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TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATION BILL, 1997

JULY 23, 1996.—Ordered to be printed

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

REPORT

[To accompany H.R. 3756]

The Committee on Appropriations, to which was referred the bill (H.R. 3756) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies for the fiscal year ending September 30, 1997, and for other purposes, reports the same to the Senate with amendments and recommends that the bill as amended do pass.

Amount of bill as passed by House	\$23,213,250,000
Amount of bill as reported to the Senate	23,487,761,000
Amount of estimate	24,845,757,000
The bill as reported to the Senate:	
Above the appropriations provided in 1996	324,007,000
Below the estimates for 1997	1,357,996,000
Above the House bill	274,511,000

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GENERAL STATEMENT AND SUMMARY OF THE BILL

The accompanying bill contains recommendations for new budget (obligational) authority for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies for the fiscal year ending September 30, 1997.

The Committee considered budget estimates for fiscal year 1997 in the aggregate amount of \$24,845,757,000. Compared to that amount, the accompanying bill recommends new budget authority totaling \$23,487,761,000 which is \$1,357,996,000 less than the amount requested by the administration and \$274,511,000 above the House-passed bill.

The Committee recommendations are consistent with the fiscal year 1997 section 602(b) budget authority and outlay allocations for the Treasury, Postal Service, and General Government Subcommittee.

REPROGRAMMING AND TRANSFER REQUIREMENTS

The Committee expects the justifications for proposed reprogramming requests to be clear and strongly documented. Furthermore, except in extraordinary circumstances, reprogramming proposals will not be approved by the Committee 45 days prior to the end of the fiscal year, nor will they be approved if the proposed actions would effectively reverse previous congressional directives.

The guidelines to be used to determine whether or not a reprogramming shall be submitted to the Committee for prior approval during fiscal year 1997 are as follows:

(1) For agencies, departments, or offices receiving appropriations in excess of \$20,000,000, a reprogramming must be submitted if the amount to be shifted to or from any object class, budget activity, program line item, or program activity involved is in excess of \$500,000 or 10 percent, whichever is greater;

(2) For agencies, departments, or offices receiving appropriations less than \$20,000,000, a reprogramming must be submitted if the amount to be shifted to or from any object class, budget activity, program line item, or program activity involved is in excess of \$50,000 or 10 percent, whichever is greater;

(3) For any actions which would result in a major change contrary to the program or item presented to and approved by the Committee or the Congress;

(4) For any action where the cumulative effect of past reprogramming actions added to the new reprogramming would exceed the dollar threshold mentioned above;

(5) For any actions where funds earmarked for a specific activity are proposed to be used for another activity; and

(6) For any actions where funds earmarked for a specific activity are in excess to meet the project or activity requirement, and are proposed to be used for another activity.

The administration has requested authority to transfer funds between appropriation accounts of the Department of the Treasury. The proposal is to allow the Department to transfer up to 2 percent of those funds appropriated between the fiscal management bureaus and up to 2 percent between law enforcement bureaus. In addition, the Department requests authority for the Internal Revenue Service to transfer a 5-percent transfer of funds between its appropriation accounts.

The Committee has denied the requested 2-percent transfer authority for the Secretary of the Treasury and approves a 5-percent transfer authority for the IRS. Such transfers shall follow established reprogramming procedures and shall be requested only in emergency situations when the need for such transfer is unforeseen and absolutely critical to the mission supported by the affected appropriation account, and only with prior approval of both the House and Senate Committees on Appropriations. In addition, the Committee expects transfer requests to be submitted for Committee approval in a timely manner to permit a sufficient period for consideration. The Committee is concerned that in the past, transfer requests have been submitted so late in a fiscal year that transfers of funds have already been effected by the agencies and cannot be reversed.

The Committee is concerned that in the past transfer and reprogramming authority has been overutilized and often used by agencies for reorganizations that have major policy implications. Such transfers and reprogrammings are interpreted by the Committee as circumventing the appropriations process and will not be condoned.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY AS PROVIDED FOR
BY PUBLIC LAW 99-177, AS AMENDED

During fiscal year 1997, for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), as amended, 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 as a dollar amount in the Treasury, Postal Service, and General Government Appropriations Act, 1997 (H.R. 3756), the House (H. Rept. 104-660) and the Senate committee report and the conference report and accompanying joint explanatory statement of the managers of the committee of conference accompanying that act. (Under the above definition, the Federal buildings fund, the Bureau of Engraving and Printing fund, and other intragovernmental funds are exempt under section 255(g)(1) of Public Law 99-177, as amended).

In implementing a Presidential Order, departments and agencies shall apply the percentage reduction required for fiscal year 1996 pursuant to the provisions of Public Law 99-177, as amended, to each budget item that is listed under said accounts in the budget justifications submitted to the House and Senate Committees on

Appropriations as modified by subsequent appropriations acts (including joint resolutions providing continuing appropriations), and accompanying House and Senate Committee reports, conference reports, or joint explanatory statements of the committee of conference.

TOTAL FUNDING FOR TREASURY, POSTAL SERVICE, AND GENERAL
GOVERNMENT PROGRAMS

In addition to the new obligational authority recommended in the accompanying bill, additional significant sums are made available each year for the Treasury Department, the Office of Personnel Management, and other independent agencies under permanent indefinite authority which do not require consideration by the Congress during the annual appropriations process.

The principal items in these categories include: payment of interest on the public debt, interest on Internal Revenue Service refunds of income tax payments, and other interest payments on selected accounts handled by the Department of the Treasury, which total an estimated \$368,100,000,000 in fiscal year 1997; repayments of taxes collected by Puerto Rico, payment made when the earned income credit exceeds the taxpayer's tax liability, special claims, and damage payments required as a result of judgments against the U.S. Government, the coinage trust fund, the Treasury forfeiture fund, reimbursements from Federal Reserve banks, and payments to the Presidential candidates and their parties, which total an estimated \$24,700,000,000 in fiscal year 1997; and payments in connection with the civil service retirement and disability fund, estimated to be \$12,081,000,000 in fiscal year 1997.

The Committee also establishes limitations on the use of certain funds within the agencies covered by this act.

In addition to the agencies whose funds are derived from direct appropriations, there are other agencies which operate under authorities which exempt them from congressional review, in whole or in part, during the annual appropriations process. For example, the U.S. Postal Service, under the Postal Reorganization Act, is authorized to use all of its income from postage and services for its own purposes and to request an appropriation from the Congress for certain subsidies. Normally only the amount of the subsidy requirement is regularly reviewed by the Congress. In the Treasury Department, the Office of the Comptroller of the Currency, whose income is derived principally from assessments paid by national banks, is exempt from regular funding review, because such assessments are not construed under law to be Government funds.

AGENCY ADHERENCE TO ESTIMATES CONTAINED IN BUDGET
JUSTIFICATIONS

The Committee believes that the agency budget justifications presented each year outlining the assumptions contained in the President's annual budget should accurately reflect the proposed allocation of resources and activities within the agency budget plan for the coming fiscal year. At the same time, the Committee is cognizant of the fact that economic conditions; program changes; congressional directives; and other unforeseen circumstances often

change the assumptions which are built into the President's budget submission. Nevertheless, the Committee expects every agency funded in this bill to closely adhere to the estimates presented in their annual budget justifications, including object classification tables, unless funding levels for programs, projects, and activities are specifically altered by the Committee and/or the Congress. In such case, the affected agencies shall submit new object classification tables within 45 days of enactment of the appropriations act.

The Committee expects to receive periodic notification from the agencies if and when they intend to alter the mix of programs, projects, activities, or funding assumptions initially presented in their fiscal year 1997 budget justifications which do not require a formal reprogramming action in accordance with this report.

BASE FUNDING

The Committee has long attempted to ensure that base levels of funding are provided for the agencies funded in this bill. The Committee has in years past included funding that provides for a number of enhancements, only to find that later in the fiscal year requests are sent to the Committee to use these funds to cover shortfalls in base funding. There have been times when Congress has required executive branch agencies to absorb increases, such as pay and other benefits. Budgets submitted in the past few years have indicated that the base is fully funded, yet that has not been the case. That is proven most often when full-time equivalent positions go unfilled.

The Committee has made every effort to determine what the base for agencies funded in this bill are. In an effort to ensure that, funds are included in each agency's budget to cover annualization of the pay raise provided in fiscal year 1996. The President has indicated that the pay raise requested for 1997 is covered in his budget request. Funding is provided, as it was requested for that pay raise.

TITLE I—DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

Appropriations, 1996	\$105,929,000
Budget estimate, 1997	120,577,000
House allowance	108,447,000
Committee recommendation	111,348,000

The Committee recommends an appropriation of \$111,348,000 for salaries and expenses for departmental offices of the Treasury Department. The amount provided by the Committee is \$9,229,000 less than the budget estimate and \$2,901,000 above the House allowance.

The departmental offices function of the Treasury Department provides basic support to the Secretary in his roles as the chief financial officer of the Government, major policy advisor to the President, and Executive Director of the Treasury Department. The Secretary's responsibilities include: recommending and implementing U.S. domestic and international economic policy, fiscal policy, and tax policy; managing the fiscal operations of the Government; managing the public debt; overseeing the major law enforcement functions carried out by the Treasury Department; serving as the U.S. representative to the various international financial organizations; and directing the general administrative operations of the Treasury Department.

In support of the Secretary, the departmental offices function provides policy formulation and implementation in areas such as tax and economic affairs, trade and financial operations, and general fiscal policy. This function also provides advice and technical assistance on administrative and legislative programs and establishes and coordinates departmental administrative policies in areas such as budget, accounting, personnel, procurement, information systems development and management, telecommunications, and equal employment opportunity.

The international affairs programs involve the formulation and execution of Treasury policy in a wide range of important economic areas. This activity includes those offices responsible for providing staff analysis and support for the Secretary and other senior officials involved in formulating and implementing international economic and financial policies. The issues involved within this activity include: international monetary affairs; international development financing policy; U.S. policy toward, and participation in, the work of the various international financial organizations; international economic analysis; international trade and investment policy; financial aspects of commodities and natural resources policy; and relations with the oil-producing countries of the Arabian Peninsula.

COMMITTEE RECOMMENDATION

The Committee has included funding requested by the administration for the enhanced effort of the Office of Foreign Assets Control to enforce Cuba sanctions, for the development of a model to improve efficiency, for an effort to develop a plan to privatize Government assets, and for temporary relocation of employees to facilitate renovation of the Treasury Building. Due to budget restraints, the Committee has not included funding for a number of other requests. The Department requested that \$5,600,000 be transferred from the Customs Service for an international trade data system. These funds have been provided for the Department in the automation enhancement appropriation. Funds up to \$500,000 have been included in this account to carry out the provisions of section 528 of this act.

PRIVATE SECTOR TAX DEBT COLLECTION

The Committee has concurred with the House and included a new general provision (sec. 117) which transfers \$13,000,000 from the Internal Revenue Service [IRS] to the departmental offices to initiate a second private sector debt collection program which focuses on tax debt which is classified by the IRS as currently not collectible, available for collection actions, and deferred (lower value accounts). The Committee takes this action because of its disappointment with the current contracting initiative in which the IRS procedures and requirements in the fiscal year 1996 pilot RFP was roundly criticized by private industry. The Committee is also concerned that IRS is not committed to the success of this program, nor has it established a viable program which can be expanded and used in the future.

The Committee wants to again stress that as of September 30, 1995, the amount of taxes, penalties, and interest in the currently not collectible categories of defunct/no asset corporations, unable to locate, unable to contact, and other, totaled \$43,400,000,000; available for collection actions totaled \$36,600,000,000; and deferred (lower value accounts) totaled \$1,600,000,000. The vast majority of these accounts are not being worked by the IRS, because the IRS has determined that the time and energy necessary to collect this debt is not cost beneficial.

The vast majority of Americans faithfully and voluntarily pay their taxes. Every effort should be made to protect them by collecting those taxes legitimately owed the Federal Government. The Committee, in establishing the original pilot took every effort to ensure that taxpayer's rights, as well as privacy were protected. It is expected that this program protect these rights and privacy, as well.

STATE-SPONSORED COLLEGE SAVINGS AND PREPAID TUITION PROGRAMS

The Committee is pleased with the recent rulings by the Department of the Treasury and the Internal Revenue Service clarifying the tax treatment of State-sponsored college savings and prepaid tuition programs. However, the Committee strongly urges both the Department and the IRS to refrain from promulgating any future

regulations which would adversely impact the creation and maintenance of these very important programs, which provide expanded opportunities for higher education.

DEBT COLLECTION ACTIVITIES

In the statement of managers which accompanies Public Law 104-134 (House Report 104-537), the conferees included language which directs that the Department of the Treasury limit automatic withholding of benefits above the \$9,000 annual exemption to not more than 15 percent. The Committee rescinds this direction and instead directs that no fixed percentage limitation above the \$9,000 be applied. The administration should consider each hardship appeal on a case-by-case basis, with consideration given to the concerns raised by the conferees in House Report 104-537.

TRANSCRIPT REVIEW

The Committee is not pleased with the inability of the Department to respond to questions for the record in a timely manner. In the case of each hearing held this year on the Department budget, the Committee made the questions available to the Department on the day following the hearing. These questions are not asked for the sake of asking questions; they are asked in order to garner information necessary to make decisions regarding the Department's appropriations request. The Committee knows the clearance process, and is aware that it is easy to blame the Office of Management and Budget for delays. The OMB is not without blame, but hardly the major culprit in these delays. This has become an annual problem. The Committee is taking this opportunity to advise the Department that things are expected to change, and the Senate given the same priority as the House in responding to questions for the record. If things do not change the Committee has no choice, but to take action in the only manner it can—considering an appropriate adjustment to office budgets.

AUTOMATION ENHANCEMENTS

Appropriations, 1996	
Budget estimate, 1997	
House allowance	\$27,100,000
Committee recommendation	27,100,000

The Committee concurs with the House recommendation that a total of \$27,100,000 for development and acquisition of automatic data processing equipment, software, and services for the Department of the Treasury be included in a separate appropriation. These funds were initially requested in the individual bureau accounts and subsequently the appropriation for those accounts have been reduced accordingly.

These funds are made available for 2 years and may be transferred to accounts and in amounts as necessary to satisfy the requirements of the departmental offices, bureaus, and organizations. These funds shall be in addition to amounts appropriated in this act. The funds should be provided according to the guidelines directed in the House report and transferred as follows:

Departmental offices	\$6,500,000
Customs Service, automated commercial environment [ACE]	15,000,000
Departmental offices, international trade data system [ITDS]	5,600,000

Over the past several years the Federal Government has expended hundreds of millions of dollars on automation hardware and software. Much of this funding has been done without significant planning and architectural design. The General Accounting Office has documented problems with design and systems procurement on countless occasions. The Committee is very supportive of providing the technology necessary to do the job; however, it is most concerned that more thought be given to needs of the Government.

OFFICE OF THE INSPECTOR GENERAL

SALARIES AND EXPENSES

Appropriations, 1996	\$29,319,000
Budget estimate, 1997	30,153,000
House allowance	29,319,000
Committee recommendation	30,153,000

The Committee recommends an appropriation of \$30,153,000 for salaries and expenses of the Office of the Inspector General. This amount equals the budget request and is \$834,000 above the House allowance.

The statutory Office of the Inspector General of the Department of the Treasury was authorized under the Inspector General Act Amendments of 1988, Public Law 100-504. That act required the consolidation of the staff and responsibilities for the internal audit functions at the Bureau of Alcohol, Tobacco and Firearms, the U.S. Customs Service, and the U.S. Secret Service, with the Department of the Treasury's existing Office of the Inspector General.

The Office of the Inspector General is organizationally independent of all other offices and bureaus within the Department of the Treasury and is under the general supervision of the Secretary of the Treasury or his Deputy. The Office is responsible for: (1) the conduct, supervision, and coordination of audits with the Department; (2) the conduct of investigations within the nonlaw enforcement bureaus of the Department; (3) the oversight of investigations in the law enforcement bureaus or the conduct of such investigations, if appropriate; (4) the review of legislation and regulations of the Department; and (5) reporting to the Secretary and the Congress as set forth in the law.

OFFICE OF PROFESSIONAL RESPONSIBILITY

(TRANSFER OF FUNDS)

Appropriations, 1996	
Budget estimate, 1997	
House allowance	(\$3,000,000)
Committee recommendation	

The House has provided funding to create an Office of Professional Responsibility within the Office of the Under Secretary of Enforcement and transferred funding from the Customs Service for its operation. The Committee does not disagree with the concept of an office to oversee internal affairs investigations of Treasury law

enforcement bureaus, but believes the Department should make the determination as to the advisability of such an office.

REPAIR AND RESTORATION OF THE TREASURY BUILDING AND ANNEX

Appropriations, 1996	\$21,491,000
Budget estimate, 1997	7,684,000
House allowance	22,892,000
Committee recommendation	43,684,000

The Committee recommends an appropriation of \$43,684,000 for the repair and restoration of the Treasury Building and Annex. This amount is \$36,000,000 above the budget request and is \$20,792,000 above the House allowance.

This account is used to operate and maintain the Department of the Treasury Building and Annex.

The House has included funding for site and design of the Bureau of Alcohol, Tobacco and Firearms National Laboratory and Fire Investigations Research and Development Center, as well as funds for the construction of an educational facility at the James J. Rowley Secret Service Training Center.

FIRE AT MAIN TREASURY BUILDING

The Committee recognizes that the June 26, 1996, fire at the main Treasury Building resulted in extensive damage to the historic structure. This damage affected the north corridor of five floors of the main building resulting in the need to provide extensive repairs and restorations. Therefore, the Committee directs that within the funds appropriated for the Treasury Building and Annex repair and restoration, not less than \$36,000,000 shall be available for the costs associated with the fire at the main Treasury Building.

FINANCIAL CRIMES ENFORCEMENT NETWORK

Appropriations, 1996	\$22,198,000
Budget estimate, 1997	23,137,000
House allowance	22,387,000
Committee recommendation	22,387,000

The Committee recommends an appropriation of \$22,387,000 for the Financial Crimes Enforcement Network [FinCEN] for fiscal year 1997. This amount is \$750,000 below the budget request and equal to the House allowance.

The Financial Crimes Enforcement Network [FinCEN] was created on April 25, 1990, by Treasury Order 105-08. The Treasury Department established FinCEN to implement the President's national drug control strategy recommendations calling for increased efforts to combat drug money laundering. FinCEN was created to serve as a central source for the systematic identification, collation, and analysis of intelligence in support of law enforcement operations. It also exercises the Department's responsibilities under the Bank Secrecy Act.

FinCEN provides a Governmentwide multisource intelligence and analytical network to support Federal, State, local, and foreign law enforcement and regulatory agencies in the detection, investigation, and prosecution of money laundering and other financial crimes.

Toward this end, FinCEN is charged with linking together and analyzing financial, law enforcement, and public data sources, to provide leads on criminal financial activity that might otherwise go undetected.

In support of this mission, FinCEN is staffed with permanent FinCEN employees, analysts and computer specialists, as well as special agents, analysts, and other Federal employees on nonreimbursable details from Federal Government agencies.

The increases provided in the budget is for further enhancement of information systems, allowing FinCEN to develop and expand its link analysis capabilities. This will enable quick, massive data processing for timely support of the law enforcement community's information requirements.

The Committee concurs with the House and includes in the violent crime trust fund the \$1,000,000 requested by the administration to enhance FinCEN's efforts to combat emerging money laundering threats.

TREASURY FORFEITURE FUND

Appropriations, 1996	\$10,000,000
Budget estimate, 1997	10,000,000
House allowance	7,500,000
Committee recommendation	10,000,000

The Committee recommends an appropriation of \$10,000,000 for the Treasury forfeiture fund in fiscal year 1997. This amount equals the budget request and is \$2,500,000 above the House allowance.

The Treasury forfeiture fund was established on October 1, 1993, in Public Law 102-393. It has two accounts, one which is funded through permanent indefinite authority and the other which is funded through a direct annual appropriation. The direct appropriation represents the annual congressional limitation on the use of the proceeds from seized and forfeited assets. Forfeited cash and the proceeds of forfeited monetary instruments are deposited into the fund. Proceeds from the sale of other seized and forfeited assets are also deposited into the fund.

The permanent indefinite appropriation is available to pay for seizure specific expenses such as: (1) all proper expenses of the seizure including investigative costs leading to the seizure; (2) contract services and reimbursement for Federal, State, and local agencies to perform seizure-related expenses; (3) awards of compensation to informants; (4) satisfaction of liens and mortgages; (5) remission and mitigation expenses; (6) claims of parties to the disposed property; (7) equitable sharing payments to Federal, State, local, and foreign law enforcement agencies; (8) overtime salaries, travel, fuel, training, equipment, and other similar costs of State and local law enforcement officers incurred in joint operations with Treasury bureaus; (9) services of experts and consultants to carry out the forfeitures; and (10) necessary and direct seizure and forfeiture expenses for ADP systems, training, printing, and related services.

The annual appropriation is used for the following purposes: (1) awards for information leading to civil and criminal forfeitures; (2) purchases of evidence or information; (3) costs for publicizing

awards; (4) equipping vehicles, vessels, or aircraft assisting in law enforcement functions including forfeiture-related equipment and the cost of its operations and maintenance; (5) reimbursement of expenses for private persons involved in investigations or undercover operations; and (6) training of foreign law enforcement personnel.

Staff support for the Treasury forfeiture fund is provided through the permanent indefinite appropriation.

PROJECT ALERT

The Committee instructs the Executive Director of the fund to make available no less than \$50,000 to the National Center for Missing and Exploited Children in fiscal year 1997 for Project ALERT, for the training of retired law enforcement officers to assist in the investigation of unsolved missing children cases nationwide. The Committee anticipates that these funds will be in addition to other funds available to the Center for these purposes.

VIOLENT CRIME CONTROL AND LAW ENFORCEMENT FUNDING

Appropriations, 1996	\$76,514,000
Budget estimate, 1997	97,200,000
House allowance	97,000,000
Committee recommendation	120,000,000

VIOLENT CRIME REDUCTION PROGRAM

The Committee has provided \$120,000,000 for Treasury enforcement activities as follows:

Bureau of Alcohol, Tobacco and Firearms:	
GREAT Program grants	\$8,000,000
GREAT administration/training	3,000,000
Safety equipment	2,000,000
Training/equipment	29,500,000
Project LEAD	800,000
Ballistics imaging	4,150,000
Total, Bureau of Alcohol, Tobacco and Firearms	39,450,000
Financial Crimes Enforcement Network: Money laundering threat initiative	
	1,000,000
Federal Law Enforcement Training Center: Training	3,150,000
U.S. Customs Service:	
Southwest border support	10,000,000
Southwest border infrastructure	14,200,000
Vehicles/equipment	7,800,000
Protective vests	2,400,000
Technology planning	2,500,000
Personnel relocations	2,000,000
Total, U.S. Customs Service	38,900,000
U.S. Secret Service:	
White House security	13,000,000
Anticounterfeiting efforts	5,000,000
Missing children forensics	2,000,000
Project TRIP	1,500,000

Financial institutions fraud	3,000,000
Total, U.S. Secret Service	24,500,000
Funds appropriated to the President: High-intensity drug trafficking areas	13,000,000

TREASURY FRANCHISE FUND

The Committee has concurred with the House and included language requested by the administration to create the Treasury franchise fund. The Department of the Treasury has been designated as a pilot franchise fund following enactment of Public Law 103-356, the Government Management and Reform Act of 1994. Beginning in 1997, financial and administrative services included in the franchise fund will be financed on a fee-for-service basis which in the case of the Treasury's fund, would be for financial, debt collection, and administrative services.

Activities that will be included in the fund are debt collection, financial training, and accounting cross servicing. This change is intended to increase competition for Government and financial administrative services resulting in lower costs and increased quality.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

Appropriations, 1996	¹ \$36,070,000
Budget estimate, 1997	50,518,000
House allowance	51,681,000
Committee recommendation	52,242,000

¹Unobligated balances totaling \$11,000,000 were transferred from the "Acquisition, construction, improvements, and related expenses" account in fiscal year 1996 to supplement the appropriation.

The Committee recommends an appropriation of \$52,242,000 for salaries and expenses of the Federal Law Enforcement Training Center [FLETC]. This amount is \$1,724,000 above the budget request and is \$561,000 above the House allowance.

The Federal Law Enforcement Training Center provides the necessary facilities, equipment, and support services for conducting basic and advanced training for Federal law enforcement personnel of its participating organizations. Center personnel conduct the instructional programs for the basic recruit training and also selected portions of the advanced training. In addition, the Center furnishes training on a space-available basis to personnel from several Federal organizations which are not formal participants under the memorandum of understanding.

In October 1982, the President directed that a national center for State and local training be established as a part of the Federal Law Enforcement Training Center. The major program goals are to present advanced and specialized training and to provide basic technical assistance to State and local law enforcement agencies.

In recent years, considerable funding has been provided Federal law enforcement agencies to hire and train additional personnel. The Committee has included funding to ensure that FLETC can meet the demands of agencies for training their personnel.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED
EXPENSES

Appropriations, 1996	\$9,663,000
Budget estimate, 1997	9,884,000
House allowance	18,884,000
Committee recommendation	19,884,000

The Committee recommends an appropriation of \$19,884,000 for acquisition, construction, improvements, and related expenses of the Federal Law Enforcement Training Center. This amount is \$10,000,000 above the budget estimate and is \$1,000,000 above the House allowance.

The "Acquisition, construction, improvements, and related expenses" account covers major maintenance and facility improvements, construction, renovation, capital improvements, and related equipment at FLETC facilities in Glynco, GA, and Artesia, NM.

The Federal Law Enforcement Training Center was established in 1970 as the single interagency training organization for Federal law enforcement agencies. FLETC's concept of Governmentwide, consolidated law enforcement training is directed at promoting the highest quality training at the most reasonable cost to the American taxpayer through multiple agency support and use. FLETC, through its principal facility in Glynco, GA, now serves the basic and advanced training needs of 72 participating Federal agencies.

In June 1989, the Training Center completed its development of a master plan which will enable FLETC to better serve the training demands of Federal, State, and local law enforcement agencies. This master plan calls for the construction of additional facilities at all three Center locations. The Committee expects the Department to periodically update the master plan to include new requirements demanded by the user agencies for effective law enforcement training.

The Committee agrees with the House that funds should be requested by the administration and allocated to the Center to assist in completing the master plan in order to meet the ever increasing demands. The Committee has included \$10,000,000 for master plan projects. The Committee intends that these funds be used at both the Glynco and Artesia facilities. The Director is directed to consult with the Committee with regard to the priority of projects prior to committing these funds.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

Appropriations, 1996	\$184,300,000
Budget estimate, 1997	198,070,000
House allowance	191,799,000
Committee recommendation	196,338,000

The Committee recommends an appropriation of \$196,338,000 for salaries and expenses of the Financial Management Service [FMS] in fiscal year 1997. This amount is \$1,732,000 less than the budget estimate and \$4,539,000 above the House allowance.

In its financial management leadership role, the Service must manage effectively the movement of Federal funds as well as make the optimal use of Federal financial information. By doing so, FMS

fulfills an obligation to the public by improving the Federal Government's overall financial position and helping to reduce the Federal deficit.

FMS oversees the Government's overall financial operations through the financial and accounting services it provides to its customers—Congress, other Federal agencies, financial institutions, and the public. The Service's mission involves making over 800 million payments each year totaling over \$1,000,000,000,000; effectively managing mechanisms which collect over \$1,400,000,000,000 in revenue for the Federal Government; providing leadership, direction, and assistance to Government agencies in the fields of cash and credit management, and financial systems; overseeing a daily cash flow of over \$10,000,000,000; and accounting for and reporting on these activities.

Service responsibilities include: regulation and management of the Government's collection systems; development and implementation of innovative cash management and credit administration practices in the administration of Federal programs; central payment services for all civilian executive agencies except the U.S. Postal Service, U.S. marshals, and certain Government corporations; processing claims on all lost, stolen, and forged checks including those not issued by the Treasury; providing central accounting services for the Government; compiling and publishing financial reports; and managing trust, revolving, and deposit fund accounts.

