

TREASURY, POSTAL SERVICE, AND GENERAL  
 GOVERNMENT APPROPRIATIONS BILL, 1996

JULY 12, 1995.—Committed to the Committee of the Whole House on the State of  
 the Union and ordered to be printed

Mr. LIGHTFOOT, from the Committee on Appropriations,  
 submitted the following

REPORT

together with

MINORITY AND ADDITIONAL VIEWS

[To accompany H.R. 2020]

The Committee on Appropriations submits the following report in  
 explanation of the accompanying bill making appropriations for the  
 Treasury Department, the Postal Service, the Executive Office of  
 the President, and certain Independent Agencies for the fiscal year  
 ending September 30, 1996, and for other purposes.

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## SUMMARY OF THE TOTAL BILL

The accompanying bill contains recommendations for new budget (obligational) authority for fiscal year 1996 for the Department of the Treasury, the Postal Service, various offices in the Executive Office of the President, and certain Independent Agencies. The following table summarizes these recommendations and reflects com-

parisons with the budget, as amended, and with amounts appropriated to date for fiscal year 1995:

Agency	New budget (obligation) authority fiscal year 1995 enacted to date	Budget estimates of new (obligational) authority, fiscal year 1996	Recommended in the bill	Bill compared with—	
				New budget (obligational) authority fiscal year 1995	Budget estimate, fiscal year 1996
Treasury .....	10,562,071	11,349,203	10,515,206	- 46,864	- 833,996
Postal Service .....	130,093	145,922	121,908	- 8,185	- 24,014
Executive Office of the President .....	310,544	308,342	267,280	- 43,264	- 41,062
Independent agencies ...	12,498,239	13,134,356	12,273,892	- 224,347	- 860,464
Grand total .....	23,500,947	24,937,823	23,178,286	- 322,660	- 1,759,536

#### RECOMMENDATION

The Committee has provided a total of \$23,178,286,500 for the agencies under its jurisdiction. This represents a reduction of \$322,660,000 in budget authority from 1995 enacted levels and a reduction of \$1,759,356,000 below the amount requested by the President. After adjustments for scorekeeping in both 1995 and 1996, the Committee has provided \$23,315,119,500, an increase of \$553,677,500 over 1995 levels and \$1,749,543,500 below the request. The major scorekeeping adjustment is a \$624,000,010 rescission in 1995 currently pending in HR 1944.

#### GENERAL STATEMENT

On January 18, 1995, the Committee began an ambitious hearing schedule for the 1996 fiscal year. Over the past six months, the Committee held 42 hearings with 174 witnesses. This included representatives from the Administration, members of Congress and the general public. At the outset, the Committee made clear that fiscal year 1996 would not be business as usual and that the Committee would take a reasoned and careful path to downsizing and restructuring agencies under its jurisdiction. Every agency was put on notice that programs that have run on automatic pilot would no longer be given that luxury. Conversely, programs that have been cut in the past would not automatically be candidates for reductions this year. Witnesses were given the chance to justify their budgets; in some cases, the Committee has determined that these budgets are justified. In others, the Committee has determined they are not.

It was the Committee's intention to undertake a comprehensive review of programs and activities under its jurisdiction and to subsequently fund those programs at levels that support a smaller government that works better and smarter for the American people. The Committee is confident that it has met this objective.

Within the funding constraints presented to the Committee, priorities and initiatives are established. Overall, there are four themes in this bill: a reaffirmation of the importance of law enforcement, a restructuring of agencies including limited privatization of traditionally governmental functions, the termination of obsolete programs and activities, and flexibility in management.

The Committee fully funds all of the President's proposed crime and law enforcement activities and, in some cases, goes beyond

that level. The Committee was able to accommodate these increases by taking reductions from other accounts. The Committee believes that initiatives such as drug interdiction along the Southwest border are a much more valuable use of our limited resources than funding bureaucracies in Washington.

The Committee has terminated four agencies under its jurisdiction and has assumed that a fifth will be transferred elsewhere in the federal budget for a savings of \$12.75 million from 1995 enacted levels. The Committee is cognizant that these terminations will affect real people and real lives. Decisions to terminate agencies were not made lightly; nor were they made arbitrarily or for the sole purpose of achieving budgetary savings. Recommendations to terminate are consistent with the Committee's findings that certain programs are no longer necessary. In some cases, the Committee found these programs to be duplicative of other ongoing federal efforts; in other cases, the terminations reflect the Committee's belief that their functions are no longer an appropriate federal expense.

The Committee encourages a restructuring of federal agencies and, in limited circumstances, demonstration projects to determine the feasibility of privatizing traditionally governmental functions. The Committee supports privatization and includes no legislative constraints to contracting. The Committee recommends that OPM get out of the business of testing and recruiting federal employees and assumes these functions will be done by individual federal agencies. The Committee also provides funds for the IRS to demonstrate the feasibility of collecting delinquent taxes through private collection agencies. The Committee recognizes that there are some functions performed by federal employees that constitute core governmental responsibilities. The Committee also recognizes, however, that some of these traditionally core governmental functions can perhaps be done in the private sector with a savings to the federal government.

The Committee has deleted from its bill and report provisions carried in the past that establish FTE ceilings. The Committee has repeatedly heard from federal managers that these ceilings preclude managerial flexibility and limit efficiency. The Committee supports the Administration's opposition to these personnel constraints.

Finally, in support of managerial efficiency and flexibility, the Committee continues a general provision allowing agencies under its jurisdiction to retain 50 percent of their unobligated balances remaining at the end of the fiscal year for certain purposes.

From the beginning, the Committee committed itself to playing a vital role in the restructuring of government. The decisions included in this bill were not easy. But they are a start to a long term commitment to make the government work better and smarter for the people it serves. To that end, the Committee hopes that its priorities will be measured by looking at the vision it holds for a better and smarter government for programs under its jurisdiction.

## HEARING TRANSCRIPTS

The Committee is concerned that the agencies under its jurisdiction are not devoting the attention needed to the preparation and editing of hearing transcripts and galleys. Each year the Committee provides detailed instructions for editing these documents and the inclusion of any additional materials. Many agencies have chosen to ignore those instructions, thereby delaying the Committee's printing schedule. Agencies are advised that the preparation of the hearing record is as important as the budget request and are further reminded that delays in submitting hearing transcripts will delay the ability of the House to consider the annual appropriations bill. Finally, the Committee reminds witnesses that, under House Rules, hearing transcripts must reflect a substantially verbatim account of remarks actually made during the hearing, subject only to technical, grammatical, and typographical corrections authorized by the person making the remarks involved.

## PERFORMANCE MEASURES

In last year's report, the Committee directed all of the agencies under its jurisdiction to continue implementation of performance measurement and stated its intent to use performance measurement in determining resource allocation. The Committee believes that most agencies are making progress toward relevant performance measurements and is encouraged by the initial data provided.

The Congress has been given a mandate by the American public to reduce the cost of federal government, while ensuring the improvement of quality and efficiency of services. All agencies can expect to be asked to do more with less and do it better. This can be accomplished through sound planning, program review and performance assessment. Therefore, while developing performance measurements, the agencies should also be developing performance plans that allow for increased productivity. The Committee is aware that not all agencies will accomplish the same level of productivity increases. However, the Committee directs agencies under its jurisdiction to develop annual performance plans that provide for a minimum average productivity increase of 3 percent in appropriate functional areas. This level of increase was originally directed by Executive Order 12637, Productivity Improvement Program for the Federal Government.

The Committee emphasizes the need for involvement by Federal managers in this process. It is the Federal manager's responsibility that resources are used efficiently and effectively in achieving identified goals. This involvement must include the development of appropriate management controls supporting the performance goals and plans. The Committee would refer Federal managers to PL 97-255, The Federal Managers' Financial Integrity Act, which defines those responsibilities. The Committee also wishes to emphasize the need for agencies to ensure that any performance measurements and productivity improvements are accountable through the Annual Report required by the Chief Financial Officer's Act, PL 101-576.

## TITLE I—DEPARTMENT OF THE TREASURY

## DEPARTMENTAL OFFICES

## SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$104,379,000
Budget estimate, fiscal year 1996 .....	120,408,000
Recommended in the bill .....	104,000,500
Bill compared with:	
Appropriation, fiscal year 1995 .....	– 378,500
Budget Estimate, fiscal year 1996 .....	– 16,407,500

## MISSION

Departmental Offices' function in the Treasury Department is to provide basic support to the Secretary of the Treasury, who is the chief operating executive of the Department. The Secretary of the Treasury maintains 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 Salaries and Expenses appropriation include: recommending and implementing United States domestic and international economic and tax policy; fiscal policy; governing the fiscal operations of the Government; maintaining foreign assets control; managing the public debt; overseeing the law enforcement functions carried out by the Treasury Department; managing development of financial policy; representing the United States on international monetary, trade and investment issues; overseeing Treasury Department overseas operations; and directing the administrative operations of the Treasury Department.

## RECOMMENDATION

The Committee recommends \$104,000,500 for the Departmental Offices appropriation, a \$16,407,500 reduction from the requested level and \$378,500 below 1995.

The Committee has reduced the funding for the Office of the Under Secretary for Law Enforcement by \$1,066,000. The Committee directs that no funds be reprogrammed into this Office without prior Congressional approval.

The Committee eliminated funding for the repair and alterations of the Treasury Building as explained below.

## BUDGET JUSTIFICATION MATERIAL

The Committee directs that future budget justification material for Departmental Offices shall separately identify the cost and staffing of the office of the Under Secretary of Enforcement, the Assistant Secretary for Management, and the U.S. Treasurer. The funding and staffing of these offices shall only be from amounts provided in the Departmental Offices appropriation and shall not be augmented by funds or staff from Treasury bureaus or other offices without prior approval of the Committee.

## REPROGRAMMING GUIDELINES

The Committee agrees to require a reprogramming request from any agency, department or office when the amount to be repro-

grammed exceeds \$500,000 or 10 percent of any object class, budget activity, program line item, or program activity, whichever is greater. For agencies receiving appropriations under \$20,000,000, this threshold shall be \$100,000 or 5 percent, whichever is greater.

Such requests shall be submitted for the prior approval of the Committees on Appropriations. The Committees must receive such requests in sufficient time to consider them before their proposed implementation. In the past, the Administration has delayed submission as much as four months between the time that it knew that the reprogramming was necessary and the time that it was formally transmitted. The committee expects that such delays will not recur in the future.

#### REPAIR AND MAINTENANCE OF THE TREASURY BUILDING

The Department requested \$7,194,000 for certain repair and maintenance requirements of the Treasury Building, including a new electrical distribution system and steam and cooling lines. The Committee has not provided this amount in the Departmental Offices appropriation but has included the funding for these requirements in the General Services Administration's (GSA) Federal Buildings Fund Repair and Alteration account. While the Treasury Department building is not in GSA's inventory of facilities, GSA is the organization which should be coordinating all requirements for the government-wide inventory of facilities.

#### REIMBURSEMENT TO FEDERAL RESERVE BANKS

The Federal Reserve banks support the fiscal operations and provide banking and financial services on behalf of the Treasury of the United States. The Committee directs that the fiscal year 1997 budget request include a permanent and indefinite appropriation for amounts necessary to reimburse the Federal Reserve banks for the services provided as fiscal agents on behalf of the Treasury.

#### INTERGOVERNMENTAL INFORMATION TECHNOLOGY ENTERPRISE PANEL

The Committee strongly supports the efforts of the Department of the Treasury in the development of intergovernmental information technology policies and programs. Therefore, the Committee directs that within the funds appropriated for Departmental Offices, not less than \$750,000 shall be made available for the Intergovernmental Information Technology Enterprise Panel.

#### TREASURY COMMUNICATIONS SYSTEM

The Treasury Communications System (TCS) is being designed to enhance the current FTS-2000 system to meet the requirements of the Department of the Treasury. This system will be funded through an industrial fund concept which charges the Bureaus a cost based on usage and requirements. While the Department has experienced difficulty in the development and execution of this procurement, it appears that the major issues have been resolved and the contract award is imminent. The Committee recognizes that the evaluation of the proposals will be challenging because this type of network is not designed along traditional lines. However, this may well be the way network systems are procured in the fu-

ture, making it necessary for all parties to accommodate changing views on the design of networks.

The Committee believes the Department should ensure that security oversight is conducted by government, not contractor, personnel. Additionally, the Department shall submit a report to the Committee, no later than June 1, 1996, on its strategy for future cost containment and requirements validation.

#### U.S. DUTCH TREATY PROTOCOL AMENDMENTS OF 1993

The Committee is aware that the Treasury Department has not yet corrected an error it made two years ago with respect to withholding tax under Paragraph 8 of Article 12 of the Income Tax convention between the United States of America and the Kingdom of the Netherlands on interest paid by American companies to their Dutch finance subsidiaries in the context of triangular finance structures. The profits of these subsidiaries are already subject to taxation under subpart F of the Internal Revenue Code, resulting in double taxation for the American companies affected by the U.S. Treasury mistake.

The Department has acknowledged this error and has recently announced a temporary solution to correct the problem. The Committee believes that admitted errors should be swiftly followed by meaningful, permanent solutions. This is particularly urgent when these mistakes are working at cross purposes to the goal of encouraging international competitiveness for our domestic industries. Accordingly, the Committee directs that no later than October 31, 1995, the Treasury Department must provide the House and Senate Appropriations Committee with a report which (1) details the Treasury measures in place to ensure that current treaties are administered in a fair and responsible manner, (2) offers suggested mechanisms for preventing mistakes which could result in additional future cases of double taxation, and (3) addresses the current problem by providing a permanent solution which relieves American companies of the burden of a petition process.

#### UNITED STATES TREASURER

##### CURRENCY REDESIGN

The Committee directs that the U.S. Treasurer have full operational control over all aspects of the public relations effort for currency redesign and should report directly to the Secretary of the Treasury on this important issue. Additionally, the Treasurer shall conduct an open and competitive contract award for any use of a commercial firm in the execution of the public relations campaign for currency redesign.

##### OVERSIGHT RESPONSIBILITIES

The office of the U.S. Treasurer has operated for years as a traditionally ceremonial position to promote certain "goodwill" and promotional initiatives. Today the U.S. Treasurer insists on managing the day-to-day activities of both the Bureau of Engraving and Printing (BEP) and the U.S. Mint. The Committee does not agree that this type of oversight should be conducted by the Treasurer and directs that these activities cease. The Assistant Secretary of

the Treasury has a responsibility to ensure that all Treasury organizations accurately represent the position of the Department. However, oversight responsibilities such as that envisioned by the Treasurer simply adds a level of bureaucracy to the Department which the Committee finds excessive and unacceptable.

Additionally, the U.S. Treasurer has sought assistance from both the BEP and the U.S. Mint in staffing the office of the Treasurer. The Committee believes that this office should only be funded and staffed within the Departmental Offices appropriation and staffing levels. There is no need to seek supplemental funding and staffing from other organizations.

#### OFFICE OF INSPECTOR GENERAL

##### SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$29,700,000
Budget estimate, fiscal year 1996 .....	31,864,000
Recommended in the bill .....	29,319,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 381,000
Budget estimate, fiscal year 1996 .....	- 2,545,000

##### MISSION

This appropriation provides agencywide audit and investigative functions to identify and correct operational and administrative deficiencies which create conditions for existing or potential instances of fraud, waste, and mismanagement. 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 evaluate 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. The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations. This appropriation also provides for the oversight of internal investigations made by the office of Internal Affairs and Inspection in the Bureau of Alcohol, Tobacco and Firearms, the Customs Service, and the Secret Service and, internal audits and internal investigations of the Inspection Service at the Internal Revenue Service.

The Inspectors General Auditor Training Institute provides the necessary facilities, equipment, and support services for conducting auditor training for the Federal Government Inspector General community. Institute personnel develop and deliver instructional programs related to basic government audit skills. The cost of training is recovered by tuition charged to a student's agency.

##### RECOMMENDATION

The Committee recommends \$29,319,000 for the Inspector General appropriation; a \$2,545,000 reduction from the requested level and \$381,000 below 1995. The Committee's reduction is made with-

out prejudice and may be applied at the discretion of the Inspector General.

INDEPENDENT LEGAL COUNSEL

According to a March 1995 General Accounting Office (GAO) report, problems could arise if an agency's Inspector General does not have legal counsel which is separate and independent from the agency's General Counsel. The General Counsel serves as an agency's chief legal official and as such, advises the agency head and articulates the agency's positions on legal matters. The IG serves as an independent evaluator of the agency's programs and operations. Attorneys advising the agency head and those advising the IG may view legal issues differently.

The Department of the Treasury IG does not have an independent legal counsel and is forced to share the services of the General Counsel of the Department. This situation could cause problems for the agency. Therefore, the Committee directs that the Department of the Treasury ensure that the IG is provided the opportunity to retain the services of an independent legal counsel.

FINANCIAL CRIMES ENFORCEMENT NETWORK

SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$19,823,000
Budget estimate, fiscal year 1996 .....	22,198,000
Recommended in the bill .....	20,273,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	450,000
Budget estimate, fiscal year 1996 .....	-1,925,000

MISSION

The Financial Crimes Enforcement Network (FinCEN) has been assigned a central role in Treasury counter-money laundering efforts. It exercises Treasury's far-reaching responsibilities under the Bank Secrecy Act, 31 U.S.C. section 5311, et seq., and serves as a United States Government source for the systematic collation and analysis of information to assist in the investigation of money laundering and other financial crimes. FinCEN implements these responsibilities through analytical and technological platforms geared to combat money laundering through prevention and enforcement.

RECOMMENDATION

The Committee recommendation of \$20,273,000 includes \$450,000 to fund pay raises and other inflationary adjustments to continue operating at 1995 levels. Although the Committee was not able to provide the additional \$2,026,000 requested for information systems modernization, the Committee notes that it was able to provide \$2,221,000 for FinCEN as part of Treasury's Violent Crime Reduction Programs.

The Committee recommends a number of technical language changes to this account. The first allows FinCEN to use up to \$14,000 for official reception and representation expenses. Since FinCEN has been given enhanced authority for enforcement under the Bank Secrecy Act and coordination with foreign financial intel-

ligence agencies, resources for official representation and reception expenses have become necessary for meetings with foreign governments and U.S. bankers. These new responsibilities have also made necessary a provision allowing FinCEN to pay for the travel expenses of non-federal personnel, to be used in those instances in which the Director finds it necessary to pay for the expenses of key attendees to conferences or meetings involving financial law enforcement.

The Committee also proposes a minor change to FinCEN's procurement statutes. As a law enforcement agency specializing in sophisticated financial crimes, FinCEN must also be on the cutting edge of new technology. At times, it may be necessary for FinCEN to procure certain pieces of electronic equipment, both hardware and software, without the elaborate competition and processes associated with federal procurement. Language included by the Committee will allow FinCEN to do so. It should be noted that the Committee intends that this language only be associated with occasional purchases of cutting edge technologies, and not for other procurement. In addition, the Committee expects that the Congress will enact more thorough procurement reform legislation before the start of the 1997 fiscal year, making this language unnecessary as a permanent aspect of FinCEN's appropriation.

The Committee also proposes a technical language change allowing FinCEN to purchase personal services contracts.

TREASURY FORFEITURE FUND

(LIMITATION ON AVAILABILITY OF DEPOSITS)

Appropriation, fiscal year 1995 to date .....	\$15,000,000
Budget estimate, fiscal year 1996 .....	15,000,000
Recommended in the bill .....	.....
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 15,000,000
Budget estimate, fiscal year 1996 .....	- 15,000,000

MISSION

P.L. 102-393 authorized the establishment of the Treasury Forfeiture Fund, replacing the Customs Forfeiture Fund, and making it available to pay or reimburse certain costs and expenses related to seizures and forfeitures that occur pursuant to the Treasury Department's law enforcement activities. The Coast Guard also participates in the program.

RECOMMENDATION

The Committee provides no discretionary resources for this account. The most important activities of the fund, equitable sharing payments among law enforcement agencies and managing the fund's assets, are financed through its permanent expenditure authority. Discretionary resources are used to fund initiatives, projects and programs at the discretion of the Secretary.

The Committee believes that discretionary appropriations should be requested and appropriated directly to the law enforcement bureaus, without the intervention of the Office of the Secretary. For that reason, it recommends no discretionary resources for the forfeiture fund.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$58,813,000
Budget estimate, fiscal year 1996 .....	35,828,000
Recommended in the bill .....	36,070,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 22,743,000
Budget estimate, fiscal year 1996 .....	+242,000

MISSION

The Federal Law Enforcement Training Center provides the necessary facilities, equipment, and support services for conducting advanced, specialized, and refresher training for Federal law enforcement personnel. This appropriation is for operating expenses of the Center, for research in law enforcement training methods, and curriculum content. In addition, the Center has a reimbursable program to accommodate the training requirements of various Federal agencies. As funds are available, law enforcement training is provided to certain State and local law enforcement personnel on a space-available basis.

RECOMMENDATION

The Committee provides \$36,070,000 for salaries and expenses, including \$499,000 to fund pay raises and inflation, but denies the Administration's request for \$358,000 in program enhancements because of insufficient resources. The Committee notes that it has provided \$2,500,000 to the Federal Law Enforcement Training Center as part of Treasury's Violent Crime Reduction Programs.

The Committee includes a technical change allowing some of the resources appropriated to be used for site-hardening and upgrade of anti-terrorist training facilities at Glynco, Georgia.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

Appropriation, fiscal year 1995 to date .....	\$5,815,000
Budget estimate, fiscal year 1996 .....	8,163,000
Recommended in the bill .....	8,163,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	+2,348,000
Budget estimate, fiscal year 1996 .....	

MISSION

This account provides for the acquisition, construction, improvement, equipment, furnishing and related costs for expansion and maintenance of facilities of the Federal Law Enforcement Training Center.

RECOMMENDATION

The Committee concurs with the Administration's request. This includes \$5,446,000 for facilities construction and maintenance and \$2,717,000 for environmental restoration and reconstruction of outdoor firearms ranges.

## FOREIGN LAW ENFORCEMENT

Appropriation, fiscal year 1995 to date .....	
Budget estimate, fiscal year 1996 .....	\$14,490,000
Recommended in the bill .....	
Bill compared with:	
Appropriation, fiscal year 1995 .....	
Budget Estimate, fiscal year 1996 .....	- 14,490,000

## MISSION

The Administration proposes to establish a new account to consolidate law enforcement personnel deployed at foreign locations as designated by the Secretary of Treasury. These personnel would remain agents in their respective bureaus but would be trained to handle inquiries regarding all types of Treasury law enforcement matters.

## RECOMMENDATION

The Committee provides no resources for the Administration's Foreign Law Enforcement initiative and has returned the amounts proposed for transfer to the originating Treasury law enforcement bureaus.

## FINANCIAL MANAGEMENT SERVICE

## SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$183,729,000
Budget estimate, fiscal year 1996 .....	189,259,000
Recommended in the bill .....	181,837,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 1,892,000
Budget estimate, fiscal year 1996 .....	- 7,422,000

## MISSION

The Financial Management Service (FMS) is responsible for improving the quality of Government financial management. As the Government's central financial agent, FMS receives and disburses public monies, maintains Government accounts, and reports on the status of the Government's finances. FMS is also accountable for developing and implementing the most reliable and efficient financial methods and systems to manage and improve the Government's cash management, credit management, and debt collection programs. Additionally, the Service sets Government-wide policy directing Federal agencies to adopt prudent financial management techniques.

## RECOMMENDATION

The Committee recommends \$181,837,000, for the Financial Management Service; a reduction of \$7,422,000 from the request and \$1,892,000 below 1995. The Committee has fully funded the request for the Electronic Benefits Transfer and Electronic Data Interchange programs.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$420,138,000
Budget estimate, fiscal year 1996 .....	400,885,000
Recommended in the bill .....	391,035,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 29,103,000
Budget estimate, fiscal year 1996 .....	- 9,850,000

MISSION

The Bureau of Alcohol, Tobacco and Firearms is responsible for the enforcement of the laws designed to eliminate certain illicit activities and to regulate lawful activities relating to distilled spirits, beer, wine and nonbeverage alcohol products, tobacco, firearms, and explosives.

RECOMMENDATION

The Committee recommends an appropriation of \$391,035,000 for the Bureau of Alcohol, Tobacco and Firearms. This includes the requested \$12,001,000 for pay raises and other price increases not under the control of the Bureau, as well as a net \$7,500,000 to continue anti-terrorism activities that were initiated after the Oklahoma City bombing. The Committee does not provide additional resources for ATF's 1996 program initiatives, including \$4,000,000 for critical equipment needs, \$1,924,000 for systems modernization and \$2,200,000 for the Atlanta Olympics. The Committee directs ATF to absorb funding for these items within this allocation. Since the Committee was unable to fund a full four National Response Teams as envisioned as part of ATF's anti-terrorism initiative, the Committee directs ATF to establish only two full time National Response Teams. The Committee also transferred \$5,000,000 in funding for the Gang Resistance Education and Training (GREAT) program from the Salaries and Expenses account to the Violent Crime Reduction Program account.

REVIEW OF ATF OPERATIONS

The Committee is aware of a number of serious questions regarding ATF management. Some of these complaints are that ATF has failed to discipline employees found guilty of incompetence or malfeasance; used deadly force unnecessarily; harassed legitimate firearms dealers; and ignored legal prohibitions on the centralization of records. The Committee will not ignore such serious charges.

The Committee Chair therefore will send a letter to the General Accounting Office directing it to review and analyze ATF's policies and controls regarding the use of force, its regulation and treatment of licensed firearms dealers, its compliance with laws regarding the centralization of firearms dealer records, and its internal management.

