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109TH CONGRESS, 1st Session — SENATE — REPORT 109–109

TRANSPORTATION, TREASURY, THE JUDICIARY, HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS BILL, 2006

JULY 26, 2005.—Ordered to be printed

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

REPORT

[To accompany H.R. 3058]

The Committee on Appropriations, to which was referred the bill (H.R. 3058) making appropriations for the Departments of Transportation, Treasury, and Housing and Urban Development, the Judiciary, District of Columbia, and independent agencies for the fiscal year ending September 30, 2006, and for other purposes, reports the same to the Senate with an amendment and recommends that the bill as amended do pass.

Amounts of new budget (obligational) authority for fiscal year 2006

Total of bill as reported to the Senate	$88,864,400,000
Amount of 2005 appropriations	86,875,512,000
Amount of 2006 budget estimate	83,316,143,000
Amount of House allowance [1]	90,415,599,000
Bill as recommended to Senate compared to—	
2005 appropriations	+1,988,888,000
2006 budget estimate	+5,548,257,000
House allowance	−1,551,199,000

[1] Excludes $603,397,000 considered by the House for the District of Columbia.

22–626 PDF

CONTENTS

PROGRAM, PROJECT, AND ACTIVITY

During fiscal year 2006, for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99–177), as amended, with respect to appropriations contained in the accompanying bill, the terms "program, project, and activity" [PPA] shall mean any item for which a dollar amount is contained in appropriations acts (including joint resolutions providing continuing appropriations) or accompanying reports of the House and Senate Committees on Appropriations, or accompanying conference reports and joint explanatory statements of the committee of conference. This definition shall apply to all programs for which new budget (obligational) authority is provided, as well as to discretionary grants and discretionary grant allocations made through either bill or report language. In addition, the percentage reductions made pursuant to a sequestration order to funds appropriated for facilities and equipment, Federal Aviation Administration, shall be applied equally 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 and accompanying committee reports, conference reports, or joint explanatory statements of the committee of conference.

REPROGRAMMING GUIDELINES

The Committee includes a provision (sec. 710) establishing the authority by which funding available to the agencies funded by this Act may be reprogrammed for other purposes. The provision specifically requires the advanced approval of the House and Senate Committees on Appropriations of any proposal to reprogram funds that: (1) creates a new program; (2) eliminates a program, project, or activity [PPA]; (3) increases funds or personnel for any PPA for which funds have been denied or restricted by the Congress; (4) proposes to redirect funds that were directed in such reports for a specific activity to a different purpose; (5) augments an existing PPA in excess of $5,000,000 or 10 percent, whichever is less; (6) reduces an existing PPA by $5,000,000 or 10 percent, whichever is less; or (7) creates, reorganizes, or restructures offices different from the congressional budget justifications or the table at the end of the Committee report, whichever is more detailed.

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

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

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

The Committee would also like to clarify that this section applies to Working Capital Funds and Forfeiture Funds and that no funds may be obligated from such funds to augment programs, projects or activities for which appropriations have been specifically rejected by the Congress, or to increase funds or personnel for any PPA above the amounts appropriated by this Act.

RELATIONSHIP WITH BUDGET OFFICES

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

CONGRESSIONAL BUDGET JUSTIFICATIONS

For fiscal year 2006, the Office of Management and Budget [OMB] directed each agency to prepare a performance budget. The Committee is committed to supporting the Administration as it seeks to implement the requirements of the Government Performance and Results Act [Results Act]. The Committee has found the presentation of linking budgetary resources to specific performance targets to be a valuable tool for reviewing and evaluating agency priorities relative to financial proposals and continues to support the linkage of costs to performance in agency programs. The Committee, however, is troubled that the agencies funded under this Act have chosen to accommodate an increasing amount of performance information in budget justifications by eliminating fundamental programmatic budget data that is critical to the work of the Committee. This trend has made it increasingly difficult for the Committee to perform its necessary oversight work in reviewing agency budget proposals.

Budget justifications are prepared not for the use of the agency, but instead are the primary tool used by the House and Senate Committees on Appropriations to evaluate the resource requirements and proposals of agencies. The Committee is aware that the format and presentation of budget materials is largely left to the agency within presentation objectives set forth by OMB. In fact, OMB Circular A–11, Part 6 specifically states that the "agency should consult with your congressional committees beforehand to ensure their awareness of your plans to modify the format of agency budget documents." The Committee is disappointed that none of the agencies funded under this Act heeded that direction and only a small number of agencies even offered to brief the Committee regarding the new format for justification materials in advance of the submission of their fiscal year 2006 budget requests.