The Committee has included the funds requested in order to begin the debt collection process, continue electronic benefit transfer operations, and absorb the functions and personnel transferred from the General Accounting Office, subsequent to enactment of Public Law 104–53.

DEBT COLLECTION

Public Law 104–134 included the Debt Collection Improvement Act of 1996, which designated the Financial Management Service as the primary agency collecting nontax debt which is due and owed to the Government. FMS is charged with coordinating the effort among Federal agencies to collect the debt. The Committee has every confidence of the ability of FMS to effectively implement this legislation. Should problems be encountered in implementing collection coordination, the Committee expects to be apprised, so that corrective action can be taken.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

Appropriations, 1996	\$377,971,000
Budget estimate, 1997	406,005,000
House allowance	389,982,000
Committee recommendation	395,597,000

The Committee recommends an appropriation of \$395,597,000 for salaries and expenses of the Bureau of Alcohol, Tobacco and Firearms [ATF]. This amount is \$10,408,000 below the administration's request and \$5,615,000 above the House allowance.

The mission of the Bureau of Alcohol, Tobacco and Firearms is: (1) to reduce the criminal use of firearms and to assist other Federal, State, and local law enforcement agencies in reducing crime and violence by effective enforcement of the Federal firearms laws; (2) to provide safety for the public by reducing the criminal misuse of explosives, combating arson-for-profit schemes, and removing safety hazards caused by improper and unsafe storage of explosive materials; (3) to assure the collection of all alcohol and tobacco tax revenues and obtain a high level of compliance with the alcohol and tobacco tax statutes; (4) to suppress commercial bribery, consumer deception, and other prohibited trade practices in the alcohol beverage industry by effective enforcement and administration of the Federal Alcohol Administration [FAA] Act; and (5) to suppress illicit manufacture and sale of nontaxpaid alcohol beverages.

The Bureau's program objectives are as follows:

Alcohol and tobacco programs.—Ensure the collection of all taxes due; prevent organized crime or other unqualified applicants from obtaining permits to enter the alcohol and tobacco industries; ensure an open, competitive market for alcohol beverages; ensure protection for the consumer in alcohol beverage products; and undertake projects on regulatory reform and programs offering assistance to other agencies (both regulatory and law enforcement), industry, and the public.

Firearms program.—Reduce illegal trafficking in firearms; assist Federal, State, and local law enforcement and regulatory agencies in reducing illegal trafficking in weapons, reducing firearms-related crime, and investigating firearms-related cases; and identify and investigate violence-prone individuals who use firearms in criminal acts.

Explosives and arson programs.—Reduce criminal misuse of explosives; ensure public safety regarding the storage of legal explosives; reduce arson incidents; and assist Federal, State, and local investigative and regulatory agencies in explosives and arson-related areas.

FEDERAL ALCOHOL ADMINISTRATION ACT

The Committee recognizes alcohol beverages as among the most socially sensitive commodities marketed in the United States. In this connection, marketing, labeling, and advertising of alcohol beverages must be accomplished in an environment which fosters fair and healthy competition while protecting the interests of the American consumer. The Committee expects that there be no diminution of alcohol-related functions in fiscal year 1997.

ARMED CAREER CRIMINAL APPREHENSION PROGRAM

The Armed Career Criminal Act, signed into law in 1984 and expanded by the Anti-Drug Abuse Act of 1986, provides mandatory sentences for certain violent repeat offenders who carry firearms. The Bureau, given its jurisdiction over firearms laws, has a unique opportunity to effect the apprehension of violent offenders. The success to date of the Bureau's Repeat Offender Program has surpassed initial expectations regarding apprehension, prosecution,

and conviction of career criminals. The Committee notes that over 80 percent of the defendants apprehended under this program have had direct involvement in illegal narcotics trafficking.

DOWNSIZING ATF

Considerable funding is provided for training and equipment for ATF. The Committee notes, as has the House, that current staffing levels are not sustainable over the next few years. Therefore, this appropriation assumes a staffing cut of over 400 full-time equivalent [FTE] positions from the 1996 staffing levels. This action, combined with better training should allow ATF to become a smaller, better trained law enforcement agency.

STAFFING LEVELS IN SMALLER STATES AND RURAL AREAS

Through the past several years the number of ATF agents in smaller States and rural areas have steadily declined, in favor of placing agent resources in metropolitan areas. These staffing trends have not always reflected the need in these areas. Jackson, MS, is an example. ATF staffing has increased nationwide almost 8 percent since 1990, while staffing in Jackson has declined by over 25 percent. The recent spate of church fires in small, rural communities calls to mind the fact that crime is not unique to larger cities. The Committee urges ATF, as it reviews staffing, to look at allocations for smaller States and rural areas.

GREAT PROGRAM

Since its inception the Gang Resistance Education and Training [GREAT] Program has proved successful. The proof is reflected in the large number of State and local police agencies currently participating, and the number of those seeking to participate in the program. The Committee has included funding for continuation of the currently operating programs, as well as, additional funding for expansion of the program. Special consideration should be given to several Colorado cities and Bellevue, WA, which have expressed considerable interest in participating in this program.

CHURCH FIRE INVESTIGATIONS

The Bureau has investigated nearly 60 fires in the past 18 months—of which the majority have been African-American churches. The majority of the fires have been in South Carolina, North Carolina, Tennessee, and Louisiana; however, have not been confined to these States. The ATF has assigned considerable resources to investigate this effort. The Committee has provided supplemental funds for fiscal year 1996 totaling \$12,011,000 in title VII of this bill. An equal amount for fiscal year 1997 is included in this appropriation.

U.N. COMMITTEE ON FIREARMS

The Committee notes that ATF personnel are providing technical assistance to the U.S. delegation to the U.N. Convention on the Prevention of Crime and the Treatment of Offenders which will present findings to the Economic and Social Council of the United Nations. The House has directed the ATF to provide the Committee

with a report on the cost of this project to the United States including: the progress of the study; the expected recommendations; whether the recommendations conflict with current U.S. law; and the date of completion. The Committee expects to be advised prior to the presentation of this report to the Council.

LABORATORY FACILITIES

Appropriations, 1996	
Budget estimate, 1997	\$62,000,000
House allowance	
Committee recommendation	6,978,000

The Committee recommends \$6,978,000 for design of a new laboratory. This amount is \$55,022,000 below the administration's request and \$6,978,000 above the House allowance.

The administration requested funding for design and construction of the ATF national laboratory and fire investigation, research, and development center. The Committee has provided funding for design of this facility. The House has provided design funding in the "Treasury Buildings and Annex repair and restoration" account.

U.S. CUSTOMS SERVICE

SALARIES AND EXPENSES

Appropriations, 1996	\$1,387,153,000
Budget estimate, 1997	1,466,170,000
House allowance	1,487,224,000
Committee recommendation	1,421,543,000

The Committee recommends an appropriation of \$1,421,543,000 for salaries and expenses of the U.S. Customs Service. This amount is \$44,627,000 less than the budget estimate and \$65,681,000 less than the House allowance.

The U.S. Customs Service is the primary border enforcement agency and a major revenue producer. Customs administers and enforces the Tariff Act of 1930 and some 400 other provisions of laws and regulations of 40 other Federal agencies governing international traffic and trade. The mission is multifaceted and mandates the Service to:

- Control, regulate, and facilitate the movement of carriers, persons, and commodities between the United States and other nations;
- Protect the American consumer and the environment against the introduction of hazardous and noxious products; and protect American industry and the American worker against unfair competition from foreign manufacturers;
- Assess, collect, and protect the revenue accruing to the United States from duties, taxes, and fees incident to international traffic and trade;
- Detect, interdict, and/or investigate:
 - Smuggling and other illegal practices designed to gain illicit entry into the United States of prohibited articles, narcotics, and other contraband;

Fraudulent activities calculated to avoid the payment of taxes and fees, or to evade the legal requirements of international traffic and trade;

Illegal transfers of critical technology to foreign nations for the building of their military systems, thus posing a threat to our national security;

Illegal international trafficking in arms, munitions, and currency.

TRADE COMPLIANCE

The Committee wishes to take the opportunity to compliment the Customs Service on its efforts to define commercial compliance measurements. Customs has struggled through the years in trying to define and refine objective assessment and measurements of compliance with Customs laws and regulations. In February of this year, Customs released a report and the compliance approach that will allow Customs to focus on high-priority industry areas that have significant economic impact on the Nation. It is hoped that this action will serve as the basis for individual importers to work with Customs to assess their compliance performance and improve informed compliance. It should also assist Customs ports of entry in identifying targeted activities to improve compliance in those ports of entry. All of these efforts should provide enforcement tools, while facilitating trade.

ANTIDRUG EFFORTS ON THE SOUTHWEST BORDER

The Customs Service has been on the forefront of the drug effort for many years. The Committee has provided constant support to those efforts through those years, whether drugs have been on the front pages, or not. This bill includes the administration request of \$65,000,000. Of this amount, \$40,795,000 is included in this appropriation and \$24,205,000 is included in the violent crime trust fund appropriation, for an additional 657 inspectors, canine officers, agents, and support personnel for these efforts. It is necessary to note that this problem is not a quadrennial one, it has been a significant problem, which is with us year in and year out. This Committee has done what it can during those years, with or without the support of the administration.

AUTOMATION ENHANCEMENTS

The administration had requested that \$5,600,000 be transferred from the Customs Service to the Departmental Offices for the International Trade Data System [ITDS]. These funds are included in the newly created "Automation enhancements" account for the Departmental Offices, as is the \$15,000,000 requested by Customs for the Automated Commercial Environment [ACE] Program.

STAFFING AND SERVICE LEVELS AT CUSTOMS PORTS OF ENTRY

The Committee continues to believe that the services provided through the Charleston, WV, Customs office are very important to the State of West Virginia and the Nation as a whole. For this reason, the Committee expects the Service to maintain the level of services provided in fiscal year 1996 through fiscal year 1997 at

this office. The Committee continues to believe that the policy of providing part-time and temporary inspectors at the Honolulu International Airport is an effective way to handle the large and increasing volume of passengers arriving and departing this very busy airport in Hawaii. The Committee has again included \$750,000 for part-time and temporary positions in the Honolulu Customs District. This action is intended to enhance, and not supplant current staffing levels. Amounts included in this account are sufficient to maintain staffing levels at this airport through fiscal year 1997 at the fiscal year 1996 level. The Committee expects the Customs Service to ensure that staffing levels are sufficient to staff and operate the newly operational Santa Teresa, NM, border facility. Legitimate, as well as, illicit trade and traffic continue to grow in the State of Florida. Customs should give a high priority to funding sufficient inspection personnel at ports of entry in Florida for fiscal year 1997. Over the years Customs personnel in smaller cities, such as Jackson, MS, as well as, other rural areas have declined considerably. Problems facing these areas have not necessarily declined, and the Committee urges Customs, as it reviews its staffing requirements, to consider the allocation to smaller States and rural areas.

SPIRIT OF ST. LOUIS AIRPORT

The Committee has included language designating the Spirit of St. Louis Airport as a port of entry. The Committee expects that this port of entry be adequately staffed and equipment be provided, so that users of this facility are provided efficient service. No staff or funds should be diverted from Lambert Field to provide this service.

TRUCK INSPECTION ON THE NORTHERN BORDER

The Customs Service is in the process of deploying x-ray technology at ports of entry along the Southwest border in its effort to enhance inspection of heavily loaded tractor trailers. Initial indications are that this technology is effective in detecting illicit narcotics, as well as, other contraband. Smuggling is certainly not unique to the southern border. Problems continue to grow along the northern border, as well. As Customs expands these interdiction efforts to the northern border, the Committee encourages that this system be located at the Highgate Springs, VT, border facility.

TECHNOLOGY RESEARCH

The Committee has once again included funding for research into technologies which will assist Customs in performing its inspection and enforcement duties. The Committee commends Customs on the excellent job it has done with regard to technologies unique to inspection and urges that appropriate funding be given to development of technology to look at commercial vehicles.

PROJECT SENTRI

The Committee is aware that there is a great need to facilitate the flow of traffic and trade between the United States and Mexico, particularly at one its largest ports of entry, El Paso, TX. If the

test of Project SENTRI at Otay Mesa, CA, meets with success, El Paso would be an excellent second test site. The Committee directs the Customs Service to report back with a plan to develop such a test in El Paso, including an estimate of the cost of such a test; the construction and equipment such a test would require; any legislative impediments to initiating this test; and a timetable for development and implementation. The Committee should receive this report no later than February 1, 1997.

NOGALES, AZ, FENCE

The Committee provided funding to Customs for construction of a fence in Nogales, AZ, to prevent smuggling. Work has progressed on construction of this fence, which divides the United States-Mexico border. Unique problems have arisen which have made these funds inadequate to complete the job. Because of the importance of this fence to antismuggling efforts, the Committee has included necessary funds up to an additional \$500,000 to complete this project.

CHILD PORNOGRAPHY

The Committee is concerned that there has been steady and significant decrease in the number of calls placed to the Child Pornography Tipline. Tipline calls have, in the past, resulted in a substantial number of successful prosecutions for child pornography violations. The Committee, therefore, directs the U.S. Customs Service to provide \$50,000 from available funds to promote public awareness for the Child Pornography Tipline in fiscal year 1997. The Committee recommends that the U.S. Customs Service coordinate this promotional effort with the National Center for Missing and Exploited Children and the U.S. Postal Service to ensure that the publicity is diversified and effective.

OPERATION AND MAINTENANCE, AIR AND MARINE INTERDICTION PROGRAMS

Appropriations, 1996	¹ \$64,843,000
Budget estimate, 1997	83,363,000
House allowance	83,363,000
Committee recommendation	83,363,000

¹ In fiscal year 1996, prior-year unobligated balances in support of four air and marine interdiction operations accounts totaling \$20,101,000 supplemented the appropriation.

The Committee recommends an appropriation of \$83,363,000 for operation and maintenance activities of the Customs air and marine interdiction programs. This amount equals the budget request and the House allowance.

The operation and maintenance, air and marine interdiction programs will cover expenses incurred by the Customs Service for operating and maintaining aircraft, boats, radar, and equipment necessary to carry out its air and marine interdiction missions. This account also includes operational training, mission-related travel, and special operations directly associated with the air and marine interdiction programs. This account covers the essential costs associated with operating and maintaining the military aircraft and

equipment that has been, and will continue to be, loaned to Customs for use in its air interdiction mission.

The Customs Service is the frontline in drug interdiction. The air and marine efforts compose a major element of the country's firstline interdiction effort. In recent years the strategy has changed, but the problem remains the same. The Committee has iterated over and over how important air and marine efforts are to deterring narcotics smuggling. These efforts have proven extremely effective. The change in the drug control strategy does not eliminate the need for continued vigilance. The Committee continues to maintain a keen interest in air and marine activities and reminds the Service that air and marine interdiction are and shall be a top priority.

AIR AND MARINE OPERATIONS

Through the years Customs has had to react to changing smuggling modes. Air and marine interdiction methods have been adjusted to challenge this ever changing threat. This effort has proved effective through the years. Yet, vigilance remains the watchword. Currently, emphasis is being placed on interdiction efforts in Caribbean waters around Puerto Rico and the United States Virgin Islands. Lessons learned from efforts off the Florida coast have proved very successful. The Committee reminds Customs that the threat can shift very quickly, and that appropriate attention should be given to ensure that the Florida coast is adequately covered by air and marine assets.

SUPPORT OF ATF MISSIONS

The Committee has joined the House in terminating the Bureau of Alcohol, Tobacco and Firearms air capabilities. The ATF had acquired surplus military aircraft and appropriate spare parts. A review has indicated that the need for the ATF to own aircraft is not cost effective. The aircraft and spare parts have been transferred to the Customs Service. The Committee anticipates that Customs provide the highest priority to support ATF air surveillance needs.

AIR AND MARINE INTERDICTION PROCUREMENT

Appropriations, 1996	
Budget estimate, 1997	
House allowance	\$28,000,000
Committee recommendation	45,000,000

The Committee recommends an appropriation of \$45,000,000 for acquisition of air resources to assist Customs in its air interdiction effort. This amount is \$45,000,000 above the budget estimate and \$17,000,000 above the House allowance.

The Committee intends the funding provided in this account be used for the procurement and conversion of one P-3AEW aircraft. This aircraft will complement current air assets used in air detection and interdiction of illegal narcotics smuggling.

CUSTOMS SERVICES AT SMALL AIRPORTS

(TO BE DERIVED FROM FEES COLLECTED)

Appropriations, 1996	\$1,406,000
Budget estimate, 1997	2,406,000
House allowance	2,406,000
Committee recommendation	2,406,000

The Committee recommends an appropriation of \$2,406,000 for customs services at certain small airports. These services are to be paid from user fees collected at each of these small airports. The Committee funding recommendation for fiscal year 1997 for this account is the same as the budget request and the House allowance.

The Trade and Tariff Act of 1984 (Public Law 98-573) authorizes the U.S. Customs Service to impose user fees for services at certain small airports where the volume or value of business is insufficient to justify the availability of customs services. The fee will be equal to the expenses incurred in providing the services.

The legislation authorizes Customs to charge a fee for services at certain designated airports and locations designated by the Secretary of the Treasury. (The Governor of the State in which such airport is located must also approve the designation.)

Fees which are collected at each airport are deposited into an account within the Treasury of the United States specifically designated for that airport. The funds in the account are only available for expenditures relating to the provision of customs services at each airport, including salaries and expenses of personnel employed to provide such services.

Currently service is provided to 26 airports throughout the country in this program. There are a number of cities with no current Customs service, which have indicated interest in entering into service agreements. In order to meet those requests the Committee has increased the limitation and the number of personnel available to be utilized in meeting the increasing demand.

HARBOR MAINTENANCE FEE COLLECTION

Appropriations, 1996	\$3,000,000
Budget estimate, 1997	3,000,000
House allowance	3,000,000
Committee recommendation	3,000,000

The Committee concurs with the budget request and the House action which provides \$3,000,000 to be transferred from the harbor maintenance trust fund to the Customs Service "Salaries and expenses" appropriation.

The harbor maintenance fee was established to provide resources to the Army Corps of Engineers for the improvement of American channels and harbors. The fee is assessed on the value of commercial imports and exports delivered to and from certain specified ports. The fee is collected by the Customs Service and deposited into the harbor maintenance trust fund. The transferred funds will offset the costs incurred by Customs in collecting these fees.

U.S. MINT

The Mint manufactures coins, receives gold and silver bullion, safeguards the Government's holdings of monetary metals, and refines gold and silver bullion. The manufacture of domestic coins is the major activity of the Mint. Coins are ordered from the Mint by the Federal Reserve banks in quantities required for the country's business transactions. Thus, the volume of the coinage program is determined by the public need for coins. Public Law 104-52 established the U.S. Mint public enterprise fund which authorizes the U.S. Mint to use proceeds from the sale of coins to finance the cost of its operations. The enactment of this legislation has eliminated the need for future appropriations to support the mission of the Mint.

In fiscal year 1997 the Mint will produce approximately 20 billion coins. This coinage production level represents an increase of 3 million above that to be produced in fiscal year 1996.

The Committee requested the Mint to provide certain information, as a result of the enactment of the enterprise fund. The Mint has done an excellent job in presenting that information in a format that is extremely helpful. The Committee wishes to express its thanks to the Mint for its responsiveness.

BUREAU OF ENGRAVING AND PRINTING

The Bureau of Engraving and Printing, the world's largest securities manufacturing establishment, operates on the basis of authority conferred upon the Secretary of the Treasury by 31 U.S.C. 321(a)(4) to engrave and print currency and security documents. Additional authority is derived from past appropriations made to the Bureau for work to be undertaken. The operations of the Bureau are currently financed by means of a revolving fund established in accordance with the provisions of Public Law 81-656, August 4, 1950 (31 U.S.C. 5142). This fund is reimbursed by other Government agencies for the direct and indirect costs of the Bureau, including its administrative expenses, incidental to performing the work or services requisitioned.

Public Law 95-81, July 31, 1977 (31 U.S.C. 5142(c)(3)) increased the Bureau's fund and authorized the establishment of reimbursement prices from customer agencies at a level intended to provide funding for the acquisition of capital equipment and future working capital. This should preclude future requests for appropriations.

The Bureau designs, manufactures, and supplies most of the major evidences of a financial character issued by the United States. It is the sole source of U.S. currency, various public debt instruments, as well as most other evidences of a financial character issued by the United States, such as postage stamps. The Bureau executes certain printings for various territories administered by the United States, particularly postage and revenue stamps. It conducts extensive research and development programs for improving the quality of products, reducing manufacturing costs, and for strengthening deterrents to the counterfeiting of Government securities. It manufactures inks and plates used for its products; purchases materials, supplies, and equipment; provides maintenance services for its buildings and plant machinery and equipment; and

stores and delivers its products in accordance with requirements of customer agencies. The Bureau is responsible for the accountability and destruction of its security waste products. The Bureau also renders services to other Government agencies such as security, custodial, and elevator services in areas of its buildings occupied by another Treasury bureau.

The total cost of sales and services by the Bureau of Engraving and Printing is estimated to be \$574,000,000 in fiscal year 1997, or an increase of \$49,000,000 from the fiscal year 1996 estimated level.

The budget estimates are determined primarily by two factors; namely, (1) the volume of production of the various items needed to meet the estimated requirements of customer agencies, and (2) the unit cost of manufacturing each type of item produced. The unit cost of production of each item manufactured is developed through a detailed system of cost accounting and adjusted to reflect all known factors which will affect the cost of production during the current budget year. Such factors include pay rate and material price increases expected to occur during the current year, as well as estimated savings resulting from improvements in production procedures.

No direct appropriation is required to cover the activities of the Bureau.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

Appropriations, 1996	\$170,000,000
Budget estimate, 1997	171,910,000
House allowance	165,335,000
Committee recommendation	165,335,000

The Committee recommends an appropriation of \$165,335,000 for the Bureau of the Public Debt in fiscal year 1997. The Committee recommendation equals the House allowance and is \$6,575,000 below the budget estimate.

The Bureau of the Public Debt is responsible for administering the laws and regulations pertaining to public debt financing and operations within the framework of policies established by the Secretary of the Treasury. The Bureau's primary concerns are with the issuance, servicing, and retirement of public debt securities, and accounting for the public debt and its related interest cost. It also has a general responsibility for the conduct or direction of transactions in public issues of those Government agencies for which the Treasury acts as agent.

This appropriation currently provides funds for: the direct operating costs of the Bureau of the Public Debt including the Office of U.S. Savings Bonds; the payment of fees at stipulated rates to financial institutions and others; and the payment of postage and registry fees to the U.S. Postal Service for delivering securities.

The Office of U.S. Savings Bonds is charged with reducing Federal spending by promoting the sale and retention of U.S. savings bonds. In addition to helping the U.S. Government finance its debts in the least expensive and least inflationary way possible, savings bonds provide Americans with an effective, systematic way to save

through the payroll savings plan. The program is also intended to create a partnership of direct participation of American business, labor, banking, media, and community groups, as well as to provide the opportunity for all citizens to voluntarily participate in the financing of their Government.

WORKLOAD ESTIMATES

The Committee recognizes that the Bureau has submitted smaller budget requests each year for the past 4 years. The Bureau has realized greater savings from its consolidation than was originally forecast, and realized those savings sooner than expected. The Committee also recognizes that some 30 percent of Public Debt's budget is required to pay fees to financial institutions for issuing and redeeming savings bond, as well as, for postage to mail bonds to investors, workload that Public Debt cannot control. The expenditures for savings bond postage and fees depends on the numbers of savings bonds sold and redeemed each fiscal year. Because of these factors, Public Debt has ended each year with unobligated balances. These balances amounted to almost \$22,000,000 for fiscal years 1992-95. The Committee encourages the Commissioner of the Public Debt to continue to work toward refining workload estimates for savings bonds sales and redemptions so as to minimize lapsed appropriations, while assuring sufficient resources are available to maintain the smooth operations of the savings bond program.

INTERNAL REVENUE SERVICE

SUMMARY

The Committee has recommended a total of \$6,880,221,000 for the Internal Revenue Service [IRS] in fiscal year 1997. This amount is \$1,114,937,000 below the budget estimate and \$467,991,000 below the enacted level for the three accounts under the Internal Revenue Service.

PROCESSING, ASSISTANCE, AND MANAGEMENT

Appropriations, 1996	\$1,723,764,000
Budget estimate, 1997	1,779,663,000
House allowance	1,722,985,000
Committee recommendation	1,728,840,000

The Committee recommends an appropriation of \$1,728,840,000 for processing tax assistance and management. This amount is \$50,823,000 below the fiscal year 1997 request and \$5,885,000 above the House allowance.

The "Processing, assistance, and management" appropriation provides for processing tax returns and related documents; assisting taxpayers in the correct filing of their returns and in paying taxes that are due; protecting public confidence in the integrity of the IRS; overall planning and direction of the Internal Revenue Service; providing administrative services and support for selected IRS facilities; and management of the Service's financial resources and procurement programs necessary to fulfill the Service's mission in performing tax administration.

Mission statements of each of the program activities under this account are as follows:

Returns processing.—Process tax returns, account for tax revenues, issue refunds and tax notices, and provide tax returns to the compliance functions.

Taxpayer services.—Inform taxpayers of their responsibilities and provide services and information through various media which assist them in meeting their obligations.

Inspection.—Promote public confidence in the integrity of the IRS.

Management services.—Set policy direction and goals for service-wide management, administration, strategic and organizational planning, and development of human, logistical, and financial resources required to accomplish the Service's mission in performing tax administration.

Resources management.—Provide support to the national office, service centers, submission processing sites, customer service sites, and area distribution centers to assist program functions in meeting their tax administration responsibilities.

TAX RETURNS PROCESSING

The Committee has reduced funding in this account, but has provided sufficient funding for processing of tax returns. Whenever reductions are made, it is always the tendency for the agency impacted to exclaim the worst case scenario. The Committee has provided sufficient funding in this account for tax return processing and states in the strongest possible terms that those funds be used for processing tax returns.

FINANCIAL MANAGEMENT

The Committee agrees with the House that the IRS has yet to develop adequate performance measures to justify budget requests and that the IRS should develop a strategic plan to measure cost and performance.

The Committee remains very concerned not only with the IRS inability to adequately justify costs and performance, but the Committee continues to remain very concerned about the financial management of the IRS. Not only does the Committee maintain serious reservations about the IRS's management of the Tax Systems Modernization [TSM] Program, but a recent report released by the GAO on July 11, 1996, raises even more significant concerns about the financial management and operation of the IRS.

According to a General Accounting Office [GAO] report released July 11, 1996, the GAO found, "material weaknesses in internal controls resulted in ineffective control over safeguarding assets from material loss, assuring material compliance with laws governing the use of budget authority and with other relevant laws and regulations, and assuring that there were no material misstatements in the Principal Financial Statements." These conclusions resulted from five financial managerial problems that prevented the GAO from attesting to the reliability of the IRS's past four fiscal year financial statements. The Committee is greatly disturbed by the five problems that the GAO identified as obstacles to a credible and reliable audit of the IRS. The GAO found:

(1) The amounts of total revenue (\$1.4 trillion) and tax refunds (\$122,000,000,000) cannot be verified or reconciled to accounting records maintained for individual taxpayers in the aggregate.

(2) The amounts reported for various types of taxes collected (Social Security, income, and excise taxes, for example) cannot be substantiated.

(3) The reliability of reported estimates of \$113,000,000,000 for valid accounts receivable and \$46,000,000,000 for collectible accounts receivable cannot be determined.

(4) A significant portion of IRS' reported \$3,000,000,000 in nonpayroll operating expenses cannot be verified.

(5) The amounts IRS reported as appropriations available for expenditure for operations cannot be reconciled fully with Treasury's central accounting records showing these amounts, and hundreds of millions of dollars in differences have been identified.

The report further found that the IRS had only met 17 of the 59 recommendations that the GAO had made in prior years to resolve IRS financial management problems.

Reports issued by the National Research Council and General Accounting Office have also found little progress in addressing serious management deficiencies in the TSM program.