ATF faces a difficult task under the best of circumstances, and the vast majority of ATF employees exemplify the highest standards of public service. It is therefore, in the opinion of the Committee, all the more important to investigate these allegations thor-

oughly and expeditiously, so that problems can be corrected or false accusations put to rest.

#### RELIEF FROM FEDERAL FIREARMS DISABILITIES

For the fourth consecutive year, the Committee has added bill language prohibiting the use of Federal funds to process applications for relief from Federal firearms disabilities. The Committee understands the controversial nature of the underlying law allowing convicted felons to have their right to own a firearm restored. However, those who commit serious crimes forfeit many rights and those who commit felonies should not be allowed to have their right to own a firearm restored. We have learned sadly that too many of these felons whose gun ownership rights were restored went on to commit violent crimes with firearms. There is no reason to spend the Governments' time or taxpayer's money to restore a convicted felon's right to own a firearm.

#### IMPORTATION OF CURIOS OR RELICS

The Committee has inserted language that prohibits ATF from changing regulations or policy with regard to the definition of "curios or relics" in the importation of firearms without allowing opportunity for public comment or prior notification in the Federal Register.

#### GUIDE TO FEDERAL FIREARMS REGULATIONS

The Committee notes that ATF has not published a revised version of "(Your Guide to) Federal Firearms Regulation 1988-89" (also known as "the red book"), despite numerous legal and regulatory changes since that date. The Committee directs ATF to publish a revised version of this guide in fiscal year 1996.

#### GREAT PROGRAM

The Committee reaffirms its support of the Gang Resistance Education and Training (GREAT) program, a project which utilizes personnel on a voluntary basis to become involved in their communities, particularly schools, and work with young people to promote a crime-free and gang-free environment. The Committee urges the Department of the Treasury to continue to actively support this program in the future. In addition, the Committee notes the success of this program in El Paso, Texas and urges that the Department give priority to funding this project when distributing funds under the GREAT program.

#### IN-BOND TRANSFERS AND DRAWBACKS

The Committee is aware that the spirits industry has petitioned to allow the in-bond transfer of bottled distilled spirits between commonly-owned distilled spirits plants and for relief from regulations dealing with the filing of so-called drawbacks for nonbeverage alcohol claims. The Committee encourages ATF to cooperate with the industry to the greatest extent possible in eliminating unnecessary regulatory burdens, and requests that ATF report to the Committee with an analysis and response to the in-bond transfer and drawback proposals.

## UNITED STATES CUSTOMS SERVICE

## SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$1,395,793,000
Budget estimate, fiscal year 1996 .....	1,381,550,000
Recommended in the bill .....	1,389,829,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 5,964,000
Appropriation, fiscal year 1996 .....	+8,279,000

## MISSION

The United States Customs Service is the Nation's principal border agency. Its mission is to ensure that all goods entering and exiting the United States do so in accordance with all United States laws and regulations. This mission includes enforcing U.S. laws intended to prevent illegal trade practices; protecting the American public and environment from the introduction of prohibited hazardous and noxious products; assessing and collecting revenue in the form of duties, taxes, and fees on imported merchandise; regulating the movement of persons, carriers, merchandise, and commodities between the United States and other nations, while facilitating the movement of all legitimate cargo, carriers, travelers, and mail; interdicting narcotics and other contraband; and enforcing certain provisions of the export control laws of the United States.

## RECOMMENDATION

The Committee provides the amounts requested by the President for U.S. Customs Salaries and Expenses, including \$39,966,000 to cover the cost of pay raises and other uncontrollable increases. The Committee provided \$8,280,000 which was requested by the Administration as part of the Administration's proposed foreign law enforcement initiative.

## NEW ORLEANS AIR BRANCH

The Committee is aware that the Customs Service may be able to relocate the New Orleans air branch elsewhere in Southeast Louisiana without paying for the extensive modifications necessary at the current facility, and perhaps even improving Customs operations and efficiency in the long run. The Committee therefore directs the Customs Service to halt all further design or construction related activities at its current location until the New Orleans Air Branch, in concert with Customs headquarters, has fully investigated and determined the long-term cost of other options and reported back to the Committee with its findings. The Committee directs that Customs submit this report no later than August 30, 1995.

## UNIFIED PORT MANAGEMENT

The Committee requested in the Fiscal Year 1995 Conference and House Reports that the Customs Service undertake a study of unified port management for the port of Nogales, Arizona. The Customs Service responded with a description of the scope and status of ongoing cargo and passenger initiatives on the Southwest border.

While laudable, the report did not address the point: that ports of entry would likely run better if there were a single port director responsible for all federal activities at the port.

As a result, the Committee has provided statutory language providing that the U.S. Customs Service designate a single director of all port activities in two pilot ports, one on the Southern border and one on the Northern. The Customs Service shall evaluate this program and report back to the Committee no later than February 1, 1996 with a progress report.

#### TRAINING FOR CHINESE CUSTOMS

The Committee would like to congratulate the U.S. Customs Service in its efforts to train Chinese customs officials in efficient and effective border inspections with a minimum of intrusiveness. The Committee expects Customs to continue such efforts in fiscal year 1996.

#### EL PASO CUSTOMS INSPECTORS

The Committee directs the US Customs Service to provide an additional 35 inspectors to the El Paso customs district.

#### OAKLAND/PONTIAC AIRPORT

The Committee directs the Customs Service to establish a full-time permanent presence at the Oakland/Pontiac Michigan airport.

#### NATIONAL WARPLANE MUSEUM

In 1989, the U.S. Customs office in Buffalo seized two A-37 Dragonfly jets as part of an investigation into the illegal weapons trade. The National Warplane Museum in Geneseo, New York, dedicated to the restoration and maintenance of World War II and Korean era aircraft and a registered non-profit organization, is interested in obtaining these aircraft for display. The Committee directs the Customs Service to transfer these aircraft, which have no further law enforcement use, to the National Warplane Museum.

#### UH-60 BLACK HAWK MISSION IMPROVEMENT PROGRAM

The Committee shares the concern expressed in Senate Report 103-286 regarding U.S. Army helicopters on loan to the United States Customs Service in support of counternarcotics operations. Since these UH-60 Blackhawks were restricted from night operations, drug smugglers have exploited their ability to operate on and over the water at night without risk of detection or apprehension by Blackhawks. The installation of Forward Looking Infrared Radar (FLIR) sensors on these UH-60s will deny the drug smuggler freedom of movement at night and will enhance crew safety and aircraft survivability. The committee notes that these Army-owned aircraft and FLIRs must be maintained to Special Operations Forces standards in order to meet a backup aircraft inventory requirement for Task Force 106 should 72-hour recall by that unit be required.

## REFUND OF EXCESS DUTIES

The Committee is concerned by evidence that the Department of Commerce has acknowledged collecting excess deposits amounting to millions of dollars on imports of products subject to anti-dumping orders due to clerical and computer programming errors. The Committee is further concerned that the U.S. Customs Service has failed to use statutory authority, under Section 212 of the Tariff and Trade Act of 1984 (19 U.S.C. 1520), which provides for the refund, *prior to liquidation* (emphasis added), of excess duties deposited or paid on an entry by reason of clerical error.

Recognizing that the Customs Service must work together with the Commerce Department to settle this matter, the Committee urges the Customs Service to work with the Commerce Department to resolve these matters in accordance with applicable laws and regulations as expeditiously as possible, and report back to the Committee with the results.

## CANADIAN PRIVATE AIRCRAFT REPORTING PROGRAM

This Committee is concerned that the Canadian Private Aircraft Reporting Program, designed to facilitate processing of private aircraft entering from Canada, may result in increased smuggling along the Northern border, particularly if "Operation Hardline" is successful at curbing smuggling in the South. The Committee directs that Customs provide a report describing the anti-smuggling safeguards that it intends to install in this program before it begins implementation.

## NAFTA AND TEXTILE ENFORCEMENT

The Administration requested and the Congress approved in fiscal year 1995 \$18 million and 186 full time equivalent employees for the Customs Service to enforce the NAFTA and GATT trade agreements, particularly with regard to textiles and apparel. In fiscal year 1996, the Committee provides full funding for this initiative and expects the Customs Service to use its resources for vigorous NAFTA and GATT enforcement, particularly with regard to textile and apparel trade rules.

## CUSTOMS PRECLEARANCE IN THE VIRGIN ISLANDS

The Committee directs that the Customs Service seek, in coordination with other Federal agencies, to provide pre-clearance services at Cyril E. King International and Alexander Hamilton International Airports, Virgin Islands, for turbine and turbo-propeller powered aircraft on instrument flight plans. This processing should be targeted to begin on October 1, 1995. The Committee requests a progress report on this effort by July 24, 1995.

## PORT OF BROWNSVILLE/MATAMOROS BRIDGE PRESIDENTIAL PERMIT

The Committee is pleased to note that during the May 23-25, 1995, bi-national meetings between Mexico and the United States, the Port of Brownsville Presidential Permit application for a commercial bridge, was elevated to the active consideration list, with the State Department indicating its intentions to give high priority to the review of the Port's final revised documentation. The Port

submitted its formal application for this commercial bridge project in October of 1991 and in January, 1992, U.S. Customs wrote the General Services Administration indicating that the Port bridge was among its top three priorities for new border stations. Most importantly, the Committee notes that the Port of Brownsville has agreed to finance all of the U.S. portion of the bridge, including all of the U.S. Customs, INS, and Agriculture inspection facilities and access made to the bridge site, and to provide free rent to the inspection agencies for a period of time to be negotiated with U.S. Customs. Additionally, the Port of Brownsville and the State of Tamaulipas intend to structure the project in such a way that all of the Mexican infrastructure, including access roads, would be financed by private sector funding, not government funding.

The Committee recommends that Customs explore the possibility of initially staffing the proposed new Port bridge on a reimbursable basis. It is expected that the Port of Brownsville/Matamoros bridge will be opened in fiscal year 1998.

HARBOR MAINTENANCE FEE COLLECTION

Appropriation, fiscal year 1995 to date .....	
Budget estimate, fiscal year 1996 .....	\$3,000,000
Recommended in the bill .....	3,000,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	+3,000,000
Budget estimate, fiscal year 1996 .....	

MISSION

The Harbor Maintenance Fee is established to provide resources to the Army Corps of Engineers for the improvement of American channels and harbors. It is assessed on the value of commercial imports and exports delivered to or from certain specified ports. The fee is collected by the U.S. Customs Service and deposited into the Harbor Maintenance Trust Fund. In fiscal year 1996, \$3,000,000 will be transferred from the Harbor Maintenance Trust Fund to the Customs Service Salaries and Expenses appropriation to offset costs incurred by Customs in collecting Harbor Maintenance Fees.

RECOMMENDATION

The Committee concurs with the President's request.

OPERATION AND MAINTENANCE, AIR & MARINE INTERDICTION PROGRAMS

Appropriation, fiscal year 1995 to date .....	\$89,041,000
Budget estimate, fiscal year 1996 .....	60,993,000
Recommended in the bill .....	60,993,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	-28,048,000
Budget estimate, fiscal year 1996 .....	

MISSION

The Customs Air and Marine Interdiction Program combats the illegal entry of narcotics and other goods into the United States. This appropriation provides capital procurement and all operations and maintenance for the Customs air and marine program and

support for the interdiction of narcotics by other Federal, State and local agencies.

RECOMMENDATION

The Committee funded this account at the President's request.

CUSTOMS AIR PROGRAM

The Committee has provided statutory language allowing the Customs Service to provide assistance in law enforcement and humanitarian operations not specifically related to its primary mission of drug law enforcement. This is a technical change in the law. Customs has in the past provided such assistance in the spirit of cooperation among law enforcement agencies, but discontinued this practice over the course of the past year after discovering that it lacked specific authority to do so. The Committee notes that such operations constitute the third priority for Customs pilots, after drug interdiction and support for other Customs law enforcement efforts, but that it is necessary to undertake these other missions during "down" times to keep the Customs pilot's skills honed.

PUERTO RICO AIR BRANCH

The Committee is aware of the difficulty in staffing the air branches in Puerto Rico because of a lack of resources available for Permanent Change of Station (PCS) relocations. The Committee has provided some such resources as part of Operation Hardline for the Southwest border but expects the Customs Service to reprogram resources from other areas in order to adequately staff the air branch in Puerto Rico.

CUSTOMS FACILITIES, CONSTRUCTION, IMPROVEMENTS AND RELATED EXPENSES

Appropriation, fiscal year 1995 to date .....	\$1,000,000
Budget estimate, fiscal year 1996 .....	
Recommended in the bill .....	
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 1,000,000
Budget estimate, fiscal year 1996 .....	

MISSION

This account funds major Customs construction, repair, and facility improvement initiatives. Funds were provided in the Treasury, Postal Service, and General Government Appropriations Act, 1995 (P.L. 103-329), for a hangar at the Customs Air Branch in Puerto Rico. No funds are requested for fiscal year 1996.

RECOMMENDATION

The Committee concurs with the President's request.

CUSTOMS SERVICES AT SMALL AIRPORTS

(TO BE DERIVED FROM FEES COLLECTED)

Appropriation, fiscal year 1995 to date .....	\$1,406,000
Budget estimate, fiscal year 1996 .....	1,406,000
Recommended in the bill .....	1,406,000

Bill compared with:  
Appropriation, fiscal year 1995 .....  
Budget estimate, fiscal year 1996 .....

MISSION

Customs charges user fees at certain small airports where the volume or value of business is insufficient to justify the availability of Customs services. The funds generated from these user fees are applied to expenditures incurred in providing Customs services at each of these designated small airports.

RECOMMENDATION

The Committee concurs with the President's request.

BUREAU OF ENGRAVING AND PRINTING

MISSION

The Bureau of Engraving and Printing, a non-appropriated fund account, designs, manufactures, and supplies Federal Reserve notes, various public debt instruments, as well as most evidences of a financial character issued by the United States, such as postage and internal revenue stamps. The Bureau executes certain printings for various territories administered by the United States, particularly postage and revenue stamps.

The operations of the Bureau 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 Bureau to be reimbursed by customer agencies for all costs of manufacturing products and services performed. The Bureau is also authorized to assess amounts to acquire capital equipment and provide for working capital needs. The anticipated work volume is based on estimates of requirements submitted by agencies served.

RELATIONSHIP WITH THE COMMITTEE

The Committee is concerned that the Department of the Treasury is attempting to circumvent the excellent working relationship which has existed for years between the Committee, the Bureau of Engraving and Printing (BEP), and the U.S. Mint. It would be most unfortunate if the Department of Treasury continued to insist that these organizations receive approval for day-to-day activities or for providing the Committee with information and assistance. The Committee directs that the BEP and the Mint be allowed to communicate directly with the Committee without interference from the Treasury bureaucracy.

Additionally, the Committee strongly recommends that the Director of the BEP and the Director of the U.S. Mint report directly to the Assistant Secretary of Treasury for Management without intervention by the office of the U.S. Treasurer on matters concerning their respective operations.

IMPLEMENTATION OF TASK FORCE RECOMMENDATIONS

In April of 1995, the Department of the Treasury released its Departmental Task Force Report on Physical Security and Internal Controls at the Bureau of Engraving and Printing (BEP). This is

a comprehensive report which addresses all major issues which need to be resolved by BEP. The Committee is pleased that BEP has taken the initiative and has implemented many of the recommendations. The recommendations which have not yet been implemented are those which are complex and costly in nature and therefore require additional time to correct. The Committee directs that BEP provide quarterly reports on its progress in implementing the recommendations of the task force.

#### WEB PRESS TECHNOLOGY

Since June of 1983, the Bureau of Engraving and Printing (BEP) has spent over \$32 million on an unsuccessful attempt to develop a one-of-a-kind, three-component, web-based currency production system. Technical problems identified as early as 1982 continue to plague the web press and solving these problems will probably cost more than could be gained through its operation. Furthermore, the circumstances which prompted the BEP to solicit a web-based currency production system no longer exist. In 1993, the BEP greatly expanded its production capability by adding a facility in Ft. Worth, Texas which uses modern sheet-fed presses. This facility eliminated concerns about meeting currency production demands and single-site vulnerability, the primary reasons for initiating web-press development. Therefore, the Committee directs that BEP immediately suspend its work on developing the Web Press.

#### CLASSIFICATION OF CHIEF OF POLICE

The Committee has included a new provision (sec. 521) which authorizes the Bureau of Engraving and Printing to pay its Chief of Police at a GS-14 level.

#### NEW FACILITY

The Bureau of Engraving and Printing (BEP) has initiated a review of its operations to investigate the possibility of opening a third currency production facility. The Committee directs the BEP to develop a plan for expansion and submit the plan for review by the Committee.

#### EXPANDING COMPETITION FOR CURRENCY PAPER

For the purposes of section 622 of Public Law 100-202, the fiscal year 1988 Continuing Resolution, a corporation or other entity is deemed not to be owned or controlled by persons not citizens of the United States, if it was created under the laws of the United States or any one of its states or possessions; and, if more than 50 percent of the entity is held by United States citizen(s). This language will allow increased competition among companies that supply paper used in the printing of currency. The Committee's intent is to open up competition to reduce costs. The Committee insists that production locations for currency paper remain under the jurisdiction of U.S. law enforcement officials.

UNITED STATES MINT  
SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$55,740,000
Budget estimate, fiscal year 1996 .....	58,261,000
Recommended in the bill .....	0
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 55,740,000
Budget estimate, fiscal year 1996 .....	- 58,261,000

MISSION

The United States Mint manufactures coins, receives deposits of gold and silver bullion, and safeguards the Government's holdings of monetary metals.

RELATIONSHIP WITH THE COMMITTEE

The Committee is concerned that the Department of the Treasury is attempting to circumvent the excellent working relationship which has existed for years between the Committee, the Bureau of Engraving and Printing (BEP), and the U.S. Mint. It would be most unfortunate if the Department of Treasury continued to insist that these organizations receive approval for day-to-day activities or for providing the Committee with information and assistance. The Committee directs that the BEP and the Mint be allowed to communicate directly with the Committee without interference from the Treasury bureaucracy.

Additionally, the Committee strongly recommends that the Director of the BEP and the Director of the U.S. Mint report directly to the Assistant Secretary of Treasury for Management without intervention by the office of the U.S. Treasurer on matters concerning their respective operations.

MINT REVOLVING FUND

The Committee has included a provision (sec. 522) which authorizes the establishment of a revolving fund to finance the operations of the U.S. Mint. The Fund will be financed through the transfer of seigniorage.

After years of reviewing U.S. Mint operations, and discussions with Mint officials and the House Banking Committee, it has become apparent to the Committee that there should be more application of basic business practices to the operations of this agency. The U.S. Mint is one of the last true production operations of the Federal government and should be allowed to operate without funding variables imposed by annual appropriations. The House Banking Committee has reviewed the provision establishing a revolving fund and has no objections to including it in this bill.

Without an annual appropriation, there may be the undesired consequence of limiting Congressional oversight of Mint operations. To ensure that Congress continues to have information available for proper oversight, the Director of the U.S. Mint is required to submit quarterly reports to the Chairman of the Appropriations Committee detailing the implementation of the Fund and its impact with regards to ongoing operations of the U.S. Mint. The re-

ports should, among other things, compare operations and procedures prior to and subsequent to the enactment of this legislation.

Furthermore, the Director of the U.S. Mint shall submit an annual report to Congress detailing the amount transferred to the Treasury as Miscellaneous Receipts in excess of the amount required by the Fund, the amount on deposit in the Fund that exceeds the estimated costs of the Fund, and an explanation of the specific purposes for which such excess amounts are being retained in the Fund. The Director shall prepare and submit to Congress a budget for the Fund, and estimates and Statements of Financial Condition of the Fund. The Director shall also submit an Annual Report on the operation of the Mint which includes the Financial Statement and Auditor's report prepared in accordance with Federal Agency Accounting Standards and the Office of Management and Budget's Form and Content Guidance. By April 30 of each year, the Secretary of the Treasury shall submit a report on the Fund for the most recently completed year to the President, the Congress, and the Director of the Office of Management and Budget.

The Committee does not agree with a proposal advanced by the Department of the Treasury which would have allowed the Fund to support personnel levels and functions of the office of the U.S. Treasurer. This proposal violates the intent of the Fund and is therefore denied by the Committee.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

Appropriation, fiscal year 1995 to date .....	\$183,458,000
Budget estimate, fiscal year 1996 .....	176,965,000
Recommended in the bill .....	170,000,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 13,458,000
Budget estimate, fiscal year 1996 .....	- 6,965,000

MISSION

This appropriation provides funds for the conduct of all public debt operations and the promotion of the sale of U.S. savings-type securities.

RECOMMENDATION

The Committee recommends \$170,000,000 for the Bureau of the Public Debt (BPD) appropriation; a \$6,965,000 reduction from the request and \$13,458,000 below 1995. The Committee notes that current estimate for fee collections is \$5,398,000 as opposed to the \$3,100,000 proposed in the budget request which decreases the amount required for BPD operations by another \$2,298,000.

REASSIGNMENT OF PEOPLE TO PARKERSBURG, WEST VIRGINIA

The Committee has continued a provision (Sec. 529) prohibiting the use of funds to take adverse action against an employee of the Bureau of the Public Debt under certain circumstances, amended to cut off the effect of the provision on February 15, 1996. This provision does not bar the Bureau from making preparations, prior to

February 15, 1996, necessary to separate affected employees. The Committee directs the Bureau to continue its efforts to provide job placement assistance to affected employees and to report back to the Committee on these efforts no later than December 1, 1995.

INTERNAL REVENUE SERVICE

PROCESSING, ASSISTANCE, AND MANAGEMENT

Appropriation, fiscal year 1995 to date .....	\$1,511,266,000
Budget estimate, fiscal year 1996 .....	1,805,042,000
Recommended in the bill .....	1,682,742,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	+171,476,000
Budget estimate, fiscal year 1996 .....	-122,300,000

MISSION

This appropriation provides for processing tax returns and related documents, processing data for compiling statistics of income, assisting taxpayers in correct filing of their returns and in paying taxes that are due overall planning, and direction of the Internal Revenue Service, and management of financial resources and procurement.

RECOMMENDATION

In fiscal year 1996, the Administration proposed merging the former "Administration and Management" and "Processing, Tax Returns, and Assistance" appropriations. The Committee agrees with the Administration's request and has merged these accounts.

The Committee recommends a funding level of \$1,682,742,000, a reduction of \$122,300,000 from the request and \$171,476,000 over 1995. The Committee denies, without prejudice, requests for increased funding for tax refund fraud, account resolution, and amounts to maintain current funding levels and labor costs.

IRS RULING AFFECTING AMERICAN FARM BUREAU FEDERATION

The Committee remains concerned about the Internal Revenue Service (IRS) administration of and ruling on Technical Advice Memorandum 9416002, which affects the American Farm Bureau Federation. The IRS ruling involves Unrelated Business Income Tax (UBIT), and adversely affects thousands of Farm Bureau members.

The Committee understands the rationale used by the IRS in its recent report to Congress. However, the Committee believes that IRS should work with the appropriate congressional committees to review this ruling.

ENFORCEMENT OF EMPLOYMENT TAX LAWS

Current Federal income and employment tax laws may provide employers with incentives for treating workers as independent contractors rather than employees as defined by the Internal Revenue Code. The Congress and the General Accounting Office have been investigating this situation and there is significant concern about the annual revenue loss to the government when employment tax laws are circumvented in this manner.

The Committee directs that the IRS provide the proper level of resources to ensure the diligent enforcement of the Internal Revenue Code, especially the laws governing employment tax.

FREEDOM OF EXPRESSION IN IRS OFFICES

The Committee has become aware of a situation which developed in an office of the Internal Revenue Service (IRS) in which a memorandum was circulated among the staff restricting religious items within employees' personal work areas.

The Committee directs the Secretary of the Treasury to ensure that neither the IRS or any of its divisions, issue rules, regulations, memos, or instructions which limit the constitutional freedom of religious expression by its employees. The Secretary of the Treasury shall provide the Committee a copy of his direction to the Commissioner of the IRS implementing the Committee's direction, which shall be considered an agency-wide policy direction, within 30 days of enactment of this Act.

TAX LAW ENFORCEMENT

Appropriation, fiscal year 1995 to date .....	\$4,385,459,000
Budget estimate, fiscal year 1996 .....	4,524,351,000
Recommended in the bill .....	4,254,476,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 130,983,000
Budget estimate, fiscal year 1996 .....	- 269,875,000

MISSION

This appropriation provides for the examination of tax returns, both domestic and international, and the administrative and judicial settlement of taxpayer appeals of examination findings. It also provides for 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, collecting unpaid accounts, compiling statistics of income and compliance research, and securing unfiled tax returns and payments. Included in this amount is the Tax Compliance Initiative, a five year plan to ensure equitable application and adequate enforcement of the tax laws, to promote voluntary compliance with the internal revenue laws, to identify possible nonfilers for investigation and to investigate cases of fraud or financial transactions related to possible money laundering schemes.

RECOMMENDATION

The Committee recommends a funding level of \$4,254,476,000; a reduction of \$269,875,000 from the request and \$130,983,000 below 1995.

TAX COMPLIANCE INITIATIVE

The Committee recognizes that, while the House Budget Resolution includes a set aside of \$405 million for the Tax Compliance Initiative, the conference agreement on the Budget Resolution does not agree with such a set aside. This requires the Committee to ac-

commodate the Initiative within its allocation. To meet the overall commitment to this initiative and its funding allocation, the Committee recommends a "stretch out": from a 5-year, \$2 billion program to a 7-year \$2 billion program. In taking this action, the Committee recognizes that, according to IRS calculations, the result could reduce projected revenues by \$800 million over 7 years. This "stretch out" will reduce the \$405,000,000 included in the 1996 budget request to \$266,000,000. The Committee has provided \$266,000,000 for the Tax Compliance Initiative, \$57,000,000 to fund the 1996 pay raise, and \$13,000,000 for a test of privatization of collections.