While the Committee values the inclusion of performance data and presentations, it is important to ensure that, in the implementation of the Results Act, vital budget information that the Committee needs is not lost. Therefore, the Committee directs that justifications submitted with the fiscal year 2007 budget request by agencies funded under this Act must contain the customary level of detailed data and explanatory statements to support the appropriations requests at the level of detail contained in the funding table included at the end of the Report. Among other items, agencies shall provide a detailed discussion of proposed new initiatives, proposed changes in the agency's financial plan from prior year enactment, and detailed data building the request for the new year for transfers and annualization of prior year programs. At a minimum, each agency must also provide adequate justification for funding and staffing changes for each individual office and materials that compare programs, projects, and activities that are proposed for fiscal year 2007 to the fiscal year 2006 enacted level.

The Committee is aware that the analytical materials required for review by the Committee are unique to each Agency in this Act. Therefore, the Committee expects that the each agency will coordinate with the House and Senate Committees on Appropriations in advance on its planned presentation for the budget justification materials to support of the fiscal year 2007 budget request.

HOUSE APPROPRIATIONS

The Committee recommendation excludes District of Columbia appropriations items that were funded by the House in this bill. The Committee believes that it is appropriate to fund those items in a separate bill. For ease of comparison, the Committee report excludes in the "House allowance" those items that are addressed in the District of Columbia Appropriations Act, 2006, an original Senate bill.

TITLE I—DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

Section 3 of the Department of Transportation Act of October 15, 1966 (Public Law 89–670) provides for establishment of the Office of the Secretary of Transportation [OST]. The Office of the Secretary is comprised of the Secretary and the Deputy Secretary immediate and support offices; the Office of the Under Secretary of Transportation for Policy, including the offices of the Assistant Secretary for Aviation and International Affairs and the Assistant Secretary for Transportation for Policy and Intermodalism; three Assistant Secretarial offices for Budget and Programs, Governmental Affairs, and Administration; and the Offices of Small and Disadvantaged Business Utilization, Intelligence and Security, Office of Emergency Transportation, Chief Information Officer, the General Counsel and Public Affairs. The Office of the Secretary also includes the Department's Office of Civil Rights and the Department's Working Capital Fund.

SALARIES AND EXPENSES

Appropriations, 2005	$86,536,000
Budget estimate, 2006	87,046,000
House allowance	67,824,000
Committee recommendation	86,000,000

PROGRAM DESCRIPTION

This appropriation finances the costs of policy development and central supervisory and coordinating functions necessary for the overall planning and direction of the Department. It covers the immediate secretarial offices and the offices of the under secretary, assistant secretaries, general counsel and other support offices.

COMMITTEE RECOMMENDATION

The Committee recommends a total of $86,000,000 for salaries and expenses of the Office of the Secretary of Transportation, including $60,000 for reception and representation expenses. The recommendation is $1,046,000 less than the budget request and $3,272,000 more than the fiscal year 2005 enacted level. The budget request proposes a consolidated appropriation for the various offices comprising the Office of the Secretary. The Committee does not approve the request and has continued to recommend a specific individual funding level for each office. Furthermore, the Committee recommendation continues to fund the immediate Office of the Secretary, the immediate Office of the Deputy Secretary, and the Executive Secretariat as separate budget activities instead of as a consolidated office, as requested.

The accompanying bill authorizes the Secretary to transfer up to 5 percent of the funds from any office of the Office of the Secretary to another. The Committee directs the Assistant Secretary for budget and programs to submit a quarterly report detailing all transfers pursuant to this authority. Also, the Committee recommendation continues language that permits up to $2,500,000 of fees to be credited to the Office of the Secretary for salaries and expenses.

The Committee recommends prohibiting funds from being used to enforce the restriction set forth in the International Air Transportation Competition Act of 1979 (Public Law 96–192) against the operation of flights between Love Field, Texas, and one or more points within the State of Missouri.

The following table summarizes the Committee's recommendation in comparison to the fiscal year 2005 enacted level and the budget estimate:

	Fiscal year—		Committee recommendation
	2005 enacted [1]	2006 request	
Immediate Office of the Secretary	$2,185,000	$2,198,000	$2,198,000
Office of the Deputy Secretary	694,000	698,000	698,000
Office of the General Counsel	14,946,000	15,183,000	15,183,000
Office of the Under Secretary of Transportation for Policy	11,623,000	11,680,000	12,650,000
Office of the Assistant Secretary for Budget and Programs	8,436,000	9,485,000	8,585,000
Office of the Assistant Secretary for Governmental Affairs	2,279,000	2,293,000	2,293,000
Office of the Assistant Secretary for Administration	21,493,000	23,139,000	22,031,000
Office of Public Affairs	1,899,000	1,910,000	1,910,000
Executive Secretariat	1,433,000	1,442,000	1,442,000
Board of Contract Appeals	693,000	697,000	697,000
Office of Small and Disadvantaged Business Utilization	1,258,000	1,265,000	1,265,000
Office of Intelligence and Security	2,022,000	2,033,000	2,033,000
Office of the Chief Information Officer	10,657,000	11,895,000	11,895,000
Office of Emergency Transportation	3,110,000	3,128,000	3,120,000
Total, Salaries and Expenses	82,728,000	87,046,000	86,000,000

[1] Includes reduction pursuant to Division J, section 122 of Public Law 108–477, reduction pursuant to Division H, section 197 of Public Law 108–477, and transfer of the Office of Intermodalism to the Research and Innovative Technology Administration as part of the Departmental reorganization authorized by Public Law 108–426.