The report required of the General Accounting Office by Public Law 104-52, the Fiscal Year 1996 Treasury Appropriations Act reviewed the May 6, 1996, Treasury Department report to determine if IRS had corrected the deficiencies identified by GAO's April 1995 report to Congress. On June 7 the GAO provided the Committee with its assessment and acknowledged that the IRS is moving in the right direction. However, the GAO also stated:

* * * the IRS still does not have (1) effective strategic information management practices needed to mandate TSM as an investment, (2) mature and disciplined software development processes needed to assure that systems architecture that is detailed enough to guide and control systems development, and (4) a schedule for accomplishing any of the above * * *

These findings further reinforce the Committee's lack of confidence in IRS budget justifications. IRS's representations of the cost of ongoing program operations, as well as the TSM program. In addition, these reports make clear that the IRS has failed to make sufficient progress in addressing financial management problems. Accordingly, while the Committee has provided additional funding above the House allowance of \$163,023,000 to cover what the Committee believes to be the cost of operating information systems such as the Legacy system, Scrips, Telefile, tollfree number, and electronic fraud detection programs, the Committee expects the IRS to certify to the Committee its progress in meeting the remaining 42 GAO recommendations referred to in the July 11, 1996, GAO report before this funding is made available. In addition, the Committee further expects the IRS to clarify current operating programs from TSM programs. The Committee encountered significant difficulties obtaining sufficient information to determine which programs should properly be funded as part of operating information systems and those properly considered TSM programs.

IRS STAFFING PLANS

The Committee continues to support adequate staffing levels for effective tax administration and supports the staffing plans for the Internal Revenue Service facilities in the communities of Martinsburg and Beckley, WV. Therefore, the Committee urges the IRS, within the constraints of the fiscal year 1997 funding levels, to make only minimal, if any, staffing reductions at the Martinsburg National Computer Center and the programmed level at the Administrative Services Center in Beckley, WV.

TAX COUNSELING FOR THE ELDERLY

The Committee once again believes that the Tax Counseling Program for the Elderly has proven to be most successful. To meet the goals of this program, \$3,700,000 is included within the aggregate amount recommended by the Committee for processing tax returns and assistance in fiscal year 1997. This amount represents the same level as provided for this program in fiscal year 1996. To ensure that the full effect of the program is accomplished, the IRS is directed to cover administrative expenses within existing funds.

TAXPAYER SERVICE IN ALASKA AND HAWAII

In May 1995 the IRS announced a national plan to centralize and consolidate its organizational structure. As a result of this consolidation, residents in Alaska and Hawaii have been adversely impacted regarding taxpayer education. Personnel involved full time in these efforts are located in mainland offices. Accessibility to assistance is important in our voluntary tax system. The geographical location of both Alaska and Hawaii, as well as, both States having sizable communities which do not speak English as a first language cause unique problems. Cultural differences complicate the most basic taxpayer instruction performed by the IRS and its voluntary income tax assistance [VITA] volunteers. The Committee believes that the IRS should further promote tax compliance and help assist taxpayer relations with the IRS by placing one full-time GS-11 level tax education specialist in each State.

TAX EXEMPT ORGANIZATIONS AND THE TOUR INDUSTRY

There is an increasing growth in the number of tax exempt organizations engaging in commercial activities, particularly in travel and tour promotion activities. This trend has highlighted ambiguities to the definition of what is and is not substantially related to the exempt function of an exempted organization. The Committee directs the IRS to review this situation and take steps, if necessary, to develop regulations clarifying the substantially related test as it applies to tax exempt travel and tour activities.

TAX LAW ENFORCEMENT

Appropriations, 1996	\$4,097,294,000
Budget estimate, 1997	4,527,821,000
House allowance	4,052,586,000
Committee recommendation	4,085,355,000

The Committee recommends an appropriation of \$4,085,355,000 for tax law enforcement activities in fiscal year 1997. This amount is \$442,466,000 below the budget estimate and \$32,769,000 above the House allowance.

The "Tax law enforcement" 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.

The examination activity encourages voluntary compliance with the internal revenue laws through the determination of correct tax liability by the selective examination of tax returns, the correction of errors, and explanation of these corrections to taxpayers.

The appeals, tax litigation, and technical activity, under the Office of the Chief Counsel, is primarily involved with those cases in which taxpayers disagree with examination results. The appeals function provides an independent administrative review with the objective of reaching impartial settlement.

The tax fraud and financial investigations activity is responsible for investigating criminal violations of the Internal Revenue laws. It investigates cases of suspected intent to defraud, recommends prosecution as warranted, and assists in the preparation and trial of criminal tax cases. In addition, financial investigations expose money laundering schemes through a variety of methods, including currency transaction reports.

The collection activity collects unpaid accounts, as well as securing unfiled tax returns and payments. It develops and implements programs to prevent tax accounts from becoming delinquent; determines and analyzes reasons for tax accounts that become delinquent; and develops, implements, and measures programs that analyze the reasons for types and degrees of nonfiling.

The statistics of income activity publishes statistics of income reports on the operation of income tax laws, as required by the Internal Revenue Code for the Congress and its committees; for administrative use by the Secretary of the Treasury and the Commissioner of Internal Revenue; and for the Federal benchmark statistical programs on income, wealth, and finance.

The employee plans and exempt organizations activity monitors private pension plans to ensure compliance with the Employee Retirement Income Security Act of 1974, as amended. Organizations apply for tax-exempt status, which is determined by this activity, through the application of certain tests. By monitoring tax returns of tax-exempt organizations, it monitors and ensures compliance with current tax laws regarding tax-exempt organizations.

The international activity is responsible for directing IRS enforcement and assistance programs as they relate to U.S. taxpayers performing business or residing outside the continental United States and nonresident aliens with U.S. tax obligations.

This activity also provides technical tax training and administrative assistance to foreign governments and provides compliance and taxpayer service support to Puerto Rico, the Virgin Islands, and certain Pacific island jurisdictions.

The document matching activity processes information returns such as wage, dividend, and interest statements with related individual income tax returns. This activity enables the IRS to identify income reporting discrepancies, unsubstantiated deductions, the nonfiling of tax returns, and to verify facts and amounts in question through taxpayer contact.

TAXPAYER PROTECTION

The Committee remains concerned that taxpayers receive adequate protection from undue enforcement actions particularly when no intentional misconduct is alleged by the IRS. The Committee intends to continue to ensure that taxpayers rights are being respected by the IRS and that taxpayers are treated equitably under the law.

REVENUE PROTECTION INITIATIVE

The budget requested \$359,000,000 for the revenue protection initiative. This is the third year the administration has requested funds for this collection initiative. In fiscal year 1995 these funds were provided outside the budget caps. Since that time, Congress has determined that this initiative should be inside the caps. The Committee allocation does not provide for an increase of this size, and, therefore, this funding request has not been acted upon.

INFORMATION SYSTEMS

Appropriations, 1996	\$1,527,154,000
Budget estimate, 1997	1,687,674,000
House allowance	1,077,450,000
Committee recommendation	1,240,473,000

The Committee recommends an appropriation of \$1,240,473,000 for information systems activities in fiscal year 1997. The Committee recommendation is \$447,201,000 below the budget request and \$163,023,000 above the House allowance.

The "Information systems" appropriation provides for servicewide data processing support, including the evaluation, development, and implementation of computer systems, software, and hardware requirements.

Tax systems modernization (modernized developmental systems).—This activity provides for major redesign and acquisition of the basic information systems infrastructure needed to achieve a fully integrated framework for tax administration operations. This includes implementing a redesigned tax administration system, developing a target architecture, replacing equipment at major field installations, and executing other major redesign efforts.

Modernized operational.—This activity includes those tax systems modernization projects that have advanced from the developmental phase of activity to an operational mode after servicewide implementation and acceptance.

Services and compliance.—This activity provides automation support for the processing, assistance and management, and tax law enforcement appropriations. The systems in this activity direct IRS compliance and enforcement programs including: examining tax returns, collecting unpaid accounts, securing delinquent returns, investigating tax fraud, resolving tax disputes, and determining tax liability status or exemption of organizations. This activity also provides automation support for processing tax and information returns, issuing refunds and notices, accounting for tax revenue, and assisting taxpayers with their tax obligations.

Support systems.—This activity provides automation support for all IRS administrative programs, including management and financial information, logistics, payroll and personnel, and internal audit and security automation. This activity also provides the support that ensures the efficient functioning of payroll and personnel systems, financial systems, resource inventory systems, and quality assurance efforts.

TAX SYSTEMS MODERNIZATION

The Committee has included language fencing new funds for TSM until the Secretary of the Treasury certifies to Congress in writing that responsible IRS program management offices, as well as IRS TSM contractors, have attained a software acquisition and software development capability equivalent to level 3 of the software capability maturity model [SW-CMM] and software acquisition capability maturity model [SA-CMM] developed by the Software Engineering Institute at Carnegie-Mellon University. Effective development and acquisition of sophisticated and complex software is mandatory for the success of TSM. Independent reviews of the TSM program by the General Accounting Office, the National Research Council, and others, as well as testimony before various committees of Congress, consistently conclude that one of the most serious problems with IRS management of TSM is inadequate technical management capability. IRS program management simply lacks the required capability and organized processes to successfully manage the development and acquisition of the sophisticated and complex software necessary to TSM. Likewise, although some remedial steps have been taken, the IRS has contracted for software development and acquisition with contractors which themselves lack the required development and acquisition capability, or have not been required by the IRS to exercise the necessary rigor in developing and acquiring TSM software. The Software Engineering Institute at Carnegie-Mellon University is the recognized leader nationwide in analyzing and describing the activities, discipline, and processes involved in software development and acquisition. Their widely accepted and acclaimed SA-CMM and SW-CMM define levels of organizational software development and acquisition capability and provide a means of assessing an organization's capability in this regard. Those who have reviewed TSM, including the IRS, uniformly agree that IRS software development and software acquisition capability are currently at CMM level 1, the lowest defined level characterized by undisciplined, undocumented, nonrepeatable processes resulting in virtual chaos. The Committee believes that to successfully carry out a program the size and com-

plexity of TSM, the IRS must attain a capability level of at least CMM level 3, a level at which processes are defined, stable, disciplined, coherently integrated, and visible to management. With appropriate management attention, the Committee believes the IRS will be able to achieve this level of capability, and that the required certification by the Secretary of the Treasury is important to assure this result.

TAX PROCESSING SERVICE CENTERS

The Committee intends that the consolidation of IRS tax processing service centers should continue to ensure that the full consolidation will be completed in time for the 1998 tax season. The Committee has provided the IRS \$46,000,000 for this purpose.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION ACCESS TO IRS RECORDS

The Committee supports the efforts of the National Archives and Records Administration [NARA] and the Internal Revenue Service [IRS] to reach an agreement concerning NARA access to certain IRS records, restricted under 26 U.S.C. 6103, for appraisal and evaluation purposes, including former IRS Commissioners' and Executive Secretariat records and Criminal Investigation Division [CID] case files. The Committee requests a joint report from IRS and NARA by February 1, 1997, which shall include an analysis of outstanding issues and make recommendations on how to handle the disposition of archival materials should proceed.

ELECTRONIC FEDERAL TAX PAYMENT SYSTEM

The Committee has been made aware of a possible problem with regard to implementation of the electronic Federal tax payment system [EFTPS]. EFTPS is replacing Taxlink, the pilot electronic payment system which is being phased out. The IRS has notified users that EFTPS will have two different filing periods, one for bulk filers, who are defined as a service bureau who files more than 1,000 tax deposits in a single day. Bureaus with this status have a 72-hour enrollment period. All other filers are required to file using form 9779 which takes 8 to 12 weeks to process. It would appear that this decision by the IRS adversely impacts small businesses. There are many parts of the country serviced by service bureaus which cannot meet the 1,000 deposits a day requirements. Those businesses and taxpayers should not be penalized because of their size. The Committee is supportive of the goals of EFTPS, but directs the IRS to review this decision considering the impact on small service bureaus.

(RESCISSION)

Appropriations, 1996	\$1,527,154,000
Budget estimate, 1997	
House allowance	- 174,447,000
Committee recommendation	- 174,447,000

The Committee has rescinded \$174,447,000 from funds appropriated for tax systems modernization [TSM] from previous years. To offset the fiscal year 1996 supplemental for ATF's church fire

investigations the Committee further rescinds \$16,500,000 from unobligated fiscal year 1996 funds (included in title VII).

IRS—ADMINISTRATIVE PROVISIONS

The Committee has recommended approval of the following administrative provisions for the Internal Revenue Service.

Section 101 authorizes the IRS to transfer up to 5 percent of any appropriation made available to the agency in fiscal year 1997, to any other IRS account. The IRS is directed to follow the Committee's reprogramming procedures outlined earlier in this report.

Section 102 is a provision which maintains a training program in taxpayer's rights and cross-cultural relations.

U.S. SECRET SERVICE

SALARIES AND EXPENSES

Appropriations, 1996	\$531,944,000
Budget estimate, 1997	516,182,000
House allowance	528,368,000
Committee recommendation	519,265,000

The Committee recommends an appropriation of \$519,265,000 for the U.S. Secret Service in fiscal year 1997. This amount is \$3,083,000 above the budget estimate and \$9,103,000 below the House allowance.

SECRET SERVICE FUNCTIONS

Investigations, protection, and uniformed activities.—The Service must provide for the protection of the President of the United States, members of his immediate family, the President-elect, the Vice President, or other officer next in the order of succession to the Office of the President, and the Vice President-elect, and the members of their immediate families unless the members decline such protection; protection of the person of a visiting head and accompanying spouse of a foreign state or foreign government and, at the direction of the President, other distinguished foreign visitors to the United States and official representatives of the United States performing special missions abroad; the protection of the person of former Presidents, their spouses and minor children unless such protection is declined. The Service is also responsible for the detection and arrest of persons engaged in counterfeiting, forging, or altering of any of the obligations or other securities of the United States and foreign governments; the investigation of thefts and frauds relating to Treasury electronic fund transfers; fraudulent use of debit and credit cards; fraud and related activity in connection with Government identification documents; computer fraud; food coupon fraud; and the investigation of personnel, tort claims, and other criminal and noncriminal cases.

The Secret Service Uniformed Division protects the Executive Residence and grounds in the District of Columbia; any building in which White House offices are located; the President and members of his immediate family; the official residence and grounds of the Vice President in the District of Columbia; the Vice President and members of his immediate family; foreign diplomatic missions lo-

cated in the Washington metropolitan area; and the Treasury Building, its annex and grounds, and such other areas as the President may direct on a case-by-case basis.

Presidential candidate protective activities.—The Secret Service is authorized to protect major Presidential and Vice Presidential candidates, as determined by the Secretary of the Treasury after consultation with an advisory committee. In addition, the Service is authorized to protect the spouses of major Presidential and Vice Presidential candidates; however, such protection may not commence more than 120 days prior to the general Presidential election.

ANTICOUNTERFEITING EFFORTS

The Committee strongly supports the increased overseas anticounterfeiting efforts of the Secret Service during fiscal years 1995 and 1996. The Committee recognized the dramatic growth of international counterfeiting and acted to combat this by providing additional resources to the Secret Service to expand its number of foreign offices, as well as, increase its personnel at existing overseas posts. Of the seven new offices identified as being needed by the Service during 1995, only Mexico City and Moscow remain unopened. The other five have either been established or are in the process of being opened. Of the existing foreign offices where additional personnel slots were requested, only Manila and Bangkok have not provided for additional Secret Service personnel. While the Committee is appreciative of the joint effort by the Departments of State and Treasury in assisting the Service to combat this serious problem, it urges both to act in an expeditious manner to establish the Secret Service offices in Moscow and Mexico City. Further, it encourages the Department of the Treasury to work with the Department of State to provide the Service with additional personnel slots at previously identified foreign locations. The Committee firmly believes that we must address international counterfeiting now if we are to preserve the integrity of our financial system. The deployment of these additional Secret Service agents is a critical first step in this endeavor. Further delay will only serve to increase the danger to our monetary system and slow our progress in combating this crime.

MISSING AND EXPLOITED CHILDREN

The Committee has included funding from the violent crime trust fund for the Service's operational costs of the Exploited Child Unit, associated with its continued efforts with the National Center for Missing and Exploited Children.

ACQUISITION, CONSTRUCTION, IMPROVEMENT AND RELATED EXPENSES

Appropriations, 1996	
Budget estimate, 1997	\$29,165,000
House allowance	31,298,000
Committee recommendation	29,165,000

The Committee recommends an appropriation of \$29,165,000 for the "Acquisition, construction, improvement and related expenses"

account in fiscal year 1997. This amount equals the budget estimate and is \$2,133,000 below the House allowance.

The administration has requested to create a new account for the Secret Service. This account is intended to be utilized by the Service as it prepares for occupying its new headquarters facility, as well as minor repair activities at the Rowley Training Center.

In fiscal year 1996 funds for these purposes were included in the "Repair and maintenance of the Treasury Building and annex" account.

DEPARTMENT OF THE TREASURY

GENERAL PROVISIONS

The Committee recommends that certain general provisions be included in the Senate bill. The provisions do the following:

Section 111 pertains to reprogramming instructions for unobligated funds.

Section 112 authorizes certain basic services within the Treasury Department in fiscal year 1997, including purchase of uniforms; maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; and contracts with the Department of State for health and medical services to employees and their dependents serving in foreign countries.

Section 113 establishes certain codes of conduct for employees of the Internal Revenue Service in carrying out their tax collection duties.

Section 114 requires the IRS to institute policies and procedures to safeguard the confidentiality of taxpayer information.

Section 115 requires that funds provided to ATF for fiscal year 1997 will be expended in such a manner so as not to diminish enforcement efforts with respect to section 105 of the Federal Alcohol Administration Act.

Section 117 provides \$13,000,000 in IRS funding to continue the current contract for private sector debt collection and transfers another \$13,000,000 to the "Departmental offices" appropriation to initiate a second contract.

Section 119 provides a clarification as to requirements of Federal firearms licensees conducting business in curios and relics away from their place of business.

TITLE II—U.S. POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

Appropriations, 1996	\$85,080,000
Budget estimate, 1997	102,817,000
House allowance	85,080,000
Committee recommendation	90,433,000

The Committee has recommended an appropriation of \$90,433,000 in fiscal year 1997 for payment to the Postal Service fund. This amount is \$12,384,000 below the President's budget request and \$5,353,000 above the House allowance.

Revenue forgone on free and reduced-rate mail enables postage rates to be set at levels below the unsubsidized rates for certain second-class, third-class, and fourth-class mail as authorized by subsections (c) and (d) of section 2401 of title 39, United States Code. Free mail for the blind and overseas voters will continue to be provided at the funding level recommended by the Committee.

The funding provided by the Committee is allocated for the following purposes: \$61,433,000 for free mail for the blind and overseas voters and \$29,000,000 for the reimbursement to the Postal Service for subsidies provided for the revenue forgone program.

The Committee recognizes the congressional obligation to fund revenue forgone, however, budget limitations force the Committee to not fund the reconciliation adjustment requested in the budget.

The Committee has concurred with the House by including provisions in the bill that would assure that mail for overseas voting and mail for the blind shall continue to be free; that 6-day delivery and rural delivery of mail shall continue at the 1983 level; and that none of the funds provided be used to consolidate or close small rural and other small post offices in fiscal year 1997. These are services that must be maintained in fiscal year 1997 and beyond. The Committee believes that, despite the lack of public service appropriations, these critical postal services are the linchpin of services that the public deserves and expects.

PEST INTRODUCTIONS

The Committee directs the Postal Service to continue its work with the U.S. Department of Agriculture and the Hawaii Department of Agriculture.

This effort is directed at combating the recent introduction of plant and animal pests and diseases into the State of Hawaii through the U.S. mail system. Such introductions have severe consequences for U.S. agriculture, biodiversity, and public health and safety.

POSTAL SERVICE RECYCLING HOTLINE

Since 1992, the Postal Service and other Government agencies have been encouraged to participate in programs with the private sector to effectively reduce environmental degradation from items sent through the mail which could be recycled. The Postal Service, heeding this mandate, has worked to expand the successful regional environmental/recycling hotline to a nationwide network. Ensuring the long-term success of the environment/recycling hotline's public/private partnership, which advises consumers how and where to dispose of excess paper (mail) and other products, will specifically make mail more environmentally friendly. This will achieve environmental goals while still permitting the Postal Service to realize its revenue objectives. The Committee, therefore, urges the Postal Service to participate in this innovative public/private partnership for the benefit of the Nation's environment and report to the Committee within 60 days within enactment of this legislation.

EPPLEY AIR MAIL FACILITY

The Committee directs the Postal Service to consider the modification of the Eppley air mail facility to ease congestion and increase efficiency in regard to air carriers pickup and delivery of mail. The Committee requests the Postal Service report to the Committee within 60 days of enactment of this legislation.

SORTING REQUIREMENTS

The Committee urges the Postal Service to review a possible waiver of the six-piece-minimum bag requirement that went into effect in most areas on July 1, 1996, for newspapers. Failure to allow under six bagging to continue sharply reduces the ability of second-class mail to be received in a timely manner to those who do not live in the newspaper's community. That will undermine the ability of people to receive newspapers from communities where they used to live, undermine the financial viability of America's smaller newspapers, and reduce postal revenue. It makes the exceptional dispatch system unworkable for many small newspapers. The Committee directs the Postal Service to submit a report in writing on this subject within 60 days of enactment.

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

SUMMARY

The President's fiscal year 1997 budget request for the 14 accounts funded under this title totals \$286,339,000. This amount is \$7,095,000 above the total fiscal year 1996 appropriations.

These 14 accounts include: Compensation of the President, Office of Administration, the White House Office, the Executive Residence at the White House, the Official Residence of the Vice President, Special Assistance to the President, the Council of Economic Advisors, the Office of Policy Development, the National Security Council, the Office of Management and Budget, the Office of National Drug Control Policy, high-intensity drug trafficking areas, and unanticipated needs. For accounts included in this title, the Committee recommends a total funding level of \$286,339,000 for fiscal year 1997, equal to the total funding level requested by the President.

COMPUTER SYSTEMS MODERNIZATION

The Committee has funded requests from the White House in previous years for modernizing computer systems. The Committee feels that the President should be provided with the support to operate at the highest levels of efficiency. However, it is necessary to have a plan and blueprint for modernization efforts, so that computer equipment is not procured for the sake of being state of the art. The Committee has included the funding the President has requested for automation enhancements, but has fenced all funding pending the submission and approval of a modernization blueprint.

COMPENSATION OF THE PRESIDENT

Appropriations, 1996	\$250,000
Budget estimate, 1997	250,000
House allowance	250,000
Committee recommendation	250,000

The fiscal year 1997 budget request for compensation of the President is \$250,000. This amount includes \$200,000 for the direct salary of the President as authorized by 3 U.S.C. 102, and a \$50,000 expense account for official expenses, with any unused portions reverting to the Treasury. This expense account is not considered as taxable to the President.

The Committee concurs with the House in recommending the full budget request of \$250,000 for compensation of the President.

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

Appropriations, 1996	\$39,459,000
Budget estimate, 1997	40,193,000
House allowance	40,193,000
Committee recommendation	40,193,000

The Committee recommends an appropriation of \$40,193,000 for the White House Office. The Committee recommendation equals the budget estimate and the House allowance.

These funds provide the President with staff assistance and provide administrative services for the direct support of the President. Public Law 95-570 authorizes appropriations for the White House Office and codifies the activities of the White House Office.

STAFFING OF THE EOP

Shortly after the President took office in 1993, the then Chief of Staff garnered tremendous press coverage when he announced that the White House would reduce staffing by 25 percent below that of President Bush's White House. The major portion of the reduction in the Executive Office of the President came by returning detailees to their agencies and reducing the Office of National Drug Control Policy [ONDCP] from 150 to 25 positions. The reason for this reduction was that the Office would be much more effective with a smaller cadre. That reasoning is evidently faulty, because the fiscal year 1997 budget asks that the ONDCP be increased to 154 positions.

The new Director of the ONDCP has indicated that this is the number of positions necessary to provide the leadership in antidrug efforts. The Committee is committed to working with the Director, and eagerly awaits the administration's proposal for maintaining the percentage of the staffing reductions in the EOP.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

Appropriations, 1996	\$7,827,000
Budget estimate, 1997	7,827,000
House allowance	7,827,000
Committee recommendation	7,827,000

The Committee recommends an appropriation of \$7,827,000 for the Executive Residence at the White House. The Committee recommendation equals the budget estimate and the House allowance.

These funds provide for the care, maintenance, refurnishing, improvement, heating, and lighting, including electrical power and fixtures, of the Executive Residence.

The Executive Residence staff provides for the operation of the Executive Residence. A staff of 36 domestic employees accomplish general housekeeping, prepare and serve meals, greet visitors, and provide services as required in support of official and ceremonial functions. A staff of 33 tradespersons, including plumbers, carpenters, painters, on a single shift; electricians on a double shift; and operating engineers on a 24-hour basis, maintains and makes repairs, minor modifications, and improvements to the 132 rooms

and the mechanical systems, and provides support for official and ceremonial functions.

A staff of 12 specialized employees provide services necessary to the operation of the White House and official and ceremonial functions. This staff includes four florists, four curators, and four calligraphers.

An administrative staff consists of the chief usher, four assistant ushers, one executive grounds superintendent, one operating accountant, and one administrative officer. This staff is charged with management and administrative functions of the Executive Residence. This requires coordination with the Executive Office of the President, the National Park Service, the military, the U.S. Secret Service, the General Services Administration, and other agencies.

During larger events, the Executive Residence staff is assisted by contract personnel under personal services contract agreements (service by agreement) to provide additional help as required for official and ceremonial functions.

SPECIAL ASSISTANCE TO THE PRESIDENT

SALARIES AND EXPENSES

Appropriations, 1996	\$3,280,000
Budget estimate, 1997	3,280,000
House allowance	3,280,000
Committee recommendation	3,280,000

The Committee recommends an appropriation of \$3,280,000 for special assistance to the President. The Committee recommendation equals the budget estimate and the House allowance.

The "Special assistance to the President" account was established on September 26, 1970, to enable the Vice President to provide assistance to the President. This assistance takes the form of directed and special presidentially assigned functions.

The objective of the Office of the Vice President is to efficiently and effectively advise, assist, and support the President in the areas of domestic policy, national security affairs, counsel, administration, press, scheduling, advance, special projects, and assignments. Assistance is also provided for the wife of the Vice President.

The Vice President also has a staff funded by the Senate to assist him in the performance of his duties in the legislative branch.

The level of funding recommended by the Committee will allow for 21 full-time permanent positions in fiscal year 1997 or the same as funded in fiscal year 1996.

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

OPERATING EXPENSES

Appropriations, 1996	\$324,000
Budget estimate, 1997	324,000
House allowance	324,000
Committee recommendation	324,000

The Committee recommends an appropriation of \$324,000 for the official residence of the Vice President. This amount equals the budget estimate and the House allowance.

The "Official Residence of the Vice President (residence)" account was established by Public Law 93-346 on July 12, 1974. The residence is located on the grounds of the Naval Observatory in the District of Columbia and serves as a facility for official and ceremonial functions and as a home for the Vice President and his family.

The objective of the "Residence" account is to provide for the care of, operation, maintenance, refurnishing, improvement, and heating and lighting of the residence and to provide such appropriate equipment, furnishings, dining facilities, services, and provisions as may be required to enable the Vice President to perform and discharge the duties, functions, and obligations associated with his high office.

Funds to renovate the residence are provided to the residence through the Department of the Navy budget. The Committee has had a longstanding interest in the condition of the residence and expects to be kept fully apprised by the Vice President's office of any and all renovations and alterations made to the residence by the Navy.

The funding level provided by the Committee will support one full-time equivalent position or the same level as funded in fiscal year 1996.

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

Appropriations, 1996	\$3,180,000
Budget estimate, 1997	3,439,000
House allowance	3,439,000
Committee recommendation	3,439,000

The Committee recommends an appropriation of \$3,439,000 for salaries and expenses of the Council of Economic Advisers. The Committee recommendation equals the budget estimate and the House allowance.