TAX COLLECTION

The inability of the Internal Revenue Service (IRS) to collect a significant portion of tax liabilities has prompted the General Accounting Office (GAO) and the Office of Management and Budget (OMB) to recognize Accounts Receivable as a high-risk area. In a February 1995 report, GAO found that IRS collections decreased about 8 percent between 1990 and 1995. These poor results are attributable, in part, to IRS' lengthy and inefficient collection process which does not incorporate techniques used by the private sector.

In fiscal year 1994, the IRS developed a project seeking assistance from private debt collection agencies to enforce compliance efforts. IRS estimated that this effort would raise an additional \$62 million in revenue. This project was never implemented. The Committee believes that this initiative continues to have merit and has included language which directs that \$13 million of the funds appropriated for Tax Law Enforcement be used to award contracts for private sector assistance in collection activities.

The Committee recognizes that there are valid legal issues which must be taken into account before this initiative can be implemented. For example, according to OMB, the actual collection of taxes is considered an inherently governmental function requiring performance by government employees. However, the Committee notes that private companies can and do perform collection-related activities.

The Committee is certainly not interested in violating the rights of taxpayers and has limited the funds to contracts which provide protections found in the Taxpayer Bill of Rights. Additionally, the Committee believes that the contracts should provide for "progress" payments to the private sector companies where payment on the contract will depend on adherence to the Taxpayer Bill of Rights as well as revenue actually collected. In this way the contractor only receives payment if revenue is collected.

To ensure that this initiative receives an opportunity to flourish, the Committee is adamant that IRS should consider a regional test of the program, assigning collection cases that would fit the profile of a private sector collection agency. Additionally, the Committee insists that the contracts should include the opportunity for smaller collection agencies to participate.

INFORMATION SYSTEMS

Appropriation, fiscal year 1995 to date .....	\$1,386,510,000
Budget estimate, fiscal year 1996 .....	1,879,582,000

Recommended in the bill .....	1,575,216,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	+188,706,000
Budget estimate, fiscal year 1996 .....	-304,366,000

MISSION

This appropriation provides for IRS data processing support, including the evaluation, development, and implementation of computer systems, software, and hardware requirements. This appropriation also includes funds for Tax Systems Modernization.

RECOMMENDATION

The Committee has provided \$1,575,216,000 for Information Systems; a reduction of \$304,366,000 from the request and \$188,706,000 above 1995. Of this amount, \$721,835,000 is for Tax Systems Modernization (TSM) and \$143,234,000 for other computer efforts designed to keep the current system operating until TSM comes on line. The Committee notes that these figures represent the IRS' and Treasury Department's efforts to revise TSM priorities. The Committee is clearly pleased to see the Department working in partnership with the IRS to enhance oversight and implementation of the TSM program.

TAX SYSTEMS MODERNIZATION

The Committee has not included statutory language, as it has in the past, placing a "floor" on the amount that must be expended on TSM. However, the Committee is adamant that IRS implement the program at the \$721,835,000 level and directs that any plan which would change this funding level be approved in advance by the Committee.

On February 16, 1995, the Committee held a hearing on the Tax Systems Modernization program. The General Accounting Office testified that, while IRS had made some progress in its management and planning of TSM, there remained several significant problems: a lack of sufficient technical and management expertise and skills to implement TSM; an inability to take into account changes during development of TSM; and a lack of set system development priorities, established performance measures, or fully established technical guidelines. Additionally, the GAO suggested that although IRS had plans to implement the direction contained in House Report 103-534, complete implementation of the Committee's direction had not yet occurred.

In a follow on report submitted to the Committee in April of 1995, the GAO reiterated these points and provided its recommendations of items the IRS should address immediately. The recommendations included: implement a complete process for selecting, prioritizing, controlling and evaluating the progress and performance of all major information systems investments; review all planned and ongoing systems investments according to decision criteria; define, implement, and mandate a consistent set of procedures; complete an integrated systems architecture; develop a Test and Evaluation Master Plan for modernization; and establish an integration test and control facility. The Committee agrees with

GAO's recommendations, but believes the limited time frame suggested by the GAO is unrealistic.

The Committee has included a provision in the appropriation language which prohibits the expenditure of a portion of the 1996 funds until the IRS provides a plan for implementing, by September 30, 1996, the GAO recommendations included in its April 1995 report. The report must also address the methods IRS will use to ensure sufficient technical and management expertise and skills are available to develop and implement TSM, an area which the Committee believes should be solved through contract rather than through direct hiring on the part of IRS. The report must be submitted to the House Appropriations Committee and the House Ways and Means Committee for approval before the expenditure of \$70,000,000 in 1996 funds.

As indicated last year, it is not the intent of the Committee that reductions to the amount requested be applied disproportionately to contracted efforts. In particular, the Committee anticipates that the strategic re-planning required to implement the 1996 funding level will require more intensive utilization of the IRS's federally funded research and development center.

The Committee has included a provision (Sec. 526) which terminates the role of the General Services Administration (GSA) in the delegation of procurement authority with regards to Tax Systems Modernization. The Committee believes that this change will eliminate the inefficiencies of duplicate requirements imposed by both the Federal Acquisition Regulation (FAR) and GSA. The Committee notes that this provision does not alleviate the Secretary's requirement to adhere to the FAR.

TAX SYSTEMS MODERNIZATION-PROGRAM MANAGEMENT

The Committee is pleased that the IRS has taken the development and implementation of the TSM program seriously and has elevated its management to the level of Associate Commissioner. The Committee is also pleased that the Secretary of the Treasury has taken a serious interest in the management of TSM and has formed a management team to monitor the development and implementation of the program. It is important that this management team not become a bureaucratic mill stone around the neck of TSM, but instead provide leadership, oversight, and support.

ADMINISTRATIVE PROVISIONS—INTERNAL REVENUE SERVICE

Section 1. The Committee has continued a provision which allows funds available to the IRS to be transferred to other IRS operations with the advanced approval of the House and Senate Committees on Appropriations. The Committee has modified the amount from four percent to two percent.

Section 2. The Committee has continued a provision which institutes and maintains a training program in taxpayer's rights and cross-cultural relations.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date ..... \$483,606,000

Budget estimate, fiscal year 1996 .....	541,258,000
Recommended in the bill .....	542,461,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	+58,855,000
Budget estimate, fiscal year 1996 .....	+1,203,000

MISSION

The Secret Service is responsible for the security of the President, the Vice President and other dignitaries and designated individuals; for enforcement of laws relating to obligations and securities of the United States and financial crimes such as financial institution fraud and other fraud; and for protection of the White House and other buildings within Washington, DC.

RECOMMENDATION

The Committee recommends an appropriation of \$542,461,000, an increase of \$1,203,000 above the fiscal year 1996 request and an increase of \$58,855,000 above fiscal year 1995.

In support of the Secret Service's primary mission to protect the President, the Vice President and other dignitaries, the Committee has provided \$41,216,000 in recognition of the upcoming Presidential election and other mandatory workload changes. This is above the President's request by \$3,910,000 as the Committee denies the request to transfer funds and 17 FTEs from the Secret Service to the proposed Foreign Law Enforcement Account.

The Committee disapproves the proposed reallocation of \$3,000,000 from Financial Institution Fraud Investigations to Credit Card/Access Device Fraud Investigations.

The Committee has reduced the request of \$16,295,000 for the costs associated with the Secret Service's headquarters move by \$2,488,000; additional funds needed for interior build out, specialized filing, and technical support services can be absorbed within the amounts appropriated.

The Committee has also denied the request of \$1.2 million for the replacement of the mainframe computer; this request should be made in a future fiscal year after the Secret Service has relocated to its new headquarters space.

WHITE HOUSE SECURITY

Because the Committee did not approve the proposed transfer of \$1,814,000 to White House Security in 1995, the Committee has restored this amount to the 1996 base request. The additional White House Security requirements supported by the \$1.8 million transfer were included in the pending 1995 supplemental appropriations bill.

VIOLENT CRIME REDUCTION PROGRAMS

Appropriation, fiscal year 1995 to date .....	\$38,700,000
Budget estimate, fiscal year 1996 .....	78,200,000
Recommended in the bill .....	63,886,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	+25,186,000
Budget estimate, fiscal year 1996 .....	- 14,314,000

## MISSION

Amounts for the Department of the Treasury's portion of Crime Control Programs are derived from transfers from the Violent Crime Reduction Trust Fund (VCRTF) as authorized by the Crime Control and Law Enforcement Act of 1994. In 1996, the President proposed creation of a grant program operated by the Bureau of Alcohol, Tobacco and Firearms. This program, called the "Violence Reduction Alliance", will provide funds for states and localities to work in partnership with BATF to combat firearms crime and interstate gun trafficking. Additional crime bill funds were proposed to be used to attack the problem of refund fraud in tax returns, to enhance border enforcement, to fight overseas counterfeiting, to crack down on money laundering, and to increase training of and communication among Federal law enforcement personnel.

## RECOMMENDATION

The Committee has provided \$63,886,000 to the Treasury Violent Crime Reduction Program.

The Committee approved the \$2,221,000 request for the Financial Crimes Enforcement Network.

The Committee denied ATF's request of \$25,300,000 for its proposed Violence Reduction Alliances (VRA). The Committee finds this to be an intriguing idea, but declines to fund new projects when there is not enough money to fund worthy, existing programs. Instead, the Committee provides \$3,100,000 for ATF to continue its efforts in the development of ballistics technologies as part of the "CEASEFIRE" program.

The Committee provides \$12,200,000 for the Gang Resistance Education and Training (GREAT) project, including the \$7,200,000 proposed by the Administration and \$5,000,000 transferred from the ATF salaries and expenses account.

The Committee provides the Customs Service \$33,865,000 in support of Operation Hardline. This includes \$12,000,000 for cargo X-ray systems, \$5,300,000 for "jersey barriers" and ballards, \$875,000 for port lighting, \$700,000 for body armor, \$10,500,000 for permanent change of station (PCS) funding for special agents, \$2,500,000 for special border problem solving teams, \$990,000 in relocation funding for air program officers and \$1,000,000 in computer support for the Southwest border initiative.

The Committee provides \$2,500,000 for enhanced basic training support at the Federal Law Enforcement Training Center at Glynco, Georgia.

The Committee has provided \$10 million for the Secret Service's efforts associated with the 1994 Crime Bill. The Committee denies the President's proposal to reprogram \$1.6 million appropriated in 1995 from Missing and Exploited Children to Counterfeiting, and instead funds Counterfeiting at \$5.0 million and Missing and Exploited Children at \$1.6 million. The Committee has also included \$3.0 million for Financial Institution Fraud Investigations and \$400,000 to expand the Treasury Recipient Integrity Program, "TRIP", domestically. The Committee is encouraged by the success of the Domestic Benefit Recipient Verification Program and encour-

ages the Secret Service to develop a pilot project to expand entitlement fraud investigations through this program.

#### COUNTERFEITING

Last year, the Committee provided the Secret Service with additional funds to combat the dramatic growth in overseas counterfeiting. The Committee directed the Secret Service to use these funds to increase staffing at their existing foreign offices and to establish a new office in Moscow. The Committee further directed the Secret Service to report by March 1, 1995 on its overseas staffing requirements. The Committee has received this report and notes that the Secret Service has identified the need for 28 additional FTE's overseas and the establishment of 6 new foreign offices. To date, these staffing requirements and new foreign office openings have not been accomplished. While the Committee recognizes the interim efforts of the Secret Service to combat foreign counterfeiting with task forces, it believes the permanent presence of the Secret Service in the areas identified in the March 1 report is essential to combating this serious problem.

The Committee recommends the Secret Service to take the necessary steps to increase their foreign office staffing and establish new foreign offices in Bogota, Hong Kong, Mexico City, Moscow, Nicosia, and Ottawa. The Committee also directs the Secret Service to report by February 1, 1996, with specificity, on the progress of this initiative.

#### GENERAL PROVISIONS—DEPARTMENT OF THE TREASURY

Section 101. The Committee has continued a provision which requires the Secretary of the Treasury to comply with certain reprogramming guidelines when obligating or expending funds for law enforcement activities.

Section 102. The Committee has continued a provision which allows the Department of Treasury to purchase uniforms, insurance, motor vehicles without regard to the general purchase price limitation, and enter into contracts with the State Department for health and medical services for Treasury employees in overseas locations.

Section 103. The Committee has continued a provision which allows two percent of the funds available to the Treasury Department to be transferred between Treasury accounts with the advance approval of the House and Senate Committees on Appropriations.

Section 104. The Committee has continued a provision which restricts the use of funds appropriated to the IRS if employees are not in compliance with the Fair Debt Collection Practices Act. The Committee has modified this provision by adding the requirement that private sector employees under contract to the IRS must also comply with the Fair Debt Collection Practices Act.

Section 105. The Committee has continued a provision which mandates the IRS institute policies and procedures which safeguard the confidentiality of taxpayer information.

Section 106. The Committee has continued a provision which requires expenditure of funds so as not to diminish efforts under the Federal Alcohol Administration Act.

The Committee has deleted a provision which limits the use of efficiency savings for the IRS.

## TITLE II—POSTAL SERVICE

### PAYMENTS TO THE POSTAL SERVICE

#### PAYMENT TO THE POSTAL SERVICE FUND

Appropriation, fiscal year 1995 to date .....	\$92,317,000
Budget estimate, fiscal year 1996 .....	109,094,000
Recommended in the bill .....	85,080,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 7,237,000
Budget estimate, fiscal year 1996 .....	- 24,014,000

#### PAYMENT TO THE POSTAL SERVICE FUND FOR NONFUNDED LIABILITIES

Appropriation, fiscal year 1995 to date .....	\$37,776,000
Budget estimate, fiscal year 1996 .....	36,828,000
Recommended in the bill .....	36,828,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 948,000
Budget estimate, fiscal year 1996 .....	

#### PAYMENT TO THE POSTAL SERVICE FUND

The Committee provides the Postal Service's request of \$55,700,000 for free mail for the blind, \$380,000 for overseas voting and \$29,000,000 for the revenue foregone adjustment. Because of budgetary constraints, the Committee was unable to recommend the \$24,014,000 reconciliation adjustment and defers, without prejudice, funding for this item.

While the Committee is unable to fund in fiscal year 1996 the \$24 million reconciliation adjustment payment due to the Postal Service for revenue foregone on free and reduced-rate mail in fiscal years 1992 and 1993, the Committee recognizes that the government has a statutory obligation to reimburse the Postal Service for these expenses. It is the Committee's intent to fund this payment next year in addition to other payments due in fiscal year 1997.

#### AMERICAN CANYON, CALIFORNIA ZIP CODE

The Committee believes that the Postal Service should reconsider its decision to deny the City of American Canyon, California, its own Zip Code. Despite the fact that American Canyon is a separately incorporated municipality of more than 8,000 residents in Napa County, it is assigned the same Zip Code as the City of Vallejo, which is in Solano County. Not only is this a matter of civic identity, but the situation disadvantages the City and its residents. Mail intended for Solano County residents is misdelivered, and the residents have to drive more than six miles to obtain postal services. The unified Zip Code also makes it difficult for the State Controller and State Board of Equalization to apportion State subvention funds to cities.

The Committee notes that many communities smaller than American Canyon have their own Zip Codes. Under such circumstances, the Committee strongly encourages the Postal Service to give further consideration to assigning American Canyon its own Zip Code.

## PROCESSING CENTER IN STATEN ISLAND, NEW YORK

While understanding the need for the Postal Service to adjust its operations to take advantage of advances in automation, the Committee is concerned about the impact of the proposed relocation of outgoing mail processing operations currently stationed in Staten Island, New York.

The Committee requests that the Postal Service conduct a review to determine the impact on postal operations and employees, the cost of the move, and the anticipated effect on mail service in this area. A copy of this review and a written justification for the proposal should be provided to the Committee if the Postal Service decides to proceed with this change.

## BREAST CANCER STAMP

The Committee believes that, despite increasing public education and an emphasis on early detection, over the last three decades the incidence of breast cancer in this Nation has risen to an all-time high. Therefore, additional efforts to provide for greater national awareness of breast cancer are warranted. To this end, the United States Postal Service and the Citizen's Stamp Advisory Committee are encouraged to introduce, in fiscal year 1996, a postage stamp that is primarily focused toward the enhancement of breast cancer awareness. The symbol for breast cancer awareness, the pink ribbon, should be featured on the stamp.

## ALAMOGORDO AND HOBBS, NEW MEXICO

The Committee is concerned about the need for new post office locations and facilities for the growing cities of Alamogordo and Hobbs, New Mexico. The small Alamogordo post office has seen a tripling of the number of the routes it serves in the last thirty years and presently has no parking for either customers or employees at its high traffic location. The sixty-year-old Hobbs post office is wholly inadequate in terms of condition, size, safety, and parking. The Committee directs the Postal Service to evaluate plans for new facilities at these locations, and to report back to the Committee as soon as possible in this regard.

## FLEXIBILITY IN PRICING

The Committee is aware that small businesses that are large volume users are unable to get the discounts offered to larger businesses by the Postal Service because they cannot meet current requirements. During testimony before the Committee, the Postmaster General indicated he would welcome greater flexibility in pricing. The Committee supports the Postmaster General in seeking greater flexibility in pricing and, in particular, contract pricing practices that would allow the Postal Service to set discount prices for projected volume.

## U.S. POST OFFICE, BAXLEY, GEORGIA

The Committee is aware that a new Post Office is slated for Baxley, Georgia. While the Committee realizes that the Baxley Post Office must go through the normal process, the Committee supports the proposed project and encourages the Postal Service to

continue working with the residents of Baxley to ensure that an updated facility is built.

BRECKENRIDGE, COLORADO

The Committee is concerned about the failure of the Postal Service to complete planning for the construction of a new post office in Breckenridge, Colorado. The Committee instructed the Service in last year's report to complete this planning in fiscal year 1995, so that construction of a new post office, for which the Postal Service has already purchased land, could begin in fiscal year 1996. The Committee urges that planning for the project be completed in fiscal year 1996. The Postal Service is further requested to report back to the Committee by April 1, 1996, on the progress of this necessary project.

PHILADELPHIA AIRPORT POSTAL FACILITY

The Committee understands that the American Helicopter Museum and Learning Center in Philadelphia, PA requires a facility for the refurbishment, storage, display and flight demonstration of historic rotary wing aircraft and that the vacant Postal Service facility at the Philadelphia airport meets the Museum's requirements. Recognizing the Nation's interest in preserving its rich heritage in rotary wing aviation, the Postal Service's pioneering role in the application of such aircraft for mail delivery, and Philadelphia's role in the development of the rotary wing industry, the Committee encourages the Postal Service to enter into discussions with the Museum regarding the possible transfer of the vacant Postal facility.

PLEASANT HILL, IOWA ZIP CODE

The Committee understands that the city of Pleasant Hill, Iowa is experiencing difficulty with existing postal service delivery due to the city having two zip codes, one in Des Moines and the other in Altoona. The Committee directs the United States Postal Service to conduct a study of the situation and report back to the Committee its findings and a solution to the problem three months from the date of enactment of this legislation.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

COMPENSATION OF THE PRESIDENT

Appropriation, fiscal year 1995 to date .....	\$250,000
Budget estimate, fiscal year 1996 .....	250,000
Recommended in the bill .....	250,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	.....
Budget estimate, fiscal year 1996 .....	.....

MISSION

These funds provide for the compensation of the President and for official expenses as authorized by 3 USC 102.

THE WHITE HOUSE OFFICE  
SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$40,022,000
Budget estimate, fiscal year 1996 .....	40,193,000
Recommended in the bill .....	39,459,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 563,000
Budget estimate, fiscal year 1996 .....	- 734,000

MISSION

These funds provide the President with staff assistance and provide administrative services for the direct support of the President.

RECOMMENDATION

The Committee recommends \$39,459,000, a reduction of \$563,000 from 1995 levels and a reduction of \$734,000 from the amount requested by the President.

The Committee assumes the lower of the 1995 enacted level or the President's request.

WHITE HOUSE GIFT COLLECTION

The Committee directs the White House to work with the National Archives and Records Administration to review the White House Gift Collection to determine the advisability of displaying the Collection at the Archives II facility.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

Appropriation, fiscal year 1995 to date .....	\$7,827,000
Budget estimate, fiscal year 1996 .....	7,827,000
Recommended in the bill .....	7,522,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 305,000
Budget estimate, fiscal year 1996 .....	- 305,000

MISSION

These funds provide for the care, maintenance, and operation of the Executive Residence.

RECOMMENDATION

The Committee recommends \$7,522,000, a reduction of \$305,000 from both the fiscal year 1995 enacted level and the amount requested by the President. The Committee assumes all of the savings identified in the President's FY 1996 request and none of the increases.

YOUNG AMERICANS CHEF PROGRAM

Last year, in testimony before the Committee, the Executive Residence testified that \$23,000 in funds to support the "Young Americans Chef" internship program would reduce the number of additional chefs required for the White House Chef. To date, the Committee notes there has been no reduction in the number of chefs employed by the Executive Residence. The Executive Residence is

seeking \$18,000 in additional funds to support this internship program in 1996; the Committee encourages the Executive Residence to review the appropriateness of continuing this program in light of tight budgetary constraints.

WHITE HOUSE REPAIR AND RESTORATION

Appropriation, fiscal year 1995 to date .....	
Budget estimate, fiscal year 1996 .....	\$2,200,000
Recommended in the bill .....	
Bill compared with:	
Appropriation, fiscal year 1995 .....	
Budget estimate, fiscal year 1996 .....	-2,200,000

MISSION

The President has requested an appropriation of \$2,200,000 for expenses necessary for the repair and restoration of the roof of the Executive Residence.

RECOMMENDATION

The Committee recommends no appropriation for White House Repair and Restoration and instead funds this request through the General Services Administration.

The Committee supports efforts to repair and restore the roof of the Executive Residence but is concerned that the National Park Service has not taken the necessary steps to complete this project in the most cost efficient manner and, in particular, that only one evaluation of the roof has been completed to date. The Committee has funded this request through the GSA in order to ensure that this restoration will receive the appropriate level of review and encourages GSA to proceed with the restoration in a manner consistent with the repair and alteration of federally controlled space. The Committee further directs GSA and the National Park Service to work in complete cooperation with the Secret Service in order to accommodate necessary White House security requirements.

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

OPERATING EXPENSES

Appropriation, fiscal year 1995 to date .....	\$324,000
Budget estimate, fiscal year 1996 .....	324,000
Recommended in the bill .....	324,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	
Budget estimate, fiscal year 1996 .....	

MISSION

These funds provide for the care and operation of the Vice President's official residence.

RECOMMENDATION

The Committee recommends \$324,000, the same as the 1995 enacted level and the amount requested by the President.

## SPECIAL ASSISTANCE TO THE PRESIDENT

## SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$3,280,000
Budget estimate, fiscal year 1996 .....	3,280,000
Recommended in the bill .....	3,175,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 105,000
Budget estimate, fiscal year 1996 .....	- 105,000

## MISSION

These funds are to be used by the Vice President to carry out responsibilities assigned him by the President and by various statutes.

## RECOMMENDATION

The Committee recommends \$3,175,000, a reduction of \$105,000 from both the 1995 enacted level and the amount requested by the President.

In most cases, the Committee's recommendation assumes the lower of the 1995 enacted level or the amount requested by the President.

## COUNCIL OF ECONOMIC ADVISERS

## SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$3,439,000
Budget estimate, fiscal year 1996 .....	3,439,000
Recommended in the bill .....	
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 3,439,000
Budget estimate, fiscal year 1996 .....	- 3,439,000

## MISSION

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 preparation of the annual Economic Report of the President to Congress.

## RECOMMENDATION

The Committee recommends no appropriation for the Council of Economic Advisors.

## DUPLICATION OF PROGRAMS

The Committee is concerned about the duplication of effort within the Executive Office of the President (EOP), particularly as it relates to advising the President on economic policy. Under the current organizational structure, there are three separate entities responsible for advising and assisting the President in the formulation, coordination, and implementation of economic policy; the National Economic Council, the Office of Management and Budget, and the Council of Economic Advisors. In support of initiatives to eliminate duplicative federal programs, as proposed in the Vice

President's National Performance Review, the Committee has terminated the Council of Economic Advisors. Functions previously performed by the Council can be assumed by both OMB and the National Economic Council.

OFFICE OF POLICY DEVELOPMENT

SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$5,058,000
Budget estimate, fiscal year 1996 .....	3,867,000
Recommended in the bill .....	3,867,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 1,191,000
Budget estimate, fiscal year 1996 .....	

MISSION

The Office of Policy Development supports the National Economic Council and the Domestic Policy Council in carrying out their responsibilities to advise and assist the President in the formulation, coordination, and implementation of economic and domestic policy. The Office of Policy Development also provides support for other domestic policy development and implementation activities as directed by the President.

RECOMMENDATION

The Committee recommends \$3,867,000, the same as the 1995 enacted level and the amount requested by the President.

COUNCIL ON ENVIRONMENTAL QUALITY

The Committee's recommendation supports the President's request to transfer the Office on Environmental Policy to the Council on Environmental Quality, for savings of \$1,130,000 from 1995 levels.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$6,648,000
Budget estimate, fiscal year 1996 .....	6,648,000
Recommended in the bill .....	6,459,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 189,000
Budget estimate, fiscal year 1996 .....	- 189,000

MISSION

The National Security Council advises the President on the integration of domestic, foreign, and military policies relating to national security.

RECOMMENDATION

The Committee recommends \$6,459,000, a reduction of \$189,000 from both the 1995 enacted level and the amount requested by the President. The Committee assumes all of the reductions proposed by the President and none of the increases.