IMMEDIATE OFFICE OF THE SECRETARY

PROGRAM DESCRIPTION

The Secretary of Transportation provides leadership and has the primary responsibility to provide overall planning, direction, and control of the Department.

COMMITTEE RECOMMENDATION

The Committee recommends $2,198,000 for fiscal year 2006 for the Immediate Office of the Secretary. The recommendation is the same as the budget request and $13,000 greater than the fiscal year 2005 enacted level.

IMMEDIATE OFFICE OF THE DEPUTY SECRETARY

PROGRAM DESCRIPTION

The Deputy Secretary has the primary responsibility of assisting the Secretary in the overall planning and direction of the Department.

COMMITTEE RECOMMENDATION

The Committee recommends $698,000 for the Immediate Office of the Deputy Secretary, which is identical to the budget request and $4,000 greater than the fiscal year 2005 enacted level.

OFFICE OF THE GENERAL COUNSEL

PROGRAM DESCRIPTION

The Office of the General Counsel provides legal services to the Office of the Secretary including the conduct of aviation regulatory proceedings and aviation consumer activities and coordinates and reviews the legal work in the chief counsels' offices of the operating administrations. The General Counsel is the chief legal officer of the Department of Transportation and the final authority within the Department on all legal questions.

COMMITTEE RECOMMENDATION

The Committee recommends $15,183,000 for expenses of the Office of the General Counsel for fiscal year 2006, equal to the budget request and $237,000 greater than the fiscal year 2005 enacted level. The Committee approves the request for an administrative adjustment of 3 full time equivalent staff years (FTEs) with no associated increase in new funding to match more appropriately the number of positions. The recommendation includes $150,000, as requested, for one additional FTE for the Office of Emergency Transportation's litigation caseload.

OFFICE OF THE UNDER SECRETARY OF TRANSPORTATION FOR POLICY

PROGRAM DESCRIPTION

The Under Secretary for Policy is the chief policy officer of the Department and is responsible to the Secretary for the analysis, development, and review of policies and plans for domestic and international transportation matters. The Office administers the economic regulatory functions regarding the airline industry and is responsible for international aviation programs, the essential air service program, airline fitness licensing, acquisitions, international route awards, computerized reservation systems, and special investigations such as airline delays.

COMMITTEE RECOMMENDATION

For fiscal year 2006, the Committee recommends $12,650,000 for the Office of the Under Secretary for Policy, $985,000 more than the budget request and $1,042,000 more than the fiscal year 2005 enacted level.

The Committee directs that up to $500,000 shall be used for an independent forensic audit of expenses and payments made under the Essential Air Program. The Committee has provided $1,000,000 for an audit to be conducted by the National Academy of Public Administration to determine how communities currently served by the Essential Air Service program might best be integrated into the national aviation system at lesser cost. The Committee expects this study to be informed by the recent assessments conducted by the

Secretary, the Inspector General, and the Government Accountability Office [GAO]. The Committee further expects this study to examine all transportation options for these communities, including ground transportation options, to determine the appropriate level and type of service that best meets the transportation needs of the residents of these communities at a reasonable cost to the taxpayer.

OFFICE OF THE ASSISTANT SECRETARY FOR BUDGET AND PROGRAMS

PROGRAM DESCRIPTION

The Assistant Secretary for Budget and Programs is the principal staff advisor to the Secretary on the development, review, presentation, and execution of the Department's budget resource requirements, and on the evaluation and oversight of the Department's programs. The primary responsibilities of this office are to ensure the effective preparation and presentation of sound and adequate budget estimates for the Department, to ensure the consistency of the Department's budget execution with the action and advice of the Congress and the Office of Management and Budget, to evaluate the program proposals for consistency with the Secretary's stated objectives, and to advise the Secretary of program and legislative changes necessary to improve program effectiveness.

COMMITTEE RECOMMENDATION

The Committee recommends $8,585,000 for the Office of the Assistant Secretary for Budget and Programs, $900,000 less than the budget request and $149,000 over the fiscal year 2005 enacted level. The Committee is disappointed with the level of detail being provided in the budget justifications and supporting documentations and expects the fiscal year 2007 presentation to provide a more detailed program justification.