The activities of the Council are set forth in the Employment Act of 1946. They include the following: To assist and advise the President in the preparation of the "Economic Report"; to gather and analyze timely information concerning current and prospective economic developments and report regularly to the President on the relationship of these developments to the achievement of maximum employment, production, and purchasing power as prescribed in the act; to appraise and report to the President on the extent to which the various programs and activities of the Federal Government contribute to the carrying out of the purposes of the act; to develop and recommend to the President national economic policies to foster and promote competitive enterprise, to avoid economic fluctuations, and to maintain maximum employment, production, and purchasing power; and to make such studies, reports, and recommendations on Federal economic policy and legislation as the President may request.

In carrying out these duties, the Council consults regularly with other Government agencies and departments, as well as the Congress, and representatives of business, labor, consumers, agriculture, State, and local governments, and the economics profession. In addition, the members and staff of the Council are fre-

quently called upon to serve on Cabinet Council working groups in a wide variety of fields.

Included in the Council's staff is a statistical unit which is responsible for the monthly publication "Economic Indicators" and the preparation of the statistical material in the annual "Economic Report of the President," as well as for providing continuous assistance to the Council and professional staff.

OFFICE OF POLICY DEVELOPMENT

SALARIES AND EXPENSES

Appropriations, 1996	\$3,867,000
Budget estimate, 1997	3,867,000
House allowance	3,867,000
Committee recommendation	3,867,000

The Committee recommends \$3,867,000 for the Office of Policy Development. The Committee recommendation equals the budget estimate and the House allowance.

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.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

Appropriations, 1996	\$6,648,000
Budget estimate, 1997	6,648,000
House allowance	6,648,000
Committee recommendation	6,648,000

The Committee recommends an appropriation of \$6,648,000 for the salaries and expenses of the National Security Council [NSC]. The Committee recommendation equals the budget estimate and the House allowance.

The primary purpose of the Council is to advise the President with respect to the integration of domestic, foreign, and military policies relating to the national security. Subject to direction by the President, it is the responsibility of the Council to assess and appraise the objectives, commitments, and risks of the United States in relation to actual and potential military power, to consider policies on matters of common interest to the departments and agencies of the Government, and to make recommendations and other reports to the President.

The funding level provided by the Committee will support 60 full-time equivalent positions or the same as the fiscal year 1996 level for the normal activities of the NSC.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

Appropriations, 1996	\$25,736,000
Budget estimate, 1997	26,100,000
House allowance	26,100,000
Committee recommendation	26,100,000

The Committee recommends an appropriation of \$26,100,000 for the Office of Administration in fiscal year 1997. The Committee recommendation equals the budget estimate and the House allowance.

The Office of Administration [OA] was created by Reorganization Plan No. 1 of 1977 and formally established by Executive Order 12028. The purpose of the Office of Administration provides financial and personnel management services, information management, library and records management services, and general services support to all agencies within the Executive Office of the President [EOP] and upon request, services in direct support of the President.

The Office of Administration is composed of six functional divisions which are: Personnel Management Division, Financial Management Division, Administrative Operations Division, Library and Research Services Division, the Information Services and Technology Division, and Facilities Management Division.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

Appropriations, 1996	\$55,573,000
Budget estimate, 1997	55,573,000
House allowance	55,573,000
Committee recommendation	55,573,000

The Committee recommends an appropriation of \$55,573,000. The Committee recommendation equals the budget estimate and the House allowance.

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

National security and international affairs; general government; natural resources, energy, and science; human resources; and health and personnel.—Agency programs, budget requests, and management activities are examined, appropriations are apportioned, proposed changes in agency functions are studied, and special analyses aimed at establishing goals and objectives that would result in long- and short-range improvements in the agencies' financial, administrative, and operational management are conducted. Implementation of Governmentwide policies as developed by the statutory management offices is carried out. Governmentwide supply and facility acquisition, credit and cash management, and personnel management policies are evaluated. Also, leadership and support is provided for program evaluation and Federal-State-local relations.

Director's office/OMB-wide offices.—Executive direction and coordination for all Office of Management and Budget activities is provided. This includes the Director's immediate office as well as

staff support in the areas of administration, public affairs, legislative reference, legislative affairs, economic policy, budget review, and general counsel. Budget instructions and procedures are developed, review of agency estimates is coordinated, budget data systems are maintained, agency financial management plans are reviewed, the budget document is prepared, and scorekeeping is accomplished.

Financial management.—Governmentwide policy guidance for financial statements, financial systems, and internal controls is provided to agencies; evaluation of agency performance and progress is carried out; and a Governmentwide financial management plan is prepared.

Information and regulatory affairs.—Agency proposals to implement or revise Federal regulations and information collection requirements are reviewed and coordinated. Information resource management and statistical policies and practices are analyzed and developed.

Procurement policy.—The Office of Federal Procurement Policy is responsible for promoting economy, efficiency, and effectiveness in the procurement of property and services by and for the executive branch.

MARKETING ORDERS

Marketing orders which are authorized under the Agricultural Marketing Agreement Act of 1937 have made valuable contributions to the stability of many of our agricultural commodity markets. In addition to assuring orderly markets for both producers and consumers, marketing orders have provided for quality control standards, research and promotional programs, and supply management programs.

The Agricultural Marketing Agreement Act of 1937 gave direct supervision and control over the management of marketing orders to the U.S. Department of Agriculture. The Office of Management and Budget has never been given any legislative authority over marketing orders. The Committee has included language prohibiting OMB from acting with regard to marketing orders. The purpose of this language is to reaffirm USDA's sole authority in an area where they have developed the necessary expertise and trained personnel over the years to effectively monitor and enforce agricultural marketing order programs.

ALCOHOL AND TOBACCO STATISTICAL DATA

The Committee has again included language which prohibits OMB from curtailing the collection and dissemination of alcohol and tobacco statistical data. The Committee believes such data is valuable in addressing such problems as alcohol abuse, public health, and industrial safety.

The Committee, however, recognizes the continuing need and directs the Bureau of Alcohol, Tobacco and Firearms [ATF] to continue the monthly collection of alcoholic beverage statistics.

DISSEMINATION OF GOVERNMENT INFORMATION

Government information created or compiled at Government expense or by Government employees as part of their official duties, regardless of the format in which it is published, shall be in the public domain, except when exempted by law.

Agencies may not establish, or permit others to establish on their behalf, exclusive, restricted, or other distribution arrangements that interfere with the availability of information dissemination products, regardless of format, on a timely and equitable basis.

Agencies shall ensure that Government information products in all formats are made available to Federal depository libraries through the facilities of the Government Printing Office.

The term "information dissemination product" means any book, paper, map machine-readable material, audiovisual production, or other documentary material, regardless of physical form or characteristic, created or compiled by employees of a Government agency, or at Government expense, or as required by law.

AGENCY REIMBURSEMENTS

OMB Circular No. A-34, "Instructions on Budget Execution," issued on December 26, 1995, established a new prohibition that revolving funds could not disburse into a negative cash position in anticipation of Federal or non-Federal reimbursements. The OMB viewed this situation as an Antideficiency Act violation.

The Committee is aware that Federal agencies are experiencing unreasonable delays in receiving payments/collections for services rendered from other Federal agencies that are not on the Department of the Treasury's online payment and collection [OPAC] system. In many instances some agencies do not pay other Government agencies until significantly more than 90 days have elapsed. This is creating a serious cash drain on the fund accounts of these performing agencies and is cause for concern for the recently legislatively approved franchise funds.

Accordingly, the Committee directs the OMB to review the negative cash prohibition established in Circular A-34 in light of the payment/collection problems. In addition, it is directed that the Department of the Treasury, in conjunction with the OMB, provide assistance to Federal agencies, where necessary, to convert their manual payment process to the OPAC system. Conversion of all agencies, including DOD, to OPAC should minimize the current lag in intergovernmental payments. The Department of the Treasury is requested to furnish the Committee a timetable for completing these conversions by December 31, 1996.

TRANSCRIPT REVIEW

The Committee has continued language in the bill that would prohibit OMB from altering certain transcripts.

The Committee is very concerned about the timeliness of administration responses to questions the Committee asks for the record during the hearing cycle. When agencies are queried, the most often cited reason is that the answers have not yet cleared OMB. The Committee is not naive enough to believe that OMB is solely to blame for these delays, however, because of OMB's position, it

is important that answers to these questions are responded to in a timely manner. The Committee directs OMB to work with all departments and agencies to ensure the Committee is given the courtesy of timely responses.

ENTITLEMENT FRAUD

Last year the Committee expressed its concern about the impact of entitlement fraud. The OMB was directed to work with the Secret Service recommendations in the Treasury Recipient Integrity Program [TRIP], to see if they could be applied to beneficiary agencies in their review of compliance efforts in the area of entitlement fraud. The OMB responded on May 9, 1996, that several agencies had been contacted, and that steps were being taken at several agencies to combat criminal entitlement fraud. The Committee expects OMB to continue to direct these efforts. If there are problems or recalcitrance on the part of agencies the Committee expects that appropriate actions are taken.

LIAISON TO THE ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

The Director of the Office of Management and Budget [OMB] shall instruct each Federal department and agency to establish an intergovernmental relations liaison with the Advisory Commission on Intergovernmental Relations [ACIR]. The liaison shall facilitate the nonpartisan independent work of the ACIR to address issues of mutual interest and concern to Federal, State, and local governments. The Director shall submit to the Senate Committee on Governmental Affairs and the House Committee on Government Reform and Oversight a report identifying the liaison contact for each department and agency no later than January 15, 1997.

ANNUAL SAVINGS FOR ENERGY EXPENDITURES

In the judgment of the Committee, the Federal Government needs to give greater priority to reducing energy costs associated with the facilities it owns, leases, and operates. In the furtherance of this objective, and in compliance with the reporting requirements of section 547(a) of the National Energy Conservation Policy Act (42 U.S.C. 8258(a)), the Committee directs that each Federal agency establish or make use of a centralized accounting system for the determination of the energy costs for the buildings it owns, leases, or operates. In addition, and in compliance with the reporting requirements of section 545 of the National Energy Conservation Act (42 U.S.C. 8255), the Committee directs that, beginning with its fiscal year 1998, the budget request for each Federal agency be accompanied by: (1) a statement of the amount of appropriations requested for electricity and other energy costs associated with the operation and maintenance of facilities owned, operated, or leased by such agency; and (2) a description of the activities being carried out by each agency to reduce energy costs in accordance with section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8254) and Executive Order 12902.

Finally, by March 31, 1997, each agency shall submit to the Committee a report containing: (1) figures for actual energy use in

its facilities during fiscal year 1996; (2) its strategy for implementing a centralized facilities energy cost accounting system; (3) its strategy for meeting the 2005 energy use reduction goals of Executive Order 12902 for facilities it owns, leases, or operates; and (4) a list of specific energy savings projects to be implemented by the agency in fiscal year 1997.

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

Appropriations, 1996	\$26,900,000
Budget estimate, 1997	34,838,000
House allowance	34,838,000
Committee recommendation	34,838,000

The Committee recommends an appropriation of \$34,838,000. This recommendation equals the budget estimate and the House allowance.

The Office of National Drug Control Policy [ONDCP] was established pursuant to section 1002 of the Anti-Drug Abuse Act of 1988, Public Law 100-690. The ONDCP is the President's primary executive branch agency for drug policy and program oversight. The Director is charged by law with the formulation, evaluation, coordination, and oversight of both international and domestic antidrug abuse functions of all executive branch agencies, and to ensure that such functions sustain and complement State and local antidrug abuse efforts.

The Committee recommendation includes \$16,838,000 for salaries and expenses, \$1,000,000 for policy research and evaluation, and \$17,000,000 for counterdrug technology assessment.

ANTIDRUG EFFORTS

The Committee will once again reluctantly provide funding for this Office. The Committee's reluctance is in part due to this Office's poor track record of leadership in its antidrug fighting efforts. The appointment of the new Director and apparent efforts gives cause for hope. As always, the Committee is willing to work with the administration in its antidrug effort, yet emphasizes that an equal commitment is required from the executive branch.

PUBLIC SERVICE ANNOUNCEMENTS

The Committee is very pleased with the result of the ONDCP work with the Partnership for a Drug Free America, as well as other organizations and individuals who volunteer time for drug abuse prevention advertisements. The Committee encourages ONDCP to continue utilizing these partnerships to encourage youth not to try illicit narcotics.

COUNTERDRUG TECHNOLOGY ASSESSMENT CENTER

The Anti-Drug Abuse Act of 1988, Public Law 100-690, was amended during 1990 to provide for the establishment of a Counterdrug Technology Assessment Center within the Office of National Drug Control Policy. This Office is authorized to serve as the central counternarcotics enforcement research and development

organization of the U.S. Government. The law provides for the appointment of a chief scientist to head up this new center, to make a priority ranking of scientific needs according to fiscal and technological feasibility as part of the national counterdrug enforcement research and development strategy.

The Committee has provided \$17,000,000 specifically for counternarcotics research and development projects in fiscal year 1997.

The Committee expects multiagency research and development programs to be coordinated by the Counterdrug Technology Assessment Center in order to prevent duplication of effort and to assure that whenever possible, those efforts provide capabilities that transcend the need of any single Federal agency. Prior to the obligation of these funds, the Committee expects to be notified by the chief scientist on how these funds will be spent; it also expects to receive periodic reports from the chief scientist on the priority counterdrug enforcement research and development requirements identified by the Center and on the status of projects funded by CTAC.

The Committee believes CTAC should work closely and cooperatively with the individual law enforcement agencies in the definition of a national research and development program which addresses agency requirements with respect to timeliness, operational utility, and consistency with agency budget plans. CTAC should develop a true blueprint for the program to include identification and assignment of priority projects, expected results, and funding projections based on agency priorities and expected results. This effort should be led by CTAC with input, review, and consensus from drug control agencies. The blueprint should include descriptions of the necessary conference and outreach efforts. The national blueprint shall also include the rationale for allocation of funding among demand, supply, and State and local efforts. The Committee expects agencies to support CTAC by defining the expected value of the projects they advocate and placing them in the context with agency and national goals and programs. Agencies should also identify the expected cost and benefits of procuring sufficient quantities of equipment under development, assuming it is successful. The Committee believes CTAC should recognize the ultimate requirements for technology procurement if technology development is successful and advocate funding requests for such equipment. Finally, the Committee believes CTAC should recognize and support agency contributions to research and development and work to strengthen those capabilities.

UNANTICIPATED NEEDS

Appropriations, 1996	\$1,000,000
Budget estimate, 1997	1,000,000
House allowance	
Committee recommendation	1,000,000

The Committee recommends an appropriation of \$1,000,000 for unanticipated needs. The Committee recommendation equals the budget request and \$1,000,000 above the House allowance.

In 1940, Congress recognized the need for the President of the United States to have limited funds available to meet unplanned and unbudgeted contingencies. In so doing, an account entitled

“Emergency fund for the President” was created allowing the President, as the head of the National Government, to confront unforeseen problems demanding immediate executive action. In 1975, Congress changed the account title to “Unanticipated needs.”

Expenditures from this account may be authorized only by the President while the Director of the Office of Management and Budget provides the necessary control to assure that only unforeseen priorities are financed. Prior use of these funds has occurred under tight budget control and covered unanticipated needs not met from regular budget accounts nor available in a timely fashion through the supplemental budget process.

FUNDS APPROPRIATED TO THE PRESIDENT

FEDERAL DRUG CONTROL PROGRAMS

HIGH-INTENSITY DRUG TRAFFICKING AREAS

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 1996	\$103,000,000
Budget estimate, 1997	103,000,000
House allowance	113,000,000
Committee recommendation	103,000,000

The Committee recommends an appropriation of \$103,000,000. This amount is equal to the President’s request and \$10,000,000 below the House allowance.

Section 1005 of the Anti-Drug Abuse Act of 1988 authorized the Director of ONDCP to designate certain areas in the United States, as HIDTA’s for the purpose of providing increased Federal assistance to alleviate drug-related problems. The most critical drug trafficking areas of the country are designated as HIDTA’s.

There are currently seven high-intensity drug trafficking areas: New York, Miami, Houston, Los Angeles, Baltimore-Washington metropolitan area, Puerto Rico-Virgin Islands, and the Southwest border. Three cities, Chicago, Philadelphia-Camden, and Atlanta have been designated as empowerment HIDTA’s. These empowerment HIDTA’s were established in fiscal year 1995, as a joint ventures with local governments to provide limited resources to reduce drug trafficking in designated empowerment zones.

A total of not less than \$52,000,000 is provided in this account specifically for assistance to State and local drug control agencies in the seven HIDTA’s. In allocating these funds, the Committee expects the Director of the Office of National Drug Control Policy to ensure that the activities receiving these limited additional resources are used strictly for implementing the strategy for each HIDTA area, taking into consideration local conditions and resource requirements. These funds should not be used to supplant existing support for ongoing Federal, State, or local drug control operations normally funded out of the operating budgets of each agency. The remaining funds may be transferred to Federal agencies and departments to support Federal antidrug activities.

The Committee believes that the Director should take steps to ensure that the HIDTA funds are transferred to the appropriate drug control agencies expeditiously. To ensure that the funding al-

locations meet the priorities outlined in the strategies, the Committee instructs the Director to submit the strategies, along with the identification of how the funds will be spent, to the Committee for review prior to the obligation of the funds. The Committee also expects to be notified if any changes are made in the spending plans presented to it during the course of the fiscal year. The Committee further instructs the Director to submit the updated 1997 strategies for each of the HIDTA's to the Committee for review and to obligate the HIDTA funds within 120 days of enactment of this act. This provision may be waived if a request is made to the Committee and has been approved in advance according to the normal reprogramming procedures. The Committee expects the Director to take actions necessary to ensure that all HIDTA funds are being used to support only those activities which are directly linked to the individual HIDTA strategies recommended by the HIDTA coordinators and which support the goals and objectives outlined in each of these strategies.

VIOLENT CRIME TRUST FUND

The Committee has provided an additional \$13,000,000 for the HIDTA's in the violent crime trust fund. These funds are intended to supplement those provided in this account. HIDTA's were originated to face drug problems unique to various cities and areas of the Nation. Several parts of the country now face problems, which were not considered serious at the time of the creation of the original HIDTA's.

The House has created three new HIDTA's and provided funding for those newly created HIDTA's. The Director has been instructed to comply with the creation of these new HIDTA's. The Committee has received a large number of requests to consider cities and areas of the country as designated HIDTA's; however, this Committee believes that the expertise for designation of HIDTA's lies with the Director of the ONDCP. Therefore, this Committee has provided additional funds because of the obvious need for more HIDTA's, but has refrained from designating individual HIDTA's. The Committee expects the ONDCP to review all of the requests for HIDTA designations for the gulf coast, Northeast, Northwest, Great Plains, and Rocky Mountain regions. The Committee expects the Director to consult the Committee with regard to distribution of funds following established procedures.

METHAMPHETAMINE PROLIFERATION

The Committee recognizes the importance of drug interdiction initiatives being conducted by high-intensity drug trafficking areas [HIDTA's], 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 methamphetamine "meth" use in the Midwest. The rural Midwest is a popular location for the manufacture, as well as distribution and transportation of methamphetamine throughout the Midwest including Nebraska, Iowa, Missouri, South Dakota, and Colorado. As a result Committee directs the ONDCP give the Midwest and Rocky Mountain regions high priority in its funding distribution.

NORTHERN LIGHTS INITIATIVE

The Committee continues to support funding for the northern lights initiative on the United States-Canada border. This initiative is a interagency, multijurisdictional program to improve law enforcement effectiveness along the northeast border. Funding for this initiative would address the growing drug problem along the northern border by improving communication, coordination, and effectiveness of law enforcement throughout the region.

TITLE IV—INDEPENDENT AGENCIES

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

SALARIES AND EXPENSES

Appropriations, 1996	\$1,800,000
Budget estimate, 1997	1,800,000
House allowance	1,800,000
Committee recommendation	1,800,000

The Committee recommends \$1,800,000 for the Committee for Purchase From People Who Are Blind or Severely Disabled [CPPBSD]. The Committee recommendation equals the budget estimate and the House allowance.

The Committee was established by the Javits-Wagner-O'Day Act of 1971.

The Committee's primary objective is to increase the employment opportunities for the blind and other severely handicapped and, whenever possible, to prepare them to engage in normal competitive employment. The Committee determines which commodities and services are suitable for Government procurement from qualified, nonprofit agencies serving the blind and other severely handicapped; publishes a procurement list of such commodities and services; determines the fair market price for commodities and services on the procurement list; and makes rules and regulations necessary to carry out the purposes of the act.

The Committee staff supervises the selection and assignment of new commodities and services, assists in establishing prices, reviews and adjusts these prices, verifies the qualifications of workshops, and monitors their performance.

The Committee recognizes the importance of the Javits-Wagner-O'Day [JWOD] Act in providing much needed employment opportunities to blind and other severely handicapped Americans, while at the same time providing quality goods and services to the Federal Government at fair market prices.

In this regard, the Committee intends that CPPBSD, in its monitoring of the designated central nonprofit agencies, assure that all funds acquired by each such agency from nonprofit agencies for the blind and other severely handicapped in conjunction with the Javits-Wagner-O'Day Program be used solely for activities that are consistent with the goal of the program, which is to generate employment and training opportunities for persons who are blind or have other severe disabilities.

The Congress further recognizes that research, promotional, and advocacy efforts aimed at strengthening and expanding the program are both a statutory and necessary function in order for the Committee for Purchase From People Who Are Blind or Severely Disabled [CPPBSD] to fulfill its obligations under the JWOD Act.

The Congress supports efforts by the CPPBSD to initiate such research and advocacy activities.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

Appropriations, 1996	\$26,521,000
Budget estimate, 1997	29,371,000
House allowance	27,524,000
Committee recommendation	28,700,000

The Committee recommends an appropriation of \$28,700,000 for the Federal Election Commission [FEC]. The Committee recommendation is \$671,000 below the budget request and is \$1,176,000 above the House allowance.

The Federal Election Commission is charged with implementing and enforcing the Federal Election Campaign Act [FECA] as amended. This includes: promoting public disclosure of campaign finance activity; providing information to the public, press, and campaign officials on the FECA and campaign finance; obtaining voluntary compliance with the disclosure and limitation provisions of the FECA; and enforcing that disclosure and compliance through audits, investigations, and/or litigation. The Commission is also charged with implementing the Presidential campaign funding programs for both primary and general election campaigns of qualified Presidential candidates. This includes certification, audit, and enforcement of the provisions of the Federal funding legislation concerning the use of Federal funds.

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

Appropriations, 1996	\$20,542,000
Budget estimate, 1997	21,988,000
House allowance	21,588,000
Committee recommendation	21,588,000

The Committee recommends an appropriation of \$21,588,000 for the Federal Labor Relations Authority [FLRA]. This amount is \$400,000 below the budget request and equals the House allowance.

The FLRA was established to administer title VII of the Civil Service Reform Act of 1978 and to serve as a neutral third party in the resolution of labor-management disputes arising among unions, employees, and Federal agencies. The effective resolution of these labor-management disputes has an important impact on the operations of the Government. These disputes arise with nearly all agencies of the executive branch, and the Library of Congress and the Government Printing Office, in locations throughout the United States and overseas.

Authority members.—Provides leadership in the establishment of policies and guidance relating to matters under title VII of the Civil Service Reform Act of 1978. Specifically, the authority is empowered to: (1) determine the appropriateness of units for labor organization representation; (2) supervise or conduct elections to determine whether a labor organization has been selected as an ex-

clusive representative by a majority of the employees in an appropriate unit; (3) otherwise administer the provisions relating to the according of exclusive recognition to labor organizations; (4) prescribe criteria and resolve issues relating to the granting of national consultation rights; (5) prescribe and resolve issues relating to determining compelling need for agency rules and regulations; (6) resolve issues relating to the duty to bargain in good faith; (7) prescribe criteria relating to the granting of consultation rights with respect to conditions of employment; (8) conduct hearings involving complaints of unfair labor practices; (9) resolve exceptions to arbitrators' awards; and (10) take such other actions as necessary and appropriate to effectively administer the provisions of title VII of the Civil Service Reform Act of 1978.

General Counsel.—Has discharged responsibilities mandated in the Federal service-management relations statute and additional responsibilities which are delegated from the authority. The functions of the Office of the General Counsel are to: (1) investigate all alleged unfair labor practices under the Federal service labor-management relations statute and under the foreign service labor-management relations statute; (2) exercise final authority over the issuance of all complaints and the prosecution of all complaints arising under the statutes listed above; (3) review and decide all appeals of decisions of the regional directors refusing to issue complaint; (4) exercise delegated authority for investigating and taking dispositive action on all representation petitions; (5) exercise delegated authority for supervising or conducting all representation elections and certifying the results of these elections to the parties; (6) exercise delegated authority for conducting hearings in all representation petitions where issues of fact are in dispute; (7) exercise delegated authority for the preparation of final decisions and orders based on the hearings held in representation cases; and (8) manage regional offices, including directing and supervising all employees of the regional offices. The regional offices are located in Boston, Atlanta, Chicago, Dallas, Denver, San Francisco, and Washington, DC. Subregional offices are located in Philadelphia, New York, Los Angeles, and Cleveland.

Federal services impasses panel [FSIP].—An entity within the FLRA, assists Federal agencies and unions representing Federal employees in resolving impasses which arise in labor negotiations. The FSIP assists the parties through informal meetings, factfinding and, if necessary, arbitration. The professional staff aids the panel members by promptly investigating requests for assistance; bringing about informal settlements; conducting factfinding and arbitration hearings; and drafting report recommendations as well as binding decisions for the FSIP members. Further, the staff supports the Foreign Service impasses disputes panel in resolving negotiation impasses arising under the Foreign Service Act of 1980.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND—LIMITATIONS ON AVAILABILITY OF
REVENUE

COMMITTEE FUNDING LEVELS

The Committee has recommended an aggregate limitation on availability of revenue from the Federal buildings fund of \$5,412,392,000. This amount is \$263,240,000 below the budget request and \$47,969,000 above the House allowance.

CONSTRUCTION AND ACQUISITION

Appropriations, 1996	(\$545,002,000)
Budget estimate, 1997	(715,179,000)
House allowance	(540,000,000)
Committee recommendation	(657,724,000)

The Committee recommends a limitation of \$657,724,000 for construction and acquisition of facilities in fiscal year 1997. The Committee recommendation is \$57,455,000 below the budget estimate and \$117,724,000 above the House allowance.

The construction and acquisition of facilities activity meets the space needs of Federal agencies by funding new construction, acquisition of excess properties from the U.S. Postal Service and other Government agencies, and the purchase of commercial buildings. It is the aim of the General Services Administration [GSA] to increase the ratio of Government-owned to leased facilities as the most economical means of housing Government activities in most geographic locations.

Construction and acquisition facilities—Projects approved by the Committee

District of Columbia: Southeast Federal Center environmental cleanup	\$20,000,000
Maryland: Montgomery and Prince Georges Counties, Food and Drug Administration consolidation	13,000,000
Montana:	
Babb, Piegan Border Station	333,000
Sweetgrass, border station	1,066,000
Nevada: Las Vegas, U.S. courthouse	96,011,000
New York: Brooklyn, U.S. courthouse	187,179,000
Ohio: Cleveland, U.S. courthouse	142,291,000
Oregon: Portland, consolidated law Federal offices building	86,000,000
Pennsylvania: Philadelphia, Department of Veterans Affairs—Federal complex, phase II	15,156,000
Texas: Corpus Christi, U.S. courthouse	26,610,000
Washington:	
Blaine, U.S. border station	15,419,000
Oroville, U.S. border station	1,483,000
Seattle, U.S. courthouse	17,740,000
Sumas, U.S. border station (claim)	1,177,000
Nonprospective projects program	10,000,000
Nationwide security enhancements	24,259,000

COURTHOUSE CONSTRUCTION

The Committee takes this opportunity to congratulate the General Services Administration, as well as, the Administrative Office of the Courts [AOC] for their efforts reducing the cost of construction of Federal courthouses. Questions have arisen in the past

about the need and scope of courthouse construction. Significant strides have been made over the past year. The Committee required the AOC to provide a 5-year plan outlining in priority order the need for court space. The Committee used this priority list in its deliberations.