## POLITICAL ADVOCACY

The Committee is concerned that NSC's role appears to be evolving from a policy advisory to a political advocacy group. The Committee strongly disagrees with the NSC's assertion that reductions in foreign aid are tantamount to unilateral disarmament or back-door isolationism. However, the Committee notes NSC's concerns.

## OFFICE OF ADMINISTRATION

## SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$26,100,000
Budget estimate, fiscal year 1996 .....	26,100,000
Recommended in the bill .....	25,736,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 364,000
Budget estimate, fiscal year 1996 .....	- 364,000

## MISSION

The Office of Administration's mission is to provide high-quality, cost-effective, administrative services to the Executive Office of the President. These services, defined by Executive Order 12028 of 1977, include financial, personnel, library and records services, information management systems support, and general office services.

## RECOMMENDATION

The Committee recommends \$25,736,000, a reduction of \$364,000 below 1995 enacted levels and \$364,000 below the amount requested by the President. The recommendation assumes the lower of 1995 levels or the amount requested by the President for the various activities funded within this appropriation account.

## TELEPHONE BILLS

The Committee notes that the Office of Administration has failed to resolve several outstanding telephone billing issues that have been in dispute since as early as October of 1994. The Committee directs the Office of Administration to resolve these issues expeditiously and to report to the House Committee on Appropriations on the resolution of the disputes, including the final amount of payment.

## OFFICE OF MANAGEMENT AND BUDGET

## SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$57,754,000
Budget estimate, fiscal year 1996 .....	56,272,000
Recommended in the bill .....	55,426,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 2,328,000
Budget estimate, fiscal year 1996 .....	- 846,000

## MISSION

This Office of Management and Budget assists the President in the discharge of budgetary, economic, management, and other executive responsibilities.

## RECOMMENDATION

The Committee recommends \$55,426,000, a reduction of \$2,328,000 from 1995 levels and a reduction of \$846,000 from the amount requested by the President. The Committee supports the President's proposal to transfer funding for the Information Security Oversight Office (ISOO) from OMB, for a savings of \$1,482,000 from 1995 levels.

## INFORMATION SECURITY OVERSIGHT OFFICE

In fiscal year 1995, the Congress moved the Information Security Oversight Office (ISOO) from the General Services Administration (GSA) to the Office of Management and Budget. The original 1996 request established ISOO as an independent agency. A subsequent budget amendment submitted to Congress on May 2, 1995 proposed transferring ISOO to the National Archives and Records Administration (NARA). The Committee addresses ISOO funding in the NARA portion of this report.

## PRESIDENTIAL PRIORITIES

The Committee supports the President's prerogative to fund agencies under the umbrella of the Executive Office of the President (EOP), including the Office of Management and Budget (OMB), at levels necessary to support the Administration's priorities. As such, the Committee traditionally does not propose major changes to the President's request for EOP agencies.

The Committee notes, however, that over the past two years the Administration has maintained that OMB should not be considered as part of EOP for the purposes of calculating the 25 percent staff reduction the President committed to achieve at the start of this Administration. By placing OMB outside the historical organization of the Executive Office of the President, the President established a precedent which is supported by the Committee. In support of this precedent, the Committee is confident that the funding level recommended for OMB in 1996 will not impair the Administration's ability to advance the President's priorities.

## GROWTH IN RESOURCE MANAGEMENT OFFICES

The Committee is concerned about the overall growth in various Resource Management Offices within OMB and, in particular, that funding and staffing patterns within these offices may not reflect new directions being taken within the federal government as a whole. The Committee is particularly concerned about growth in the Office of Health and Personnel where funding has grown by 85 percent from 1993 to 1995 and staffing has increased by nearly 100 percent. In general, the Committee believes there are opportunities available within OMB's internal structure to achieve significant reductions in staffing and budgetary resources. The Committee also notes, with concern, that OMB currently has 77 SES positions, a level that exceeds the number of SES employees in comparably sized agencies.

## PILOT DEMONSTRATION PROJECT

In support of the President's commitment to the line item veto, the Committee has included bill language for the Office of Management and Budget detailing the allocation of funding levels by program, as set forth in the President's budget. The Committee agrees with the President that the line item veto, and appropriations legislation structured to support the line item veto, will increase accountability and the ability of both the legislative and the executive branches to review individual spending programs.

The Committee believes that, by providing the detail of appropriated amounts in the bill, the OMB will have an opportunity to gain experience on operating under line item veto authority and will be able to share the results of that experience with other executive branch agencies.

The Committee directs OMB to report back to the House Committee on Appropriations on the advantages and disadvantages to this concept no later than January 1, 1996.

## UNFUNDED MANDATES

The Committee is aware that the Advisory Commission on Intergovernmental Relations is tasked with completing a baseline study and intergovernmental review of federal mandates and their impact on state, local and tribal governments. The Committee is further aware that Public Law 104-4, the "Unfunded Mandates Reform Act of 1995" authorized \$500,000 for ACIR to carry out these reviews. The Committee, however, has terminated the ACIR.

The Committee believes that OMB has both the technical and resource capacity to prepare the reports required under P.L. 104-4 and directs OMB to complete these reports according to the provisions of P.L. 104-4. The Committee has included an increase of \$334,000 above the amount requested by the President for OMB wide offices to support this effort and directs OMB to use these funds for this purpose.

## INSTITUTE OF MEDICINE

The Committee is aware of the 1994 Institute of Medicine (IOM) Report, "Reducing Risks for Mental Disorders: Frontiers for Preventive Intervention Research" that documents the uncoordinated research and service efforts that now exist in 23 federal agencies in this field. The Committee believes that efforts to coordinate these activities would result in both financial savings and improved science and concurs with the IOM findings that Executive Branch leadership to coordinate this field is critical for the efficient expenditure of federal funds. The Committee urges OMB to coordinate efforts in the prevention of mental disorders that now exist across the various federal agencies.

## CLASSIFICATION REFORM

The Committee anticipates that the policy changes contained in Executive Order 12958, "Classified National Security Information," issued by the President on April 17, 1995 will result in future budget savings. To realize these savings as quickly as possible, the Committee directs the office of Management and Budget to submit

to the Committee by January 1, 1996, a copy of each agency's plan to comply with the declassification requirements of Section 3.4 of E.O. 12958 and a copy of any instruction, directive or regulation issued by OMB to develop a security cost accounting system. The Committee notes that section 5.6(c) (8) of E.O. 12958 requires agencies to account for the costs of their security classification, including the costs incurred by contractors in performing classified work for the Government. The Committee directs OMB to submit by May 1, 1996, an agency-by-agency report on FY 1995 security classification costs (including contractor costs) and an estimate of FY 1996 security classification costs to the House Committee on Appropriations.

ADJUDICATING FEDERAL EMPLOYEE GRIEVANCES

The Committee is concerned regarding the duplication of effort inherent in the fact that both the Federal Labor Relations Authority (FLRA) and Merit Systems Protection Board (MSPB) adjudicate federal employee grievances, and wishes to indicate that it has no intention of allowing this to continue. To express its concern, the Committee has reduced the appropriation for MSPB by \$3,420,000 and FLRA by \$2,488,000. The Committee directs the Administration to develop a proposal to merge these two agencies into a single adjudicatory board and submit it to the House and Senate Committees on Appropriations, the House Committee on Government Reform and Oversight and the Senate Government Operations Committee no later than February 1, 1996.

FAIR LABOR STANDARDS ACT STATUTE OF LIMITATIONS

In the fiscal year 1995 Treasury-Postal Act, the Committee included a provision directing the Comptroller General to apply a six year statute of limitation to Fair Labor Standards Act overtime claims filed by June 30, 1994. The Committee has been asked to consider repeal of this provision for two reasons: cost and fairness. The Committee will review this issue prior to conference with the Senate and, if deemed appropriate, will suggest changes at that time. In the interim, the Committee directs the Office of Management and Budget (OMB) to provide an estimate of the cost of last year's provision to the government, including a high and low cost estimate as well as a description of the methodology and assumptions inherent in this calculation.

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$9,942,000
Budget estimate, fiscal year 1996 .....	9,942,000
Recommended in the bill .....	20,062,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	+10,120,000
Budget estimate, fiscal year 1996 .....	+10,120,000

MISSION

The Office of National Drug Control Policy, established by the Anti-Drug Abuse Act of 1988, is charged with developing policies,

objectives and priorities for the National Drug Control Program as defined by the Act and Executive Order 12880.

RECOMMENDATION

The Committee provides a total of \$20,062,000 for the Office of National Drug Control Policy. Of this amount, \$9,262,000 supports the functions previously performed by the salaries and expenses account. In this area, the Committee recommends a reduction of \$386,000, owing to a decrease of 5 FTE, establishing 1994 staffing levels for the office, as well as a \$294,000 reduction in other overhead expenditures. Another \$10,200,000, to remain available until expended, shall be used for the operations of the Counterdrug Technology Assessment Center. The remaining \$600,000 shall be transferred to the Drug Enforcement Administration for the El Paso Intelligence Center (EPIC).

UNANTICIPATED NEEDS

Appropriation, fiscal year 1995 to date .....	\$1,000,000
Budget estimate, fiscal year 1996 .....	1,000,000
Recommended in the bill .....	1,000,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	.....
Budget estimate, fiscal year 1996 .....	.....

MISSION

These funds enable the President to meet unanticipated needs in furtherance of the national interest and security.

FEDERAL DRUG CONTROL PROGRAMS

HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM

Appropriation, fiscal year 1995 to date .....	\$107,000,000
Budget estimate, fiscal year 1996 .....	110,000,000
Recommended in the bill .....	104,000,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 3,000,000
Budget estimate, fiscal year 1996 .....	- 6,000,000

MISSION

The High Intensity Drug Trafficking Areas (HIDTA) Program was established by the Anti-Drug Abuse Act of 1988 to provide assistance to Federal and State and local law enforcement entities operating in those areas most adversely affected by drug trafficking. Since January 1990, the Director of the Office of National Drug Control Policy has designated seven areas as HIDTAs: New York, Los Angeles, Miami, Houston, Baltimore/Washington, Puerto Rico/Virgin Islands, and the Southwest Border.

Each HIDTA has a designated Federal official who coordinates the Federal HIDTA program. Funds made available under the HIDTA program are disbursed at the discretion of the Director of the Office of National Drug Control Policy.

RECOMMENDATION

The Committee has provided statutory language to use the resources provided as part of the High Intensity Drug Trafficking

Area program more flexibly. The first five HIDTAs in New York, Los Angeles, Houston, the Southwest Border and Miami focused almost exclusively on enabling coordination among law enforcement agencies. The Washington-Baltimore HIDTA offered the first example of a new HIDTA, one that focused on improving interaction between health care providers, the courts, and law enforcement. The language proposed would allow the Office of National Drug Control Policy to expand its efforts along these lines, using resources to bring probation and parole departments, as well as non-profit organizations, into closer coordination with law enforcement in order to show that better coordination among all of these entities can reduce the number of "hard-core" drug users.

SOUTHWEST BORDER HIDTA

The Committee recognizes the importance of drug-interdiction initiatives being conducted by High Intensity Drug Trafficking Areas (HIDTAs), especially their role in coordinating the activities of state and local agencies in our nation's war against drugs. The Committee is concerned about statistics which reveal the proliferation of trafficking in the Southwestern region of our country and directs the ONDCP to give the Southwest Border HIDTA high priority in its funding distribution.

OPERATION ALLIANCE

The Committee is aware that ONDCP, the Department of Justice, and the Department of Treasury are conducting a review of drug law enforcement programs along the Southwest border. Among the programs being reviewed is Operation Alliance, which coordinates the actions of 15 Federal agencies, as well as state and local agencies in four southwest border states, to combat drug smuggling in the Southwestern United States. The Committee reaffirms its support for Operation Alliance.

SPECIAL FORFEITURE FUND

Appropriation, fiscal year 1995 to date .....	\$41,900,000
Budget estimate, fiscal year 1996 .....	37,000,000
Recommended in the bill .....	
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 41,900,000
Budget estimate, fiscal year 1996 .....	- 37,000,000

MISSION

The Anti-Drug Abuse Act of 1988 established the Special Forfeiture Fund, to be administered by the Director of the Office of National Drug Control Policy. The Special Forfeiture Fund supports high-priority drug control programs, as defined by the Director of the Office of National Drug Control Policy. This Fund, which began operation in fiscal year 1990, receives deposits from the Department of Justice Assets Forfeiture Fund and the Department of the Treasury Assets Forfeiture Fund. The monies in the Fund are transferred to the drug control agencies in accordance with the priorities articulated in the National Drug Control Strategy.

## RECOMMENDATION

The Committee recommends terminating this account. Since this fund fell short of resources in fiscal year 1995, and the Administration projects no transfers from the Justice or Treasury forfeiture funds in fiscal year 1996, there is no reason for the continued operation of this appropriation.

## TITLE IV—INDEPENDENT AGENCIES

## ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

## SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$1,800,000
Budget estimate, fiscal year 1996 .....	2,259,000
Recommended in the bill .....	.....
Bill compared with:	
Appropriation, fiscal year 1995 .....	– 1,800,000
Budget estimate, fiscal year 1996 .....	– 2,259,000

## RECOMMENDATION

The Committee has eliminated funding for the Administrative Conference of the United States (ACUS). The House Budget Resolution assumes termination of ACUS and, as such, the Committee did not received a 602(b) allocation sufficient to support the continued funding of this agency.

## ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

## SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$1,000,000
Budget estimate, fiscal year 1996 .....	1,400,000
Recommended in the bill .....	.....
Bill compared with:	
Appropriation, fiscal year 1995 .....	– 1,000,000
Budget estimate, fiscal year 1996 .....	– 1,400,000

## RECOMMENDATION

The Committee has eliminated funding for the Advisory Commission on Intergovernmental Relations (ACIR).

## UNFUNDED MANDATES

The Committee is aware that the Advisory Commission on Intergovernmental Relations is tasked with completing a baseline study and intergovernmental review of federal mandates and their impact on state, local and tribal governments. The Committee is further aware that Public Law 104–4, the “Unfunded Mandates Reform Act of 1995” authorized \$500,000 for ACIR to carry out these reviews.

The House Budget Resolution assumes termination of ACIR and, as such, the Committee did not receive a 602(b) allocation sufficient to support the continued funding of this agency. Furthermore, the Committee believes that the Office of Management and Budget (OMB) has both the technical and the resource capacity to prepare the reports required under P.L. 104–4. The Committee has provided an additional \$334,000 to OMB for this purpose. The Com-

mittee directs OMB to prepare these reports under the provisions of P.L. 104-4.

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR  
SEVERELY DISABLED

SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$1,682,000
Budget estimate, fiscal year 1996 .....	1,800,000
Recommended in the bill .....	1,682,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	
Budget estimate, fiscal year 1996 .....	- 118,000

MISSION

The Committee for Purchase From People Who Are Blind or Severely Disabled was established by the Wagner-O'Day Act of 1938, as amended. Its primary objective is to increase the employment opportunities for people who are blind or have other severe disabilities and, whenever possible, to prepare them to engage in competitive employment. In 1996, approximately 27,000 people who are blind or have other severe disabilities are projected to be employed in nearly 600 producing nonprofit agencies. The Committee's duties include promoting the program; determining which commodities and services are suitable for Government procurement from qualified nonprofit agencies serving people who are blind or have other severe disabilities; maintaining a procurement list of such commodities and services; determining the fair market price for commodities and services on the procurement list; and making rules and regulations necessary to carry out the purposes of the Act. In 1996 the Committee expects to have nearly 5,000 items on its Procurement List and sales of \$570 million.

RECOMMENDATION

The Committee provides \$1,682,000 for this account, the same amount appropriated in fiscal year 1995.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$25,710,000
Budget estimate, fiscal year 1996 .....	29,021,000
Recommended in the bill .....	26,521,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	+811,000
Budget estimate, fiscal year 1996 .....	-2,500,000

MISSION

The Commission administers the disclosure of campaign finance information, enforces limitations on contributions and expenditures, supervises the public funding of Presidential elections, and performs other tasks related to Federal elections.

## RECOMMENDATION

The Committee recommends an appropriation of \$26,521,000, a reduction of \$2,500,000 below the fiscal year 1996 request and an increase of \$811,000 above the revised 1995 enacted level. The recommendation is also \$1,113,000 below the 1996 authorized level of \$27,634,000.

The Committee's recommendation assumes the lower of FEC 1995 current plan, the 1996 FEC request, or the amount required to support an FTE level of 320.

## COMPUTER MODERNIZATION

The Committee is sympathetic to FEC's position that a full scale computer modernization plan that includes electronic filing can not be completed absent an appropriate authorizing vehicle. Without this authorization, the Committee agrees that there are limits to the number and types of initiatives that FEC can pursue toward electronic filing. However, the Committee is concerned at FEC's current lack of progress toward internal ADP modernization and is assured that FEC has no statutory impediments to such a modernization.

The Committee believes the FEC has failed to adequately plan for internal ADP modernization. To date, despite intense Committee interest, the FEC has not completed a strategic plan including a systems requirements analysis. The Committee further understands that FEC does not have a formal plan with a methodology for supporting or accomplishing upgrades.

The Committee is convinced the FEC can make tremendous progress toward managing its workloads more efficiently with an adequate computer modernization plan in place. Given FEC's reluctance to independently pursue a comprehensive internal computer modernization plan, the Committee has earmarked \$1,500,000 of FEC's appropriation for computer modernization and includes a proviso requiring FEC to submit a systems requirements analysis to the House Committee on Appropriations prior to the obligation of any of these funds.

## PERFORMANCE MEASUREMENT

The FEC's basic functions of campaign finance disclosure, enforcing compliance with the Federal Election Campaign Act, and oversight of Presidential campaign funding easily lend themselves to performance based management including established objectives, milestones and outcomes. Many of FEC's operations are mechanical and rote in nature. For instance, the indexing and posting of reports filed by political committee within the statutory 24 hour time frame can easily be measured. Other functions are also easily quantified.

The Committee is aware that the FEC is required to comply with Public Law 103-62, the Government Performance and Results Act of 1993 and is working to meet the requirements of that Act. In addition, last year, the Committee included language in House Report 103-534 directing all agencies under its jurisdiction to continue with the development of agency performance measures. The Committee has continued this direction again and is concerned that, to

date, FEC has failed to submit any such measurements. While FEC has provided the Committee with workload measures, the FEC has not compared these workloads to annual objectives.

Based on the testimony the Committee heard during preparation of the 1996 budget for the FEC, the Committee is convinced that performance measures will put FEC on a path of improved service delivery as well as efficiency. The Committee directs FEC to submit a strategic plan for program activities, consistent with the provisions of Public Law 103-62, with its fiscal year 1997 budget request.

#### FEDERAL LABOR RELATIONS AUTHORITY

##### SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$21,341,000
Budget estimate, fiscal year 1996 .....	22,230,000
Recommended in the bill .....	19,742,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	-1,599,000
Budget estimate, fiscal year 1996 .....	-2,488,000

##### MISSION

The Federal Labor Relations Authority (FLRA) serves as a neutral party in the settlement of disputes that arise between unions, employees, and agencies on matters outlined in the Federal Service Labor Management Relations statute, decides major policy issues, prescribes regulations, and disseminates information appropriate to the needs of agencies, labor organizations, and the public. Establishment of the FLRA gives full recognition to the role of the Federal Government as an employer.

##### RECOMMENDATION

Both the Federal Labor Relations Authority (FLRA) and the Merit Systems Protection Board (MSPB) adjudicate employee grievances. Although the Committee appreciates the importance of separating the adjudicatory and prosecutorial functions of the employee grievance process, the Committee refuses to continue funding two separate adjudicatory agencies in these times of fiscal restraint. To express its concern, the Committee has reduced the FLRA appropriation by \$2,488,000, and directs the Administration to develop a legislative proposal to merge all federal employee adjudicatory functions and to submit this plan to Congress no later than February 1, 1996.

**GENERAL SERVICES ADMINISTRATION  
FEDERAL BUILDINGS FUND**

	Fiscal year—		House	House compared with enacted	House compared with request
	1995 enacted	1996 estimates			
Appropriation .....	31,197,000	- 259,112,000	.....	- 310,197,000	+259,112,000
Rescissions .....	(- 715,532,000)	.....	.....	(+ 715,532,000)	.....
Limitations on availability of revenue:					
Construction & acquisition of facilities	(604,002,000)	.....	(367,777,000)	(- 236,225,000)	(+367,777,000)
Alfred P. Murrah Federal Office Building .....	(40,400,000)	.....	.....	(- 40,400,000)	.....
Repairs and alterations .....	(723,864,000)	(911,000,000)	(713,086,000)	(- 10,788,000)	(- 197,914,000)
Installment acquisition payments .....	(127,531,000)	(181,963,000)	(181,963,000)	(+54,432,000)	.....
Rental of space .....	(2,181,300,000)	(2,339,000,000)	(2,341,100,000)	(+159,800,000)	(+2,100,000)
Building operations .....	(1,322,025,000)	(1,352,551,000)	(1,389,463,000)	(+67,438,000)	(+ 36,912,000)
Transfer to Construction and Acquisition .....	.....	(554,813,000)	.....	(+73,433,000)	(-554,813,000)
Repayment of Debt .....	.....	(73,433,000)	(73,433,000)	.....	.....
Emergency funding .....	(- 66,800,000)	.....	.....	(+66,800,000)	.....
Total, Federal Buildings Fund .....	310,197,000	- 259,112,000	.....	- 310,197,000	+259,112,000
(Limitations) .....	(4,932,322,000)	(5,412,760,000)	(5,066,822,000)	(+134,500,000)	(- 345,938,000)
Real Property Activities:					
Appropriation .....	.....	1,022,213,000	.....	.....	- 1,022,213,000
Transfer from FBF .....	.....	(554,813,000)	.....	.....	(- 554,813,000)
Construction and Acquisition—Limitation:					
(Construction—Limitation) .....	.....	(1,017,213,000)	.....	.....	(- 1,017,213,000)
(Acquisition—Limitation) .....	.....	(5,000,000)	.....	.....	(- 5,000,000)
Subtotal .....	.....	(1,022,213,000)	.....	.....	(- 1,022,213,000)

GENERAL SERVICES ADMINISTRATION FEDERAL BUILDINGS FUND  
RECOMMENDATION

The fiscal year 1996 budget request included a \$1,022,213,000 appropriation into the Federal Buildings Fund (FBF) for the construction and acquisition of new facilities. The Committee denies this request because it violates the Public Buildings Act which established the FBF as a revolving fund.

To finance the construction and acquisition of new facilities, the Committee has made available \$367,777,000 from the FBF, a reduction of \$233,925,000 from the 1995 level. The level of funding for each project is detailed in the bill.

The recommendation reflects the Committee's recognition of the House Budget Resolution which places a moratorium on new construction. The Committee's recommendation funds no new projects. Projects with funding "in the pipeline" did receive continued support. The Committee's recommendation includes a requirement that all projects receive authorization prior to the obligation of funds.

UNITED STATES COURTHOUSE CONSTRUCTION PLAN

The Committee has included a new provision (Sec. 4) which prohibits the submission of a fiscal year 1997 budget for the construction of United States Courthouses, unless the facilities meet the construction standards developed by the GSA and OMB and reflects the priorities of the Judicial Conference of the United States established in its five-year construction plan. The development of this plan shall be monitored by the General Accounting Office (GAO). This document must be produced and approved before the Committee will consider new funding requests for courthouse construction in future fiscal years.

The Committee takes this action because, despite repeated requests, the Courts have been unwilling to produce a construction plan which would give the Congress an estimation of the short term and long term needs for Courthouse construction and renovation. The only plan the Courts have produced thus far is a "wish list" which totals over \$10 billion. There is no plan which presents priorities of construction, annual requirements, or trade-offs if the priorities are not met.

Furthermore, while the Committee is pleased that the GSA and the Courts have established "standards" for the design of courthouses; those standards may still be too grand. The Committee directs the GSA and the Courts to establish new standards which maximize the useable space, incorporate cost saving design (such as all the courtrooms on the same floor and centralized library space), and cost saving construction techniques such as using the same kind of paneling and carpeting throughout the building. The Committee suggests that additional design changes such as shared courtrooms, should be included in the new standards developed by the GSA. Additionally, GSA should review current projects to reduce costs consistent with these new standards and submit revised prospectuses as necessary.

The Committee recognizes that the Judiciary, as a Constitutionally separate branch of government, is entitled to buildings be-

fitting the rank and responsibilities of US Judges. However, the Constitution of the United States clearly establishes the Congress as the party responsible for representing the interests of the American people, including financial decisions. It is in this capacity that the Committee makes these recommendations.

#### COMMERCIAL BROKER

The GSA has conducted a review of its Commercial Broker function to determine if it should be retained within GSA's operations or if it could be contracted to private sector concerns. While GSA has made no final decision regarding this function, the Committee believes that a test of the concept of privatizing this function should be conducted by the GSA.

Therefore, the Committee directs the GSA to develop a plan to implement the privatization of the Commercial Broker function by March 31, 1996, in a large region of GSA responsibility. The plan shall be submitted to the Committee for approval no later than December 1, 1995. The plan should also address the method GSA will use to compare and contrast efficiencies of maintaining the function in-house versus privatization.

#### GROVE ARCADE BUILDING, ASHEVILLE, NORTH CAROLINA

The Committee understands that the Grove Arcade Building in Asheville, North Carolina has been vacated by the Federal government because the agencies have moved into a new Federal Office Building in the City. The City of Asheville would now like to regain title to the property at no additional cost, considering the lost tax revenue which the City has experienced over the years.

Therefore, the Committee directs the GSA to work with the City of Asheville to work out the transfer of the title to the Grove Arcade Building to the City at no additional cost.

