+ 772	.....
Total, General Services Administration	- 1,433,695	248,413	248,413	+ 1,682,108	.....
Harry S Truman Scholarship Foundation	747	.....	750	+ 3	+ 750
Merit Systems Protection Board .....	.....	.....	.....	.....	.....
Salaries and expenses	40,177	40,070	42,740	+ 2,563	+ 2,670
Limitation on administrative expenses	2,340	2,345	2,345	+ 5	.....
Total, Merit Systems Protection Board	42,517	42,415	45,085	+ 2,568	+ 2,670
Morris K. Udall and Stewart L. Udall Foundation	2,196	2,100	2,100	- 96	.....
Environmental Dispute Resolution Fund	3,784	3,600	3,600	- 184	.....
Total, Morris K. Udall and Stewart L. Udall Foundation	5,980	5,700	5,700	- 280	.....
Operating expenses	372,553	370,706	370,706	- 1,847	.....
Reduction of debt	- 17,000	- 18,000	- 18,000	- 1,000	.....
Subtotal	355,553	352,706	352,706	- 2,847	.....
Office of the Inspector General	4,092	4,130	4,130	+ 38	.....
Repairs and restoration	9,082	8,000	8,000	- 1,082	.....
National Historical Publications and Records Commission Grants Program	4,990	3,000	5,000	+ 10	+ 2,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2013 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2014—Continued
(In thousands of dollars)

Item	2013 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2014 appropriation	Budget estimate
Total, National Archives and Records Administration	373,717	367,836	369,836	-3,881	+2,000
National Credit Union Administration					
Community Development Revolving Loan Fund	1,245	1,128	1,128	-117	.....
Office of Government Ethics	18,627	15,325	15,325	-3,302	.....
Office of Personnel Management					
Salaries and expenses	97,578	95,757	95,757	-1,821	.....
Limitation on administrative expenses	112,291	118,578	118,578	+6,287	.....
Office of Inspector General	3,136	4,684	4,684	+1,548	.....
Limitation on administrative expenses	21,132	21,340	21,340	+208	.....
Govt Payment for Annuitants, Employee Health Benefits	10,818,000	11,404,000	11,404,000	+586,000	.....
Govt Payment for Annuitants, Employee Life Insurance	51,000	53,000	53,000	+2,000	.....
Payment to Civil Svc Retirement and Disability Fund	9,780,000	9,178,000	9,178,000	-602,000	.....
Total, Office of Personnel Management	20,883,137	20,875,359	20,875,359	-7,778	.....
Office of Special Counsel					
Office of Special Counsel	18,934	20,639	20,639	+1,705	.....
Postal Regulatory Commission	14,275	14,304	14,304	+29	.....
Privacy and Civil Liberties Oversight Board	898	3,100	4,100	+3,202	+1,000
Recovery and Accountability Transparency Board	28,293	12,500	20,000	-8,293	+7,500
Securities and Exchange Commission					
SEC fees	1,321,000	1,674,000	1,674,000	+353,000	.....
Selective Service System	-	-1,674,000	-1,674,000	-353,000	.....
	23,936	24,134	22,900	-1,036	-1,234
Small Business Administration					
Entrepreneurial development programs .....	.....	.....	211,490	+211,490	+211,490
Salaries and expenses	416,513	485,923	254,833	-161,680	-231,090
Office of Inspector General	16,234	19,400	19,400	+3,166	.....

Office of Advocacy	9,102	8,455	8,455	-647	.....
Business Loans Program Account:					
Direct loans subsidy	3,671	4,600	4,600	+929	.....
Guaranteed loans subsidy	332,933	107,000	107,000	-225,933	.....
Administrative expenses	147,662	151,560	151,560	+3,898	.....
Total, Business loans program account	484,266	263,160	263,160	-221,106	.....
Disaster Loans Program Account:					
Administrative expenses	117,065	33,250	33,250	-83,815	.....
Disaster relief category		158,650	158,650	+158,650	.....
Total, Disaster loans program account	117,065	191,900	191,900	+74,835	.....
Total, Small Business Administration	1,043,180	988,838	949,238	-93,942	-19,600
United States Postal Service					
Payment to the Postal Service Fund:					
Advance appropriations	78,153	70,751	70,751	-7,402	.....
Office of Inspector General	240,985	241,468	241,468	+483	.....
Total, United States Postal Service	319,138	312,219	312,219	-6,919	.....
United States Tax Court	50,977	52,653	52,653	+1,676	.....
Total, title V, Independent Agencies	21,997,728	23,685,107	23,584,947	+1,587,219	-100,160
Appropriations	(21,919,575)	(23,455,706)	(23,355,546)	(+1,435,971)	(-100,160)
Advances	(78,153)	(70,751)	(70,751)	(-7,402)	.....
(By transfer)	(34,568)	(34,568)	(34,568)	.....	.....
OTHER APPROPRIATIONS					
Disaster Relief Appropriations Act, 2013 (Public Law 113-2)					
General Services Administration					
Federal Buildings Fund					
Repairs and alterations (emergency)	7,000			-7,000	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2013 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2014—Continued
[In thousands of dollars]

Item	2013 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2014 appropriation	Budget estimate
Small Business Administration					
Salaries and expenses (emergency)	20,000	.....	.....	-20,000	.....
Office of Inspector General (emergency)	5,000	.....	.....	-5,000	.....
Disaster Loans Program Account:					
Direct loan subsidy (emergency)	520,000	.....	.....	-520,000	.....
Administrative expenses (emergency)	259,000	.....	.....	-259,000	.....
Total, Disaster Loans Program Account	779,000	.....	.....	-779,000	.....
Total, Small Business Administration	804,000	.....	.....	-804,000	.....
Total, Other Appropriations	811,000	.....	.....	-811,000	.....
Grand total	43,345,888	45,435,193	44,304,163	+958,275	-1,131,030
Appropriations	(43,406,735)	(45,743,802)	(45,274,762)	(+1,868,027)	(-469,040)
Rescissions	(-950,000)	(-950,000)	(-1,200,000)	(-250,000)	(-250,000)
Emergency appropriations	(811,000)	.....	.....	(-811,000)	.....
Advances	(78,153)	(70,751)	(70,751)	(-7,402)	.....
(By transfer)	(34,568)	(34,568)	(34,568)	.....	.....

○