Credit Program Initiative.—The Committee recommendation denies the request for 2 new full time equivalent positions. The office has a large number of vacancies, and the Committee understands that the Assistant Secretary has the discretion to hire applicants with expertise in analyzing creditworthiness when making staffing decisions. The Committee recommends $100,000 for contractor support to enhance oversight of the credit programs administered by the Department's operating administrations and to negotiate solutions to distressed loans. While the Committee supports improving evaluation and oversight of the Department's budget and programs, it is more appropriate to develop an initiative to improve management of loan portfolios and financial review and analysis of credit applications in the modal administration that administers a respective credit program. The Committee directs the Assistant Secretary to submit a report to the House and Senate Committees on Appropriations detailing initiatives to improve the management and reduce the risk of credit programs at each of the modes that administers them. Also, the report should identify in detail additional staffing and resource requirements. The report should be delivered to the Committees no later than March 1, 2006.

Overdue Congressional Reports.—The Committee appreciates the effort to reduce the backlog of delinquent reporting requirements to

Congress. The Committee continues to direct the Assistant Secretary for Budget and Programs to submit a report at the beginning of each fiscal quarter on the status of all outstanding reporting requirements. The report should identify the deadline established by Congress and an estimated date for delivery.

OFFICE OF THE ASSISTANT SECRETARY FOR GOVERNMENTAL AFFAIRS

PROGRAM DESCRIPTION

The Assistant Secretary for Governmental Affairs advises the Secretary on all congressional and intergovernmental activities and on all departmental legislative initiatives and other relationships with Members of Congress. The Assistant Secretary promotes effective communication with other Federal agencies and regional Department officials, and with State and local governments and national organizations for development of departmental programs; and ensures that consumer preferences, awareness, and needs are brought into the decision-making process.

COMMITTEE RECOMMENDATION

The Committee recommends a total of $2,293,000 for the Office of the Assistant Secretary for Governmental Affairs, an amount equal to the budget request and $14,000 over the fiscal year 2005 enacted level.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

PROGRAM DESCRIPTION

The Assistant Secretary for Administration is responsible for establishing policies and procedures, setting guidelines, working with the Operating Administrations to improve the effectiveness and efficiency of the Department in human resource management, security and administrative management, real and personal property management, and acquisition and grants management.

COMMITTEE RECOMMENDATION

The Committee recommends $22,031,000 for the Office of the Assistant Secretary for Administration, $1,108,000 below the budget request and $538,000 above the fiscal year 2005 enacted level.

OFFICE OF PUBLIC AFFAIRS

PROGRAM DESCRIPTION

The Director of Public Affairs is the principal advisor to the Secretary and other senior Departmental officials and news media on public affairs questions. The Office issues news releases, articles, fact sheets, briefing materials, publications, and audiovisual materials. It also provides information to the Secretary on opinions and reactions of the public and news media on transportation programs and issues. It arranges news conferences and provides speeches, talking points, and byline articles for the Secretary and other senior departmental officials, and arranges the Secretary's scheduling.

COMMITTEE RECOMMENDATION

The Committee recommends $1,910,000 for the Office of Public Affairs, which is the same amount as the budget request and $11,000 more than the fiscal year 2005 enacted level.

EXECUTIVE SECRETARIAT

PROGRAM DESCRIPTION

The Executive Secretariat assists the Secretary and the Deputy Secretary in carrying out their management functions and responsibilities by controlling and coordinating internal and external written materials.

COMMITTEE RECOMMENDATION

The Committee recommends $1,442,000 for the Executive Secretariat. The recommendation is identical to the budget request and $9,000 more than the fiscal year 2005 enacted level.

BOARD OF CONTRACT APPEALS

PROGRAM DESCRIPTION

The primary responsibility of the Board of Contract Appeals is to provide an independent forum for the trial and adjudication of all claims by, or against, a contractor relating to a contract of any element of the Department, as mandated by the Contract Disputes Act of 1978, 41 U.S.C. 601.

COMMITTEE RECOMMENDATION

The Committee recommends $697,000 for the Board of Contract Appeals, the same as the budget request and $4,000 greater than the fiscal year 2005 enacted level.

OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION

PROGRAM DESCRIPTION

The Office of Small and Disadvantaged Business Utilization has primary responsibility for providing policy direction for small and disadvantaged business participation in the Department's procurement and grant programs, and effective execution of the functions and duties under sections 8 and 15 of the Small Business Act, as amended.

COMMITTEE RECOMMENDATION

The Committee recommends $1,265,000, an amount equal to the budget request and $7,000 more than the fiscal year 2005 enacted level.

OFFICE OF INTELLIGENCE AND SECURITY

PROGRAM DESCRIPTION

The Office of Intelligence and Security keeps the Secretary and his advisors informed on intelligence and security issues pertaining to transportation. The office also ensures that transportation policy and programs support the national objectives of general welfare, economic growth and stability, and the security of the United States.