The Committee funded the five projects which were on the AOC's list. Because of limited funds the Committee was unable to fund any other courthouse projects. The administration had requested a number of construction (London, KY; Columbia, SC; Covington, KY; and Youngstown, OH), as well as, site and design projects (Miami, FL; Salt Lake City, UT; Fresno, CA; and Erie, PA) which are on the AOC fiscal year 1998 list. The Committee expects that these projects will be in the fiscal year 1998 budget request and will give them every consideration.

REPAIRS AND ALTERATIONS

Appropriations, 1996	(\$637,000,000)
Budget estimate, 1997	(775,034,000)
House allowance	(635,000,000)
Committee recommendation	(616,990,000)

The Committee recommends new obligational authority of \$616,990,000 for repairs and alterations in fiscal year 1997. The Committee recommendation is \$158,044,000 below the budget estimate and \$18,010,000 below the House allowance.

Under this activity, the General Services Administration [GSA] executes its responsibility for repairs and alterations [R&A] of both Government-owned and leased facilities under the control of GSA. The major goal of this activity is to provide commercially equivalent space to tenant agencies. Safety, quality, and operating efficiency of facilities are given primary consideration in carrying out this responsibility. A major portion of the fiscal year 1997 program is devoted to nondiscretionary work necessary to meet this goal and keep the buildings in an occupiable condition.

R&A workload requirements originate with scheduled onsite inspections of buildings by qualified regional engineers and building managers. The work identified through these inspections is programmed in order of priority into the repairs and alterations construction automated tracking system [RACATS] and incorporated into a 5-year plan for accomplishment, based upon funding availability, urgency, and the volume of R&A work that GSA has the capability to execute annually. Beginning in fiscal year 1995, design and construction services activities associated with the repair and alteration projects are funded in this account.

The R&A program, for purposes of funds control, is divided into two types of projects—line item and nonline item. The following is a definition of each category of projects:

Line item projects.—Line item projects are those larger projects for which a prospectus is required under the provisions of the Public Buildings Act of 1959 and for which over \$1,500,000 is to be obligated at a single location within a fiscal year. Generally, line item projects are similar to construction projects in the scope of work involved and the multiyear timeframe for project completion. Line item projects are listed individually in GSA's appropriations acts

and the obligational authority for each project is limited to the amount shown therein.

Nonline item projects.—This category includes all smaller projects for which an amount less than \$1,500,000 is to be obligated at a single location within a fiscal year. Projects included in this category are generally short term in nature and funds can normally be obligated within a 1-year period. This category also includes projects which are recurring in nature, such as cyclic painting and the minor repair of defective building systems; for example, mechanical, plumbing, electrical, fire safety, and elevator system components.

Below is the list of line item projects recommended for funding by the Committee for fiscal year 1997.

Repairs and alterations:	
District of Columbia: Ariel Rios Building	\$62,740,000
Hawaii: Honolulu, Prince Jonah Kuhio Kalaniana'ole Federal Building and U.S. courthouse	4,140,000
Illinois:	
Chicago:	
Everett M. Dirksen Federal Building	18,844,000
John C. Kluczynski, Jr. Federal Building [IRS]	13,414,000
Louisiana: New Orleans, customhouse	3,500,000
Massachusetts: Andover, IRS Regional Service Center	812,000
New Hampshire: Concord, J.C. Cleveland Federal Building	8,251,000
New Jersey: Camden, U.S. post office-courthouse	11,096,000
New York:	
Albany, James T. Foley Post Office-courthouse	3,880,000
Brookhaven, IRS Service Center	2,272,000
New York, Jacob K. Javits Federal Building	13,651,000
Pennsylvania: Scranton, Federal building-U.S. courthouse	10,610,000
Rhode Island: Providence Federal building-U.S. courthouse	8,209,000
Texas: Fort Worth, Federal Center	11,259,000
Nationwide:	
Chlorofluorocarbons program	43,533,000
Elevator program	17,100,000
Energy program	20,000,000
Security enhancements	2,686,000
Basic repairs and alterations	360,000,000

The Committee notes that GSA has authority to reprogram up to 10 percent between projects in the Federal buildings fund without prior Committee approval. The Committee, therefore, suggests that if funds provided for specific repair and alterations projects are insufficient to cover the costs, GSA should reprogram funds from other lower priority areas.

HOLTSVILLE-BROOKHAVEN IRS SERVICE CENTER

Funds totaling \$19,183,000 were appropriated in fiscal year 1995 for renovation of the Internal Revenue Service Center in Holtsville, NY. Due to reorganization plans in the IRS, GSA was not able to obligate these funds. In fiscal year 1997 the administration has proposed a rescoped renovation project for the Holtsville-Brookhaven Service Center.

Because of the delay, the Committee agreed to reprogram \$13,483,000 from this project for building security enhancements. The Committee has included funds requested this year, plus language which extends the availability of the remaining \$5,700,000 until September 30, 1998, for this project.

BUILDING SECURITY ENHANCEMENTS

The Committee has included the funding requested by the administration to enhance Federal building security. The Committee expects to be kept apprised of the plans for security, as well as the cooperation of tenant agencies, in efforts to better secure Federal facilities. The GSA should also make every effort to seek out and utilize the most modern technology in this effort. The Committee urges the GSA to address the costs of retrofitting Federal facilities with security window film to mitigate potential losses, as stipulated in the June 28, 1995, Presidential memorandum, and report to the Committee, as a part of the fiscal year 1998 budget submission.

MOBILE, AL, COURTHOUSE

The General Services Administration recently completed a prospectus for construction of a new Federal courthouse in Mobile, AL. The Administrative Office of the Courts has included this project on its priority list, and funding will be considered next year. In order to maximize the use of the current courthouse, and other federally owned and leased space in Mobile, the Committee directs GSA to develop a master plan strategy for future use of the building, and upon completion of this strategy report to the Committees on Environment and Public Works and Appropriations.

NORTHERN BORDER FACILITY IMPROVEMENTS

The General Services Administration has been working with inspection agencies to identify and prioritize the needs for construction and improvement of border facilities on the northern border. The Committee commends GSA and the inspection agencies for these efforts, and urge them to include in their review the north-bound facilities and warehouses at the Highgate Springs and Derby, VT, border stations.

INSTALLMENT ACQUISITION PAYMENTS

Appropriations, 1996	(\$181,963,000)
Budget estimate, 1997	(173,075,000)
House allowance	(173,075,000)
Committee recommendation	(173,075,000)

The Committee recommends a limitation of \$173,075,000 for installment acquisition payments. The Committee recommendation equals the budget estimate and the House allowance.

The Public Buildings Amendments of 1972 enables GSA to enter into contractual arrangements for the construction of a backlog of approved but unfunded projects. The purchase contracts require the Government to make periodic payments on these facilities over varying periods until title is transferred to the Government. This activity provides for the payment of principal, interest, taxes, and other required obligations related to facilities acquired pursuant to the Public Buildings Amendments of 1972 (40 U.S.C. 602a).

RENTAL OF SPACE

Appropriations, 1996	\$2,326,000,000
Budget estimate, 1997	2,348,000,000
House allowance	
Committee recommendation	2,343,795,000

The Committee recommends a limitation of \$2,343,795,000 for rental of space. The Committee recommendation is \$4,205,000 below the budget estimate and equals the House allowance which is funded in a new account, "Operations and leasing" which combines "Rental of space" and "Building operations." The Committee recommends continuation of two separate accounts.

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

RENT REQUIREMENTS

The Committee is concerned that the General Services Administration's failure to provide agencies timely, and accurate information on rental rates could result in agencies not reflecting sufficient rental rates to cover the actual costs of rent payments. The failure of agencies to request adequate funds for rent could ultimately lead to a reduction of funds available for the repair, alteration, maintenance, and/or construction of Federal assets. The Committee, therefore, directs the GSA, working with the Office of Management and Budget, to develop a system for identifying and informing agencies of their annual rent rates and total rent estimates in an accurate and timely manner. Implementation of this system will result in the GSA informing the agencies and the OMB of the proposed rent rates and total rent estimate, at an agency account level, no less than 2 months prior to the agencies submitting their budget requests to OMB. Implementation of the system will provide GSA, as the Federal landlord, with a mechanism for cross checking that agencies budget submissions to the OMB reflect adequate funding levels. The Committee instructs GSA, working with OMB, to submit the proposed system to Congress no later than March 1, 1997.

BUILDING OPERATIONS

Appropriations, 1996	\$1,302,551,000
Budget estimate, 1977	1,575,151,000
House allowance	390,900,000
Committee recommendation	1,532,465,000

The Committee recommends a limitation of \$1,532,465,000 for building operations. The Committee recommendation is

\$42,686,000 below the budget estimate and is \$416,945,000 below the House allowance when the House allowance is totaled with funds provided in the "Operations and leasing" account the House has created.

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

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

SECURITY ENHANCEMENTS

The Committee has provided \$205,000,000 for security enhancements of Federal facilities. The Committee has included funding for security enhancements for several projects included in the "New construction" and "Repair and alteration" accounts. This account has been reduced by \$26,945,000 to reflect those line items.

PENNSYLVANIA AVENUE ACTIVITIES

Language included in Public law 104-134, the Omnibus Appropriations Acts of 1996 directs the Pennsylvania Avenue Development Corporation [PADC] be dissolved on, or before April 1, 1996. Responsibilities necessary to complete the specific activities of the dissolved PADC were transferred to the GSA. The Committee supports the administration's proposal to use funds transferred from the PADC to complete the Pennsylvania Avenue plan, to continue managing the construction and leasing of the Federal Triangle Building complex, and other transferred activities. It is not the Committee's intention to continue the PADC or to expand GSA's authorities with regard to PADC plans.

FEDERAL COMMUNICATIONS COMMISSION

To the extent that the Federal Communications Commission does not receive sufficient appropriations for necessary expenses associated with its relocation to the Portals funds available to the Administrator of General Services shall be available for payment of such expenses. The Federal Communications Commission is expected to continue to request funds for these activities to repay the General Services Administration.

POLICY AND OPERATIONS

SALARIES AND EXPENSES

Appropriations, 1996	\$119,091,000
Budget estimate, 1997	110,173,000
House allowance	109,091,000
Committee recommendation	110,173,000

The Committee recommends an appropriation of \$110,173,000 for salaries and expenses for the policy and operations of the General Services Administration. The Committee recommendation equals the budget request and is \$1,082,000 above the House allowance.

The Committee has combined 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 single account should assist the General Services Administration in its effort to transform itself into an organization responsible for policy and oversight, and place greater reliance on the private sector. It should also assist GSA as it attempts to coordinate Government-wide planning.

The Committee expects GSA to use this flexibility to further emphasize and expand its policy and leadership responsibilities. The Committee further expects GSA to continue converting its operational programs to industrial funding where practical.

The Committee has funded the initiatives requested by the administration, as outlined in the budget justification, plus the functions and personnel transferred from the General Accounting Office, subsequent to enactment of Public Law 104-53.

STREAMLINING EFFORTS

The Committee commends the General Services Administration in its efforts to streamline its efforts and operate its functions in a more businesslike manner. These actions have led to better operations, better service, and a savings to the Government. These actions have also led to a significant reduction in personnel.

CHILD CARE CENTERS

The GSA child care program currently includes 102 operational centers and more than two dozen more are in the planning stages. To conduct the policy development, leadership, and consultation for the program in a responsible manner, resources must be dedicated specifically to the program. These functions have previously been split between the Administrator's office and the Public Buildings Service while regional support has been on an extra duties as assigned basis. The Committee has provided the \$3,000,000 and 19 FTE's requested by the GSA dedicated to the Child Care Program. The Committee commends the GSA effort which will improve an already outstanding Child Care Program.

POST FTS 2000 CONTRACT

The FTS 2000 program has yielded the Federal Government significant savings and state-of-the-art services over the past 8 years. In the fall of 1995, after price recompetition, the Government's

prices were far below other users, and savings were well above any other user in the market for similar services.

The Committee is concerned about GSA's revised acquisition strategy for the post-FTS 2000 contract. In particular, given the enactment of the Telecommunications Act of 1996, and the ever-changing world of telecommunications services, the Committee believes that entering into a long-term and inflexible comprehensive contract that deviates substantially from the current acquisition may be ill-advised.

Additionally, the Committee believes contracting for local telephone and access services would provide an opportunity for additional cost savings in an emerging competitive market, although concerns may arise over the uncertainty of how a nationwide contract can accommodate variances in all areas of the country, and, in particular, rural areas. It appears that the largest savings in the area of local service and access will be in metropolitan areas of the country where there is strong competition among carriers and a large Federal Government presence. Therefore, GSA should evaluate the advisability of its approach before issuing a solicitation for the post-FTS 2000 contract.

The Committee believes these types of changes must be addressed in order for GSA to take full advantage of rapid changes in the telecommunications services industry and technology. Therefore, the Committee directs the Administrator to delay until May 1997 in order for the Administrator to review GSA's revised acquisition strategy for the post-FTS 2000 contract and report to the appropriate committees on options that address these concerns so that Congress can properly evaluate the options prior to issuing a solicitation for the post-FTS 2000 contract.

LEASED SPACE AT PORTS OF ENTRY

The Committee is aware that GSA leases space to licensed customs brokers at many ports of entry along the northern and southern borders to facilitate entry processing. The Committee recognizes that customs brokers serve a vital link between the Customs Service and U.S. companies. As the volumes of imports and exports increase, a cooperative and interactive border environment is important to the smooth flow of trade—a fact which the Customs Service has brought to the attention of GSA.

The Committee is concerned about reports of widely inconsistent outleasing policies toward customs brokers from one port of entry to another, as well as, reports of GSA leasing terms that appear to be incompatible with the commercial market at the border crossing.

The Committee directs GSA to report back to the Committee by January 31, 1997, on the specific steps they have taken to ensure that GSA has a consistent policy to provide space to customs brokers at a fair and reasonable cost that is commercially competitive and reflects the needs of both the Customs Service and private industry.

PERRINE PRIMATE CENTER

The Committee has been advised that the National Institutes of Health has indicated that the Perrine Primate Center may be de-

clared excess. This facility was designed for medical research on nonhuman primates. Because of the public benefit, should this facility be declared excess, the Committee directs the GSA to consider and maintain that the best use for this facility is research, education, and training at this site.

CONSOLIDATION OF AGENCIES IN LINCOLN, NE

The Committee directs GSA to study the need for a natural resources building consolidating USDA and Department of the Interior programs under one roof in Lincoln, NE. The study should include the feasibility of adding research programs to the facility.

APPLICATION OF SECTION 603

Section 603 of this bill provides that employees of Federal child care centers are provided certain reimbursements. The Committee believes that this provision may have applicability to the legislative branch. The Committee encourages the GSA to work with the appropriate legislative offices if this is the case.

SUPPORT OF COMMISSION ON RESTRUCTURING THE INTERNAL REVENUE SERVICE

Section 637 of Public Law 104-52, which established the National Commission on Restructuring the Internal Revenue Service, requires the GSA to provide nonreimbursable administrative support services to the Commission. The Commission received a separate appropriation for its operations during fiscal year 1996, to remain available until expended. However, since the Commission's initial meeting took place so late in the fiscal year, it is difficult to determine whether or not additional funding will be required for the Commission to complete its work in a timely manner during fiscal year 1997. Because the Committee strongly supports the important work of the Commission and looks forward to its recommendations, the Committee directs the Administrator of General Services to make available to the Commission funding and support from the fiscal year 1997 funds available to the Administrator if additional resources to complete the Commission's work by the deadline established by law is required.

SURPLUS EQUIPMENT TO SCHOOLS AND EDUCATIONAL INSTITUTIONS

The Committee urges the General Services Administration, in line with its responsibilities for the disposal of excess and surplus Federal personal property, to promote and foster the transfer of excess and surplus computer equipment directly to schools and to the appropriate nonprofit, community-based educational organizations. The GSA should communicate with other Federal agencies to heighten their ongoing awareness of the existing opportunities at both the national and local levels to meet the needs of the schools for such equipment and will work with agencies to ensure that the equipment is conveyed to the school or organization quickly and at the least cost to the institution. The Committee further directs GSA to work with the Sergeant at Arms and the regional Federal executive boards providing guidance and assistance to help establish regional clearinghouses of information on the availability of ex-

cess computer surplus equipment in each region. This information should be made readily available to schools.

OFFICE OF INSPECTOR GENERAL

Appropriations, 1996	\$33,274,000
Budget estimate, 1997	33,863,000
House allowance	33,274,000
Committee recommendation	33,863,000

The Committee recommends an appropriation of \$33,863,000 for the Office of Inspector General, which equals the budget estimate and is \$589,000 above the House allowance.

The Office of Inspector General [OIG] implements in its entirety the provisions of the Inspector General Act.

Consistent with the Inspector General Act, the OIG has been given total responsibility for the audit and investigative functions of the agency. Its mission is to detect and investigate all instances of fraud and abuse and assure that proper corrective action is taken. The Office is also charged with the responsibility for reporting on waste, inefficiency, and mismanagement, and making recommendations for improvement.

Audit services provided by the OIG fall within two broad categories: Audits of GSA contracts and internal audits, including inspections. Through the preaward and postaward auditing of GSA contracts, the OIG provides professional advice on accounting and financial matters related to the negotiation, award, administration, repricing, and settlement of contracts. Internal audits deal with all facets of GSA operations.

Inspections services provide detailed technical evaluations of GSA operations. The investigations program provides for the detection and investigation of illegal or unethical activities against GSA by its employees, vendors doing business with the agency, and by other individuals or groups of individuals.

The Inspector General Act also requires that the inspectors general move beyond their traditional role of detecting and preventing fraud, waste, and abuse, to also assume responsibility for promoting economy and efficiency. The GSA Office of Inspector General has a unique role within the Federal structure in that its activities affect all Federal agencies and several State programs. The broadened mandate requires increased emphasis on more effective involvement with other governmental agencies, identification of systemic problems, participation in the design of new programs, review of proposed legislation and regulations, and employee awareness programs.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

Appropriations, 1996	\$2,181,000
Budget estimate, 1997	2,180,000
House allowance	2,180,000
Committee recommendation	2,180,000

The Committee recommends \$2,180,000 for allowances and office staff for former Presidents. This recommendation equals the budget request and the House allowance.

This program is authorized by the Former Presidents Act, Public Law 85-745 (3 U.S.C. 102 note), of August 25, 1958, as amended.

It provides for an annual pension paid monthly to each former President and each widow of a former President; compensation for staff assistants employed by each former President; and funding for office space, furnishings, and equipment as appropriate (defined under CG Decision B-114073, Mar. 8, 1961). The Supplemental Appropriations Act of October 21, 1968, Public Law 90-608, 82 Stat. 1192, allows for travel and related expenses for each former President and not to exceed two members of his staff. Title 39 U.S.C. 3214 authorizes a former President and widow to send all mail in the United States and its territories as franked mail. Under the Presidential Transition Act, section 3(a)(7), each former President may use penalty mail.

This appropriation provides for the pensions, office staffs, and related expenses for former Presidents Gerald R. Ford, Jimmy Carter, Ronald Reagan, and George Bush and for the pension and postal franking privileges for the widow of former President Lyndon B. Johnson.

Below is listed a detailed breakdown of the fiscal year 1997 funding:

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS, FISCAL YEAR 1997

	Former Presidents				Widows	Total
	Ford	Carter	Reagan	Bush		
Personnel compensation	\$96,000	\$96,000	\$96,000	\$96,000	.....	\$384,000
Personnel benefits	20,000	5,000	24,000	41,000	.....	90,000
Benefits for former personnel:						
Pensions	152,000	152,000	152,000	152,000	\$20,000	628,000
Travel	48,000	2,000	26,000	45,000	.....	121,000
Rental payment to General Services Administration	95,000	89,000	343,000	140,000	.....	666,000
Communications, utilities, miscellaneous charges:						
Equipment rental	1,000	.....	.....	.....	.....	1,000
Telephone	17,000	28,000	25,000	21,000	.....	91,000
Postage	6,000	12,000	10,000	12,000	2,000	42,000
Printing	5,000	13,000	14,000	6,000	.....	38,000
Other services	5,000	8,000	16,000	13,000	.....	42,000
Supplies and materials	8,000	21,000	17,000	11,000	.....	57,000
Equipment .....	.....	15,000	3,000	2,000	.....	20,000
Total obligations	452,000	441,000	726,000	539,000	22,000	2,180,000

GSA GENERAL PROVISIONS

The Committee has recommended the inclusion of the following general provisions:

Section 401 authorizes GSA to credit accounts with certain funds received from Government corporations;

Section 402 authorizes GSA to use funds for the hire of passenger motor vehicles;

Section 403 authorizes GSA to transfer funds within the Federal buildings fund for meeting program requirements;

Section 404 repeals section 10 of Public Law 100-440 which sets a limit on the number of employees in the Federal Protective Service.

Section 405 modifies the provision which limits funding for courthouse construction which does not meet certain standards of a capital improvement plan.

Section 409 modifies the provision authorizing the GSA to accept and retain income to offset the cost of the flexiplace work telecommuting centers.

Section 410 repeals section 6 of Public Law 103-123 which terminates office and staff support to former Presidents which expires on September 30, 1998, to future former Presidents 5 years after leaving office and terminating office and staff support for former Presidents on October 1, 1998.

Section 411 directs the Administrator to purchase a site for the location in order to expedite the construction of the law enforcement center in Portland, OR. The GSA has recommended the construction of a 450,000 gross square foot law enforcement center including 200 inside parking spaces in Portland. The law enforcement center will provide consolidated office space for Federal law enforcement agencies, and provide essential presentencing detention capacity in Portland. GSA has concluded that construction of the law enforcement center will improve security, substantially reduce detainee transportation costs, and facilitate the judicial process in criminal cases.

EXPENSES, PRESIDENTIAL TRANSITION

Appropriations, 1996	
Budget estimate, 1997	\$5,600,000
House allowance	5,600,000
Committee recommendation	5,600,000

The Committee recommends \$5,600,000 for expenses of a Presidential transition. The recommendation equals the budget request and the House allowance.

Funds are appropriated in accordance with the Presidential Transition Act of 1963, as amended, to provide for an orderly transfer of executive leadership. New appropriations are requested in Presidential election years.

In the case where the President-elect is the incumbent President or in the case where the Vice President-elect is the incumbent Vice President, there shall be no expenditure of funds for the provision of services and facilities to such incumbents under this act, and any funds appropriated for such purposes shall be returned to the general funds of the Treasury.

JOHN F. KENNEDY ASSASSINATION REVIEW BOARD

SALARIES AND EXPENSES

Appropriations, 1996	\$2,150,000
Budget estimate, 1997	2,150,000
House allowance	2,150,000
Committee recommendation	2,150,000

The Committee recommends \$2,150,000 for fiscal year 1997 for salaries and expenses of the John F. Kennedy Assassination Review Board. The Committee recommendation equals the budget request and the House allowance.

The John F. Kennedy Assassination Review Board was established by Public Law 102–526, the John F. Kennedy Assassination Records Collection Act of 1992. The Board facilitates the public disclosure of previously public or privately held records relating to the assassination of President Kennedy. In addition, the Board is assisting in dispelling longstanding myths and controversies surrounding the assassination of President Kennedy through the release of previously sequestered records.

This is the final appropriation for the Review Board. The Committee joins the House in thanking the Board for its work and completing its work within the authorized timeframe.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

Appropriations, 1996	\$24,549,000
Budget estimate, 1997	24,549,000
House allowance	23,297,000
Committee recommendation	24,549,000

The Committee recommends an appropriation of \$24,549,000 for the Merit Systems Protection Board. The Committee recommendation equals the budget estimate and is \$1,252,000 above the House allowance.

The Merit Systems Protection Board is an independent, quasi-judicial agency, charged by Congress with protecting the integrity of Federal merit systems against partisan political and other prohibited personnel practices, ensuring adequate protection for employees against abuses by agency management, and requiring executive branch agencies to make employment decisions based on individual merit. This mission is carried out principally by: (1) adjudicating employee appeals of agency personnel actions, such as removals, suspensions, and demotions; (2) adjudicating actions brought by the special counsel involving alleged abuses of the merit systems; (3) adjudicating actions brought under the Whistleblower Protection Act; (4) ordering compliance with final orders where necessary; (5) conducting special studies of the civil service and other merit systems in the executive branch to determine whether they are free of prohibited personnel practices; (6) analyzing and reporting on the significant actions of the Office of Personnel Management [OPM]; and (7) reviewing regulations issued by OPM to ensure they do not require or result in the commission of a prohibited personnel practice.

ADMINISTRATIVE JUDGES AT THE MSPB

The Committee is concerned about proposals to have its administrative judge membership enhanced to an independent corps of administrative law judges [ALJ's]. This proposal would affect the appropriations and the statutory design of the MSPB.

Under the Administrative Procedures Act, the Congress established ALJ's to provide an independent review within Federal agencies for achieving due process and review of compliance with laws and regulations within the agencies. The creation of a corps of ALJ's for the MSPB would appear to be an unnecessary, duplicative, and costly measure for the Congress has already provided an

independent reviewing mechanism for civil service issues: the MSPB. Congress created the MSPB as the proper panel of independent adjudicators to provide due process in review of civil service disputes. The administrative judges are appointed to perform a valuable role to assist the Board in responding to cases brought by the growing and geographically diverse Federal work force. The independence in this institution rests with the three-member Board. It would be undermined by the creation of a second and parallel corps of independent adjudicators, and, also would limit the independent agency's flexibility in fulfilling its statutory mission.

STUDIES FUNCTION OF THE MSPB

The Committee is concerned about the issues involved with studies of the protection of merit principles in the civil service. MSPB has the statutorily authorized function to carry out occasional studies of this nature. The House report recommends the use of outside contract resources to conduct the studies. It recommends that the decisions of what and when to conduct such studies should arise from requests for information from the Congress or the executive branch.

The Senate has been reviewing administrative law and policy research issues. The history and evolution of the studies function of the MSPB reflects a measurably different objective: ensuring the integrity of our Federal civil service system. This was developed as a complement and as an alternative to the enforcement of our civil service laws. The studies function represents the hope that trends or emerging problems could be identified in the empirical fabric of Government, and resolved through policy choices instead of waiting for litigation to erupt. When the MSPB was separated as an independent agency as a result of the Civil Service Reform Act of 1978, it was believed that the studies function also needed to be independent from the policymaking role of the Office of Personnel Management [OPM], and thus it was placed with the MSPB.

The Senate believes that problems have emerged which the Congress and the administration should address. It has become clear that the core function of the MSPB is a legal and adjudicatory one, and this role is expanding as appropriations are shrinking. However, the role of OPM has also been revised dramatically in recent years to largely two functions: oversight of the Federal personnel community, and retirement and benefits administration. As a result, the Committee believes that the MSPB needs to concentrate chiefly on its primary adjudicatory responsibilities, and that the Congress and administration should address shifting the statutory authorization for conducting studies of the merit systems, together with the concomitant staff and necessary appropriations, to the Office of Personnel Management Oversight Division.

LIMITATION

(TRANSFER OF FUNDS)

Appropriations, 1996	(\$2,430,000)
Budget estimate, 1997	(2,430,000)
House allowance	(2,430,000)
Committee recommendation	(2,430,000)

The Committee has recommended a limitation of \$2,430,000 on the amount to be transferred from the civil service retirement and disability fund to the Board to cover administrative expenses to adjudicate retirement appeals cases. This amount equals the budget request and the House allowance.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

Appropriations, 1996	\$199,633,000
Budget estimate, 1997	196,964,000
House allowance	195,109,000
Committee recommendation	198,964,000

The Committee recommends an appropriation of \$198,964,000. The Committee recommendation is \$2,000,000 above the budget estimate and is \$3,855,000 above the House allowance.

The National Archives and Records Administration became an independent agency on April 1, 1985. This appropriation provides for basic operations dealing with management of the Government's archives and records, operation of Presidential libraries, grants for historical publications, and for the review for declassification of all security classified information.

Records center.—The records center activity provides for the accessioning, storage, reference service, and disposal of the semiactive and noncurrent records of Federal agencies through a nationwide system of 14 records centers. Significant savings result from use of low-cost records storage and the efficient and timely disposal of nonpermanent records.