#### EL PASO, TEXAS FEDERAL BUILDING

The Committee directs that, within funds provided in Building Operations, \$560,000 be made available for identified security improvements at the El Paso, Texas Federal Building.

#### COLLOCATION OF USDA, DAVIS, CALIFORNIA

The Committee commends the General Services Administration (GSA) for its efforts to assist with the collocation of a number of Department of Agriculture state offices in Davis, California. The Committee urges the GSA to continue their expeditious development of a collocation facility.

#### PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

The Subcommittee on Interior Appropriations has transferred the Pennsylvania Avenue Development Corporation to the General Services Administration (GSA). The Committee has included bill language which directs the GSA to establish a Federal Triangle Office which reports to the Commissioner of the Public Buildings Service and directs the continued utilization of procurement and operating procedures established for the project pursuant to 40

U.S.C. 1104. It is the intent of the Committee that this office should exist as a short-term approach until the project is complete.

#### SURPLUS MILITARY EQUIPMENT

The Committee has noted with concern the fact that Federal officers this year seized eight armored personnel carriers, formerly used at a Department of Energy facility, that evidently had been transferred to private parties in a manner which may be inconsistent with applicable law, including the restrictions on who can receive such military-style equipment, and to protect public safety, the General Services Administration is directed to review its policies and procedures, to assure that future transfers of military equipment governed by such policies and procedures will be in compliance with legal requirements, and is directed to report the results of that review, together with any appropriate recommendations for changes in law, to the Congress no later than January 1, 1996.

#### REPAIR AND ALTERATIONS

##### RECOMMENDATION

The Committee has made available \$713,086,000 for repairs and alterations of federal facilities; a reduction of \$197,934,000 from the requested level. The level of funding for each project is detailed in the bill.

#### TREASURY BUILDING

The Committee has included \$7,194,000 for repairs and alterations for the Treasury Building in Washington, DC. This project includes replacement of the electrical distribution system and steam and cooling lines.

While the Treasury Department building is not in GSA's inventory of facilities, GSA is the organization which should be coordinating all requirements for the government-wide inventory of facilities. The Committee also recognizes that this is a long-term project which will require additional funding. GSA is directed to include sums as necessary in future budget requests for this project.

#### WHITE HOUSE

The Committee has included \$2,200,000 for repairs and alterations for the White House roof. The Committee has funded this request through the Federal Buildings Fund to ensure that this restoration will receive the appropriate level of review. The Committee encourages GSA to proceed with the restoration in a manner consistent with the repair and alteration of federally controlled space. The Committee further directs GSA and the National Park Service to work in complete cooperation with the Secret Service in order to accommodate security requirements.

#### NATIONAL ANIMAL DISEASE CENTER AND THE NATIONAL VETERINARY SERVICES LABORATORIES

The Committee has included \$100,000 to initiate the design for expansion of the National Veterinary Services Laboratories and a

new shared Animal Biocontainment Facility. The Committee directs the GSA to work with the U.S. Department of Agriculture in designing facilities that can be utilized by both government and academic institutions in the furtherance of animal health research.

#### POLICY AND OVERSIGHT

Appropriation, fiscal year 1995 to date .....	
Budget estimate, fiscal year 1996 .....	\$111,827,000
Recommended in the bill .....	62,499,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	+62,499,000
Budget estimate, fiscal year 1996 .....	- 49,328,000

#### MISSION

This appropriations account consolidates policy, oversight, and asset management functions associated with real and personal property, supplies, acquisition, and information technology into a single account separate from operations. The establishment of this appropriations account is part of the Administration's effort to transform the General Services Administration (GSA) into an organization responsible for policy and oversight, and to place greater reliance on the private sector, as appropriate. The creation of this office will increase accountability for results, encourage innovation, and enhance government-wide planning.

#### RECOMMENDATION

The fiscal year 1996 budget request included a new appropriation of \$111,827,000 for the establishment of a government-wide policy and oversight office within the General Services Administration (GSA). The ultimate goal is to move the GSA toward a centralized policy development and oversight role for government-wide administrative management issues. The Committee agrees with this position and has provided \$62,499,000 for this activity, transferring \$36,912,000 to Building Operations. The Committee believes that a centralized organization, separate from the three operational services, will be able to achieve significant government-wide administrative cost savings as a result of strengthened and coordinated policy and management oversight.

#### GENERAL SERVICES ADMINISTRATION OPERATIONS

The budget also included the traditional operating expenses appropriation at a requested level of \$53,878,000 and a transfer of \$68,960,000 to the policy and oversight appropriation. The separate traditional operating expense appropriation was maintained because the GSA is in the process of reviewing all its business lines to determine future requirement and funding. Because of this, GSA has argued that it needs to continue funding certain operations through a direct appropriation. The Committee agrees with this position and has provided \$49,130,000 for this activity. The Committee supports GSA and its ongoing operational reviews. These ongoing reviews are necessary and should be completed in an expeditious manner.

However, the Committee recognizes that the Administrator of GSA may well be torn between competing interests if both policy

and operational functions are maintained within GSA. The establishment of the most cost-effective government-wide administrative policy may not always be in the best interests of GSA operations. GSA, in its "serve the interests of the customer" mode, may not always make the most cost-effective decisions for the Federal government as a whole. It is hard to understand how these functions can co-exist in GSA without the operational functions dominating the policy functions. The Director of the Office of Management and Budget (OMB) is directed to review whether keeping both functions in GSA should continue in future budget requests.

#### OPERATING EXPENSES

Appropriation, fiscal year 1995 to date .....	\$130,036,000
Budget estimate, fiscal year 1996 .....	53,878,000
Recommended in the bill .....	49,130,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 80,906,000
Budget estimate, fiscal year 1996 .....	- 4,748,000

#### MISSION

This appropriation account provides for operating expenses for Federal Supply, Information Technology, Federal Property Resources and General Management and Administration.

This involves property, transportation and travel services, and schedules contracting; coordination of government-wide programs for procurement and use of automatic data processing, telecommunications and other information technology equipment and services; maximum utilization of real property by Federal agencies and the transfer among agencies of excess real property; disposal of surplus real property by sale, exchange, lease, permit, assignment, or transfer, as well as the protection and maintenance of excess and surplus property pending its disposition; appraisal of excess and surplus property, necessary environmental and cultural analyses, reuse planning, and real property utilization surveys; Indian Trust Accounting; and administrative support of Congressional District and Senate State offices.

#### RECOMMENDATION

The Committee recommends \$49,130,000 for the Operating Expenses appropriation, a reduction of \$4,748,000 from the requested level.

#### FLEXIPLACE TELECOMMUTING CENTERS

The Committee is pleased with the progress on the telecommuting demonstration projects approved to date and has included \$5,000,000 to continue, and expand, the number of telecommuting centers serving the Washington, DC area.

The Committee has also included language (sec. 5) which provides clear permanent authority for GSA to use income from billings to Federal agencies and non-federal sources, to defray costs directly associated with the functions of flexiplace work telecommuting centers, paid on or after October 1, 1993.

The Committee has included a provision (sec. 6) which provides for the transfer of not less than \$2,200,000 to the Charles County

Community College, inclusive of amounts previously provided, for telecommuting centers in Southern Maryland. This proposed transfer language is in recognition of the results of the interim report to the Congress on Federal Interagency Telecommuting Centers which shows that the Southern Maryland project, developed and operated by the Charles County Community College, resulted in the highest utilization rate and lowest cost per user of any telecommuting demonstration.

Within the \$2.5 million made available by this Act for telecommuting centers in northern Virginia, the Committee urges GSA to establish at least one center at a suitable location in western Fairfax County and one in Loudoun County, Virginia.

#### SUPPORT OF CONGRESSIONAL STATE AND DISTRICT OFFICES

The administrative support services provided by the GSA to Congressional State and District Offices shall continue to be provided on a non-reimbursable basis.

#### TAX SYSTEMS MODERNIZATION

The Committee has included a provision (sec. 526) which removes oversight of the Tax Systems Modernization program from the Administrator of the GSA. This authority shall be transferred to the Secretary of the Treasury.

#### DENVER INTERNATIONAL AIRPORT EMPLOYEE RELOCATION

The Committee is concerned about reports that, under FAA and GSA rules, employees in the Denver, Colorado area were permitted to claim personal housing relocation allowances in connection with their transfer from FAA facilities at Stapleton Field to the new Denver International Airport, even in some cases where an employee's new home was farther from the new job site than the employee's former home. This kind of misuse of public funds is unacceptable and insults American taxpayers. The Committee expects GSA and FAA to review and reform current personnel rules and labor agreements to avoid any repetition of this experience and to restrict relocation allowances to cases in which a job site transfer reasonably and proximately necessitates a change in home site.

#### SUPPORT OF THE PARALYMPIC GAMES

The Committee directs that within the funds available to the General Services Administration (GSA), \$1,000,000 be made available for planning and logistical support of the 1996 Paralympic Games.

#### IOWA COMMUNICATIONS NETWORK

In fiscal year 1995, the General Services Administration (GSA) provided \$6,000,000 for the establishment of the Iowa Communications Network (ICN). The Committee directs that the \$6,000,000 level be maintained in fiscal year 1996.

The 1996 program funding will expand upon existing fiscal year 1995 ICN pilot projects by adding eight video conferencing Extension Centers to the Indian Hills Community College pilot project, a technology demonstration project to develop a unified, intergov-

environmental law enforcement, public safety network connecting the Clarinda Correctional Treatment Unit to the ICN, develop a comprehensive local-state-federal plan for the use of information technologies and telecommunications services for the State of Iowa, and implement an electronic communication demonstration project.

OFFICE OF INSPECTOR GENERAL

Appropriation, fiscal year 1995 to date .....	\$33,090,000
Budget estimate, fiscal year 1996 .....	34,407,000
Recommended in the bill .....	32,549,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 541,000
Budget estimate, fiscal year 1996 .....	- 1,858,000

MISSION

This appropriation provides agencywide audit and investigative functions to identify and correct management and administrative deficiencies within 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.

RECOMMENDATION

The Committee recommends \$32,549,000, for the Inspector General appropriation; a reduction of \$1,858,000 from the request and \$541,000 below the 1995 enacted level. The reduction is made without prejudice and shall be applied at the discretion of the Inspector General.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

Appropriation, fiscal year 1995 to date .....	\$2,215,000
Budget estimate, fiscal year 1996 .....	2,181,000
Recommended in the bill .....	2,181,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 34,000
Budget estimate, fiscal year 1996 .....	

MISSION

This appropriation provides support consisting of pensions, office staffs, and related expenses for former Presidents Gerald R. Ford, Jimmy Carter, Ronald Reagan and George Bush and for pension and postal franking privileges for the widow of former President Lyndon B. Johnson. Also, this appropriation is authorized to provide funding for security and travel related expenses for each former President and the spouse of a former President pursuant to Section 531 of Public Law 103-329. As of October 1, 1998, pursuant to Public Law 103-123, support will be limited to pensions only

for these individuals, including anyone who may become a surviving spouse of these former Presidents. Support for future former Presidents or their surviving spouse will also be limited to pensions only beginning five years after leaving office.

RECOMMENDATION

The Committee has included a provision (Section 523) which clarifies the intent of Section 531 of the Treasury, Postal Service and General Government Appropriations Act, 1995, amending the first section of Public Law 85-745.

GENERAL SERVICES ADMINISTRATION

GENERAL PROVISIONS

Section 1. The Committee has continued a provision which provides for the crediting of amounts received as Federal agency rental payments to the Federal Buildings Fund.

Section 2. The Committee has continued a provision which provides funds for the hire of motor vehicles.

Section 3. The Committee has continued a provision which provides that funds made available for activities of the Federal Buildings Fund may be transferred between appropriations with advance approval of the House and Senate Committees on Appropriations.

Section 4. The Committee has continued a provision which limits funding for courthouse construction which do not meet certain standards of a capital improvement plan.

Section 5. The Committee has included a new provision which authorizes GSA to accept and retain income to offset the cost of the flexiplace work telecommuting centers.

Section 6. The Committee has included a new provision which authorizes the transfer of \$2.2 million to the Charles County Community College and repeals a previous authorization.

Section 7. The Committee has included a new provision which provides that funds appropriated for "Operating Expenses" and "Policy and Oversight" may be transferred between these appropriations with advance approval of the House and Senate Committees on Appropriations

JOHN F. KENNEDY ASSASSINATION RECORDS REVIEW BOARD

Appropriation, fiscal year 1995 to date .....	\$2,150,000
Budget estimate, fiscal year 1996 .....	2,418,000
Recommended in the bill .....	2,150,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	
Budget estimate, fiscal year 1996 .....	- 268,000

MISSION

The John F. Kennedy Assassination Records Review Board was established to oversee the locating and security of all records which relate to the assassination of President John F. Kennedy. These records include those of at least fifteen Federal agencies, previous official investigations, the Presidential libraries, and many smaller governmental and private repositories throughout the country.

The purpose of the Board is to ensure the efficient, timely and full disclosure of these records to the American public.

RECOMMENDATION

The Committee recommends \$2,150,000 for the John F. Kennedy Assassination Record Review Board, the same amount appropriated in fiscal year 1995.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$24,549,000
Budget estimate, fiscal year 1996 .....	24,549,000
Recommended in the bill .....	21,129,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 3,420,000
Budget estimate, fiscal year 1996 .....	- 3,420,000

MISSION

The Merit Systems Protection Board performs the adjudicatory functions necessary to maintain the civil service merit system. These include hearing appeals on adverse actions, reduction-in-force actions, and retirement. The Board reports to the President on whether merit systems are sufficiently free from prohibited personnel practices.

RECOMMENDATION

Both the Federal Labor Relations Authority (FLRA) and the Merit Systems Protection Board (MSPB) adjudicate employee grievances. Although the Committee appreciates the importance of separating the judicatory and prosecutorial functions of the employee grievance process, the Committee refuses to continue funding two separate adjudicatory agencies in these times of fiscal restraint. To express its concern, the Committee has reduced the MSPB appropriation by \$3,420,000, and directs the Administration to develop a legislative proposal to merge all federal employee adjudicatory functions and to submit this plan to Congress no later than February 1, 1996.

The Committee has also provided no resources for merit system studies in fiscal year 1996.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

Appropriation, fiscal year 1995 to date .....	\$195,238,000
Budget estimate, fiscal year 1996 .....	195,291,000
Recommended in the bill .....	193,291,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 1,947,000
Budget estimate, fiscal year 1996 .....	- 2,000,000

MISSION

The National Archives and Records Administration provides for basic operations dealing with management of the Government's ar-

chives and records, operation of Presidential libraries, and for the review for declassification of classified security information.

RECOMMENDATION

The Committee recommends \$193,291,000 for the National Archives and Records Administration appropriation; a reduction of \$2,000,000 from the requested level. The Committee's reduction is taken without prejudice and may be applied at the discretion of the Archivist. The recommendation does provide for the \$592,000 increase for the transfer of the records of former President Bush and the \$1,200,000 request for roof repair at the Johnson Library.

INFORMATION SECURITY OVERSIGHT OFFICE

In fiscal year 1995, the Congress moved the Information Security Oversight Office (ISOO) from the General Services Administration (GSA) to the Office of Management and Budget (OMB). The fiscal year 1996 budget request established the Information Security Oversight Office (ISOO) as an independent agency. A subsequent budget amendment submitted to Congress on May 2, 1995, moved this agency to the National Archives and Records Administration (NARA). The Committee's recommendation eliminates this organization.

The Committee's recommendation will result in the elimination of the ISOO, however it recognizes that any requirement to complete certain functions previously performed by the Office can be picked up by the National Archives or other appropriate agencies such as the Department of Defense.

RENOVATION OF THE ARCHIVES I FACILITY

The Committee is concerned that the National Archives and Records Administration (NARA) is planning a renovation of the old Archives I facility without complete information on its requirements and a plan for financing this renovation. The Committee directs the Inspector General of the NARA review any and all plans which are being developed for such a renovation and report its findings to the Archivist no later than March 1, 1996.

WHITE HOUSE GIFT COLLECTION

The Committee directs the National Archives and Records Administration to work with the White House to review the White House Gift Collection to determine the advisability of displaying the Collection at the Archives II facility.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

GRANTS PROGRAM

Appropriation, fiscal year 1995 to date .....	\$9,000,000
Budget estimate, fiscal year 1996 .....	4,000,000
Recommended in the bill .....	4,000,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 5,000,000
Budget estimate, fiscal year 1996 .....	.....

## RECOMMENDATION

The 1995 Treasury, Postal Service and General Government Appropriations Act, separated the NHPRC from the appropriation for the NARA, making the grants program a separate appropriation.

The Committee recommends \$4,000,000 for the National Historical Publications and Records Commission, the same as the President's request and \$5,000,000 below the 1995 enacted level.

## OFFICE OF GOVERNMENT ETHICS

## SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$8,104,000
Budget estimate, fiscal year 1996 .....	8,328,000
Recommended in the bill .....	7,776,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 328,000
Budget estimate, fiscal year 1996 .....	- 552,000

## MISSION

The Office of Government Ethics (OGE) provides overall direction of executive branch policies designed to prevent conflicts of interest and insure high ethical standards. The OGE discharges its responsibilities to preserve and promote public confidence in the integrity of executive branch officials by developing rules and regulations pertaining to conflicts of interest, post employment restrictions, standards of conduct, and public and confidential financial disclosure in the executive branch; by monitoring compliance with the public and confidential financial disclosure requirements of the Ethics in Government Act of 1978 and the Ethics Reform Act of 1989, to determine possible violations of applicable laws or regulations and recommending appropriate corrective action; by consulting with and assisting various officials in evaluating the effectiveness of applicable laws and the resolution of individual problems; by preparing formal advisory opinions, informal letter opinions, policy memoranda, and Federal Register entries on how to interpret and comply with the requirements on conflicts of interest, post employment, standards of conduct, and financial disclosure; and by issuing and amending regulations implementing the procurement integrity provisions relating to negotiating for employment, post employment, and gratuities in the Office of Federal Procurement Policy Act Amendments of 1988, P.L. 100-679.

## RECOMMENDATION

The Committee provides \$7,776,000 for the Office of Government Ethics, \$552,000 below the request.

## OFFICE OF PERSONNEL MANAGEMENT

## SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$111,999,000
Budget estimate, fiscal year 1996 .....	108,572,000
Recommended in the bill .....	85,524,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 26,475,000
Budget estimate, fiscal year 1996 .....	- 23,048,000

## MISSION

The Office of Personnel Management (OPM) is the Government agency responsible for management of Federal human resource policy and oversight of the merit civil service system. Although individual agencies are increasingly responsible for personnel operations, OPM provides a Governmentwide policy framework for personnel matters, advises and assists agencies (often on a reimbursable basis), and ensures that agency operations are consistent with requirements of law, with emphasis on such issues as veterans preference. OPM oversees examining of applicants for employment, issues regulations and policies on hiring, classification and pay, training, investigations, and many other aspects of personnel management, and operates a reimbursable training program for the Government's managers and executives. OPM is also responsible for administering the retirement, health benefits and life insurance programs concerning most Federal employees, retired Federal employees, and their survivors.

## RECOMMENDATION

The Committee recommends an appropriation of \$85,524,000 for the Office of Personnel Management, a \$23,048,000 or 20 percent reduction from the President's request of \$108,572,000.

The recommendation provides full funding for OPM's work in personnel policy, oversight of agency compliance with merit system principles, and oversight of its investigations functions, but takes significant reductions from employment services, middle management and executive direction, as well as a few low priority offices.

The largest portion of the reduction, \$19,423,000, is taken from OPM's employment service. The Committee is concerned that OPM is providing centralized employment services that may not be of value to the agency or the employee. OPM currently pays, for example, for the development and implementation of "common occupation" examinations—which may not help agencies make informed hiring decisions. To make sure that the government only pays for necessary examinations, the Committee has terminated direct funding for them and provided statutory language allowing other agencies to reimburse OPM for this service if it is necessary. Similarly, the Committee has terminated funding for offices providing federal job information to the public with the intent that all recruiting costs be borne by the individual agencies.

The Committee's recommendation closes several unnecessary or duplicative offices, including the Federal Quality Institute (\$808,000), the International Affairs Office (\$140,000) and the Research Office (\$2,200,000). The recommendation also achieves savings by reducing overhead costs by eliminating regional offices (\$2,720,000), reducing executive direction (\$376,000), and not providing resources for common services for the terminated functions (\$2,605,000).

The Committee's recommendation provides \$5,224,000 to fund closeout costs.

## PRIVATIZING INVESTIGATIONS

The Committee supports the privatization of investigative services in concept. The current structure, with permanent federal employees funded through a revolving fund, does not respond quickly to rapid market changes, as we have seen with the rapid surge in demand in the mid-1980s and the quick decline in the early 1990s. A private service affords the possibility of smoother expansions and contractions.

Nevertheless, the Committee is concerned that OPM plans to proceed too rapidly with its current efforts. The "sole source" contract with former employees, for example, may not bear scrutiny under contract protests. Also, OPM has not completed a detailed, long-term cost-benefit analysis of the proposal. The Committee therefore directs OPM to conduct a cost-benefit analysis of the proposal as well as a feasibility analysis of the employee-owned company. The Committee will furthermore request that the General Accounting Office (GAO) provide the Committee with analysis of the OPM submissions.

Also, the Committee has included statutory language prohibiting OPM from initiating a reduction in force for the program before June 30, 1996.

## FEDERAL EXECUTIVE INSTITUTE

The Committee directs that no resources from the salaries and expenses appropriation be used to fund the Federal Executive Institute.

## FEDERAL RETIREMENT PROGRAMS

The Committee suggests that contract employees be used to meet the staffing needs of federal retirement programs to the greatest extent possible.

## LABOR-MANAGEMENT PARTNERSHIP COUNCILS

The Committee is concerned about reports that labor-management partnership councils, instituted by the Administration by Executive Order, have excluded representatives of non-bargaining unit employees and organizations or associations whose membership is made up of a majority federal professional, management, or career senior executive employees. The Committee urges the Administration and OPM to issue guidance to federal departments and agencies to include all employee groups in labor-management partnership councils. Such input and expertise will benefit the continuing effort to reinvent government.

## PRESIDENTIAL MANAGEMENT INTERN PROGRAM

The Committee has included in the mark \$560,000 for continued operation of the Presidential Management Intern (PMI) program. The Committee views this program as an important management development tool and a core function of the Office of Personnel Management, and supports its continued operations.

OFFICE OF INSPECTOR GENERAL

Appropriation, fiscal year 1995 to date .....	\$4,009,000
Budget estimate, fiscal year 1996 .....	4,037,000
Recommended in the bill .....	4,009,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	
Budget estimate, fiscal year 1996 .....	- 28,000

MISSION

This appropriation provides agencywide audit, investigative, evaluation, and inspection functions to identify management and administrative deficiencies which may create conditions for fraud, waste and mismanagement. The audits function provides internal agency audit, insurance audit, and contract audit services. 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 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, health care providers, and insurance subscribers. The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations.

RECOMMENDATION

The Committee provides \$4,009,000, the same as the fiscal year 1995 appropriation.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

Appropriation, fiscal year 1995 to date .....	\$4,210,560,000
Budget estimate, fiscal year 1996 .....	3,746,337,000
Recommended in the bill .....	3,746,337,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 464,223,000
Budget estimate, fiscal year 1996 .....	

MISSION

This appropriation covers: (1) the Government's share of the cost of health insurance for 1,735,000 annuitants as defined in sections 8901 and 8906 of title 5, United States Code; (2) the Government's share of the cost of health insurance for about 14,000 annuitants (who were retired when the Federal employees health benefits law become effective), as defined in the Retired Federal Employees Health Benefits Act of 1960; and (3) the Government's contribution for payment of administrative expenses incurred by the Office of Personnel Management in administration of the act.

RECOMMENDATION

The Committee concurs with the President's request.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES LIFE INSURANCE

Appropriation, fiscal year 1995 to date .....	\$28,159,000
Budget estimate, fiscal year 1996 .....	32,647,000
Recommended in the bill .....	32,647,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	+4,488,000
Budget estimate, fiscal year 1996 .....	

MISSION

This appropriation finances the Government's share of premiums, which is one-third the cost, for Basic life insurance for annuitants retiring after December 31, 1989.

RECOMMENDATION

The Committee concurs with the President's request.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Appropriation, fiscal year 1995 to date .....	\$7,339,638,000
Budget estimate, fiscal year 1996 .....	7,945,998,000
Recommended in the bill .....	7,945,998,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	606,360,000
Budget estimate, fiscal year 1996 .....	

MISSION

This appropriation provides for payment of annuities, including the payment of annuities under special acts for persons employed on the construction of the Panama Canal or their widows and widows of employees of the Lighthouse Service; payment of government share of retirement costs financing the current year's costs of the unfunded liability resulting from any statute authorizing new or liberalized benefits, extension of retirement coverage, or pay increases; transfers for interest on unfunded liability and payment of military service annuities covering interest on the unfunded liability and annuity disbursements for military service; payments for spouse equity providing survivor annuities to eligible former spouses of annuitants who died between September 1978 and May 1986 and did not elect survivor coverage, and; transfers for payment of FERS supplemental liability covering annual amortization payments financing supplemental liabilities for FERS.

GENERAL PROVISIONS-OFFICE OF PERSONNEL MANAGEMENT

Section 1. The Committee has included a new provision which allows federal agencies to reimburse OPM for examinations for common occupations and Administrative Law Judges.

Section 2. The Committee has included a new provision which allows OPM to withhold state taxes for payments to annuitants.

Section 3. The Committee has included a technical amendment which extends retirement provisions under the Federal Workforce Restructuring Act to individuals taking delayed buyouts.

Section 4. The Committee has included a new provision that allows the Office of Personnel Management to charge fees to other federal agencies for the dissemination of employment information.