COMMITTEE RECOMMENDATION

The Committee recommends $2,033,000 for the Office of Intelligence and Security for fiscal year 2006. The recommended amount is the same as the budget request and $11,000 more than the fiscal year 2005 enacted level.

OFFICE OF EMERGENCY TRANSPORTATION

PROGRAM DESCRIPTION

The Office of Emergency Transportation [OET] provides support to the Secretary of Transportation for his statutory and administrative responsibilities in the areas of emergency preparedness, response and recovery functions. OET coordinates and conducts the Department's participation in National and Regional exercises and training for emergency personnel; administers the Department's Continuity of Government and Continuity of Operations programs; and coordinates DOT's role in select international contingency planning and response initiatives. Additionally, OET provides direct emergency response and recovery support through the National Response Plan [NRP] and operates the Department's Crisis Management Center [CMC], a facility that monitors the Nation's transportation system 24 hours a day, 7 days a week and is the Department's focal point during emergencies.

COMMITTEE RECOMMENDATION

The Committee recommends $3,120,000 for the Office of Emergency Transportation. The recommendation is $8,000 less than the budget estimate and $10,000 more than the fiscal year 2005 enacted level.

OFFICE OF THE CHIEF INFORMATION OFFICER

PROGRAM DESCRIPTION

The Office of the Chief Information Officer [OCIO] serves as the principal adviser to the Secretary on matters involving information resources and information systems management.

COMMITTEE RECOMMENDATION

The Committee recommends $11,895,000, an amount equal to the budget request and $1,238,000 greater than the fiscal year 2005 enacted level.

Budget Justification.—The Committee is concerned that the fiscal year 2006 budget justification does not clearly identify, describe, and support all of the resources managed by the Office of the Chief Information Officer [CIO]. For the entire fiscal year, the budget request for this program accounts for approximately 20 percent of the funds that will be provided to the office during the year. The remaining 80 percent of the requested funds, or $50,800,000, will be reimbursed by the modal operating administrations through the Working Capital Fund to the CIO. The justification materials supporting funding through the Working Capital Fund are brief, vague, and wholy incomplete. Furthermore, the budget justifications submitted by each of the modal administrations conceal large increases for funding for information technology projects that will be managed by the CIO as increases to the Working Capital Fund that are described as current service increases or inflation adjustments. This is misleading and unacceptable, and will not be tolerated by the Committee.

OFFICE OF CIVIL RIGHTS

Appropriations, 2005	$8,630,000
Budget estimate, 2006	8,550,000
House allowance	8,550,000
Committee recommendation	8,550,000

PROGRAM DESCRIPTION

The Office of Civil Rights is responsible for advising the Secretary on civil rights and equal employment opportunity matters, formulating civil rights policies and procedures for the operating administrations, investigating claims that small businesses were denied certification or improperly certified as disadvantaged business enterprises, and overseeing the Department's conduct of its civil rights responsibilities and making final determinations on civil rights complaints. In addition, the Civil Rights Office is responsible for enforcing laws and regulations which prohibit discrimination in federally operated and federally assisted transportation programs.

COMMITTEE RECOMMENDATION

The Committee recommends a funding level of $8,550,000 for the Office of Civil Rights for fiscal year 2006. The recommendation is identical to the budget request and is $80,000 less than the fiscal year 2005 enacted level.

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

Appropriations, 2005	$19,840,000
Budget estimate, 2006	9,030,000
House allowance	9,030,000
Committee recommendation	15,000,000

PROGRAM DESCRIPTION

The Office of the Secretary performs those research activities and studies which can more effectively or appropriately be conducted at the departmental level. This research effort supports the planning, research and development activities needed to assist the Secretary in the formulation of national transportation policies. The program is carried out primarily through contracts with other Federal agencies, educational institutions, nonprofit research organizations, and private firms.

COMMITTEE RECOMMENDATION

The Committee recommends $15,000,000 for transportation planning, research, and development, $4,840,000 less than the fiscal year 2005 enacted level and $5,970,000 more than the President's budget request. The Committee directs funding to be allocated to the following projects that are listed below:

Project	Amount
Delaware State University Hydrogen Storage Research	$500,000
DOT privacy assessment	570,000
Food and Agricultural Policy Research Institute commercial shipping alternatives for inland waterways	2,000,000
Integrated Commercial Vehicle Safety Enforcement Technology Initiative, MI	900,000
Intermodal Transportation Research, Mississippi State University	1,000,000
Maritime Domain Awareness Pilot Project, WA	500,000
Maritime Fire and Safety Association, WA	500,000

WORKING CAPITAL FUND

Limitation, 2005	$151,054,000
Budget estimate, 2006 [1]	....
House allowance	120,014,000
Committee recommendation	120,014,000

[1] Proposed without limitation.