Archives and related services.—This activity provides for selecting, preserving, describing, and making available to the general public, scholars, and Federal agencies, the permanently valuable historical records of the Federal Government and the historical material in Presidential libraries, related publications and exhibit programs, and the appraisal of all Federal records. It also provides for the publication of the Federal Register and Code of Federal Regulations, the U.S. Statutes at Large, Presidential documents, and for a program to improve the quality of regulations and the public's access to them. It provides for the National Audiovisual Center's audiovisual information and management programs. It also provides for the systematic review of all classified records in the National Archives which are over 30 years old, except intelligence and cryptological materials dated after 1945, which are to be reviewed when 50 years old.

Program direction.—This activity provides for general direction and program support for all programs assigned to the National Archives and Records Administration [NARA]. Direction is provided by the Archivist, his staff, and the Office of Management and Administration.

ARCHIVES FACILITIES AND PRESIDENTIAL LIBRARIES REPAIR AND RESTORATION

Appropriations, 1996	\$1,500,000
Budget estimate, 1997	2,750,000
House allowance	9,500,000
Committee recommendation	18,229,000

The Committee recommends an appropriation of \$18,229,000. The Committee recommendation is \$15,479,000 above the budget estimate and \$8,729,000 above the House allowance.

REPAIRS AND RESTORATION

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

TRUMAN AND ROOSEVELT LIBRARIES

The Committee has provided \$2,000,000 within this appropriation for the repair, alteration, and improvements of the Truman Library in Independence, MO, and funds for the Roosevelt Library in Hyde Park, NY. The Committee requests the National Archives to submit a plan for the expenditure of such funds prior to obligation.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

GRANTS PROGRAM

Appropriations, 1996	\$5,000,000
Budget estimate, 1997	4,000,000
House allowance	4,000,000
Committee recommendation	5,000,000

The Committee recommends an appropriation of \$5,000,000. The Committee recommendation is \$1,000,000 above the budget request and the House allowance.

The National Historical Publications and Records Commission [NHPRC] reviews and recommends project grants to Federal and State governments and private nonprofit institutions, chiefly universities and research libraries. It makes plans, estimates, and recommendations for the publication of important historical documents and works with various public and private institutions in collecting, editing, and publishing papers significant to the history of the United States. The Commission is composed of members appointed by, and representing, the President, Congress, Supreme Court, executive agencies, and historical and archival societies.

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

Appropriations, 1996	\$7,776,000
Budget estimate, 1997	8,078,000
House allowance	8,078,000
Committee recommendation	8,078,000

The Committee recommends an appropriation of \$8,078,000 for salaries and expenses of the Office of Government Ethics in fiscal year 1997. This amount equals the budget request and the House allowance.

Public Law 100-598 authorized the establishment of the Office of Government Ethics as an independent executive branch agency separate and apart from the Office of Personnel Management beginning October 1, 1989.

The Office of Government Ethics functions primarily in six areas, pursuant to the Ethics in Government Act of 1978. Those areas are:

- Regulatory authority for conflict of interest and postemployment statutes, standards of conduct, and financial disclosure programs throughout the executive branch;
- Public financial disclosure review and certification for all advice and consent Presidential appointees, and the monitoring of ethics agreements which are executed incident to that review to prevent ethics violations;
- Education and training to promote understanding among agency ethics officials and employees, as well as the general public;
- Guidance and interpretation concerning the conflict of interest statutes, standards of conduct and financial disclosure, through advisory opinions, telephone advice, and consultation with agency ethics officials;
- Enforcement by monitoring and auditing agency ethics programs, and ordering corrective action where appropriate; and
- Evaluation of the effectiveness of ethics laws and regulations, as well as agency implementation.

The funding level provided by the Committee will support 91 full-time equivalent positions, or the same as the 1995 level.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

Appropriations, 1996	\$88,000,000
Budget estimate, 1997	87,076,000
House allowance	87,576,000
Committee recommendation	87,076,000

The Committee recommends an appropriation of \$87,076,000 for the salaries and expenses of the Office of Personnel Management. The Committee recommendation equals the budget estimate and is \$500,000 above the House allowance.

The Office of Personnel Management's primary responsibilities include the Employment Service, Executive Resource, Investigations Service, Human Resources Systems Service, and the Merit Systems oversight and effectiveness programs. OPM also has administrative responsibility for the President's Commission on White House Fellowships, the Federal Prevailing Rate Advisory Committee, and parts of the Voting Rights Program.

The Committee has funded the initiatives requested by the administration, as outlined in the budget justification, plus the functions and personnel transferred from the General Accounting Office, subsequent to enactment of Public Law 104-53.

EXCESS COMPUTER EQUIPMENT

The Committee supports the mandate of the regional Federal executive boards to help facilitate the transfer of surplus computer equipment from the Federal agencies they represent to schools and nonprofit educational community based organizations. The Federal executive boards should encourage innovative initiatives such as promoting private sponsorship of the costs of transporting surplus computer equipment to schools and involving local nonprofit organizations in nonprofit reuse or recycling programs which reduce costs to schools and the Federal Government.

DOWNSIZING EFFORTS

The Committee commends the OPM for its efforts to downsize and streamline its activities. Those efforts have led to elimination of redtape and increased service to customer agencies. Since fiscal year 1993, OPM personnel have been reduced by 43 percent. The functions of the agency have been centralized and the OPM has made much better use of technology and automation.

HEALTH PROMOTION AND DISEASE PREVENTION

The Committee has included \$1,000,000 for the OPM to continue and expand its efforts to ensure that Federal employees and their families have ready access to health promotion and disease prevention activities. The Committee expects the OPM to continue to collaborate with the health promotion and disease prevention center currently being supported by the Centers for Disease Control and Prevention, the Department of Health and Human Service, and in particular to ensure that efforts are also made to develop innovative ways to utilize video communication technology. The Committee further expects the OPM to continue to utilize the unique expertise that has been demonstrated by the University of Hawaii in this project. The Committee further directs the OPM to provide a report to the Congress on its health promotion and disease prevention activities no later than December 31, 1997.

BLUE CROSS/BLUE SHIELD PHARMACY PRESCRIPTIONS FOR MEDICARE
ELIGIBLE RETIRED FEDERAL EMPLOYEES

In 1996, OPM approved a new 20 percent copayment on retail pharmacy prescriptions provided under the Blue Cross/Blue Shield FEHBP program for Medicare eligible retired Federal employees.

The Committee believes that this change was made without sufficient consideration of the impact on quality of care and access to care for retirees.

The Committee also believes that OPM and Blue Cross/Blue Shield should explore other cost management options and address the disproportionate cost-sharing requirements that have been placed on retirees. These options should preserve retiree choice in selecting whether to use mail or retail pharmacy.

Therefore, the Committee urges Blue Cross/Blue Shield and other FEHBP carriers to use all available expertise, including the pharmacy community, public, and private prescription benefit managers, and schools of public health in exploring cost management options.

The Committee expects that in the future, OPM will assure that drug plan contractors have more aggressive cost management mechanisms in place before approving increases in enrollee cost sharing.

SECTION 521—FEDERAL EMPLOYEES HEALTH AND LIFE INSURANCE
FOR TREASURY DEPARTMENT PERSONAL SERVICE CONTRACTORS

Section 521 of the House bill would require that certain Treasury Department personal service contractors [PSC's] who work overseas be considered Federal employees for purposes of Federal employees benefits [FEHB] and Federal employees group life insurance [FEGLI]. These PSC's are hired under the Foreign Assistance Act and regulations of the Agency for International Development [AID], and are considered Federal employees for some purposes but not for others, including Federal employees benefit programs.

The Committee shares the House's concern that these individuals should not be without some form of health coverage, particularly since they are serving abroad in what are often stressful and unhealthful locations. However, the Committee also notes that the House provision would address the need of only those PSC's who work for the Treasury Department, and not those working for other agencies under this Governmentwide authority. The Committee has also been advised by the Office of Personnel Management [OPM] that the House provision would probably not result in FEHB and FEGLI coverage for most of the Treasury's PSC's, since they generally serve under 1 year contracts, and would be excluded from FEHB and FEGLI by the temporary nature of their service even if they were deemed Federal employees as section 521 would require.

Accordingly, the Committee has deleted the House provision. However, the Committee directs the Treasury Department, in consultation with AID, other affected agencies, and OPM, to see what administrative or, if necessary, legislative changes are needed to provide reasonable and affordable insurance coverage for these individuals. Treasury should report back to the Senate and House Appropriations Committees on the matter by February 1997.

VOTING RIGHTS ACT

The Committee has included a provision requested by the administration to allow Federal employees acting as Voting Rights Act observers to receive per diem at their permanent duty station. This provision will make it feasible for these observers to work in local areas and allow the Government to discontinue the practice of recruiting observers from distant locations and assuming the per diem, as well as, travel costs.

PROVIDING NONPUBLIC INFORMATION OUTSIDE THE GOVERNMENT

OPM provided home addresses or designated mailing addresses of bargaining unit members to its labor unions last winter. The Committee joins the House in expressing its concern about OPM's failure to adhere to section 514 of Public Law 104-52, which states:

None of the funds made available in this act may be used to provide any nonpublic information such as mailing

or telephone lists to any person or any organization outside of the Federal Government without prior approval of the House and Senate Committees on Appropriations.

The Committees received no notice of this action. The Committee looks forward to the written response directed by the House Committee regarding this issue.

LIMITATION

(TRANSFER OF FUNDS)

Appropriations, 1996	(\$102,536,000)
Budget estimate, 1997	(94,736,000)
House allowance	(93,486,000)
Committee recommendation	(94,736,000)

The Committee recommends a limitation of \$94,736,000. This amount equals the budget request and is \$1,250,000 above the House allowance.

These funds will be transferred from the appropriate trust funds of the Office of Personnel Management to cover administrative expenses for the retirement and insurance programs.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

Appropriations, 1996	\$4,009,000
Budget estimate, 1997	960,000
House allowance	960,000
Committee recommendation	960,000

The Committee recommends an appropriation of \$960,000 for salaries and expenses of the Office of Inspector General in fiscal year 1997. This amount equals the budget estimate and the House allowance.

The Office of Inspector General was established as a statutory entity under the Inspector General Act Amendments of 1988, Public Law 100-504, effective April 16, 1989. The Office of Inspector General is charged with establishing policies for conducting and coordinating efforts which promote economy, efficiency, and integrity in the Office of Personnel Management's activities which prevent and detect fraud, waste, and abuse in the agency's programs. Furthermore, as a means of assuring that inspector general offices maintain the ability to function independently within the overall structure of their agencies, the 1988 legislation required a direct semiannual reporting structure among the inspector general and the agency head and Congress and allowed inspectors general to perform a number of internal management functions, such as budget, personnel, and procurement, separate and apart from the agencies' existing systems. The Office of Inspector General carries out its programmatic mandate in three principal operational areas: audits and inspections of OPM activities and operations; investigations; and followup and reporting.

The administration has requested that funding for operations of the Office of Inspector General be shifted from its current allocation of 60 percent trust funds and 40 percent general funds to 90 percent trust funds and 10 percent general funds to reflect actual

costs associated with actual work. This appropriation reflects that change.

(LIMITATION ON TRANSFER FROM TRUST FUNDS)

Appropriations, 1996	(\$6,181,000)
Budget estimate, 1997	(8,645,000)
House allowance	(8,645,000)
Committee recommendation	(8,645,000)

The Committee recommends a limitation on transfers from the trust funds in support of the Office of Inspector General activities totaling \$8,645,000 for fiscal year 1997, as requested. This amount equals the budget estimate and the House allowance.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH
BENEFITS

Appropriations, 1996	\$3,746,337,000
Budget estimate, 1997	4,059,000,000
House allowance	4,059,000,000
Committee recommendation	4,059,000,000

The Committee recommends an appropriation of \$4,059,000,000 for Government payments for annuitants, employees health benefits. The Committee recommendation equals the budget estimate and the House allowance.

This appropriation funds the Government's share of health benefit costs for annuitants and survivors who no longer have an agency to contribute the employer's share. The Office of Personnel Management requests the appropriation necessary to pay this contribution to the employees health benefits fund and the retired employees health benefits fund. These revolving trust funds are available for: (1) the payment of subscription charges to approved carriers for the cost of health benefits protection; (2) contributions for qualified retired employees and survivors who carry private health insurance under the Retired Employees Health Benefits Program; and (3) the payment of expenses incurred by the Office of Personnel Management in the administration of these programs.

Public Law 93-246 provides for Government contributions to enrollees in the Employees Health Benefits Program equal to 60 percent of the unweighted average of the high-option premiums of six large plans. The total obligations for fiscal year 1995 reflect the use of payments made by the U.S. Postal Service to the employees health benefits fund to finance the cost of the Government's contribution for annuitants health benefits as provided in Public Law 100-203. In addition, Public Law 99-272 provides that the Government contribution for health benefits for individuals who first become annuitants by reason of retirement from employment with the U.S. Postal Service on or after October 1, 1986, shall be paid by the U.S. Postal Service.

This appropriation also provides financing for the Government's share of health benefit costs for annuitants and survivors covered under the Retired Employees Health Benefits Program. Public Law 96-156 provides for increased Government contributions toward the subscription charge for health coverage, tied to increases in the cost of part B (medical) of Medicare, for those annuitants who retired prior to July 1, 1960.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE
INSURANCE

Appropriations, 1996	\$32,647,000
Budget estimate, 1997	33,000,000
House allowance	33,000,000
Committee recommendation	33,000,000

The Committee recommends an appropriation of \$33,000,000 for the Government payment for annuitants, employee life insurance in fiscal year 1997. This amount equals the budget request and the House allowance.

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

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Appropriations, 1996	\$7,945,998,000
Budget estimate, 1997	7,989,000,000
House allowance	7,989,000,000
Committee recommendation	7,989,000,000

The Committee recommends an appropriation of \$7,989,000,000 for payment to the civil service retirement and disability fund. The Committee recommendation equals the budget estimate and the House allowance.

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

The payment to the civil service retirement and disability fund consists of an appropriation and a permanent indefinite authorization to pay the Government's share of retirement costs as defined in the Civil Service Retirement Amendments of 1969 (Public Law 91-93), the Federal Employees' Retirement System Act of 1986 (Public Law 99-335), and the Civil Service Retirement Spouse Equity Act of 1985 (Public Law 98-615). The payment is made directly from the general fund of the U.S. Treasury, and is in addition to appropriated funds that will be contributed from agency budgets in fiscal year 1997.

Public Law 91-93 provides for an annual appropriation to amortize, over a 30-year period, all increases in Civil Service Retirement System costs resulting from acts of Congress granting new or liberalized benefits, extensions of coverage, or pay raises. However, the

effects of cost-of-living adjustments are not amortized. The total current appropriation for fiscal year 1997 is the sum of the annual payments authorized since the law was enacted in 1969 (\$7,716,171,000) plus the estimated payment resulting from assumed pay raises totaling 3 percent in January 1997 (\$272,494,000). It also includes funding for the annuities of persons employed on the construction of the Panama Canal and widows of former Lighthouse Service employees (\$414,000). The total fiscal year 1997 current appropriation request represents an increase of \$272,176,000 from the amount provided in fiscal year 1996 primarily due to increases in employees' pay.

Public Law 91-93 also provides permanent, indefinite authorization for the Secretary of the Treasury to transfer, on an annual basis, an amount equal to 5 percent interest on the civil service retirement and disability fund's current unfunded liability, calculated based on static economic assumptions, \$9,367,173,000 and annuity disbursements attributable to credit for military service of \$3,328,007,000. The permanent indefinite authorization in fiscal year 1997 will also include the 9th of 30 annual payments of \$233,700,000 authorized by Public Law 99-335, Federal Employees' Retirement Act of 1986, to amortize the supplemental liability of the Federal Employees' Retirement System [FERS]. It also includes a payment of \$51,638,000 in accordance with Public Law 98-615 which provides for the Secretary of the Treasury to transfer an amount equal to the annuities granted to eligible former spouses of annuitants who died between September 1978, and May 1985, and who did not elect survivor coverage.

The permanent indefinite authorization in fiscal year 1997 will total \$12,980,518,000, an increase of \$141,708,000 from fiscal year 1996. This increase reflects a lower CSRS unfunded liability interest payment of \$32,827,000 and a higher payment for military service credit of \$174,535,000.

REVOLVING FUND

Appropriations, 1996	
Budget estimate, 1997	\$5,000,000
House allowance	4,755,000
Committee recommendation	5,000,000

The Committee recommends an appropriation of \$5,000,000 for this new account. This amount is equals the budget estimate and \$245,000 less than the House allowance.

The revolving fund which allows OPM to accept reimbursement from other Federal agencies for specified personnel services has developed a deficit of \$33,700,000 over the last 10 years. This appropriation is intended to assist in reducing this deficit, and not provide for new services.

GENERAL PROVISIONS—OFFICE OF PERSONNEL MANAGEMENT

Section 421. The Committee has included a provision requested by the administration to authorize OPM to accept reimbursement for personnel management services provided to revolving funds, Government-sponsored enterprises and other nonappropriated fund instrumentalities. This is a technical correction that allows OPM to

provide the same reimbursable service that it offers most Federal agencies.

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

Appropriations, 1996	\$7,840,000
Budget estimate, 1997	8,311,000
House allowance	7,840,000
Committee recommendation	8,116,000

The Committee recommends an appropriation of \$8,116,000 for the Office of Special Counsel. The Committee recommendation is \$195,000 below the budget estimate and \$276,000 above the House allowance.

The Office of the Special Counsel of the U.S. Merit Systems Protection Board is charged with enforcement of certain provisions of the Civil Service Reform Act of 1978 (Public Law 95-454 and 5 U.S.C. 1204-1208). The primary functions of the office are: (1) to investigate and, if appropriate, prosecute prohibited personnel practices and activities prohibited by other civil service law, rule, or regulation; (2) to investigate and, if appropriate, prosecute prohibited political activities on the part of Federal and covered State and local employees; and (3) to provide employees a protected means of disclosing information concerning wrongdoing in Federal agencies with assurance that the confidentiality of the discloser will be maintained and that appropriate action will be taken.

The statute requires OSC to investigate and, if warranted, prosecute: all allegations of prohibited personnel practices, including reprisal for protected disclosures of information; prohibited political activity; arbitrary or capricious withholding of information under the Freedom of Information Act; involvement of any employee in any prohibited discrimination found by any court or appropriate administrative authority; and any other activity prohibited by civil service law, rule, or regulation. OSC also provides a safe channel for disclosure of information evidencing waste, fraud, and abuse and referral of such information to agencies.

The Committee recommendation denies funding for the requested initiatives.

U.S. TAX COURT

SALARIES AND EXPENSES

Appropriations, 1996	\$33,269,000
Budget estimate, 1997	34,293,000
House allowance	33,269,000
Committee recommendation	34,293,000

The Committee recommends an appropriation of \$34,293,000 for the U.S. Tax Court. This amount equals the budget estimate and is \$1,024,000 above the House allowance.

The U.S. Tax Court is an independent judicial body in the legislative branch under article I of the Constitution of the United States. The court is composed of a chief judge and 18 judges. Decisions by the court are reviewable by the U.S. Courts of Appeals and, if certiorari is granted, by the Supreme Court.

In their judicial duties the judges are assisted by senior judges, who participate in the adjudication of regular cases, and by special trial judges, who hear small tax cases and certain regular cases assigned to them by the chief judge.

The court conducts trial sessions throughout the United States, including Hawaii and Alaska.

The U.S. Tax Court hears and decides cases involving Federal income, estate and gift tax deficiencies, and excise taxes relating to public charities, private foundations, qualified pension plans, real estate investment trusts, and windfall profit tax on domestic crude oil. It also renders declaratory judgments regarding the qualification or continuing qualification (including revocations of rulings on the exemptions) of retirement plans.

The Tax Court has jurisdiction to render declaratory judgments with respect to exempt organization status determinations pursuant to section 501(c)(3), Internal Revenue Code, and to enter declaratory judgments on the tax treatment of interest on proposed issues of Government obligations. In addition, the court has jurisdiction over actions to restrain disclosure and to obtain additional disclosure with respect to public inspection of written determinations issued by the Internal Revenue Service, and actions to compel the disclosure of the identity of third-party contacts relating to written determinations made by the Internal Revenue Service.

For 1997, the court proposes a trial program of 340 weeks consisting of 150 weeks of regular trial sessions and 90 weeks of small tax case sessions. In addition, the court plans to schedule special sessions for lengthy trials consisting of approximately 100 weeks. Trials are held in approximately 80 cities throughout the United States; 90 to 95 percent of the Federal tax trial work occurs in the U.S. Tax Court.

STATEMENT CONCERNING GENERAL PROVISIONS

Traditionally, the Treasury, Postal Service, and General Government appropriation bill has included general provisions which govern both the activities of the agencies covered by the bill, and, in some cases, activities of agencies, programs, and general government activities that are not covered by the bill. Those general provisions that are Governmentwide in scope are contained in title VI of this bill.

The bill contains a number of general provisions that have been carried in this bill for years and which are routine in nature and scope. General provisions in the bill are explained under this section of the report. Those general provisions that deal with a single agency only are shown immediately following that particular agency's or department's appropriation accounts in the bill. Those general provisions that address activities or directives affecting all of the agencies covered in this bill are contained in title V of the bill.

TITLE V—GENERAL PROVISIONS

THIS ACT

Sections 501, 502, 504–517, and 520, of the general provisions contained in the accompanying bill are the same as last year’s bill and the House-passed bill. A summary of those provisions follows, as well as, that of the Committee’s recommendation for new provisions, are sections 523–525 and 528–530:

Section 501 limiting the use of appropriated funds to the current fiscal year;

Section 502 regarding consultant services;

Section 504 regarding enforcement of section 307 of the Tariff Act;

Section 505 prohibiting the transfer of control over the Federal Law Enforcement Training Center;

Section 506 regarding the use of funds for certain propaganda purposes;

Section 507 prohibiting use of funds appropriated in this act from being used to prevent certain Federal employees from contacting their Member of Congress;

Section 508 permits the Office of Personnel Management to accept donations for the Federal Executive Institute and executive seminar centers;

Section 509 authorizes the Secret Service to accept donations to offset the costs of protection of former Presidents;

Section 510 regarding certain employment practices regarding veterans;

Section 511 prohibits the use of funds to provide nonpublic information such as mailing or telephone lists to any person or organization outside of the Government;

Section 512 requires compliance with the Buy American Act;

Section 513 states the sense of the Congress regarding notice and purchase of American-made products;

Section 514 prohibits an individual from eligibility for Government contracts if a court determines that individual has intentionally fraudulently affixed a “Made in America” label to any product non-American made;

Section 515 prohibits any increases in the travel object classification for any agency funded in this act without the prior approval of the Committees on Appropriations;

Section 516 prohibits increases of travel funds for agencies without appropriate Committee action. The original language has been modified slightly to provide that it does not apply to accounts that show no travel request in the budget appendix. This change is necessary to allow agencies with travel budgets below \$1,000,000 to use these funds, when the appendix did not show a request simply because the amount did not round to \$1,000,000. The Committee

intends that small agencies comply with the spirit of the provision. In any case where it is apparent that travel obligations for an account that did not show a travel amount in the President's request will exceed \$500,000 (and would, therefore, have appeared in the appendix), the agency will first submit the proposed amendment to the House and Senate Committees on Appropriations for approval.

Section 517 defines area of authority for special police officers of the Bureau of Engraving and Printing and the U.S. Mint.

Section 520 prohibits implementation of an ATF ruling pertaining to the citric acid content of vodka.

Section 523 provides for minting of gold coins.

Section 524 provides for minting of platinum coins.

Section 525 provides for voluntary separation incentive payments (buyouts) for certain employees under the jurisdiction of this bill.

Section 528 provides for reimbursement for certain legal expenses incurred by former employees of the White House Travel Office terminated on May 19, 1993.

Section 529 restricts funds available to the White House to request official background reports without written consent of the individual who is subject of the report.

Section 530 provides that the coins minted as a result of sections 523 and 524 be minted at the Mint in West Point, NY.

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

Sections 601–626 and 628–629 of the general provisions contained in the accompanying bill are the same as last year’s bill and the House-passed bill. The Committee has included new sections, 627, 629–636, and 639–643.

The Committee has recommended the inclusion of the following general provisions:

Section 601 continues a 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 continues a 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 continues a 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 continues a provision regarding price limitations on vehicles to be purchased by the Federal Government.

Section 605 continues a provision allowing funds made available to agencies for travel to also be used for quarters allowances and cost-of-living allowances.

Section 606 continues a provision prohibiting the Government, with certain specified exceptions, from employing non-U.S. citizens whose posts of duty would be in the continental United States.

Section 607 continues a provision ensuring that agencies will have authority to pay the General Services Administration bills for space renovation and other services.

Section 608 continues a 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 continues a provision providing that funds may be used to pay rent and other service costs in the District of Columbia.

Section 610 continues a provision restricting the President’s recess appointment power.

Section 611 continues a 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 continues a 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 continues a provision precluding the financing of groups by more than one Federal agency absent prior and specific statutory approval.

Section 614 continues a provision authorizing the Postal Service to employ guards and give them the same special police powers as GSA guards.

Section 615 continues a provision prohibiting the use of funds for enforcing regulations disapproved in accordance with the applicable law of the United States.

Section 616 continues a provision limiting the pay increases of certain prevailing rate employees.

Section 617 continues a provision limiting the amount of funds that can be used for redecoration of offices under certain circumstances.

Section 618 continues a 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 continues a provision permitting interagency funding of national security and emergency preparedness telecommunications initiatives, which benefit multiple Federal departments, agencies, and entities.

Section 620 continues a 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 621 continues a provision requiring agencies to administer a policy designed to ensure that all of its workplaces are free from discrimination and sexual harassment.

Section 622 continues a provision prohibiting the use of funds for travel expenses not directly related to official governmental duties.

Section 623 continues a 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 624 prohibits training not directly related to the performance of official duties.

Section 625 continues a provision prohibiting the expenditure of funds for the implementation of agreements in certain nondisclosure policies unless certain provisions are included in the policies.

Section 626 includes a provision regarding mandatory use of FTS 2000.

Section 627 extends the termination date of the franchise fund pilot program included in Public Law 103-356.

Section 628 limits the Secretary of the Treasury from making loans to foreign entities unless certain criteria are met.

Section 629 modifies a provision that provides law enforcement credit to law enforcement officers hired during the 3-year transition period before FERS was fully implemented.

Section 630 mandates that Federal workers paid as part of this act may not receive weekend or night differential pay for hours which they do not work.

Section 631 regards lobbying by executive agency personnel.

Section 632 allows Federal employees to present views of employee organizations, like child care centers, health and fitness cen-

ters, recreation associations, and professional associations before Government agencies.

Section 633 amends the disabled child survivor program of the civil service retirement system and health benefits provisions by allowing benefits which had been terminated because of the marriage of the child if that child divorces.

Section 634 allows Federal employees involuntarily separated to utilize unused annual leave toward meeting minimum age and service requirements, thereby qualifying such employee for immediate annuity.

Section 635 defines the terms “senior” official for purposes of the Office of Government Ethics Act of 1996.

Section 636 grants authority for Federal Government agencies to pay a portion of the professional liability insurance costs incurred by certain of their employees.

Section 639 allows the National Archives and Records Administration to recoup up to 50 percent of recycling savings of the Federal Register during calendar year 1996.

Section 640 requires executive branch agencies to utilize the private sector to review and analyze issues subject to title LI of the National Defense Authorization Act of 1996.

Section 641 authorizes appropriations for the Merit Systems Protection Board.

Section 642 authorizes appropriations for the Office of Special Counsel.

Section 643 makes technical modifications to the National Commission on Restructuring the Internal Revenue Service.

Section 644 allows for a pay raise for the U. S. Postal Service Board of Governors.