## OFFICE OF SPECIAL COUNSEL

## SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$7,955,000
Budget estimate, fiscal year 1996 .....	8,566,000
Recommended in the bill .....	7,840,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 115,000
Budget estimate, fiscal year 1996 .....	- 726,000

## MISSION

The Office of Special Counsel: (1) investigates Federal employee allegations of prohibited personnel practices (including reprisal for whistleblowing) and, when appropriate, prosecutes before the Merit Systems Protection Board; (2) provides a channel for whistleblowing by Federal employees; and (3) enforces the Hatch Act. The Office may transmit whistleblower allegations to the agency head concerned and require an agency investigation and a report to the Congress and the President when appropriate.

The Act to Reauthorize the Office of Special Counsel and for Other Purposes (P.L. 103-424, October 29, 1994) expanded the Office of Special Counsel's responsibility. The Act extended all protections of the Office to approximately 80,000 medical employees of the Department of Veterans Affairs and whistleblower protections to certain employees of government corporations which employ 82,000 workers.

## RECOMMENDATION

The Committee recommends an appropriation of \$7,840,000, assuming all of the savings contained in the President's fiscal year 1996 request and none of the increases.

The Committee expressed its concern that two federal agencies, the Federal Labor Relations Authority (FLRA) and the Merit Systems Protection Board (MSPB), perform very similar functions in adjudicating employee grievances and directed the Administration to craft a legislative proposal to merge the two. Although the Committee supports the separation of adjudicatorial and prosecutorial functions, the Committee directs that any such reorganization examine the possibility of merging the Office of Special Counsel with the prosecutorial functions of the FLRA.

## UNITED STATES TAX COURT

## SALARIES AND EXPENSES

Appropriation, fiscal year 1995 to date .....	\$34,039,000
Budget estimate, fiscal year 1996 .....	34,039,000
Recommended in the bill .....	32,899,000
Bill compared with:	
Appropriation, fiscal year 1995 .....	- 1,140,000
Budget estimate, fiscal year 1996 .....	- 1,140,000

## MISSION

The bulk of the Court's work is the trial and adjudication of controversies involving deficiencies in income, estate, and gift taxes. The Court also has jurisdiction to redetermine deficiencies in cer-

tain excise taxes; to issue declaratory judgments in the areas of qualification of retirement plans, exemption of charitable organizations and the status of certain governmental obligations; and to decide certain cases involving disclosure of tax information by the Commissioner of Internal Revenue.

Additional jurisdiction was conferred on the Court by the Taxpayer Bill of Rights in 1988. The Court is authorized to hear and decide appeals by taxpayers from decisions by the Internal Revenue Service denying awards for reasonable administrative costs incurred in connection with administrative proceedings within the Internal Revenue Service. In addition, if a timely petition for the redetermination of a deficiency is pending before the Court, the Court is authorized to restrain the premature assessment and collection of the disputed tax, to review certain jeopardy assessments and jeopardy levies, and to review the Commissioner's determination that certain seized property may be sold notwithstanding the pendency of the deficiency action. Finally, the court is authorized to enforce its decisions determining overpayments in taxpayers' favor, to resolve disputes involving interest on deficiencies which were previously the subject of disputes before the Court, and to modify decisions in estate tax cases involving certain payment extensions.

#### RECOMMENDATION

The Committee recommends \$32,899,000 for the Tax Court appropriation; a \$1,140,000 reduction from the request.

### TITLE V—GENERAL PROVISIONS

#### THIS ACT

Section 501. The Committee has continued this provision prohibiting the establishment of offices outside the District of Columbia unless certain criteria is met.

Section 502. The Committee has continued this provision limiting the expenditure of funds to the current year unless expressly provided in the Act.

Section 503. The Committee has continued this provision limiting the expenditure of funds for consulting services under certain conditions.

Section 504. The Committee has continued this provision regarding employment of certain categories of Federal employees.

Section 505. The Committee has continued this provision prohibiting the use of funds to engage in activities which would prohibit the enforcement of section 307 of the 1930 Tariff Act.

Section 506. The Committee has continued this provision prohibiting the transfer of control over the Federal Law Enforcement Training Center.

Section 507. The Committee has continued this provision prohibiting the use of funds for certain propaganda purposes.

Section 508. The Committee has continued this provision prohibiting the use of funds appropriated in this Act from being used to prevent certain Federal employees from contacting their Congressman.

Section 509. The Committee has continued this provision providing funds in this Act shall be available as authorized by title 5, U.S.C., sections 4501–4506.

Section 510. The Committee has continued this provision authorizing donations of supplies and equipment to the Federal Executive Institute.

Section 511. The Committee has continued this provision authorizing the Secret Service to accept certain donations regarding protection of former Presidents.

Section 512. The Committee has continued this provision prohibiting the withdrawal of the designation of Front Royal, Virginia as a Customs Service Port of Entry.

Section 513. The Committee has continued this provision concerning employment rights of Federal employees who return to their civilian jobs after assignment with the Armed Forces.

Section 514. The Committee has continued this provision prohibiting the use of funds to provide any non-public mailing lists to any person or organization outside of the Federal Government.

Section 515. The Committee has continued this provision concerning compliance with Buy American Act.

Section 516. The Committee has continued this provision concerning prohibition of contracts which use certain goods not made in America.

Section 517. The Committee continued this provision concerning prohibition of contracts.

Section 518. The Committee has continued this provision which provides that fifty percent of unobligated balances may remain available for certain purposes.

Section 519. The Committee has continued this provision prohibiting any increases in the travel object classification for any agency funded in this act without the prior approval of the Committee on Appropriations.

Section 520. The Committee has continued this provision specifying the authority of the special police officers of the Bureau of Engraving and Printing in the Washington, D.C. Metropolitan area.

Section 521. The Committee has included a new provision establishing the rate of pay for the Chief of Police of the Bureau of Engraving and Printing.

Section 522. The Committee has included a new provision establishing a revolving fund for the U.S. Mint.

Section 523. The Committee has included a new provision making a technical correction to section 531 of Public Law 103–329.

Section 524. The Committee has included a new provision prohibiting funds in this act to be used for abortions.

Section 525. The Committee has included a new provision providing that Section 524 will not apply when the life of the mother would be endangered.

Section 526. The Committee has included a new provision concerning Tax Systems Modernization.

Section 527. The Committee has included a new provision for the relief of certain weekly periodical publications, primarily a handful of suburban or metropolitan community newspapers, that have been adversely affected by a 1989 mail classification regulation designed to control the inclusion of loose supplements in magazines

and similar publications. This measure is intended to “grandfather” the affected newspapers, by permitting them to continue to utilize their two-staple format without being subject to the supplement rules designed for magazines and similar bound publications.

Section 528. The Committee includes a new provision which limits training funds to topics that meet identified needs for knowledge, skills and abilities bearing directly upon the performance of official duties.

Section 529. The Committee has continued this provision prohibiting the use of funds to take adverse action against an employee of the Bureau of the Public Debt under certain circumstances, amended to cut off the effect of the provision on February 15, 1996.

## TITLE VI—GOVERNMENTWIDE GENERAL PROVISIONS

### DEPARTMENTS, AGENCIES, AND CORPORATIONS

Section 601. The Committee has continued this provision authorizing agencies to pay travel costs of the families of Federal employees to foreign duty to return to the United States in the event of death or a life threatening illness of the employee.

Section 602. The Committee has continued this 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 603. The Committee has continued this provision authorizing reimbursement for travel, transportation, and subsistence expenses incurred for training classes, conferences, or other meetings in connection with the provision of child care services to Federal employees.

Section 604. The Committee has continued this provision regarding price limitations on vehicles to be purchased by the Federal Government.

Section 605. The Committee has continued this provision allowing funds made available to agencies for travel to also be used for quarters allowances and cost-of-living allowances.

Section 606. The Committee has continued this provision prohibiting the Government, with certain specified exceptions, from employing non-U.S. citizens whose posts of duty would be in the continental U.S.

Section 607. The Committee has continued this provision ensuring that agencies will have authority to pay the General Services Administration bills for space renovation and other services.

Section 608. The Committee has continued this provision allowing agencies to finance the costs of recycling and waste prevention programs with proceeds from the sale of materials recovered through such programs.

Section 609. The Committee has continued this provision providing that funds may be used to pay rent and other service costs in the District of Columbia.

Section 610. The Committee has continued this provision restricting the President’s recess appointment power.

Section 611. The Committee has continued this provision authorizing agencies with delegated authority to make direct expenditures to operate, maintain, and repair its facilities using funds otherwise available to make rental payments to GSA.

Section 612. The Committee has continued this provision allowing agencies to use foreign currency (for which the Treasury is to be reimbursed) to carry out any program that the agency is authorized to carry out under its dollar appropriation.

Section 613. The Committee has continued this provision precluding the financing of groups by more than one Federal agency absent prior and specific statutory approval.

Section 614. The Committee has continued this provision authorizing the Postal Service to employ guards and given them the same special police powers as GSA guards.

Section 615. The Committee has continued this provision prohibiting the use of funds for enforcing regulations disapproved in accordance with the applicable law of the United States.

Section 616. The Committee has continued this provision limiting the pay increases of certain prevailing rate employees.

Section 617. The Committee has continued this provision limiting the amount of funds that can be used for redecoration of offices under certain circumstances.

Section 618. The Committee has continued this provision prohibiting the expenditure of funds for the acquisition of additional law enforcement training facilities without the advance approval of the Committees on Appropriations.

Section 619. The Committee has continued this provision prohibiting the use of grant funds for the acquisition of goods or services unless certain announcement criteria is met.

Section 620. The Committee has continued this provision permitting interagency funding of national security and emergency preparedness telecommunications initiatives, which benefit multiple Federal departments, agencies, and entities.

Section 621. The Committee has continued this provision permitting telecommunications support for the work-at-home and telecommuting program under guidelines issued by the Office of Personnel Management. The Committee has amended this provision to make it permanent law.

Section 622. The Committee has continued this 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 623. The Committee has continued this provision requiring agencies to administer a policy designed to ensure that all of its workplace are free from discrimination and sexual harassment.

Section 624. The Committee has continued this provision prohibiting the use of funds for travel expenses not directly related to official governmental duties.

Section 625. The Committee has continued this provision requiring the President to certify that persons responsible for administering the Drug Free Workplace Program are not themselves the subject of random drug testing.

Section 626. The Committee has included a new provision authorizing agencies to retain half of the money they receive as a result of participating in energy and water conservation activities.

Section 627. The Committee has included a new provision establishing the Commission on Federal Mandates.

## FTS 2000

The Committee recognizes and supports the 10-year contract for FTS 2000 program. This was awarded on a competitive bid basis and has consequently saved the taxpayers significant dollars. However, the Committee believes that the Brooks Act and the existing contract are sufficient and that further legislative language is superfluous. Therefore the bill deletes reference to FTS 2000. The Committee is satisfied that the existing contract is working as intended and does not wish to disrupt the contract.

## COMMISSION ON FEDERAL MANDATES

The Committee has included a provision (Sec. 627) which establishes a Commission on Federal Mandates to review and report on federal mandates as required by Public Law 104-4, the Unfunded Mandates Reform Act of 1995. The membership of the Commission shall include a total of 9 individuals with extensive leadership experience in and knowledge of State, local and tribal government and intergovernmental relations, including State and local elected officials.

APPROPRIATIONS CAN BE USED ONLY FOR THE PURPOSES FOR WHICH MADE

Title 31 of the United States Code makes clear that appropriations can be used only for the purposes for which they were appropriated as follows:

Section 1301. Application.

(a) Appropriations shall be applied only to the objects for which the appropriations were made except as otherwise provided by law.

COMPLIANCE WITH HOUSE RULES

DEFINITION OF "PROGRAM PROJECT AND ACTIVITY" AS PROVIDED FOR BY PUBLIC LAW 99-177, THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985

During fiscal year 1996, for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), the following information provides the definition of the term "program, project and activity" for departments and agencies under the jurisdiction of the Treasury, Postal Service and General Government Subcommittee. The term "program, project and activity" shall include the most specific level of budget items identified in the Treasury, Postal Service, and General Government Appropriations Act, 1987 as passed the House including the House Report which accompanies that Act. (Under the above definition, the Federal Building Fund, the Bureau of Engraving and Printing Fund and other intragovernmental funds are exempt under section 255(g)(1) of Public Law 99-177.)

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 2(a)(2)(b) of rule XI of the House of Representatives, the results of each roll call vote on an

amendment or on the motion to report, together with the names of those voting for and those voting against are printed below:

## ROLLCALL NO. 1

Date: July 11, 1995.

Measure: Treasury, Postal Service appropriations bill, FY 1996.

Motion by: Mr. Durbin.

Description of Motion: Amendment to the report language amendment of Mr. Lightfoot on relief from Federal firearms disabilities.

Result: Adopted 24 to 17.

Members Voting Yea	Members voting Nay
Mr. Bevill	Mr. Bunn
Mr. Bonilla	Mr. Hobson
Mr. Coleman	Mr. Istook
Mr. Dixon	Mr. Kingston
Mr. Durbin	Mr. Knollenberg
Mr. Fazio	Mr. Kolbe
Mr. Forbes	Mr. Lighfoot
Mr. Frelinghuysen	Mr. Livingston
Mr. Hoyer	Mr. McDade
Mrs. Lowey	Mr. Neumann
Mr. Miller	Mr. Packard
Mr. Mollohan	Mr. Riggs
Mr. Murtha	Mr. Rogers
Mr. Nethercutt	Mr. Taylor
Mr. Obey	Mrs. Vucanovich
Ms. Pelosi	Mr. Walsh
Mr. Porter	Mr. Wicker
Mr. Sabo	
Mr. PSkaggs	
Mr. Thornton	
Mr. Torres	
Mr. Visclosky	
Mr. Wolf	
Mr. Young	

## ROLLCALL NO. 2

Date: July 11, 1995.

Measure: Treasury, Postal Service appropriations bill, FY 1996.

Motion by: Mr. Hoyer.

Description of motion: To restore funding for the Council of Economic Advisers to the requested levels.

Results: Rejected: 16 to 28.

Members Voting Yea	Members Voting Nay
Mr. Bevill	Mr. Bonilla
Mr. Coleman	Mr. Bunn
Mr. Dicks	Mr. Dickey
Mr. Dixon	Mr. Forbes
Mr. Fazio	Mr. Fellinghuysen
Mr. Hoyer	Mr. Hobson
Ms. Kaptur	Mr. Istook

Mrs. Lowey	Mr. Kingston
Mr. Mollohan	Mr. Knollenberg
Mr. Murtha	Mr. Kolbe
Mr. Obey	Mr. Lewis
Mr. Sabo	Mr. Lightfoot
Mr. Skaggs	Mr. Livingston
Mr. Thornton	Mr. McDade
Mr. Torres	Mr. Miller
Mr. Vosclosky	Mr. Myers
	Mr. Nethercutt
	Mr. Neumann
	Mr. Packard
	Mr. Porter
	Mr. Riggs
	Mr. Rogers
	Mr. T aylor
	Mr. Vucanovich
	Mr. Walsh
	Mr. Wicker
	Mr. Wolf
	Mr. Young

## ROLLCALL NO. 3

Date: July 11, 1995.

Measure: Treasury, Postal Service appropriations bill, FY 1996.

Motion by: Mr. Hoyer.

Description of motion: To delete two general provisions that preclude funding of abortions in connection with any health benefit plan for Federal employees.

Results: Rejected: 19 to 24.

Members Voting Yea	Members Voting Nay
Mr. Bonilla	Mr. Bunn
Mr. Chapman	Mr. DeLay
Mr. Coleman	Mr. Forbes
Mr. Dicks	Mr. Hobson
Mr. Durbin	Mr. Istook
Mr. Fazio	Mr. Kingston
Mr. Frelinghuysen	Mr. Knollenberg
Mr. Hefner	Mr. Lewis
Mr. Hoyer	Mr. Lightfoot
Mr. Kolbe	Mr. Livingston
Mrs. Lowey	Mr. McDade
Mr. Obey	Mr. Mollohan
Ms. Pelosi	Mr. Murtha
Mr. Porter	Mr. Nethercutt
Mr. Sabo	Mr. Neumann
Mr. Skaggs	Mr. Packard
Mr. Thornton	Mr. Regula

Mr. Torres  
Mr. Visclosky

Mr. Riggs  
Mr. Skeen  
Mr. Taylor  
Mrs. Vucanovich  
Mr. Walsh  
Mr. Wicker  
Mr. Young

## ROLLCALL NO. 4

Date: July 12, 1995.

Measure: Treasury, Postal Service appropriations bill, FY 1996.

Motion by: Mr. Hoyer.

Description of motion: To authorize collection of taxes in the manner prescribed in H.R. 1535, which provides tax rules on expatriation.

Results: Rejected: 16 to 25.

Members Voting Yea	Members Voting Nay
Mr. Beville	Mr. Bonilla
Mr. Coleman	Mr. Bunn
Mr. Durbin	Mr. Callahan
Mr. Fazio	Mr. Dickey
Mr. Foglietta	Mr. Forbes
Mr. Hobson	Mr. Frelinghuysen
Mr. Hoyer	Mr. Kingston
Mrs. Lowey	Mr. Knollenberg
Mr. Murtha	Mr. Kolbe
Mr. Neumann	Mr. Lewis
Mr. Obey	Mr. Lightfoot
Ms. Pelosi	Mr. Livingston
Mr. Sabo	Mr. McDade
Mr. Thornton	Mr. Nethercutt
Mr. Torres	Mr. Packard
Mr. Visclosky	Mr. Regula
	Mr. Rogers
	Mr. Skaggs
	Mr. Skeen
	Mr. Taylor
	Mrs. Vucanovich
	Mr. Walsh
	Mr. Wicker
	Mr. Wolf
	Mr. Young

## TRANSFER OF FUNDS

Pursuant to clause 1(b), rule X of the House of Representatives, the following table is submitted describing the transfer of funds provided in the accompanying bill.

The table shows, by title, department and agency, the appropriations affected by such transfers.

## APPROPRIATION TRANSFERS RECOMMENDED IN THE BILL

Account to which transfer is to be made	Amount	Account from which transfer is to be made	Amount
State and local entities .....	\$52,000,000	Federal Drug Programs—HIDTA .....	\$52,000,000
Personnel Management .....	\$102,536,000	Trust fund of the Office of Personnel Management.	102,536,000
Inspector General, OPM .....	4,009,000	Appropriate Trust Funds .....	4,009,000
Merit Systems Protection Board .....	2,430,000	Civil service retirement and disability fund.	2,430,000

## RESCISSION OF FUNDS

In compliance with clause 1(b) of rule X of the House of Representatives, the Committee reports that it recommends no rescissions in the bill, as reported.

## COMPLIANCE WITH RULE XI, CLAUSE 9(l)(4)

## INFLATIONARY IMPACT STATEMENT

Pursuant to clause 2(l)(4), rule XI of the House of Representatives, the Committee estimates that enactment of this bill would have minimal overall inflationary impact on prices and costs in the operation of the national economy.

The total amount recommended in the bill is about \$468 million less than the total amount appropriated for these same agencies for fiscal year 1995 and about \$1.7 billion than proposed in the President's budget request for 1996.

## FIVE YEAR PROJECTIONS

In compliance with section 308(1)(C) of the Congressional Budget Act of 1974 (Public Law 93-344), as amended, the following table contains five-year projections associated with the budget authority provided in the accompanying bill:

Outlays:	<i>In millions</i>
Budget authority .....	\$23,315
Fiscal year 1996 .....	20,577
Fiscal year 1997 .....	2,039
Fiscal year 1998 .....	420
Fiscal year 1999 .....	192
Fiscal year 2000 and future years .....	129

## COMPLIANCE WITH RULE XIII, CLAUSE 3

## (RAMSEYER RULE)

In compliance with clause 3, rule XIII of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

Section 6 of the General provisions-General Services Administration, of Title III, Independent Agencies, amends Public Law 103-329, 108 Stat 2400, by repealing language as follows:

Between the funds appropriated and expended on any projects in this or any prior Act, under the heading "Repairs and Alterations", \* \* \* for the Food and Drug Administration consolidation may be used for necessary infrastructure improvements: *【Provided*

*further*, That of the \$6,000,000 made available in Public Laws 102-93 and 103-123 for the acquisition, lease, construction and equipping of flexiplace work telecommuting centers, not to exceed \$1,300,000 shall be available for payment to a public entity in the State of Maryland to provide facilities, equipment and other services to the General Services Administration for purposes of establishing telecommuting work centers in Southern Maryland (Waldorf, Prince Frederick, and St. Mary's County) for use by government agencies designated by the Administrator of General Services:】 *Provided further*, That for the purposes of this authorization, buildings constructed pursuant to the purchase contract authority of the Public Buildings Amendments of 1972 (40 U.S.C. 602a), buildings occupied pursuant to installment purchase contracts, and buildings under the control of another department or agency \* \* \*

Section 1 of the General Provisions-Office of Personnel Management, of Title III, Independent Agencies, amends Title 5 USC as follows:

**§ 1104. Delegation of authority for personnel management**

(a) Subject to subsection (b)(3) of this section—

(1) the President may delegate, in whole or in part, authority for personnel management functions, including authority for competitive examinations, to the Director of the Office of Personnel Management; and

(2) the Director may delegate, in whole or in part, any function vested in or delegated to the Director, including authority for competitive examinations [(except competitive examinations for administrative law judges appointed under section 3105 of this title)] to the heads of agencies in the executive branch and other agencies employing persons in the competitive service[;].

【except that the Director may not delegate authority for competitive examinations with respect to positions that have requirements which are common to agencies in the Federal Government, other than in exceptional cases in which the interests of economy and efficiency require such delegation and in which such delegation will not weaken the application of the merit system principles.】

(b)(1) The Office shall establish standards which shall apply to the activities of the Office or any other agency under authority delegated under subsection (a) of this section.

(2) The Office shall establish and maintain an oversight program to ensure that activities under any authority delegated under subsection (a) of this section are in accordance with the merit system principles and the standards established under paragraph (1) of this subsection.

(3) Nothing in subsection (a) of this section shall be construed as affecting the responsibility of the Director to prescribe regulations and to ensure compliance with the civil service laws, rules, and regulations.

(c) If the Office makes a written finding, on the basis of information obtained under the program established under subsection (b)(2) of this section or otherwise, that any action taken by an agency pursuant to authority delegated under subsection (a)(2) of this section is contrary to any law, rule, or regulation, or is con-

trary to any standard established under subsection (b)(1) of this section, the agency involved shall take any corrective action the Office may require.

*“(4) At the request of the head of an agency to whom a function has been delegated under subsection (a)(2), the Office may provide assistance to the agency in performing such function. Such assistance shall, to the extent determined appropriate by the Director of the Office, be performed on a reimbursable basis through the revolving fund established under section 1304(e).”*

Section 2 of General Provisions—Office of Personnel Management, Title III, Independent Agencies, amends Title 5 as follows:

**§ 8348. Civil Service Retirement and Disability Fund**

(a) There is a Civil Service Retirement and Disability Fund. The Fund—

(1) is appropriate for the payment of—

(A) benefits as provided by this subchapter or by the provisions of chapter 84 of this title which relate to benefits payable out of the Fund; and

(B) administrative expenses incurred by the Office of Personnel Management in placing in effect each annuity adjustment granted under section 8340 or 8462 of this title, in administering survivor annuities and elections providing therefor under sections 8339 and 8341 of this title or subchapters II and IV of chapter 84 of this title, in administering alternative forms of annuities under sections 8343a and 8420a (and related provisions of law), [and in withholding taxes pursuant to section 3405 of title 26] and in providing withholding and related services to annuitants under this sub-chapter and chapter 84;

(2) is made available, subject to such annual limitation as the Congress may prescribe, for any expenses incurred by the Office in connection with the administration of this chapter, chapter 84 of this title, and other retirement and annuity statutes; and

(3) is made available, subject to such annual limitation as the Congress may prescribe, for any expenses incurred by the Merit Systems Protection Board in the administration of appeals authorized under sections 8347(d) and 8461(e) of this title.

Section 3 of General Provisions—Office of Personnel Management, Title III, Independent Agencies, amends Public Law 103-226, 108 Stat. 111 as follows:

**SEC. 4. ADDITIONAL AGENCY CONTRIBUTIONS TO THE RETIREMENT FUND.**

(A) Relating to [Fiscal Years 1994 and 1995] *Voluntary Separation Incentive Payments.*—

(1) IN GENERAL.—In addition to any other payments which it is required to make under subchapter III of chapter 83 of title 5, United States Code, an agency shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 9 percent of the final basic pay of each employee of the agency—

(A) who, on or after the date of enactment of this Act [and before October 1, 1995], retires under section 8336(d)(2) of such title; and

Section 4 of the General Provisions—Office of Personnel Management, of Title III, Independent Agencies, amends Title 5 U.S.C. as follows:

**§ [3329.3] 3330. Government-wide list of vacant positions**

(a) For the purpose of this section, the term “agency” means an Executive agency, excluding the General Accounting Office and any agency (or unit thereof) whose principal function is the conduct of foreign intelligence or counter-intelligence activities, as determined by the President.

(b) The Office of Personnel Management shall establish and keep current a comprehensive list of all announcements of vacant positions in the competitive service within each agency that are to be filled by appointment for more than one year and for which applications are being (or will soon be) accepted from outside the agency’s work force.

(c) Included for any position listed shall be—

(1) a brief description of the position, including its title, tenure, location, and rate of pay;

(2) application procedures, including the period within which applications may be submitted and procedures for obtaining additional information; and

(3) any other information which the Office considers appropriate.

(d) The list shall be available to members of the public.