PROGRAM DESCRIPTION

The Working Capital Fund [WCF] provides common administrative services to the Department's operating administrations and other Federal entities. The services are centrally performed in the interest of economy and efficiency and are funded through negotiated agreements with Department operating administrations and other Federal customers and are billed on a fee-for-service basis to the maximum extent possible.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of $120,014,000 on activities financed through the Working Capital Fund. The budget request proposes to remove the obligation limitation on the Working Capital Fund for services to the operating administrations of the Department. The Committee, however, insists that the discipline of an annual limitation is necessary to keep assessments and services of the Working Capital Fund in line with costs. As in past years, the bill specificies that the limitation shall apply only to the Department and not to services provided by other entities. The Committee directs that services shall be provided on a competitive basis to the maximum extent possible.

MINORITY BUSINESS RESOURCE CENTER PROGRAM

	Appropriations	Limitation on guaranteed loans
Appropriations, 2005	$892,800	($18,367,000)
Budget estimate, 2006	900,000	(18,367,000)
House allowance	900,000	(18,367,000)
Committee recommendation	900,000	(18,367,000)

PROGRAM DESCRIPTION

The Minority Business Resource Center of the Office of Small and Disadvantaged Business Utilization provides assistance in obtaining short-term working capital for disadvantaged, minority, and women-owned businesses. The program enables qualified businesses to obtain loans at prime interest rates for transportation-related projects. As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs associated with guaranteed loans for this program as well as administrative expenses of this program.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $500,000 to cover the subsidy costs for guaranteed loans and $400,000 for administrative expenses to carry out the guaranteed loan program. The recommendation is the same as the budget estimate and is a total of $7,200 more than the fiscal year 2005 enacted level. The Committee also recommends a limitation on guaranteed loans of $18,367,000, the same amount as the budget request and the fiscal year 2005 enacted level.

MINORITY BUSINESS OUTREACH

Appropriations, 2005	$2,976,000
Budget estimate, 2006	3,000,000
House allowance	3,000,000
Committee recommendation	3,000,000

PROGRAM DESCRIPTION

This appropriation provides contractual support to assist small, women-owned, Native American, and other disadvantaged business firms in securing contracts and subcontracts arising out of transportation-related projects that involve Federal spending. It also provides support to historically black and Hispanic colleges. Separate funding is requested by the administration since this program provides grants and contract assistance that serves Department-wide goals and not just OST purposes.

COMMITTEE RECOMMENDATION

The Committee recommends $3,000,000 for grants and contractual support provided under this program for fiscal year 2006. The recommendation is the same as the budget request and is $24,000 more than fiscal year 2005 enacted level.

NEW HEADQUARTERS BUILDING

Appropriations, 2005	$67,456,000
Budget estimate, 2006	100,000,000
House allowance	55,000,000
Committee recommendation	50,000,000

PROGRAM DESCRIPTION

This appropriation finances the cost to outfit and rent a new Department of Transportation headquarters building. The proposed concept would consolidate all of the department's headquarters operating administration functions (except FAA), from various locations in the Washington, DC, metropolitan area into leased buildings within the central employment area of the District of Columbia.

COMMITTEE RECOMMENDATION

The Committee recommends $50,000,000 for costs to outfit the new headquarters building. The recommendation is $50,000,000 less than the budget estimate and $17,456,000 less than fiscal year 2005 enacted level. The Committee remains concerned with the costs associated with moving the Department to the Southwest Federal Center and recommends a reduction from the budget estimate to control costs.

Headquarters Security.—The Committee encourages the Secretary to explore purchasing the requisite software, hardware and installation services necessary to meet Homeland Security Presidential Directive-12 standards. The Secretary should explore smart card and biometric authentication for access to critical networks and applications as well as ingress/egress points in the new DOT headquarters building. In addition, the Secretary is encouraged to utilize small business concerns in meeting this requirement.

PAYMENTS TO AIR CARRIERS

(AIRPORT AND AIRWAY TRUST FUND)

	Appropriations	Mandatory [1]	Total
Appropriations, 2005 [1]	$51,584,000	$50,000,000	$101,584,000
Budget estimate, 2006	....	50,000,000	50,000,000
House allowance	54,000,000	50,000,000	104,000,000
Committee recommendation	60,000,000	50,000,000	110,000,000

[1] From overflight fees or funds otherwise provided to the Federal Aviation Administration pursuant to 49 U.S.C. 41742.

PROGRAM DESCRIPTION

This appropriation provides additional funding for the Essential Air Service [EAS] program, which was created as a 10-year transition program to continue air service to communities that had received federally mandated air service prior to deregulation of commercial aviation in 1978. The program currently provides subsidies to air carriers serving small communities that meet certain criteria.