Section 645 requires the Office of Management and Budget to do an accounting statement and associated report on the cumulative costs and benefits of Federal regulatory programs. The Federal Government must be more sensitive to the rising regulatory burden, now estimated to cost the Nation about \$600,000,000,000 annually—over \$6,000 for the average American household. The OMB must provide the public with notice and an opportunity to comment on the draft accounting statement and report before the reports are submitted to Congress. Regulatory costs and benefits should be quantified to the extent feasible and, where applicable, should be based on most plausible estimates. Most of the needed information is already available to the OMB. Executive Order 12866 requires cost-benefit analysis of significant rules, and private studies are available.

TITLE VII—SUPPLEMENTAL APPROPRIATIONS AND RESCIS-
SIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30,
1996

DEPARTMENT OF THE TREASURY

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

Appropriations, 1996	\$377,971,000
Supplemental request, 1996	12,000,000
House allowance	12,011,000
Committee recommendation	12,011,000

The Committee recommends a supplemental appropriation of \$12,011,000 for the Bureau of Alcohol, Tobacco and Firearms. This amount is \$11,000 above the budget estimate and equals the House allowance.

The Bureau has investigated nearly 60 church fires in the past 18 months—of which the majority are African-American churches. The majority of the fires have been in South Carolina, North Carolina, Tennessee, and Louisiana; however, have not been confined to these States. The ATF has assigned 135 agents, as well as, all of the other resources it has to investigate and assist in these active investigations. These funds are to be used for expenses associated with these investigations.

INTERNAL REVENUE SERVICE

INFORMATION SYSTEMS

(RESCISSION)

Appropriations, 1996	\$1,527,154,000
Administration rescission request	12,000,000
House allowance	– 12,011,000
Committee recommendation	– 16,500,000

The Committee recommends a rescission of \$16,500,000 from the funds appropriated for tax systems modernization in fiscal year 1996 from Internal Revenue Service “Information systems” account.

COMPLIANCE WITH PARAGRAPH 7, RULE XVI, OF THE
STANDING RULES OF THE SENATE

Paragraph 7 of rule XVI requires that Committee reports on general appropriations bills identify each Committee amendment to the House bill “which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session.”

The Committee recommends the following appropriations which lack authorization:

Department of the Treasury:

Departmental Offices:

Salaries and expenses, \$111,348,000

Automation enhancements, \$27,100,000

Treasury Building and annex, repair and restoration,
\$43,684,000

Financial Crimes Enforcement Network, salaries and ex-
penses, \$22,387,000

Federal Law Enforcement Training Center:

Salaries and expenses, \$52,242,000

Acquisition, construction, improvements, and related ex-
penses, \$19,884,000

Financial Management Service, salaries and expenses,
\$196,338,000

Bureau of Alcohol, Tobacco and Firearms:

Salaries and expenses, \$395,597,000

Laboratory facilities, \$6,978,000

U.S. Customs Service:

Salaries and expenses, \$1,421,543,000

Operation and maintenance, air and marine interdiction
programs, \$83,363,000

Air interdiction procurement \$45,000,000

Internal Revenue Service:

Processing, assistance, and management, \$1,728,840,000

Tax law enforcement, \$4,085,355,000

Information systems, \$1,240,473,000

Executive Office of the President:

The White House Office, salaries and expenses,
\$40,193,000

Executive Residence at the White House, operating ex-
penses, \$7,827,000

Special Assistance to the President, salaries and ex-
penses, \$3,280,000

Council of Economic Advisers, salaries and expenses,
\$3,439,000

National Security Council, salaries and expenses,
\$6,648,000

Office of Administration, salaries and expenses,
 \$26,100,000
 Office of Management and Budget, salaries and ex-
 penses, \$55,573,000
 Office of National Drug Control Policy, salaries and ex-
 penses, \$34,838,000
 Counterdrug Technology Assessment Center, salaries and ex-
 penses, research and development, \$17,000,000
 Counternarcotics research and development projects,
 \$1,000,000
 High-intensity drug trafficking areas, \$103,000,000
 State and local drug control activities, \$52,000,000
 Federal agency drug control activities, \$51,000,000
 Federal Election Commission, salaries and expenses,
 \$28,700,000
 Federal Labor Relations Authority, salaries and expenses,
 \$21,588,000
 General Services Administration, Federal buildings fund,
 limitations on availability of revenue:
 New construction, \$657,724,000
 District of Columbia:
 Southeast Federal Center site preparation,
 \$20,000,000
 Maryland:
 Montgomery and Prince Georges Counties—Food
 and Drug Administration consolidation,
 \$13,000,000
 Montana:
 Babb, Piegan Border Station, \$333,000
 Sweetgrass, border station, \$1,066,000
 Nevada:
 Las Vegas, U.S. courthouse, \$96,011,000
 New York:
 Brooklyn, U.S. courthouse, \$187,179,000
 Ohio:
 Cleveland, U.S. courthouse, \$142,291,000
 Oregon:
 Portland, consolidated law Federal office building,
 \$86,000,000
 Pennsylvania:
 Philadelphia, Department of Veterans Affairs—
 Federal Complex, phase II, \$15,156,000
 Texas:
 Corpus Christi, U.S. courthouse, \$26,610,000
 Washington:
 Blaine, U.S. border station, \$15,419,000
 Oroville, U.S. border station, \$1,483,000
 Seattle, U.S. courthouse, \$17,740,000
 Sumas, U.S. border station, (claim), \$1,177,000
 Nonprospectus Projects Program, \$10,000,000
 Repairs and alterations, \$616,990,000
 District of Columbia:
 Ariel Rios Building, \$62,740,000
 Hawaii:

Honolulu, Prince Jonah Kuhio Kalanianaʻole Federal Building and U.S. courthouse, \$4,140,000

Illinois:
 Chicago, Everett M. Dirksen Federal Building, \$18,844,000
 Chicago, John C. Kluczynski, Jr. Federal Building [IRS], \$13,414,000

Massachusetts:
 Andover, IRS Regional Service Center, \$812,000

New Hampshire:
 Concord, J.C. Cleveland Federal Building, \$8,251,000

New Jersey:
 Camden, U.S. Post Office-courthouse \$11,096,000

New York:
 Albany, James T. Foley Post Office-courthouse, \$3,880,000
 Brookhaven, IRS Service Center, \$2,272,000
 New York, Jacob K. Javits Federal Building, \$13,651,000

Pennsylvania:
 Scranton, Federal Building-U.S. courthouse, \$10,610,000

Rhode Island:
 Providence, Federal Building-U.S. courthouse, \$8,209,000

Texas:
 Fort Worth, Federal Center, \$11,259,000

Nationwide:
 Chlorofluorocarbons program, \$43,533,000
 Elevator program, \$17,100,000
 Energy program, \$23,000,000
 Advance design, \$10,000,000
 Basic repairs and alterations, \$360,000,000
 Policy and operations, salaries and expenses, \$110,173,000
 Merit Systems Protection Board, salaries and expenses, \$24,549,000
 National Historical Publications and Records Commission, \$5,000,000
 Office of Personnel Management, health promotion and disease prevention activities, \$1,000,000
 Office of Special Counsel, salaries and expenses, \$8,116,000
 U.S. Tax Court, salaries and expenses, \$34,293,000

COMPLIANCE WITH PARAGRAPH 7(C), RULE XXVI OF THE STANDING RULES OF THE SENATE

Pursuant to paragraph 7(c) of rule XXVI, the accompanying bill was ordered reported from the Committee, subject to amendment and subject to the subcommittee allocation, by recorded vote of 28-0.

Yeas
 Chairman Hatfield
 Mr. Stevens

Nays

Yeas	Nays
Mr. Cochran	
Mr. Specter	
Mr. Domenici	
Mr. Bond	
Mr. Gorton	
Mr. McConnell	
Mr. Mack	
Mr. Burns	
Mr. Shelby	
Mr. Jeffords	
Mr. Gregg	
Mr. Bennett	
Mr. Campbell	
Mr. Byrd	
Mr. Inouye	
Mr. Hollings	
Mr. Johnston	
Mr. Leahy	
Mr. Bumpers	
Mr. Lautenberg	
Mr. Harkin	
Ms. Mikulski	
Mr. Reid	
Mr. Kerrey	
Mr. Kohl	
Mrs. Murray	

COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE
STANDING RULES OF THE SENATE

Paragraph 12 of rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute include “(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee.”

In compliance with this rule, the following changes in existing law proposed to be made by the bill are shown as follows: existing law to be omitted is enclosed in black brackets; new matter is printed in italic; and existing law in which no change is proposed is shown in roman.

Title 3, United States Code, section 203(a) is amended as follows:

TITLE 3—THE PRESIDENT

* * * * *

**CHAPTER 3—PROTECTION OF THE PRESIDENT;
UNITED STATES SECRET SERVICE UNIFORMED
DIVISION**

* * * * *

§ 203. Personnel, appointment, and vacancies

(a) The United States Secret Service Uniformed Division shall consist of such number of officers, with grades corresponding to similar officers of the Metropolitan Police force, and of such number of privates, with grade corresponding to that of private of the highest grade in the Metropolitan Police force, as may be necessary [but not exceeding twelve hundred in number].

Section 119 amends section 923(j) of title 18, United States Code, as follows:

TITLE 18—CRIMES AND CRIMINAL PROCEDURE

PART I—CRIMES

* * * * *

CHAPTER 44—FIREARMS

* * * * *

§ 923. Licensing

(a) * * *

* * * * *

(j) This section shall not apply to anyone who engages only in hand loading, reloading, or custom loading ammunition for his own firearm, and who does not hand load, reload, or custom load ammunition for others, *including the right of a licensee to conduct ‘curios or relics’ firearms transfers and business away from their business premises with another licensee without regard as to whether the location of where the business is conducted is located in the State specified on the license of either licensee.*

Section 409(a) amends section 210 of title 40, United States Codes, as follows:

**TITLE 40—PUBLIC BUILDINGS, PROPERTY, AND
WORKS**

* * * * *

**CHAPTER 10—MANAGEMENT AND DISPOSAL OF
GOVERNMENT PROPERTY**

* * * * *

SUBCHAPTER II—PROPERTY MANAGEMENT

* * * * *

**§ 490. Operation of buildings and related activities
by Administrator**

(a) General duties

* * * * *

(k) Charges for space and services furnished by executive agencies; approval of rates by Administrator; credit to appropriation or fund

Any executive agency, other than the General Services Administration, which provides to anyone space and services set forth in subsection (j) of this section, is authorized to charge the occupant for such space and services at rates approved by the Administrator. Moneys derived by such executive agency from such rates or fees shall be credited to the appropriation or fund initially charged for providing the service, except that amounts which are in excess of actual operating and maintenance costs of providing the service shall be credited to miscellaneous receipts unless otherwise authorized by law.

“(l)(1) The Administrator may establish, acquire space for, and equip flexiplace work telecommuting centers (in this subsection referred to as ‘telecommuting centers’) for use by employees of Federal agencies, State and local governments, and the private sector in accordance with this subsection.

“(2) The Administrator may make any telecommuting center available for use by individuals who are not Federal employees to the extent the center is not being fully utilized by Federal employees. The Administrator shall give Federal employees priority in using the telecommuting centers.

“(3)(A) The Administrator shall charge user fees for the use of any telecommuting center. The amount of the user fee shall approximate commercial charges for comparable space and services except that in no instance shall such fee be less than that necessary to pay the cost of establishing and operating the center, including the reasonable cost of renovation and replacement of furniture, fixtures, and equipment.

“(B) Amounts received by the Administrator after September 30, 1993, as user fees for use of any telecommuting center may be deposited into the Fund established under subsection (f) of this section and may be used by the Administrator to pay costs incurred in the establishment and operation of the center.

“(4) The Administrator may provide guidance, assistance, and oversight to any person regarding establishment and operation of alternative workplace arrangements, such as telecommuting, hoteling, virtual offices, and other distributive work arrangements.

“(5) In considering whether to acquire any space, quarters, buildings, or other facilities for use by employees of any executive agency, the head of that agency shall consider whether the need for the facilities can be met using alter-

native workplace arrangements referred to in paragraph (4).

Section 409(b) amends section 612 of title 40, United States Codes, as follows:

**TITLE 40—PUBLIC BUILDINGS, PROPERTY, AND
WORKS**

* * * * *

**CHAPTER 12—CONSTRUCTION, ALTERATION,
AND ACQUISITION OF PUBLIC BUILDINGS**

* * * * *

§ 612. Definitions

As used in this chapter—

(1) The term “public building” means any building, whether for single or multitenant occupancy, its grounds, approaches, and appurtenances, which is generally suitable for office or storage space or both for the use of one or more Federal agencies or mixed ownership corporations, and shall include: (i) Federal office buildings, (ii) post office, (iii) customhouses, (iv) courthouses, (v) appraisers stores, (vi) border inspection facilities, (vii) warehouses, (viii) record centers, (ix) relocation facilities, **and (x)** (x) *telecommuting centers and (xi)* similar Federal facilities, and **[(xi)]** (xii) any other buildings or construction projects the inclusion of which the President may deem, from time to time hereafter, to be justified in the public interest; but shall not include any such buildings and construction projects: (A) on the public domain (including that reserved for national forests and other purposes), (B) on properties of the United States in foreign countries, (C) on Indian and native Eskimo properties held in trust by the United States, (D) on lands used in connection with Federal programs for agricultural, recreational, and conservation purposes, including research in connection therewith, (E) on or used in connection with river, harbor, flood control, reclamation or power projects, or for chemical manufacturing or development projects, or for nuclear production, research, or development projects, (F) on or used in connection with housing and residential projects, (G) on military installations (including any fort, camp, post, naval training station, airfield, proving ground, military supply depot, military school, or any similar facility of the Department of Defense), (H) on installations of the Department of Veterans Affairs used for hospital or domiciliary purposes, and (I) the exclusion of which the President may deem, from time to time hereafter, to be justified in the public interest.

Section 410 repeals section 6 of Public Law 103–123, as follows:

[SEC. 6. (a) 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 (3 U.S.C. 102 note), is amended by adding at the end the following new section:

【“SEC. 2. The entitlements of a former President under subsections (b) and (c) of the first section shall be available—

【“(1) in the case of an individual who is a former President on the effective date of this section, for 5 years, commencing on such effective date; and

【“(2) in the case of an individual who becomes a former President after such effective date, for 4 years and 6 months, commencing at the expiration of the period for which services and facilities are authorized to be provided under section 4 of the Presidential Transition Act of 1963 (3 U.S.C. 102 note).”.

【(b) Section 3214 of title 39, United States Code, is amended—

【(1) by striking “A former President” and inserting “(a) Subject to subsection (b), a former President”; and

【(2) by adding at the end the following new subsection:

【“(b) Subsection (a) shall cease to apply—

【“(1) 5 years after the effective date of this subsection, in the case of any individual who, on such effective date—

【“(A) is a former President (including any individual who might become entitled to the mailing privilege under subsection (a) as the surviving spouse of such a former President); or

【“(B) is the surviving spouse of a former President; and

【“(2) 4 years and 6 months after the expiration of the period for which services and facilities are authorized to be provided under section 4 of the Presidential Transition Act of 1963 (3 U.S.C. 102 note), in the case of an individual who becomes a former President after such effective date (including any surviving spouse of such individual, as described in the parenthetical matter in paragraph (1)(A)).”.

【(c) The amendments made by subsections (a) and (b) shall take effect on October 1, 1993.】

Section 421 amends section 1304(e)(1) of title 5, United States Code, as follows:

TITLE 5—GOVERNMENT ORGANIZATION AND EMPLOYEES

PART II—CIVIL SERVICE FUNCTIONS AND RESPONSIBILITIES

* * * * *

CHAPTER 13—SPECIAL AUTHORITY

* * * * *

§ 1304. Loyalty investigations; reports; revolving fund

(a) * * *

* * * *

(e)(1) A revolving fund is available, to the Office without fiscal year limitation, for financing investigations, training, and such other functions as the Office is authorized or required to perform on a reimbursable basis, *including personnel management services performed at the request of individual agencies (which would otherwise be the responsibility of such agencies), or at the request of nonappropriated fund instrumentalities*. However, the functions which may be financed in any fiscal year by the fund are restricted to those functions which are covered by the budget estimates submitted to the Congress for that fiscal year. To the maximum extent feasible, each individual activity shall be conducted generally on an actual cost basis over a reasonable period of time.

Section 523 amends section 5112(i)(4) of title 31, United States Code, as follows:

TITLE 31—MONEY AND FINANCE

* * * *

SUBTITLE IV—MONEY

* * * *

CHAPTER 51—COINS AND CURRENCY

* * * *

SUBCHAPTER II—GENERAL AUTHORITY

§ 5112. Denominations, specifications, and design of coins

(a) * * *

* * * *

(i)(1) * * *

* * * *

(4)(A) Notwithstanding any other provision of law and subject to subparagraph (B), the Secretary of the Treasury may change the diameter, weight, or design of any coin minted under this subsection or the fineness of the gold in the alloy of any such coin if the Secretary determines that the specific diameter, weight, design, or fineness of gold which differs from that otherwise required by law is appropriate for such coin.

(B) The Secretary may not mint any coin with respect to which a determination has been made by the Secretary under subparagraph (A) before the end of the 30-day period beginning on the date a notice of such determination is published in the Federal Register.

“(C) The Secretary may continue to mint and issue coins in accordance with the specifications contained in paragraphs (7), (8), (9), and (10) of subsection (a) and paragraph (1)(A) of this subsection at the same time the Secretary in minting and issuing other bullion and proof gold coins under this subsection in accordance with such program procedures and coin specifications, designs, varieties, quantities, denominations, and inscriptions as the Secretary, in the Secretary’s discretion, may prescribe from time to time.”: Provided, That profits generated from the sale of gold to the United States Mint for this program shall be considered as a receipt to be deposited into the General Fund of the Treasury.

Sections 524 and 530 amends section 5112 of title 31, United States Code, as follows:

TITLE 31—MONEY AND FINANCE

* * * * *

SUBTITLE IV—MONEY

* * * * *

CHAPTER 51—COINS AND CURRENCY

* * * * *

SUBCHAPTER II—GENERAL AUTHORITY

§ 5112. Denominations, specifications, and design of coins

(a) * * *

* * * * *

(j) General Waiver of Procurement Regulations.—

(1) **In general.**—Except as provided in paragraph (2), no provision of law governing procurement or public contracts shall be applicable to the procurement of goods or services necessary for minting, marketing, or issuing any coin authorized under paragraph (7), (8), (9), or (10) of subsection (a) or subsection (e), including any proof version of any such coin.

(2) **Equal employment opportunity.**—Paragraph (1) shall not relieve any person entering into a contract with respect to any coin referred to in such paragraph from complying with any law relating to equal employment opportunity.

“(k) The Secretary may mint and issue bullion and proof platinum coins in accordance with such specifications, designs, varieties, quantities, denominations, and inscriptions as the Secretary, in the Secretary’s discretion, may prescribe from time to time.”: Provided, That the Secretary is authorized to use Government platinum reserves stockpiled at the United States Mint as working inventory and shall ensure that reserves utilized are replaced by the Mint.

“(1) MINT FACILITY FOR GOLD AND PLATINUM COINS.—Notwithstanding any other provision of law, the United States Mint Facility at West Point, New York, shall be used to strike and distribute all gold coins and all platinum coins minted by the Secretary under this title or any other provision of law, including all proof and uncirculated gold bullion coins and commemorative coins.”.

Section 612 amends section 1306 of title 31, United States Code, as follows:

TITLE 31—MONEY AND FINANCE

* * * * *

SUBTITLE II—THE BUDGET PROCESS

* * * * *

CHAPTER 13—APPROPRIATIONS

* * * * *

SUBCHAPTER I—GENERAL

* * * * *

[§ 1306. Use of foreign credits

[Foreign credits owed to or owned by the Treasury are not available for expenditure by agencies except as provided annually in general appropriation laws.]

“§ 1306. Use of foreign credits

“(a) IN GENERAL.—Foreign credits (including currencies) owed to or owned by the United States may be used by any agency for any purpose for which appropriations are made for the agency for the current fiscal year (including the carrying out of Acts requiring or authorizing the use of such credits), but only when reimbursement therefor is made to the Treasury from applicable appropriations of the agency.

“(b) EXCEPTION TO REIMBURSEMENT REQUIREMENT.—Credits described in subsection (a) that are received as exchanged allowances, or as the proceeds of the sale of personal property, may be used in whole or partial payment for the acquisition of similar items, to the extent and in the manner authorized by law, without reimbursement to the Treasury.”.

Section 627 amends section 403(f) of Public Law 103–356, as follows:

TITLE IV—FINANCIAL MANAGEMENT

* * * * *

SEC. 403. FRANCHISE FUND PILOT PROGRAMS.

* * * * *

(f) TERMINATION.—The provisions of this section shall expire on **October 1, 1999** *October 1, 2001*.

Section 629 amends section 640 of Public Law 104–52 (109 Stat. 513) as follows:

SEC. 640. **[Service performed]** *Hereafter, service performed* during the period January 1, 1984, through December 31, 1986, which would, if performed after that period, be considered service as a law enforcement officer, as defined in section 8401(17) (A)(i)(II) and (B) of title 5, United States Code, shall be deemed service as a law enforcement officer for the purposes of chapter 84 of such title.

Section 632 amends subsection (d) of section 205 of title 18, United States Code, as follows:

TITLE 18—CRIMES AND CRIMINAL PROCEDURE

* * * * *

PART I—CRIMES

* * * * *

CHAPTER 11—BRIBERY, GRAFT, AND CONFLICTS OF INTEREST

* * * * *

§ 205. Activities of officers and employees in claims against and other matters affecting the Government

(a) * * *

* * * * *

[(d) Nothing in subsection (a) or (b) prevents an officer or employee, if not inconsistent with the faithful performance of his duties, from acting without compensation as agent or attorney for, or otherwise representing, any person who is the subject of disciplinary, loyalty, or other personnel administration proceedings in connection with those proceedings.]

“(d)(1) Nothing in subsection (a) or (b) prevents an officer or employee, if not inconsistent with the faithful performance of that officer’s or employee’s duties, from acting without compensation as agent or attorney for, or otherwise representing—

“(A) any person who is the subject of disciplinary, loyalty, or other personnel administration proceedings in connection with those proceedings; or

“(B) except as provided in paragraph (2), any cooperative, voluntary, professional, recreational, or similar organization or group not established or operated for profit, if a majority of the organization’s or group’s members are current officers or employees of the United States or of the District of Columbia, or their spouses or dependent children.

“(2) Paragraph (1)(B) does not apply with respect to a covered matter that—

“(A) is a claim under subsection (a)(1) or (b)(1);

“(B) is a judicial or administrative proceeding where the organization or group is a party; or

“(C) involves a grant, contract, or other agreement (including a request for any such grant, contract, or agreement) providing for the disbursement of Federal funds to the organization or group.”.

Section 633 amends sections 8341(e), 8443(b), and 8908 of title 5, United States Code, as follows:

TITLE 5—GOVERNMENT ORGANIZATION AND EMPLOYEES

* * * * *

PART III—EMPLOYEES

* * * * *

Subpart G—Insurance and Annuities

* * * * *

CHAPTER 83—RETIREMENT

* * * * *

SUBCHAPTER III—CIVIL SERVICE RETIREMENT

§ 8341. Survivor annuities

(a) * * *

* * * * *

(e)(1) For the purposes of this subsection, “former spouse” includes a former spouse who was married to an employee or Member for less than 9 months and a former spouse of an employee or Member who completed less than 18 months of service covered by this subchapter.

* * * * *

(3) The annuity of a child under this subchapter or under the Act of May 29, 1930, as amended from and after February 28, 1948, commences on the day after the employee or Member dies, or commences or resumes on the first day of the month in which the child later becomes or again becomes a student as described by subsection (a)(3) of this section, if any lump sum paid is returned to the Fund. This annuity and the right thereto terminate on the last day of the month before the child—

* * * * *

“(4) If the annuity of a child under this subchapter terminates under paragraph (3)(E) because of marriage, then, if such marriage ends, such annuity shall resume on the first day of the month in which it ends, but only if—

“(A) any lump sum paid is returned to the Fund; and

“(B) that individual is not otherwise ineligible for such annuity.”.

* * * * *

CHAPTER 84—FEDERAL EMPLOYEES’ RETIREMENT SYSTEM

* * * * *

SUBCHAPTER IV—SURVIVOR ANNUITIES

§ 8443. Rights of a child

(a)(1) * * *

(b) The annuity of a child under this subchapter—whichever occurs first. On the death of the surviving wife or husband, or former wife or husband, or termination of the annuity of a child, the annuity of any other child or children shall be recomputed and paid as though the wife or husband, former wife or husband, or child had not survived the annuitant, employee, or Member. *If the annuity of a child under this subchapter terminates under subparagraph (E) because of marriage, then, if such marriage ends, such annuity shall resume on the first day of the month in which it ends, but only if any lump sum paid is returned to the Fund, and that individual is not otherwise ineligible for such annuity.*

* * * * *

CHAPTER 89—HEALTH INSURANCE

§ 8908. Coverage of restored employees and survivor or disability annuitants

(a) * * *

* * * * *

(c) * * *

“(d) A surviving child whose survivor annuity under section 8341(e) or 8443(b) was terminated and is later restored under paragraph (4) of section 8341(e) or the last sentence of section 8443(b) may, under regulations prescribed by the Office, enroll in a health benefits plan described by section 8903 or 8903a if such surviving child was covered by any such plan immediately before such annuity was terminated.”

Section 634 amends section 6302 of title 5, United States Code, as follows:

TITLE 5—GOVERNMENT ORGANIZATION AND EMPLOYEES

* * * * *

PART III—EMPLOYEES

* * * * *

Subpart E—Attendance and Leave

* * * * *

CHAPTER 63—LEAVE

* * * * *

SUBCHAPTER I—ANNUAL AND SICK LEAVE

§ 6302. General provisions

(a) * * *

* * * * *

(f) * * *

“(g) An employee who is being involuntarily separated from an agency due to a reduction in force or transfer of function under subchapter I of chapter 35 may elect to use annual leave to the employee’s credit to remain on the agency’s rolls after the date the employee would otherwise have been separated if, and only to the extent that, such additional time in a pay status will enable the employee to qualify for an immediate annuity under section 8336, 8412, or 8414, or to qualify to carry health benefits coverage into retirement under section 8905(b).”

Section 635 amends section 207(e)(6)(B) of title 18, United States Code, as follows:

TITLE 18—CRIMES AND CRIMINAL PROCEDURE

* * * * *

PART I—CRIMES

* * * * *

CHAPTER 11—BRIBERY, GRAFT, AND CONFLICTS OF INTEREST

§ 207. Restrictions on former officers, employees, and elected officials of the executive and legislative branches

(a) * * *

* * * * *

(e) * * *

* * * * *

(6) LIMITATION ON RESTRICTIONS.—(A) The restrictions contained in paragraphs (2), (3), and (4) apply only to acts by a former employee who, for at least 60 days, in the aggregate, during the 1-year period before that former employee’s service as such employee terminated, was paid a rate of basic pay equal to or greater than an amount which is 75 percent of the basic rate of pay payable for a Member of the House of Congress in which such employee was employed.

(B) The restrictions contained in paragraph (5) apply only to acts by a former employee who, for at least 60 days, in the aggregate, during the 1-year period before that former employee's service as such employee terminated, was employed in a position for which the rate of basic pay, exclusive of any locality-based pay adjustment under section 5302 of title 5 (or any comparable adjustment pursuant to interim authority of the President), is equal to or greater than the basic rate of pay payable for [level V of the Executive Schedule] *level 5 of the Senior Executive Service*.

Section 639 amends section 608 of Public Law 104–52, as follows:

SEC. 608. In addition to funds provided in this or any other Act, all Federal agencies are authorized to receive and use funds resulting from the sale of materials recovered through recycling or waste prevention programs, *including Federal records disposed of pursuant to a records schedule*. Such funds shall be available until expended for the following purposes:

(1) Acquisition, waste reduction and prevention and recycling programs as described in Executive Order 12873 (October 20, 1993), including any such programs adopted prior to the effective date of the Executive Order.

(2) Other Federal agency environmental management programs, including but not limited to, the development and implementation of hazardous waste management and pollution prevention programs.

(3) Other employee programs as authorized by law or as deemed appropriate by the head of the Federal agency.