(e) The Office shall prescribe such regulations as may be necessary to carry out this section. Any requirement under this section that agencies notify the Office as to the availability of any vacant positions shall be designed so as to avoid any duplication of information otherwise required to be furnished under section 3327 of this title or any other provision of law.

*(f) The Office may, to the extent it determines appropriate, charge such fees to agencies and applicants for services provided under this section and for related Federal employment information. The Office shall retain such fees to pay costs of providing such services and information.*

Section 521 of Title V, General Provisions—This Act, amends 5 U.S.C. 5378 as follows:

**§ 5378. Police forces of the Bureau of Engraving and Printing and the United States Mint**

(a) The Secretary of the Treasury shall fix the rates of basic pay for positions within the police forces of the Bureau of Engraving and Printing and the United States Mint in accordance with the following:

(1) Entry-level police officer—not more than the maximum rate payable for GS-6.

(2) Journeyman-level police officer—not more than the maximum rate payable for GS-7.

(3) Corporal—not more than the maximum rate payable for GS-8.

- (4) Sergeant—not more than the maximum rate payable for GS-9.
- (5) Lieutenant—not more than the maximum rate payable for GS-10.
- (6) Deputy Inspector—not more than the maximum rate payable for GS-11.
- (7) Inspector—not more than the maximum rate payable for GS-12.
- (8) Chief—not more than the maximum rate payable for GS-14.

(b) For purposes of this section, the term “police forces of the Bureau of Engraving and Printing and the United States Mint” means the employees of the Department of the Treasury who are appointed, under the authority of the Secretary of the Treasury, as police officers for the protection of the Bureau of Engraving and Printing and the United States Mint buildings and property.

Section 523 of Title V, General Provisions—This Act, amends Public Law 103-329 as follows:

SEC. 531. The Act entitled “An Act to provide retirement, clerical assistants, and free mailing privileges to former Presidents of the United States, and for other purposes”, approved August 25, 1958 (Public Law 85-745; 72 Stat. 838; 3 United States Code 102 note), is amended by adding at the end of the first section thereof the following new subsection:

“(g) There are authorized to be appropriated to the Administrator of General Services up to \$1,000,000 for each former President and up to \$500,000 for the spouse of each former President each fiscal year for security and travel related expenses: *Provided*, That under the provisions set forth in section 3056, paragraph (a), subparagraph (3) of title 18, United States Code, the former President and/or spouse was not receiving protection for a lifetime provided by the United States Secret Service under section 3056 paragraph (a) subparagraph (3) of title 18, United States Code; the protection provided by the United States Secret Service expired at its designated time; or the protection provided by the United States Secret Service was declined prior to authorized expiration in lieu of these funds.”.

FINANCIAL ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

In accordance with section 308(a)(1)(D) of the Congressional Budget Act of 1974 (Public Law 93-344), as amended, the financial assistance to state and local governments are as follows:

	<i>In millions</i>
New budget authority .....	\$0
Fiscal year 1996 outlays resulting therefrom .....	0

COMPARISON WITH BUDGET RESOLUTION

Section 308(a)(1)(A) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344), as amended, requires that the report accompanying a bill providing new budget authority contain a statement detailing how the authority compares the reports submitted under section 602(b) of the Act for the

most recently agreed to concurrent resolution on the budget for the fiscal year. This information follows:

[In millions of dollars]

	602(b) allocation		This bill	
	Budget au- thority	Outlays	Budget au- thority	Outlays
Discretionary:				
General purposes .....	11,362	11,750	11,362	11,871
Violent Crime Trust Fund .....	64	55	64	55
Total discretionary .....	11,426	11,805	11,426	11,926
Mandatory .....	11,555	11,553	11,655	11,652

Note.—The amount included in this bill as shown above does not include estimates of the effect of H.R. 1944, The Emergency Supplemental Appropriations and Rescissions Bill for FY 1995. The estimates were not included since H.R. 1944 had not received final Congressional approval at the time this report was filed. If H.R. 1944 is approved, the amount scored to this bill will change and the new amount will be within the 602(b) subdivision.

The bill provides no new spending authority as described in section 401(c)(2) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344), as amended.

#### COMPLIANCE WITH RULE XXI, CLAUSE 3

In compliance with rule XXI, clause 3, the Committee has inserted at the appropriate place in the report a description of the effects of provisions proposed in the accompanying bill which may be considered, under certain circumstance, to change the application of existing law, either directly or indirectly.

The bill provides, in some instances, for funding of agencies and activities where legislation has not yet been finalized (U.S. Customs Services, the Office of Information and Regulatory Affairs in the Office of Management and Budget, Federal Law Enforcement Training Center, Office of Special Counsel, and the Federal Election Commission). In addition, the bill carries language, in some instances, permitting activities not authorized by law, or exempting agencies from certain provisions of law, but which has been carried in appropriations acts for many years.

In title IV of the bill, in connection with the General Services Administration, certain limitations on availability of revenue in the Federal Buildings Fund and certain legislative provisions have been carried forward from last year. The Committee has included a provision requiring approval by the Appropriations Committee of additional repair and alternation projects, as well as several additional general provisions.

The bill continues a number of general provisions applying to agencies covered by the bill as well as certain provisions applying Government-wide. These provisions have been carried in the prior year appropriations bill, and a number of them have been carried for many years.

#### TITLE I—DEPARTMENT OF THE TREASURY

The Committee has continued language which provides funds for operation and maintenance of the Treasury Building and Annex, hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for real properties leased or owned overseas; official travel expenses, official reception and representation expenses, international affairs

functions, information technology modernization requirements unforeseen emergencies of a confidential nature, repairs improvements to the Main Treasury Building and Annex.

#### OFFICE OF INSPECTOR GENERAL

The Committee has continued language which provides funds to carry out the provisions of the Inspector General Act of 1978, the hire of vehicles, official travel expenses, and unforeseen emergencies.

#### FINANCIAL CRIMES ENFORCEMENT NETWORK

The Committee has continued language which provides funds for hire of vehicles and official reception and representation expenses. The Committee has included language allowing FinCEN to use appropriated resources for official reception and representation; the travel of non-federal personnel attending conferences or meetings involving financial law enforcement; the purchase of personal services contracts; and the procurement of cutting edge technologies in an expedited fashion, provided that total expenditures do not exceed \$500,000.

#### FEDERAL LAW ENFORCEMENT TRAINING CENTER

The Committee has continued language which provides funds for material and support costs of basic training, the hire of vehicles, student athletic and related activities, uniform purchases, conducting and or participating in firearms matches, community relations for U.S. Postal Service law enforcement personnel and State and local law enforcement training, acceptance of gifts, training of private sector security officials on a reimbursable space available basis, travel expenses of non-federal personnel to attend State and local course development meetings at the Center, the establishment of a fund to provide gifts for certain honor graduate students, directs the Director to present certain awards, allows for the provision of short term medical services for students undergoing training.

Authorization for the Federal Law Enforcement Training Center has not been enacted as of the date of this report.

#### FEDERAL LAW ENFORCEMENT TRAINING CENTER

##### ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

The Committee has continued language for construction, repair, and other expenses to remain available until expended.

#### FINANCIAL MANAGEMENT SERVICE

The Committee has continued language which provides funds to remain available until expended for systems modernization.

#### BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

The Committee has continued language which provides funds for the purchase of vehicles, the hire of aircraft the services of expert

witnesses, the payment of per diem and/or subsistence allowances for the National Response Team, official reception and representation expenses, for training of State and local law enforcement agencies, the provision of laboratory assistance to State and local agencies, enforcement of the Federal Alcohol Administration Act, the payment of attorney's fees, the equipping of certain vessels, vehicles, equipment or aircraft, and provides no funds shall be used to reorganize ATF or consolidate or centralize the records pertaining to firearms licenses, and prohibits the expenditure of resources on applications for relief from Federal firearms disabilities by individuals prohibits changes to the CFR without publishing prior notice.

#### UNITED STATES CUSTOMS SERVICE

The Committee has continued language which provides funds for the hire of vehicles, official reception and representation expenses, compensation to informers, rental space for pre-clearance operations, part-time and temporary positions, and uniforms.

Authorization for the Customs Service has not been enacted as of the date of this report.

#### HARBOR MAINTENANCE FEE COLLECTION

The Committee has included language relating to the use of collection of the Harbor Maintenance Fee pursuant to Public Law 103-182.

#### AIR AND MARINE INTERDICTION PROGRAMS

The Committee has continued language which provides funds for operation and maintenance of marine vessels, aircraft and equipment, training, travel, rental payments.

#### CUSTOMS SERVICE AT SMALL AIRPORTS

The Committee has continued language which provides funds for the provision of Customs services at certain small airports and provides that the funds may remain available until expended.

#### BUREAU OF THE PUBLIC DEBT

The Committee has continued language which provides funds for expenses associated with public debt issues.

#### INTERNAL REVENUE SERVICE

##### PROCESSING, ASSISTANCE, AND MANAGEMENT

The Committee has merged the former "Administration and Management" appropriation and the "Processing Tax Returns and Assistance" appropriation to provide funds for the direction, management, audit, security, purchase and hire of vehicles, services authorized by 5 USC, official reception and representation expenses, research processing tax returns, accounting, developing statistics of income, taxpayer assistance, hire of vehicles, services authorized by 5 USC, and tax counseling for the elderly.

## TAX LAW ENFORCEMENT

The Committee has continued language which provides funds for determining and establishing tax liabilities, tax and enforcement litigation, technical rulings, examining employee plans and exempt organizations, investigations, securing tax returns, collection, purchase and hire of vehicles, services authorized by 5 USC, and establishes a program to utilize private sector debt collection agencies.

## INFORMATION SYSTEMS

The Committee has continued language which provides funds for data processing and telecommunications support, the hire of vehicles, services authorized by 5 USC, sets a minimum funding level for tax systems modernization, provides that certain funds shall remain available until expended and prohibits the expenditure of funds for tax systems modernization until certain conditions are met.

## ADMINISTRATIVE PROVISIONS—INTERNAL REVENUE SERVICE

Section 1. The Committee has continued this provision allowing 2 percent of the funds available to the IRS to be transferred to other IRS operations with the advance approval of Congress.

Section 2. The Committee has continued this provision which institutes and maintains a training program in taxpayers' rights and cross-cultural relations.

## UNITED STATES SECRET SERVICE

The Committee has continued language which provides funds for the hire of aircraft, training and assistance requested by State and local governments, services of expert witnesses, rental of certain buildings, improvements to buildings as may be necessary for protective functions, conducting of firearms matches, presentation of awards, travel of employees on protective missions, uniforms, research, and reimbursement for protection as authorized by law.

## VIOLENT CRIME REDUCTION PROGRAM

The Committee has included language which provides funds for activities by Public Law 103-322 to be derived from the Violent Crime Reduction Trust Fund.

## DEPARTMENT OF THE TREASURY—GENERAL PROVISIONS

Section 101. The Committee has continued a provision which requires the Secretary of the Treasury to comply with certain reprogramming guidelines when obligating or expending funds for law enforcement activities.

Section 102. The Committee has continued a provision which allows the Department of Treasury to purchase uniforms, insurance, motor vehicles without regard to the general purchase price limitation, and enter into contract with the State Department for health and medical services for Treasury employees in overseas locations.

Section 103. The Committee has continued a provision which allows two percent of the funds available to the Treasury Depart-

ment to be transferred between Treasury accounts with the advance approval of the House and Senate Committees on Appropriations.

Section 104. The Committee has continued a provision which restricts the use of funds appropriated to the IRS if employees are not in compliance with the Fair Debt Collection Practices Act. The Committee has modified this provision by adding the requirement that private sector employees under contract to the IRS must also comply with the Fair Debt Collection Practices Act.

Section 105. The Committee has continued a provision which mandates the IRS institute policies and procedures which safeguard the confidentiality of taxpayer information.

Section 106. The Committee has continued a provision which requires expenditure of funds so as not to diminish efforts under the Federal Alcohol Administration Act.

## TITLE II—POSTAL SERVICE

### PAYMENT TO THE POSTAL SERVICE FUND

The Committee has continued language which prohibits funds made available to the postal Service from being used to close or consolidate certain post offices, from charging employees of local and child support agencies, provides funds for free mail for the blind, and for six day mail delivery and rural delivery of mail at existing levels.

## TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

### COMPENSATION OF THE PRESIDENT

The Committee has continued language which mandates that unused amounts of the President's expense allowance will revert to the Treasury and not be taxable to the President.

### THE WHITE HOUSE OFFICE

The Committee has continued language which provides funds for service authorized by 5 USC, subsistence expenses, hire of vehicles, newspapers, periodicals, teletype news service, travel, and official entertainment expenses.

### EXECUTIVE RESIDENCE AT THE WHITE HOUSE

The Committee has continued languages which provides funds for operation and maintenance of the White House for official entertainment expenses.

### OFFICIAL RESIDENCE OF THE VICE PRESIDENT

The Committee has included language which provides funds for operation and maintenance of the official residence of the Vice President, the hire of vehicles, official entertainment expenses and provides for the transfer of funds as necessary.

## SPECIAL ASSISTANCE TO THE PRESIDENT

The Committee has continued language which enables the Vice President to provide assistance to the President, services authorized by 5 USC, subsistence, and the hire for vehicles.

## OFFICE OF POLICY DEVELOPMENT

The Committee has continued language which provides funds for expenses of the Office.

## NATIONAL SECURITY COUNCIL

The Committee has continued language which provides funds for expenses of the Council and directs a transfer of funds to AID.

## OFFICE OF ADMINISTRATION

The Committee has continued language which provides funds for expenses of the Office and the hire of vehicles.

## OFFICE OF MANAGEMENT AND BUDGET

The Committee has continued language which limits expenditures for various offices and functions within OMB; provides funds for expenses, the hire of vehicles, carrying out provisions of 44 USC, directs that funds shall be applied only to items for which appropriations were made, prohibits the review of agricultural marketing orders and the alteration of certain testimony.

## OFFICE OF NATIONAL DRUG CONTROL POLICY

The Committee has continued language which provides funds for expenses, research, official reception and representation expenses, participation in joint projects, the Counter-Drug Technology Assessment Center, and allows for the acceptance of gifts.

## UNANTICIPATED NEEDS

The Committee has continued language which provides funds for expenses of the President.

FEDERAL DRUG CONTROL PROGRAMS—HIGH INTENSITY DRUG  
TRAFFICKING AREAS PROGRAM

The Committee has continued language which provides a certain level of funding for drug control activities in High Intensity Drug Trafficking Areas Program, directs that a certain level of funding be used for State and local drug control efforts, and directs the obligation of funds.

## TITLE IV—INDEPENDENT AGENCIES

COMMISSION FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR  
SEVERELY DISABLED

The Committee has continued language which provides funds for expenses of the Committee.

## FEDERAL ELECTION COMMISSION

The Committee has continued language which provides funds for expenses of the Commission and specifying a level of funding for processing and prohibiting the expenditure of funds on ADP until certain requirements are met.

## FEDERAL LABOR RELATIONS AUTHORITY

The Committee has continued language which provides funds for expenses of the Authority.

## GENERAL SERVICES ADMINISTRATION

## FEDERAL BUILDING FUND

The Committee has continued language dealing with the conditions under which funds made available to the Federal Buildings Fund can be used and has designated certain projects which can be undertaken. Many technical provisions have been inserted regarding use of funds in the Federal Buildings Fund which are not specifically authorized by law.

The Committee has inserted language limiting funds available for construction and repair and alternation of building projects not authorized by law. A more detailed analysis of the Federal Buildings Funds can be found in the General Services Administration chapter of this report.

The Committee has inserted language concerning the Pennsylvania Avenue Development Corporation.

## POLICY AND OVERSIGHT

The Committee has inserted language which provides funds for government-wide policy and oversight activities, the Board of Contract Appeals, authorized services, and official reception and representation expenses.

## OPERATING EXPENSES

The Committee has continued language which provides funds for operations of the General Services Administration.

## OFFICE OF INSPECTOR GENERAL

The Committee has continued language which provides funds for expenses for the Office, payment for information and detection of fraud, and awards.

## ALLOWANCES AND OFFICE AND STAFF FOR FORMER PRESIDENTS

The Committee has continued language which provides funds for compliance with Public Law 95-138.

## GENERAL SERVICES ADMINISTRATION—GENERAL PROVISIONS

Section 1. The Committee has continued a provision which provides for the crediting of amounts received as Federal agency rental payments to the Federal Buildings Fund.

Section 2. The Committee has continued a provision which provides funds for the hire of motor vehicles.

Section 3. The Committee has continued a provision which provides that funds made available for activities of the Federal Buildings Fund may be transferred between appropriations with advance approval of the House and Senate Committees on Appropriations.

Section 4. The Committee has continued a provision which limits funding for courthouse construction which do not meet certain standards and requires the submission of a capital improvement plan for the US Courts.

Section 5. The Committee has included a new provision which authorizes GSA to accept and retain income to offset the cost of the flexiplace work telecommuting centers.

Section 6. The Committee has included a new provision which authorizes the transfer of \$2.2 million to the Charles County Community College and repeals a previous authorization.

Section 7. The Committee has included a new provision which provides that funds appropriated for "Operating Expenses" and "Policy and Oversight" may be transferred between these appropriations with advance approval of the House and Senate Committees on Appropriations.

#### JOHN F. KENNEDY ASSASSINATION RECORDS REVIEW BOARD

The Committee has continued language which provides funds for the Board.

#### MERIT SYSTEMS PROTECTION BOARD

The Committee has continued language which provides funds for the Board.

#### NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

The Committee has continued language which provides funds for the operations of the NARA including expenses necessary to move to a new facility.

#### NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

The Committee has included language which provides funds for the Commission.

#### OFFICE OF GOVERNMENT ETHICS

The Committee has continued language which provides funds for the Office.

#### OFFICE OF PERSONNEL MANAGEMENT

The Committee has continued language which provides for expenses of the Office, services authorized by 5 U.S.C. medical examinations under certain conditions, rental of conference rooms, hire of vehicles, official reception, and representation expenses, advances for reimbursement, acceptance of gifts, and awards for the national Civil Service Appreciation Conferences, health promotion and disease prevention programs, transfers to appropriate trust

funds, prohibition on the payment of any physician, hospital or other provider of health care services who is excluded from providing services under certain Social Security Act provisions, prohibition of funds for the Legal Examining Unit, authority to accept certain donations for the White House Fellows program, and prohibits a reduction-in-force in the office of Federal Investigations.

#### OFFICE OF INSPECTOR GENERAL

The Committee has continued language which provides funds for expenses of the Office, audit of the retirement and insurance programs, and the rental of conference rooms.

#### GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE HEALTH BENEFITS

The Committee has continued language which provides funds for the payment of the government contributions.

#### GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

The Committee has continued language which provides funds for the payment of the government contributions.

#### PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

The Committee has continued language which provides funds for the payment of the government contributions.

#### OFFICE OF PERSONNEL MANAGEMENT—GENERAL PROVISIONS

Section 1. The Committee has included a new provision which allows federal agencies to reimburse OPM for examinations for common occupations and Administrative Law Judges.

Section 2. The Committee has included a new provision which allows OPM to withhold state taxes from payments to annuitants.

Section 3. The Committee has included a technical amendment which extends retirement provisions under the Federal Workforce Restructuring Act to individuals taking delayed buyouts.

Section 4. The Committee has included a new provision that allows the Office of Personnel Management to charge fees to other federal agencies for the dissemination of employment information.

#### OFFICE OF SPECIAL COUNSEL

The Committee has continued language which provides funds for the Office.

#### UNITED STATES TAX COURT

The Committee has continued language which provides funds for the Court.

## TITLE V—GENERAL PROVISIONS

## THIS ACT

Section 501. The Committee has continued this provision prohibiting the establishment of offices outside the District of Columbia unless certain criteria is met.

Section 502. The Committee has continued this provision limiting the expenditure of funds to the current year unless expressly provided in the Act.

Section 503. The Committee has continued this provision limiting the expenditure of funds for consulting services under certain conditions.

Section 504. The Committee has continued this provision regarding employment of certain categories of Federal employees.

Section 505. The Committee has continued this provision prohibiting the use of funds to engage in activities which would prohibit the enforcement of section 307 of the 1930 Tariff Act.

Section 506. The Committee has continued this provision prohibiting the transfer of control over the Federal Law Enforcement Training Center.

Section 507. The Committee has continued this provision prohibiting the use of funds for certain propaganda purposes.

Section 508. The Committee has continued this provision prohibiting the use of funds appropriated in this Act from being used to prevent certain Federal employees from contacting their Congressman.

Section 509. The Committee has continued this provision providing funds in this Act shall be available as authorized by title 5, U.S.C., sections 4501–4506.

Section 510. The Committee has continued this provision authorizing donations of supplies and equipment to the Federal Executive Institute.

Section 511. The Committee has continued this provision authorizing the Secret Service to accept certain donations regarding protection of former Presidents.

Section 512. The Committee has continued this provision prohibiting the withdrawal of the designation of Front Royal, Virginia as a Customs Service Port of Entry.

Section 513. The Committee has continued this provision concerning employment rights of Federal employees who return to their civilian jobs after assignment with the Armed Forces.

Section 514. The Committee has continued this provision prohibiting the use of funds to provide any non-public mailing lists to any person or organization outside of the Federal Government.

Section 515. The Committee has continued this provision concerning compliance with Buy American Act.

Section 516. The Committee has continued this provision concerning prohibition of contracts which use certain goods not made in America.

Section 517. The Committee continued this provision concerning prohibition of contracts.

Section 518. The Committee has continued this provision which provides that fifty percent of unobligated balances may remain available for certain purposes.

Section 519. The Committee has continued this provision prohibiting any increases in the travel object classification for any agency funded in this act without the prior approval of the Committee on Appropriations.

Section 520. The Committee has continued this provision specifying the authority of the special police officers of the Bureau of Engraving and Printing in the Washington, D.C. Metropolitan area.

Section 521. The Committee has included a new provision establishing the rate of pay for the Chief of Police of the Bureau of Engraving and Printing.

Section 522. The Committee has included a new provision establishing a revolving fund for the U.S. Mint.

Section 523. The Committee has included a new provision making a technical correction to section 531 of Public Law 103-329.

Section 524. The Committee has included a new provision prohibiting funds in this act to be used for abortions.

Section 525. The Committee has included a new provision providing that Section 524 will not apply when the life of the mother would be endangered.

Section 526. The Committee has included a new provision concerning Tax Systems Modernization.

Section 527. The Committee has included a new provision for the relief of certain weekly periodical publications, primarily a handful of suburban or metropolitan community newspapers, that have been adversely affected by a 1989 mail classification regulation designed to control the inclusion of loose supplements in magazines and similar publications.

This measure is intended to “grandfather” the affected newspapers, by permitting them to continue to utilize their two-staple format without being subject to the supplement rules designed for magazines and similar bound publications.

Section 528. The Committee includes a new provision which limits training funds to topics that meet identified needs for knowledge, skills and abilities bearing directly upon the performance of official duties.

Section 529. The Committee has continued this provision prohibiting the use of funds to take adverse action against an employee of the Bureau of the Public Debt under certain circumstances, amended to cut off the effect of the provision on February 15, 1996.

## TITLE VI—GOVERNMENTWIDE GENERAL PROVISIONS

### DEPARTMENTS, AGENCIES, AND CORPORATIONS

Section 601. The Committee has continued this provision authorizing agencies to pay travel costs of the families of Federal employees on foreign duty to return to the United States in the event of death or a life threatening illness of the employee.

Section 602. The Committee has continued this 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 603. The Committee has continued this provision authorizing reimbursement for travel, transportation, and subsistence expenses incurred for training classes, conferences, or other meetings

in connection with the provision of child care services to Federal employees.

Section 604. The Committee has continued this provision regarding price limitations on vehicles to be purchased by the Federal Government.

Section 605. The Committee has continued this provision allowing funds made available to agencies for travel to also be used for quarters allowances and cost-of-living allowances.

Section 606. The Committee has continued this provision prohibiting the Government, with certain specified exceptions, from employing non-U.S. citizens whose posts of duty would be in the continental U.S.

Section 607. The Committee has continued this provision ensuring that agencies will have authority to pay the General Services Administration bills for space renovation and other services.

Section 608. The Committee has continued this provision allowing agencies to finance the costs of recycling and waste prevention programs with proceeds from the sale of materials recovered through such programs.

Section 609. The Committee has continued this provision providing that funds may be used to pay rent and other service costs in the District of Columbia.

Section 610. The Committee has continued this provision restricting the President's recess appointment power.

Section 611. The Committee has continued this provision authorizing agencies with delegated authority to make direct expenditures to operate, maintain, and repair its facilities using funds otherwise available to make rental payments to GSA.

Section 612. The Committee has continued this provision allowing agencies to use foreign currency (for which the Treasury is to be reimbursed) to carry out any program that the agency is authorized to carry out under its dollar appropriations.

Section 613. The Committee has continued this provision precluding the financing of groups by more than one Federal agency absent prior and specific statutory approval.

Section 614. The Committee has continued this provision authorizing the Postal Service to employ guards and given them the same special police powers as GSA guards.

Section 615. The Committee has continued this provision prohibiting the use of funds for enforcing regulations disapproved in accordance with the applicable law of the United States.

Section 616. The Committee has continued this provision limiting the pay increases of certain prevailing rate employees.

Section 617. The Committee has continued this provision limiting the amount of funds that can be used for redecoration of offices under certain circumstances.

Section 618. The Committee has continued this provision prohibiting the expenditure of funds for the acquisition of additional law enforcement training facilities without the advance approval of the Committees on Appropriations.

Section 619. The Committee has continued this provision prohibiting the use of grant funds for the acquisition of goods or services unless certain announcement criteria is met.