The Federal Aviation Administration Reauthorization Act of 1996 (Public Law 104–264) authorized the collection of user fees for services provided by the Federal Aviation Administration [FAA] to aircraft that neither take off from, nor land in, the United States. These are commonly known as overflight fees. In addition, the Act stipulated that the first $50,000,000 of annual fee collections must be used to finance the EAS program. In the event of a shortfall in fees, the law requires FAA to make up the difference from other funds available to the Agency.

COMMITTEE RECOMMENDATION

For fiscal year 2006, the administration proposes $50,000,000 for the EAS program to be funded by overflight fees collected by the FAA.

The Committee recommendation provides a total of $110,000,000 for the Essential Air Service program, which is comprised of an appropriation under this heading of $60,000,000 and $50,000,000 derived from overflight fees or funds otherwise available to the FAA.

The Committee recommendation is $60,000,000 more than the budget estimate and $8,416,000 more than the fiscal year 2005 enacted level. Based on the latest projections from the Department of Transportation, the funding level that the Committee recommends is sufficient to continue air service during fiscal year 2006 at every community currently receiving service through the EAS program.

EAS Program Growth.—The Committee is concerned about the substantial growth of the costs of the EAS program and about its ability to continue to provide sufficient funding for subsidies so that no community currently in the EAS system loses current service levels. The Department will have to renew a number of contracts during fiscal year 2006, and costs of the new contracts are expected to increase due to higher fuel prices and other factors. While the Committee's recommended funding level attempts to account for such factors, it is clear that the program will face additional pressure during a time of extreme fiscal constraint.

The following table reflects the points currently receiving service and the annual rates as of March 1, 2005 in the continental United States and Hawaii.

SUBSIDIZED EAS COMMUNITIES AS OF MARCH 1, 2005

States/Communities	Est. Miles to Nearest Hub (S,M,or L) [1]	Avg. Daily Enplnmnts at EAS Point (YE 12/31/04)	Ann. Sbsdy Rates at 3/1/2005	Subsidy per Passenger	Total Psgrs (YE 12/31/04)
ALABAMA: Muscle Shoals	60	16.2	$1,364,697	$134.94	10,113
ARIZONA:					
Kingman	103	4.1	1,001,989	385.83	2,597
Page	280	12.4	1,057,655	136.19	7,766
Prescott	102	11.8	1,001,989	135.94	7,371
Show Low	168	([2])	779,325	([2])	([2])
ARKANSAS:					
El Dorado	108	7.1	1,077,939	243.38	[3] 4,429
Harrison	77	11.3	1,186,822	167.68	[3] 7,078
Hot Springs	53	11.5	791,214	110.14	[3] 7,184
Jonesboro	79	8.0	718,626	142.99	[3] 5,026
CALIFORNIA:					
Crescent City	362	39.7	816,025	32.83	24,857
Merced	55	26.3	645,751	39.23	[4] 16,461
Visalia	44	3.4	450,000	211.17	2,131
COLORADO:					
Alamosa	162	16.7	1,083,538	103.88	10,431
Cortez	258	25.3	853,587	53.82	15,861
Pueblo	43	6.2	618,621	159.52	3,878
GEORGIA: Athens	72	12.1	392,108	51.72	7,582
HAWAII:					
Hana	32	10.0	945,029	151.01	6,258
Kalaupapa		4.0	745,773	294.19	2,535
Kamuela	39	7.4	483,982	104.58	4,628
ILLINOIS:					
Decatur	120	41.6	917,077	35.20	26,055
Marion	122	32.8	1,253,076	61.03	20,533
Quincy	108	26.4	1,109,530	67.12	16,530
IOWA:					
Burlington	96	23.1	999,412	69.09	14,465
Fort Dodge	94	27.8	1,088,354	62.57	17,393
Mason City	128	48.3	1,088,354	36.03	30,206
KANSAS:					
Dodge City	149	8.0	1,224,838	244.09	5,018
Garden City	201	22.3	1,224,838	87.89	13,936
Great Bend	120	([2])	547,941	([2])	([2])
Hays	180	18.6	1,301,876	111.88	11,636