Section 641 amends section 8(a)(1) of title 5, United States Code, as follows:

TITLE 5—GOVERNMENT ORGANIZATION AND EMPLOYEES

* * * * *

PART III—EMPLOYEES

* * * * *

Subpart D—Pay and Allowances

* * * * *

CHAPTER 55—PAY ADMINISTRATION

* * * * *

SUBCHAPTER I—GENERAL PROVISIONS

* * * * *

§ 5509. Appropriations

There are authorized to be appropriated sums necessary to carry out the provisions of this title.

The remainder of the authority for this section is implied from the statutes from which this title is derived.

MERIT SYSTEMS PROTECTION BOARD AND OFFICE OF SPECIAL COUNSEL; AUTHORIZATION OF APPROPRIATIONS; RESTRICTION ON APPROPRIATIONS

“(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated—

“(1) for each of fiscal years ~~1993, 1994, 1995, 1996, and 1997,~~ *1998, 1999, 2000, 2001, and 2002* such sums as necessary to carry out subchapter I of chapter 12 of title 5, United States Code (as amended by this Act); and

“(2) for each of fiscal years 1993, 1994, 1995, 1996, and 1997, such sums as necessary to carry out subchapter II of chapter 12 of title 5, United States Code (as amended by this Act).

“(b) RESTRICTION RELATING TO APPROPRIATIONS UNDER THE CIVIL SERVICE REFORM ACT OF 1978.—No funds may be appropriated to the Merit Systems Protection Board or the Office of Special Counsel pursuant to section 903 of the Civil Service Reform Act of 1978 [Pub. L. 95–454] (5 U.S.C. 5509 note).”

Section 643 amends section 637(b) of Public Law 104–52 (109 Stat. 510) as follows:

SEC. 637. NATIONAL COMMISSION ON RESTRUCTURING THE INTERNAL REVENUE SERVICE.—

(a) FINDINGS.—The Congress finds the following:

(1) While the budget for the Internal Revenue Service (hereafter referred to as the “IRS”) has risen from \$2.5 billion in fiscal year 1979 to \$7.3 billion in fiscal year 1996, tax returns processing has not become significantly faster, tax collection rates have not significantly increased, and the accuracy and timeliness of taxpayer assistance has not significantly improved.

(2) To date, the Tax Systems Modernization (TSM) program has cost the taxpayers \$2.5 billion, with an estimated cost of \$8 billion. Despite this investment, modernization efforts were recently described by the GAO as “chaotic” and “ad hoc”.

(3) While the IRS maintains that TSM will increase efficiency and thus revenues, Congress has had to appropriate additional funds in recent years for compliance initiatives in order to increase tax revenues.

(4) Because TSM has not been implemented, the IRS continues to rely on paper returns, processing a total of 14 billion pieces of paper every tax season. This results in an extremely inefficient system.

(5) This lack of efficiency reduces the level of customer service and impedes the ability of the IRS to collect revenue.

(6) The present status of the IRS shows the need for the establishment of a Commission which will examine the organization of IRS and recommend actions to expedite the implementation of TSM and improve service to taxpayers.

(b) COMPOSITION OF THE COMMISSION.—

(1) ESTABLISHMENT.—To carry out the purposes of this section, there is established a National Commission on Restructuring the Internal Revenue Service (in this section referred to as the “Commission”).

(2) COMPOSITION.—The Commission shall be composed of thirteen members, as follows:

(A) Five members appointed by the President, two from the executive branch of the Government, two from private life, and one from an organization that represents a substantial number of Internal Revenue Service employees.

(B) Two members appointed by the Majority Leader of the Senate, one from Members of the Senate and one from private life.

(C) Two members appointed by the Minority Leader of the Senate, one from Members of the Senate and one from private life.

(D) Two members appointed by the Speaker of the House of Representatives, one from Members of the House of Representatives and one from private life.

(E) Two members appointed by the Minority Leader of the House of Representatives, one from Members of the House of Representatives and one from private life.

The Commissioner of the Internal Revenue Service shall be an ex officio member of the Commission.

(3) **[CHAIRMAN]** *Co-CHAIRS*.—The Commission shall elect **[a Chairman]** *Co-Chairs* from among its members.

(4) MEETING; QUORUM; VACANCIES.—After its initial meeting, the Commission shall meet upon the call of the **[Chairman]** *Co-Chairs* or a majority of its members. **[Seven]** *Nine* members of the Commission shall constitute a quorum. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(5) APPOINTMENT; INITIAL MEETING.—

(A) APPOINTMENT.—It is the sense of the Congress that members of the Committee should be appointed not more than 60 days after the date of the enactment of this section.

(B) INITIAL MEETING.—If, after 60 days from the date of the enactment of this section, seven or

more members of the Commission have been appointed, members who have been appointed may meet and select [a Chairman] *Co-Chairs* who thereafter shall have the authority to begin the operations of the Commission, including the hiring of staff.

(c) FUNCTIONS OF COMMISSION.—

(1) IN GENERAL.—The functions of the Commission shall be—

(A) to conduct, for a period of not to exceed one year from the date of its first meeting, the review described in paragraph (2), and

(B) to submit to the Congress a final report of the results of the review, including recommendations for restructuring the IRS.

(2) REVIEW.—The Commission shall review—

(A) the present practices of the IRS, especially with respect to—

- (i) its organizational structure;
- (ii) its paper processing and return processing activities;
- (iii) its infrastructure; and
- (iv) the collection process;

(B) requirements for improvement in the following areas:

- (i) making returns processing “paperless”;
- (ii) modernizing IRS operations;
- (iii) improving the collections process without major personnel increases or increased funding;
- (iv) improving taxpayer accounts management;
- (v) improving the accuracy of information requested by taxpayers in order to file their returns; and
- (vi) changing the culture of the IRS to make the organization more efficient, productive, and customer-oriented;

(C) whether the IRS could be replaced with a quasi-governmental agency with tangible incentives and internally managing its programs and activities and for modernizing its activities, and

(D) whether the IRS could perform other collection, information, and financial service functions of the Federal Government.

(d) POWERS OF THE COMMISSION.—

(1) IN GENERAL.—(A) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this section—

- (i) hold such hearings and sit and act at such times and places, take such testimony, receive such evidence, administer such oaths, and

(ii) require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as the Commission or such designated subcommittee or designated member may deem advisable.

(B) Subpoenas issued under subparagraph (A)(ii) may be issued under the signature of the **[Chairman]** *Co-Chairs* of the Commission, the chairman of any designated subcommittee, or any designated member, and may be served by any person designated by such **[Chairman]** *Co-Chairs*, subcommittee chairman, or member. The provisions of sections 102 through 104 of the Revised Statutes of the United States (2 U.S.C. 192-194) shall apply in the case of any failure of any witness to comply with any subpoena or to testify when summoned under authority of this section.

(2) CONTRACTING.—The Commission may, to such extent and in such amounts as are provided in appropriation Acts, enter into contracts to enable the Commission to discharge its duties under this section.

(3) INFORMATION FROM FEDERAL AGENCIES.—The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality of the Government, information, suggestions, estimates, and statistics for the purposes of this section. Each such department, bureau, agency, board, commission, office, establishment, or instrumentality shall, to the extent authorized by law, furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the **[Chairman]** *Co-Chairs*.

(4) ASSISTANCE FROM FEDERAL AGENCIES.—(A) The Secretary of the Treasury is authorized on a nonreimbursable basis to provide the Commission with administrative services, funds, facilities, staff, and other support services for the performance of the Commission's functions.

(B) The Administrator of General Services shall provide to the Commission on a nonreimbursable basis such administrative support services as the Commission may request.

(C) In addition to the assistance set forth in subparagraphs (A) and (B), departments and agencies of the United States are authorized to provide to the Commission such services, funds, facilities, staff, and other support services as they may deem advisable and as may be authorized by law.

(5) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as departments and agencies of the United States.

“(6) *GIFTS.*—*The Commission may accept, use, and dispose of gifts or donations of services or property in carrying out its duties under this section.*”

(e) STAFF OF THE COMMISSION.—

(1) IN GENERAL.—The **Chairman** *Co-Chairs*, in accordance with rules agreed upon by the Commission, may appoint and fix the compensation of a staff director and such other personnel as may be necessary to enable the Commission to carry out its functions, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no rate of pay fixed under this subsection may exceed the equivalent of that payable to a person occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code. Any Federal Government employee may be detailed to the Commission without reimbursement from the Commission, and such detailee shall retain the rights, status, and privileges of his or her regular employment without interruption.

(2) CONSULTANT SERVICES.—The Commission is authorized to procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates not to exceed the daily rate paid a person occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(f) COMPENSATION AND TRAVEL EXPENSES.—

(1) COMPENSATION.—(A) Except as provided in subparagraph (B), each member of the Commission may be compensated at not to exceed the daily equivalent of the annual rate of basic pay in effect for a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day during which that member is engaged in the actual performance of the duties of the Commission.

(B) Members of the Commission who are officers or employees of the United States or Members of Congress shall receive no additional pay on account of their service on the Commission.

(2) TRAVEL EXPENSES.—While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission **shall** *may* be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5, United States Code.

(g) FINAL REPORT OF COMMISSION; TERMINATION.—

(1) FINAL REPORT.—Not later than one year after the date of the first meeting of the Commission, the Com-

mission shall submit to the Congress its final report, as described in subsection (c)(2).

(2) TERMINATION.—(A) The Commission, and all the authorities of this section, shall terminate on the date which is 60 days after the date on which a final report is required to be transmitted under paragraph (1).

(B) The Commission may use the 60-day period referred to in subparagraph (A) for the purpose of concluding its activities, including providing testimony to committees of Congress concerning its final report and disseminating that report.

(h) AUTHORIZATION OF APPROPRIATIONS.—Such sums as may be necessary are authorized to be appropriated for the activities of the Commission.

(i) APPROPRIATIONS.—Notwithstanding any other provision of this Act, \$1,000,000 shall be available from fiscal year 1996 funds appropriated to the Internal Revenue Service, “Information systems” account, for the activities of the Commission, to remain available until expended.

Section 644 amends section 202(a) of title 39, United States Code, as follows:

TITLE 39—POSTAL SERVICE

* * * * *

PART I—GENERAL

* * * * *

CHAPTER 2—ORGANIZATION

* * * * *

§ 202. Board of Governors

(a) The exercise of the power of the Postal Service shall be directed by a Board of Governors composed of 11 members appointed in accordance with this section. Nine of the members, to be known as Governors, shall be appointed by the President, by and with the advice and consent of the Senate, not more than 5 of whom may be adherents of the same political party. The Governors shall elect a Chairman from among the members of the Board. The Governors shall be chosen to represent the public interest generally, and shall not be representatives of specific interests using the Postal Service, and may be removed only for cause. Each Governor shall receive a salary of **[\$10,000 a year]** *\$30,000 a year* plus \$300 a day for not more than 42 days of meetings each year and shall be reimbursed for travel and reasonable expenses incurred in attending meetings of the Board. Nothing in the preceding sentence shall be construed to limit the number of days of meetings each year to 42 days.

BUDGETARY IMPACT OF BILL

PREPARED IN CONSULTATION WITH THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC.
308(a), PUBLIC LAW 93-344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount of bill	Committee allocation	Amount of bill
Comparison of amounts in the bill with Committee allocations to its subcommittees of amounts in the First Concurrent Resolution for 1997: Subcommittee on Treasury, Postal Service, General Government:				
Defense discretionary				
Nondefense discretionary	\$10,081	\$10,081	\$11,012	¹ \$10,879
Violent crime reduction fund	120	120	106	102
Mandatory	12,511	12,511	12,509	12,509
Projections of outlays associated with the recommendation:				
1997				² 20,527
1998				1,675
1999				451
2000				270
2001 and future year				230
Financial assistance to State and local governments for 1997 in bill	NA	16	NA	13

¹Includes outlays from prior-year budget authority.

²Excludes outlays from prior-year budget authority.

NA: Not applicable.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1996 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 1997

Item	1996 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or -)					
					1996 appropriation	Budget estimate	House allowance			
TITLE I—DEPARTMENT OF THE TREASURY										
Departmental Offices	\$105,929,000	\$120,577,000	\$108,447,000	\$111,348,000	+\$5,419,000	-\$9,229,000	+\$2,901,000			
Automation Enhancement			27,100,000	27,100,000	+	27,100,000				
Office of Inspector General	29,319,000	30,153,000	29,319,000	30,153,000	+	834,000	+	834,000		
Office of Professional Responsibility (to be derived by transfer)			(3,000,000)				(- 3,000,000)			
Treasury Buildings and Annex Repair and Restoration ..	21,491,000	7,684,000	22,892,000	43,684,000	+	22,193,000	+	36,000,000		
Financial Crimes Enforcement Network	22,198,000	23,137,000	22,387,000	22,387,000	+	189,000	-	750,000		
Treasury Forfeiture Fund (limitation on availability of deposits)	10,000,000	10,000,000	7,500,000	10,000,000				+	2,500,000	
Violent Crime Reduction Programs:										
Departmental Offices			5,971,000					-	5,971,000	
Bureau of Alcohol, Tobacco and Firearms	21,010,000	21,437,000	47,624,000	31,450,000	+	10,440,000	+	10,013,000	-	16,174,000
Gang Resistance Education and Training: Grants	7,200,000	7,200,000	7,200,000	8,000,000	+	800,000	+	800,000	+	800,000
United States Customs Service	25,690,000	35,283,000	15,005,000	38,900,000	+	13,210,000	+	3,617,000	+	23,895,000
United States Secret Service	21,600,000	28,761,000	20,200,000	24,500,000	+	2,900,000	-	4,261,000	+	4,300,000
Federal Law Enforcement Training Center: Salaries and Expenses	1,014,000	4,519,000		3,150,000	+	2,136,000	-	1,369,000	+	3,150,000
Financial Crimes Enforcement Network			1,000,000	1,000,000	+	1,000,000		1,000,000		
ONDCP—HIDTA				13,000,000	+	13,000,000	+	13,000,000	+	13,000,000
Total, Violent Crime Reduction Programs	76,514,000	97,200,000	97,000,000	120,000,000	+	43,486,000	+	22,800,000	+	23,000,000
Federal Law Enforcement Training Center:										
Salaries and Expenses	36,070,000	50,518,000	51,681,000	52,242,000	+	16,172,000	+	1,724,000	+	561,000
Acquisition, Construction, Improvements, and Related Expenses	9,663,000	9,884,000	18,884,000	19,884,000	+	10,221,000	+	10,000,000	+	1,000,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1996 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 1997—Continued

Item	1996 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or -)		
					1996 appropriation	Budget estimate	House allowance
Total, Federal Law Enforcement Training Center	45,733,000	60,402,000	70,565,000	72,126,000	+ 26,393,000	+ 11,724,000	+ 1,561,000
Financial Management Service	184,300,000	198,070,000	191,799,000	196,338,000	+ 12,038,000	- 1,732,000	+ 4,539,000
Bureau of Alcohol, Tobacco and Firearms:							
Salaries and Expenses	377,971,000	406,005,000	389,982,000	395,597,000	+ 17,626,000	- 10,408,000	+ 5,615,000
Laboratory facilities .....	.....	62,000,000	.....	6,978,000	+ 6,978,000	- 55,022,000	+ 6,978,000
Total, Bureau of Alcohol, Tobacco and Firearms	377,971,000	468,005,000	389,982,000	402,575,000	+ 24,604,000	- 65,430,000	+ 12,593,000
United States Customs Service:							
Salaries and Expenses	1,387,153,000	1,466,170,000	1,487,224,000	1,421,543,000	+ 34,390,000	- 44,627,000	- 65,681,000
Operation and Maintenance, Air and Marine Interdiction Programs	64,843,000	83,363,000	83,363,000	83,363,000	+ 18,520,000	.....	.....
Air Interdiction Procurement .....	.....	.....	28,000,000	45,000,000	+ 45,000,000	+ 45,000,000	+ 17,000,000
Customs Services at Small Airports (to be derived from fees collected)	1,406,000	2,406,000	2,406,000	2,406,000	+ 1,000,000	.....	.....
Harbor Maintenance Fee Collection	3,000,000	3,000,000	3,000,000	3,000,000	.....	.....	.....
Total, United States Customs Service	1,456,402,000	1,554,935,000	1,603,993,000	1,555,312,000	+ 98,910,000	+ 373,000	- 48,681,000
Bureau of the Public Debt	170,000,000	171,910,000	165,335,000	165,335,000	- 4,665,000	- 6,575,000	.....
Payment of Government Losses in Shipment	500,000	.....	.....	.....	- 500,000	.....	.....
Internal Revenue Service:							
Processing, Assistance, and Management	1,723,764,000	1,779,663,000	1,722,985,000	1,728,840,000	+ 5,076,000	- 50,823,000	+ 5,855,000
Tax Law Enforcement	4,097,294,000	4,527,821,000	4,052,586,000	4,085,355,000	- 11,939,000	- 442,466,000	+ 32,769,000
Information Systems	1,527,154,000	1,687,674,000	1,077,450,000	1,240,473,000	- 286,681,000	- 447,201,000	+ 163,023,000
Rescission .....	.....	.....	- 174,447,000	- 174,447,000	- 174,447,000	- 174,447,000	.....

Total, Internal Revenue Service	7,348,212,000	7,995,158,000	6,678,574,000	6,880,221,000	— 467,991,000	— 1,114,937,000	+ 201,647,000
United States Secret Service:							
Salaries and Expenses	531,944,000	516,182,000	528,368,000	519,265,000	— 12,679,000	+ 3,083,000	— 9,103,000
Acquisition, Construction, Improvement, and Related Expenses		29,165,000	31,298,000	29,165,000	+ 29,165,000		— 2,133,000
Total, United States Secret Service	531,944,000	545,347,000	559,666,000	548,430,000	+ 16,486,000	+ 3,083,000	— 11,236,000
Total, Title I, Department of the Treasury	10,380,513,000	11,282,582,000	9,974,559,000	10,185,009,000	— 195,504,000	— 1,097,573,000	+ 210,450,000
TITLE II—POSTAL SERVICE							
Payment to the Postal Service Fund	85,080,000	102,817,000	85,080,000	90,433,000	+ 5,353,000	— 12,384,000	+ 5,353,000
Payment to the Postal Service Fund for Nonfunded Liabilities	36,828,000				— 36,828,000		
Total, Title II, Postal Service	121,908,000	102,817,000	85,080,000	90,433,000	— 31,475,000	— 12,384,000	+ 5,353,000
TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT							
Compensation of the President and the White House Office:							
Compensation of the President	250,000	250,000	250,000	250,000			
Salaries and Expenses	39,459,000	40,193,000	40,193,000	40,193,000	+ 734,000		
Executive Residence at the White House:							
Operating Expenses	7,827,000	7,827,000	7,827,000	7,827,000			
White House Repair and Restoration	2,200,000				— 2,200,000		
Special Assistance to the President and the Official Residence of the Vice President:							
Operating expenses	324,000	324,000	324,000	324,000			
Salaries and Expenses	3,280,000	3,280,000	3,280,000	3,280,000			
Council of Economic Advisers	3,180,000	3,439,000	3,439,000	3,439,000	+ 259,000		
Office of Policy Development	3,867,000	3,867,000	3,867,000	3,867,000			
National Security Council	6,648,000	6,648,000	6,648,000	6,648,000			
Office of Administration	25,736,000	26,100,000	26,100,000	26,100,000	+ 364,000		
Office of Management and Budget	55,573,000	55,573,000	55,573,000	55,573,000			
Office of National Drug Control Policy	26,900,000	34,838,000	34,838,000	34,838,000	+ 7,938,000		
Unanticipated Needs	1,000,000	1,000,000		1,000,000			+ 1,000,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1996 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 1997—Continued

Item	1996 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or -)		
					1996 appropriation	Budget estimate	House allowance
Federal Drug Control Programs: High Intensity Drug Trafficking Areas Program	103,000,000	103,000,000	113,000,000	103,000,000	.....	.....	- 10,000,000
Total, Title III, Executive Office of the President and Funds Appropriated to the President	279,244,000	286,339,000	295,339,000	286,339,000	+ 7,095,000	.....	- 9,000,000
TITLE IV—INDEPENDENT AGENCIES							
Advisory Commission on Intergovernmental Relations	784,000	.....	.....	.....	- 784,000	.....	.....
Administrative Conference of the United States	600,000	.....	.....	.....	- 600,000	.....	.....
Committee for Purchase from People Who Are Blind or Severely Disabled	1,800,000	1,800,000	1,800,000	1,800,000	.....	.....	.....
Federal Election Commission	26,521,000	29,371,000	27,524,000	28,700,000	+ 2,179,000	- 671,000	+ 1,176,000
Federal Labor Relations Authority	20,542,000	21,988,000	21,588,000	21,588,000	+ 1,046,000	- 400,000	.....
General Services Administration:							
Federal Buildings Fund:							
Appropriation	82,600,000	517,925,000	209,193,000	257,162,000	+ 174,562,000	- 260,763,000	+ 47,969,000
Rescissions	(- 55,000,000)	.....	.....	.....	(+ 55,000,000)	.....	.....
Limitations on availability of revenue:							
Construction and acquisition of facili- ties	(545,002,000)	(715,179,000)	(540,000,000)	(657,724,000)	(+ 112,722,000)	(- 57,455,000)	(+ 117,724,000)
Repairs and alterations	(637,000,000)	(775,034,000)	(635,000,000)	(616,990,000)	(- 20,010,000)	(- 158,044,000)	(- 18,010,000)
Installment acquisition payments	(181,963,000)	(173,075,000)	(173,075,000)	(173,075,000)	(- 8,888,000)	.....	.....
Rental of space	(2,326,200,000)	(2,348,850,000)	.....	(2,343,795,000)	(+ 17,595,000)	(- 5,055,000)	(+ 2,343,795,000)
Building Operations	(1,302,551,000)	(1,575,151,000)	(390,900,000)	(1,532,465,000)	(+ 229,914,000)	(- 42,686,000)	(+ 1,141,565,000)
Operations and leasing .....	.....	.....	(3,903,205,000)	.....	.....	.....	(- 3,903,205,000)
Repayment of Debt	(73,433,000)	(88,312,000)	(88,312,000)	(88,312,000)	(+ 14,879,000)	.....	.....
Environmental cleanup activities .....	.....	.....	(20,000,000)	.....	.....	.....	(- 20,000,000)
Automation enhancements .....	.....	.....	(4,800,000)	.....	.....	.....	(- 4,800,000)
Total, Federal Buildings Fund	82,600,000	517,925,000	209,193,000	257,162,000	+ 174,562,000	- 260,763,000	+ 47,969,000
(Limitations)	(5,066,149,000)	(5,675,601,000)	(5,755,292,000)	(5,412,361,000)	(+ 346,212,000)	(- 263,240,000)	(- 342,931,000)

Policy and Operations	119,091,000	110,173,000	109,091,000	110,173,000	-8,918,000	.....	+1,082,000
Office of Inspector General	33,274,000	33,863,000	33,274,000	33,863,000	+589,000	.....	+589,000
Allowances and Office Staff for Former Presidents	2,181,000	2,180,000	2,180,000	2,180,000	-1,000	.....	.....
Expenses, presidential transition .....	.....	5,600,000	5,600,000	5,600,000	+5,600,000	.....	.....
Total, General Services Administration	237,146,000	669,741,000	359,338,000	408,978,000	+171,832,000	-260,763,000	+49,640,000
John F. Kennedy Assassination Record Review Board	2,150,000	2,150,000	2,150,000	2,150,000	.....	.....	.....
Merit Systems Protection Board:							
Salaries and Expenses	24,549,000	24,549,000	23,297,000	24,549,000	.....	.....	+1,252,000
(Limitation on administrative expenses)	(2,430,000)	(2,430,000)	(2,430,000)	(2,430,000)	.....	.....	.....
National Archives and Records Administration:							
Operating expenses	199,633,000	196,964,000	195,109,000	196,964,000	-669,000	+2,000,000	+3,855,000
Reduction of debt	-4,012,000	-4,012,000	-4,012,000	-4,012,000	.....	.....	.....
Rescission .....	.....	.....	-4,500,000	.....	.....	.....	+4,500,000
Repairs and Restoration	1,500,000	2,750,000	9,500,000	18,229,000	+16,729,000	+15,479,000	+8,729,000
National Historical Publications and Records Commission: Grants program	5,000,000	4,000,000	4,000,000	5,000,000	.....	+1,000,000	+1,000,000
Total, National Archives and Records Administration	202,121,000	199,702,000	200,097,000	218,181,000	+16,060,000	+18,479,000	+18,084,000
Office of Government Ethics	7,776,000	8,078,000	8,078,000	8,078,000	+302,000	.....	.....
Office of Personnel Management:							
Salaries and Expenses	88,000,000	87,076,000	86,576,000	87,076,000	-924,000	.....	+500,000
(Limitation on administrative expenses)	(102,536,000)	(94,736,000)	(93,486,000)	(94,736,000)	(-7,800,000)	.....	(+1,250,000)
Office of Inspector General	4,009,000	960,000	960,000	960,000	-3,049,000	.....	.....
(Limitation on administrative expenses)	(6,181,000)	(8,645,000)	(8,645,000)	(8,645,000)	(+2,464,000)	.....	.....
Revolving fund .....	.....	5,000,000	4,755,000	5,000,000	+5,000,000	.....	+245,000
Government Payment for Annuitants, Employees Health Benefits	3,746,337,000	4,059,000,000	4,059,000,000	4,059,000,000	+312,663,000	.....	.....
Government Payment for Annuitants, Employee Life Insurance	32,647,000	33,000,000	33,000,000	33,000,000	+353,000	.....	.....
Payment to Civil Service Retirement and Disability Fund	7,945,998,000	7,989,000,000	7,989,000,000	7,989,000,000	+43,002,000	.....	.....
Total, Office of Personnel Management	11,816,991,000	12,174,036,000	12,173,291,000	12,174,036,000	+357,045,000	.....	+745,000
Office of Special Counsel	7,840,000	8,311,000	7,840,000	8,116,000	+276,000	-195,000	+276,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1996 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 1997—Continued

Item	1996 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
					1996 appropriation	Budget estimate House allowance
United States Tax Court	33,269,000	34,293,000	33,269,000	34,293,000	+ 1,024,000	 + 1,024,000
Total, Title IV, Independent Agencies	12,382,089,000	13,174,019,000	12,858,272,000	12,930,469,000	+ 548,380,000	+ 72,197,000
(Limitation on administrative expenses) ...	(5,122,296,000)	(5,781,412,000)	(5,859,853,000)	(5,518,172,000)	(+ 395,876,000)	(- 341,681,000)
TITLE VII—SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS						
Bureau of Alcohol, Tobacco and Firearms:						
Salaries and Expenses .....	.....	.....	12,011,000	12,011,000	+ 12,011,000	.....
(By transfer) .....	.....	(12,000,000)	.....	.....	.....	(- 12,000,000)
Internal Revenue Service: Information Systems (rescission) .....	.....	.....	- 12,011,000	- 16,500,000	- 16,500,000	- 4,489,000
Total, Title VII, Supplemental Appropriations and Rescissions (net) .....	.....	.....	.....	- 4,489,000	- 4,489,000	- 4,489,000
Grand total	23,163,754,000	24,845,757,000	23,213,250,000	23,487,761,000	+ 324,007,000	+ 274,511,000
Fiscal year 1997 (net)	(23,163,754,000)	(24,845,757,000)	(23,213,250,000)	(23,492,250,000)	(+ 328,496,000)	(+ 279,000,000)
Appropriations	(23,163,754,000)	(24,845,757,000)	(23,392,197,000)	(23,666,697,000)	(+ 502,943,000)	(+ 274,500,000)
Rescissions .....	.....	.....	(- 178,947,000)	(- 174,447,000)	(- 174,447,000)	(+ 4,500,000)
Fiscal year 1996 (net) .....	.....	.....	.....	(- 4,489,000)	(- 4,489,000)	(- 4,489,000)
(Limitations)	(5,122,296,000)	(5,781,412,000)	(5,859,853,000)	(5,518,172,000)	(+ 395,876,000)	(- 341,681,000)

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