Section 620. The Committee has continued this provision permitting interagency funding of national security and emergency preparedness telecommunications initiatives, which benefit multiple Federal departments, agencies, and entities.

Section 621. The Committee has continued this provision permitting telecommunications support for the work-at-home and telecommuting program under guidelines issued by the Office of Personnel Management. The Committee has amended this provision to make it permanent law.

Section 622. The Committee has continued this 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 623. The Committee has continued this provision requiring agencies to administer a policy designed to ensure that all of its workplace are free from discrimination and sexual harassment.

Section 624. The Committee has continued this provision prohibiting the use of funds for travel expenses not directly related to official governmental duties.

Section 625. The Committee has continued this provision requiring the President to certify that persons responsible for administering the Drug Free Workplace Program are not themselves the subject of random drug testing.

Section 626. The Committee has included a new provision authorizing agencies to retain half of the money they receive as a result of participating in energy and water conservation activities.

Section 627. The Committee has included a new provision establishing the Commission on Federal Mandates.

#### FAIR LABOR STANDARDS ACT STATUTE OF LIMITATIONS

In the fiscal year 1995 Treasury-Postal Act, the Committee included a provision directing the Comptroller General to apply a six year statute of limitation to Fair Labor Standards Act overtime claims filed by June 30, 1994. The Committee has been asked to consider repeal of this provision for two reasons: cost and fairness. The Committee will review this issue prior to conference with the Senate and, if deemed appropriate, will suggest changes at that time. In the interim, the Committee directs the Office of Management and Budget (OMB) to provide an estimate of the cost of last year's provision to the government, including a high and low cost estimate as well as a description of the methodology and assumptions inherent in this calculation.

#### DETAILED EXPLANATIONS IN REPORT

It should be emphasized again that a more detailed statement describing the effect of the above provisions inserted or continued this year by the Committee which directly or indirectly change the application of existing law may be found at the appropriate place in this report.

#### APPROPRIATIONS NOT AUTHORIZED BY LAW

Pursuant to clause 3 of rule XXI of the House of Representatives, the following table lists the appropriations in the accompanying bill which are not authorized by law:

Treasury Department  
 Departmental Offices, except International Affairs and  
 Official Travel  
 Office of Inspector General  
 Financial Crimes Enforcement Network  
 Federal Law Enforcement Training Center  
 Salaries and Expenses  
 Acquisition, Construction, Improvements & Related  
 Expenses  
 Financial Management Service  
 Bureau of Alcohol, Tobacco and Firearms, except those  
 activities related to the enforcement of tobacco smuggling  
 and regulation of explosives  
 U.S. Customs Service  
 Salaries & Expenses  
 Operation and Maintenance, Air & Marine Interdic-  
 tion  
 Programs  
 U.S. Mint  
 Bureau of the Public Debt  
 Internal Revenue Service  
 Processing, Assistance and Management  
 Tax Law Enforcement  
 Information Systems  
 U.S. Secret Service—except the Uniformed Division  
 Funds Appropriated to the President  
 High Intensity Drug Trafficking Areas Program  
 Office of Management and Budget, Office of Information and  
 Regulatory Affairs  
 Federal Election Commission  
 General Services Administration  
 Policy and Oversight  
 Office of Government Ethics

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1995 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1996

(1) Agency and item	(2) Appropriated, 1995 (enacted to date)	(3) Budget estimates, 1996	(4) Recommended in bill	(5) Bill compared with appropriated, 1995	(6) Bill compared with budget estimates, 1996
<b>TITLE I - DEPARTMENT OF THE TREASURY</b>					
Departmental Offices.....	104,379,000	120,408,000	104,000,500	-378,500	-16,407,500
Office of Inspector General.....	29,700,000	31,864,000	29,319,000	-381,000	-2,545,000
Financial Crimes Enforcement Network.....	19,823,000	22,198,000	20,273,000	+450,000	-1,925,000
Treasury Forfeiture Fund (limitation on availability of deposits).....	15,000,000	15,000,000		-15,000,000	-15,000,000
Federal Law Enforcement Training Center: Salaries and Expenses.....	58,813,000	35,828,000	36,070,000	-22,743,000	+242,000
Transfers of unobligated balances.....		(11,600,000)			(-11,600,000)
Acquisition, Construction, Improvements, and Related Expenses.....	5,815,000	8,163,000	8,163,000	+2,348,000	
Transfer to Salaries and Expenses.....		(-11,600,000)			(+11,600,000)
Total, Federal Law Enforcement Training Center.....	64,628,000	43,991,000	44,233,000	-20,395,000	+242,000
Foreign Law Enforcement.....	183,729,000	14,490,000			-14,490,000
Financial Management Service.....	420,138,000	189,259,000	181,837,000	-1,892,000	-7,422,000
Bureau of Alcohol, Tobacco and Firearms.....	1,395,793,000	400,885,000	391,035,000	-29,103,000	-9,850,000
United States Customs Service: Salaries and Expenses.....	(13,200,000)	1,381,550,000	1,389,829,000	-5,964,000	+8,279,000
(By transfer).....		3,000,000	3,000,000	(-13,200,000)	
Harbor Maintenance Fee Collection.....					
Operation and Maintenance, Air and Marine Interdiction Programs.....	89,041,000	60,993,000	60,993,000	-28,048,000	

	(19,733,000)	(19,733,000)	(+ 19,733,000)	
Unobligated balances carried forward (non-add) .....				
Customs Facilities, Construction, Improvements and Related Expenses .....	1,000,000		-1,000,000	
Customs Services at Small Airports (to be derived from fees collected) .....	1,406,000	1,406,000		
Total, United States Customs Service .....	1,487,240,000	1,455,228,000	-32,012,000	+ 8,279,000
United States Mint .....	55,740,000		-55,740,000	-58,261,000
Bureau of the Public Debt .....	183,458,000	170,000,000	-13,458,000	-6,965,000
Payment of Government Losses in Shipment .....	500,000	500,000		
Internal Revenue Service:				
Administration and Management .....	225,632,000		-225,632,000	
Processing, Assistance, and Management .....	1,511,266,000	1,682,742,000	+ 171,476,000	-122,300,000
Tax Law Enforcement .....	4,385,459,000	4,254,476,000	-130,983,000	-269,875,000
Information Systems .....	1,386,510,000	1,575,216,000	+ 188,706,000	-304,366,000
Total, Internal Revenue Service .....	7,508,867,000	7,512,434,000	+ 3,567,000	-696,541,000
United States Secret Service .....	483,606,000	542,461,000	+ 58,855,000	+ 1,203,000

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1995 AND  
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1996—Continued**

(1) Agency and item	(2) Appropriated, 1995 (enacted to date)	(3) Budget esti- mates, 1996	(4) Recommended in bill	(5) Bill compared with appro- priated, 1995	(6) Bill compared with budget estimates, 1996
<b>Violent Crime Reduction Programs:</b>					
Departmental Offices .....	2,400,000	4,850,000	.....	-2,400,000	-4,850,000
Financial Crimes Enforcement Network .....	2,700,000	2,221,000	2,221,000	-479,000	.....
Bureau of Alcohol, Tobacco and Firearms .....	7,000,000	25,305,000	3,100,000	-3,900,000	-22,205,000
Gang Resistance Education and Training: Grants .....	9,000,000	7,200,000	12,200,000	+3,200,000	+5,000,000
United States Customs Service .....	4,000,000	4,685,000	33,865,000	+29,865,000	+29,180,000
Internal Revenue Service: Tax Law Enforcement .....	7,000,000	19,049,000	.....	-7,000,000	-19,049,000
United States Secret Service .....	6,600,000	9,800,000	10,000,000	+3,400,000	+200,000
Federal Law Enforcement Training Center .....	.....	5,090,000	2,500,000	+2,500,000	-2,590,000
<b>Total, Violent Crime Reduction Programs.....</b>	<b>38,700,000</b>	<b>78,200,000</b>	<b>63,886,000</b>	<b>+25,186,000</b>	<b>-14,314,000</b>
Procurement reform.....	-33,437,000	.....	.....	+33,437,000	.....
<b>Total, Title I, Department of the Treasury.....</b>	<b>10,562,071,000</b>	<b>11,349,203,000</b>	<b>10,515,206,500</b>	<b>-46,864,500</b>	<b>-833,996,500</b>
<b>TITLE II - POSTAL SERVICE</b>					
Payment to the Postal Service Fund .....	92,317,000	109,094,000	85,080,000	-7,237,000	-24,014,000
Payment to the Postal Service Fund for Nonfunded Liabilities .....	37,776,000	36,828,000	36,828,000	-948,000	.....
<b>Total, Title II, Postal Service.....</b>	<b>130,093,000</b>	<b>145,922,000</b>	<b>121,908,000</b>	<b>-8,185,000</b>	<b>-24,014,000</b>

**TITLE III - EXECUTIVE OFFICE OF THE  
PRESIDENT AND FUNDS APPROPRIATED  
TO THE PRESIDENT**

Compensation of the President .....	250,000	250,000	250,000	250,000	-734,000
The White House Office.....	40,022,000	40,193,000	39,459,000	39,459,000	-563,000
Executive Residence at the White House:					
Operating Expenses.....	7,827,000	7,827,000	7,522,000	7,522,000	-305,000
White House Repair and Restoration .....	324,000	2,200,000	324,000	324,000	-2,200,000
Official Residence of the Vice President .....	3,280,000	3,280,000	3,175,000	3,175,000	-105,000
Special Assistance to the President.....	3,439,000	3,439,000	3,439,000	3,439,000	-3,439,000
Council of Economic Advisers.....	5,058,000	3,867,000	3,867,000	3,867,000	-1,191,000
Office of Policy Development.....	6,648,000	6,648,000	6,459,000	6,459,000	-189,000
National Security Council.....	26,217,000	26,100,000	25,736,000	25,736,000	-481,000
Office of Administration .....	-117,000			+117,000	
Procurement reform .....	57,754,000	56,272,000	55,426,000	55,426,000	-846,000
Office of Management and Budget.....	9,942,000	9,942,000	20,062,000	20,062,000	+10,120,000
Office of National Drug Control Policy.....	1,000,000	1,000,000	1,000,000	1,000,000	
Unanticipated Needs.....					

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1995 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1996—Continued

(1) Agency and item	(2) Appropriated, 1995 (enacted to date)	(3) Budget estimates, 1996	(4) Recommended in bill	(5) Bill compared with appropriated, 1995	(6) Bill compared with budget estimates, 1996
Federal Drug Control Programs:	107,000,000	110,000,000	104,000,000	-3,000,000	-6,000,000
High Intensity Drug Trafficking Areas Program .....	41,900,000	37,000,000	.....	-41,900,000	-37,000,000
Special Forfeiture Fund.....	.....	.....	.....	(-1,800,000)	.....
Transfer to other agencies:	.....	.....	.....	(-14,000,000)	.....
El Paso Intelligence Center.....	(1,800,000)	.....	.....	(-8,000,000)	.....
SAMSHA .....	(14,000,000)	.....	.....	(-18,100,000)	.....
CTAC (RandD) .....	(8,000,000)	.....	.....	(-13,200,000)	.....
ONDCCP Director Discretion.....	(18,100,000)	.....	.....	.....	.....
United States Customs Service.....	(13,200,000)	.....	.....	.....	.....
Total, Federal Drug Control Programs.....	148,900,000	147,000,000	104,000,000	-44,900,000	-43,000,000
(Transfer to other agencies) .....	(55,100,000)	.....	.....	(-55,100,000)	.....
Total, Title III, Executive Office of the President .....	310,544,000	308,342,000	267,280,000	-43,264,000	-41,062,000
TITLE IV - INDEPENDENT AGENCIES	.....	.....	.....	.....	.....
Administrative Conference of the United States.....	1,800,000	2,259,000	.....	-1,800,000	-2,259,000
Advisory Commission on Intergovernmental Relations.....	1,000,000	1,400,000	.....	-1,000,000	-1,400,000
Committee for Purchase from People Who Are Blind or Severely Disabled.....	1,682,000	1,800,000	1,682,000	.....	-118,000
Federal Election Commission.....	25,710,000	29,021,000	26,521,000	+811,000	-2,500,000
Federal Labor Relations Authority .....	21,341,000	22,230,000	19,742,000	-1,599,000	-2,488,000

<b>General Services Administration:</b>					
<b>Federal Buildings Fund:</b>					
Appropriation.....	310,197,000	-259,112,000			+259,112,000
Rescissions.....	(715,532,000)				(+715,532,000)
Limitations on availability of revenue:					
Construction and acquisition of facilities.....	(604,002,000)		(367,777,000)		(-236,225,000)
Alfred P. Murrah Federal Office Building.....	(40,400,000)				(-40,400,000)
Repairs and alterations.....	(723,864,000)	(911,000,000)	(713,086,000)		(-10,778,000)
Installment acquisition payments.....	(127,531,000)	(181,963,000)	(181,963,000)		(+54,432,000)
Rental of space.....	(2,181,300,000)	(2,339,000,000)	(2,341,100,000)		(+159,800,000)
Building operations.....	(1,322,025,000)	(1,352,551,000)	(1,389,463,000)		(+67,438,000)
Transfer to Construction and Acquisition.....		(554,813,000)			
Repayment of Debt.....		(73,433,000)	(73,433,000)		
Emergency funding.....	(-66,800,000)				(+73,433,000)
					(+66,800,000)
<b>Total, Federal Buildings Fund.....</b>	<b>310,197,000</b>	<b>-259,112,000</b>			<b>+259,112,000</b>
(Limitations).....	(4,932,322,000)	(5,412,760,000)	(5,066,822,000)		(-345,938,000)
<b>Real Property Activities:</b>					
Appropriation.....		1,022,213,000			-1,022,213,000
Transfer from FBF.....		(554,813,000)			(-554,813,000)
Construction and Acquisition - Limitation:					
(Construction - Limitation).....		(1,017,213,000)			(-1,017,213,000)
(Acquisition - Limitation).....		(5,000,000)			(-5,000,000)
Subtotal.....		(1,022,213,000)			(-1,022,213,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1995 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1996—Continued

(1) Agency and item	(2) Appropriated, 1995 (enacted to date)	(3) Budget estimates, 1996	(4) Recommended in bill	(5) Bill compared with appropriated, 1995	(6) Bill compared with budget estimates, 1996
Policy and Oversight .....		111,827,000	62,499,000	+62,499,000	-49,328,000
Operating Expenses .....	130,036,000	53,878,000	49,130,000	-80,906,000	-4,748,000
Office of Inspector General .....	33,090,000	34,407,000	32,549,000	-541,000	-1,858,000
Allowances and Office Staff for Former Presidents .....	2,215,000	2,181,000	2,181,000	-34,000	
Procurement reform .....	-8,959,000			+8,959,000	
Total, General Services Administration .....	466,579,000	965,394,000	146,359,000	-320,220,000	-819,035,000
John F. Kennedy Assassination Record Review Board .....	2,150,000	2,418,000	2,150,000		-268,000
Merit Systems Protection Board:					
Salaries and Expenses .....	24,549,000	24,549,000	21,129,000	-3,420,000	-3,420,000
(Limitation on administrative expenses) .....	(2,250,000)	(2,430,000)	(2,430,000)		
Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation .....	10,000,000			-10,000,000	
National Archives and Records Administration .....	195,238,000	195,291,000	193,291,000	-1,947,000	-2,000,000
Reduction of debt .....	-3,692,000	-4,012,000	-4,012,000	-320,000	
Procurement reform .....	-325,000			+325,000	
National Historical Publications and Records Commission: Grants program .....	9,000,000	4,000,000	4,000,000	-5,000,000	-1,482,000
Information Security Oversight Office .....		1,482,000			
Office of Government Ethics .....	8,104,000	8,328,000	7,776,000	-328,000	-552,000

Office of Personnel Management:							
Salaries and Expenses.....	111,999,000	108,572,000	85,524,000	-26,475,000	-23,048,000		
(Limitation on administrative expenses).....	(93,934,000)	(102,536,000)	(102,536,000)	(+ 8,602,000)			
Office of Inspector General.....	4,009,000	4,037,000	4,009,000		-28,000		
(Limitation on administrative expenses).....	(6,156,000)	(6,181,000)	(6,181,000)	(+ 25,000)			
Government Payment for Annuity, Employees Health Benefits.....	4,210,560,000	3,746,337,000	3,746,337,000	-464,223,000			
Government Payment for Annuity, Employee Life Insurance.....	28,159,000	32,647,000	32,647,000	+4,488,000			
Payment to Civil Service Retirement and Disability Fund.....	7,339,638,000	7,945,998,000	7,945,998,000	+606,360,000			
Employees Life Insurance Fund (limitation on administrative expenses).....	(753,000)	(993,000)	(993,000)	(+ 240,000)			
Retired Employees Health Benefits Fund (limitation on administrative expenses).....	(81,000)			(-81,000)			
Procurement reform.....	-1,256,000			+1,256,000			
Total, Office of Personnel Management.....	11,693,109,000	11,837,591,000	11,814,515,000	+121,406,000	-23,076,000		
Office of Special Counsel.....	7,955,000	8,566,000	7,840,000	-115,000	-726,000		
United States Tax Court.....	34,039,000	34,039,000	32,899,000	-1,140,000	-1,140,000		
Total, Title IV, Independent Agencies.....	12,498,239,000	13,134,356,000	12,273,892,000	-224,347,000	-860,464,000		
(Limitation on administrative expenses).....	(4,319,964,000)	(6,547,113,000)	(5,178,962,000)	(+ 858,998,000)	(-1,368,151,000)		
Total appropriations.....	23,500,947,000	24,937,823,000	23,178,286,500	-322,660,500	-1,759,536,500		
(Limitations).....	(4,319,964,000)	(6,547,113,000)	(5,178,962,000)	(+ 858,998,000)	(-1,368,151,000)		

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1995 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1996—Continued

(1) Agency and item	(2) Appropriated, 1995 (enacted to date)	(3) Budget estimates, 1996	(4) Recommended in bill	(5) Bill compared with appropriated, 1995	(6) Bill compared with budget estimates, 1996
<b>Scorekeeping adjustments:</b>					
Bureau of The Public Debt (Permanent).....	119,496,000	126,840,000	126,840,000	+ 7,344,000	.....
Funding for IRS compliance.....	-188,000,000	.....	.....	+188,000,000	.....
Mint revolving fund.....	-3,100,000	.....	60,230,000	+63,330,000	+ 60,230,000
Black Lung savings.....	-4,800,000	.....	.....	+4,800,000	.....
Compensation of Members and Judges.....	-5,950,000	.....	.....	+5,950,000	.....
Emergency funding.....	-43,598,000	.....	.....	+43,598,000	.....
GSA: Federal building fund.....	-580,412,000	.....	.....	+580,412,000	.....
Bureau of the Public Debt.....	-1,500,000	.....	.....	+1,500,000	.....
Rent reductions.....	-4,041,000	.....	.....	+4,041,000	.....
Excess IRS receipts.....	-27,600,000	.....	.....	+27,600,000	.....
GSA Federal building fund obligational authority.....	.....	.....	-50,237,000	-50,237,000	-50,237,000
<b>Total, scorekeeping adjustments.....</b>					
	-739,505,000	126,840,000	136,833,000	+876,338,000	+ 9,993,000
<b>Total mandatory and discretionary.....</b>					
	22,761,442,000	25,064,663,000	23,315,119,500	+553,677,500	-1,749,543,500
<b>Mandatory.....</b>					
	11,736,379,000	11,889,400,000	11,889,400,000	+153,021,000	.....
<b>Discretionary.....</b>					
Crime trust fund.....	38,700,000	78,200,000	63,886,000	+25,186,000	-14,314,000
General purposes.....	10,986,363,000	13,097,063,000	11,361,833,500	+375,470,500	-1,735,229,500
<b>Total, Discretionary.....</b>					
	11,025,063,000	13,175,263,000	11,425,719,500	+400,656,500	-1,749,543,500

Note: Amounts shown in Appropriated, 1995 include effect of pending rescission bill.

MINORITY VIEWS OF HON. STENY H. HOYER, HON. PETER  
J. VISCLOSKY, HON. RONALD D. COLEMAN AND THE HON.  
DAVID R. OBEY

The minority members of the Treasury Postal Subcommittee are particularly concerned about a number of changes in the bill that result in an appearance of a political attack on the White House. More than \$5.5 million in policy changes have been recommended by the Committee for the Executive Office of the President. These changes result in the legislative branch micro-managing the President's own office.

We are particularly concerned over the elimination of the Council of Economic Advisers and the reduction made to the White House Office. The Council of Economic Advisers has served Presidents of both parties for the past 50 years. They provide long-term economic advice on the state of the economy of the United States. The Council of Economic Advisers serves as the independent voice for policies that facilitate the workings of the market, and for policies that emphasize the importance of incentives, efficiency and productivity. We feel that the unique nature of the Council needs to be recognized since they look at the long-term macro and micro issues facing the country and analyze important but poorly understood areas of the economy. This is in contrast to other agencies that address more immediate and general questions of economic policy. The Council operates in the best interest of the American public, and the elimination of this office is a political decision that is not in the interest of the United States.

Reductions made by this subcommittee to the White House Office are also contrary to the long standing practices of the Committee regardless of the political party in power in the White House. The Office of the White House is the office of the President and should be treated in a non-partisan manner.

We are also concerned over program changes that are recommended for the Federal Election Commission. The FEC in fiscal year 1996 will have major expenses related to the upcoming Presidential election. The \$2.5 million reduction made to the FEC coupled with an earmark of \$1.5 million in computer modernization will hamper the ability of the FEC to carry out its responsibilities and to assure the integrity of upcoming elections.

The Treasury Postal Subcommittee had unwisely included a provision that would allow rich felons to pay from \$5,000 to \$10,000 to have ATF perform a background review that could lead to felons having their right to having a gun restored. We are pleased that when the bill came to the full Committee the majority members reversed their position and instead retained prior year language prohibiting background searches for individuals who are convicted felons. Cases of convicted murderers and armed robbers being certified for gun possession lead to the provision in the first place. A

reversal of this policy is not in the best security interest of the United States. It also is not in the long-term interest of those who seek to keep broad access to gun ownership for law abiding citizens.

Finally, we are disappointed that the Committee did not adopt a provision that would have given the Secretary of the Treasury the authority to collect taxes from individuals who have renounced their United States citizenship. Billionaires and other wealthy Americans who have renounced their citizenship are benefiting from a tax loophole that the President has proposed closing. It is our hope that authority to close this loophole will be added to this or other legislation.

STENY H. HOYER.  
PETER J. VISCLOSKY.  
RONALD D. COLEMAN.  
DAVID R. OBEY.

#### ADDITIONAL VIEWS OF HON. STENY H. HOYER

I believe that it is unfortunate that because of the Subcommittee's allocations there are not enough resources in the bill to adequately fund some of the basic functions of our government. I support the need to balance the budget, but this need not be done by undermining the ability of the United States Government to carry out its important responsibilities.

The bill is silent on federal pay. I am concerned that neither the President nor the Committee has provided the full 5.9 percent increase that the Civil Service is due as employment cost index and locality pay increases under the Federal Employees Pay Comparability Act. Since 1981, Federal employees have lost more than \$163 billion in pay and benefits that they were scheduled to receive. This counterproductive trend is being continued under the Conference Report for the fiscal year 1996 Budget Resolution.

The 2.4 percent recommended by the President, in addition to being less than half of the raise owed to Federal workers under existing law, is not fully funded. I regret that this bill requires all agencies not involved in law enforcement to absorb the additional cost of the pay increase from their program budgets. This unwise policy results in a hidden 2.4 percent cut in programs at agencies that are already facing severe budget constraints.

I am disappointed that the majority decided to reinstate a provision in the bill which restricts a federal employee's choice of a health care insurance plan by prohibiting "federal funds" from being used to purchase a policy which provides coverage for pregnancy termination, except in instances where the life of the mother is at risk.

It is my position that there are no federal funds used for the purpose of purchasing health care coverage for federal employees. Federal employees, like many other employees, receive compensation in the form of salary, health care benefits and retirement benefits. This is their money to use. They choose a health insurance plan and a portion of that is paid for with their health coverage benefit. That money is no more "federal funds" than is their salary after they have received it. The choice of policies is the employee's alone. Therefore, the Committee's premise that it is the employers right to restrict the scope of coverage for legal medical services is wrong.

I commend the Committee for its attention to the Tax Systems Modernization program at the Internal Revenue Service. This broad effort to update all aspects of IRS's computer and processing systems is a high priority that is critical to the agency's preparation for the 21st century.

Unfortunately, another important IRS initiative received insufficient funding despite its promise to reduce the budget deficit. The bill provides only \$266 million of the \$405 million requested under Tax Law Enforcement for the compliance initiative. This cut, which

stretches the program from five to seven years, would result in estimated total collections of \$10.3 billion compared to projected revenues of \$11.1 billion under the existing program. As an income-producing program, I believe that this program should have been funded outside of the budget caps. In addition to the loss of \$800 million of revenues, I am very concerned about the impact on employees who have already been hired and trained for the initiative. I am hopeful that this problem can be resolved by the time we reach a conference with the Senate.

I do not support a provision added by the Committee to set up an unfunded commission on Federal Mandates. It is especially ironic that a Commission is established with no funds to operate while the Committee has eliminated the Advisory Commission on Intergovernmental Relations, which the Administration had proposed for funding and would have had the responsibility for overseeing the question of federal mandates. This responsibility was assigned to the ACIR by legislation passed earlier in this session. The Committee elsewhere in the report has recommended that funds under the Office of Management and Budget should be used for overseeing the Federal mandates review, although the OMB budget has been cut \$2.2 million below last year and almost \$850,000 below the request. This is a tangled web that can best be straightened out by restoring funds to the Advisory Commission on Intergovernmental Relations.

STENY H. HOYER.