SUBSIDIZED EAS COMMUNITIES AS OF MARCH 1, 2005—Continued

States/Communities	Est. Miles to Nearest Hub (S,M,or L) [1]	Avg. Daily Enplnmnts at EAS Point (YE 12/31/04)	Ann. Sbsdy Rates at 3/1/2005	Subsidy per Passenger	Total Psgrs (YE 12/31/04)
Liberal	153	9.7	684,578	113.32	6,041
Manhattan	120	12.9	360,803	44.74	8,064
Salina	93	4.3	360,803	135.18	2,669
KENTUCKY: Owensboro	105	8.8	1,032,673	186.84	5,527
MAINE:					
Augusta	68	13.3	1,065,475	166.08	8,341
Bar Harbor	157	34.0	1,065,475	50.13	21,256
Presque Isle	276	47.9	1,116,423	37.25	29,972
Rockland	80	22.9	1,065,475	74.45	14,311
MICHIGAN:					
Escanaba	114	31.7	290,952	14.67	19,837
Ironwood	218	9.2	479,879	82.95	5,785
Iron Mountain	101	25.5	478,693	30.00	15,956
Manistee	180	7.4	485,545	104.62	4,641
MINNESOTA:					
Hibbing	178	29.4	1,048,612	56.95	18,414
Thief River Falls	302	14.4	707,017	78.60	8,995
MISSISSIPPI: Laurel/Hattiesburg	90	44.5	1,100,253	39.47	27,876
MISSOURI:					
Cape Girardeau	123	17.9	990,694	88.28	11,222
Fort Leonard Wood	86	22.8	885,918	62.16	14,252
Joplin	72	32.9	755,762	36.66	20,615
Kirksville	137	6.6	968,249	233.88	4,140
MONTANA:					
Glasgow	280	6.1	823,591	216.00	3,813
Glendive	223	2.9	823,591	451.04	1,826
Havre	248	3.8	823,591	349.87	2,354
Lewistown	125	6.2	823,591	210.64	3,910
Miles City	146	3.4	823,591	392.00	2,101
Sidney	273	7.4	823,591	177.84	4,631
West Yellowstone	315	7.5	418,488	89.06	4,699
Wolf Point	293	4.4	823,591	296.79	2,775
NEBRASKA:					
Alliance	256	4.5	655,898	235.09	2,790
Chadron	311	4.6	655,898	226.56	2,895
Grand Island	140	18.4	1,198,396	103.96	11,527
Kearney	181	20.5	1,166,849	90.76	12,856
McCook	271	6.7	1,502,651	359.49	4,180
North Platte	277	23.4	870,504	59.41	14,653
Scottsbluff	109	27.8	494,887	28.49	17,372
NEVADA: Ely	237	5.2	698,078	213.87	3,264
NEW HAMPSHIRE: Lebanon	75	23.8	998,752	66.91	[4] 14,926
NEW MEXICO:					
Alamogordo	91	([5])	518,870	([5])	([5])
Carlsbad	141	11.2	560,070	79.74	[3] 7,024
Clovis	103	6.7	859,057	205.57	[3] 4,179
Hobbs	90	3.7	560,318	242.67	[3] 2,309
Silver City	133	6.2	859,057	221.06	[3] 3,886
NEW YORK:					
Jamestown	76	13.9	501,937	57.74	8,693
Massena	143	4.9	429,337	139.30	3,082
Ogdensburg	123	([2])	429,337	([2])	([2])
Plattsburgh	78	5.4	753,964	221.17	[3] 3,409
Saranac Lake	126	6.8	753,964	176.45	[3] 4,273
Watertown	65	6.3	429,337	108.83	3,945
NORTH DAKOTA:					
Devils Lake	405	6.4	869,635	218.50	3,980
Dickinson	319	16.4	1,697,248	165.29	10,268
Jamestown	332	11.1	869,635	125.43	6,933
OKLAHOMA:					
Enid	84	6.2	977,302	250.33	[4] 3,904
Ponca City	81	4.8	977,302	323.29	[4] 3,023

SUBSIDIZED EAS COMMUNITIES AS OF MARCH 1, 2005—Continued

States/Communities	Est. Miles to Nearest Hub (S,M,or L) [1]	Avg. Daily Enplnmnts at EAS Point (YE 12/31/04)	Ann. Sbsdy Rates at 3/1/2005	Subsidy per Passenger	Total Psgrs (YE 12/31/04)
OREGON: Pendleton	195	23.7	649,974	43.87	14,817
PENNSYLVANIA:					
Altoona	108	20.6	727,194	56.46	12,879
Bradford	77	10.1	501,937	79.35	6,326
Du Bois	112	([2])	643,818	([2])	([2])
Johnstown	82	33.9	727,194	34.25	21,231
Lancaster	66	([5])	1,611,707	([5])	([5])
Oil City/Franklin	86	([2])	874,067	([2])	([2])
PUERTO RICO:					
Mayaguez	105	56.2	689,000	19.58	35,187
Ponce	77	7.5	622,000	131.98	4,713
SOUTH DAKOTA:					
Brookings	206	([2])	1,039,364	([2])	([2])
Huron	279	([2])	1,039,364	([2])	([2])
Pierre	397	20.2	449,912	35.65	12,621
Watertown	207	27.8	1,871,825	107.59	17,397
TENNESSEE: Jackson	85	8.7	1,156,325	213.50	5,416
TEXAS:					
Brownwood	145	([2])	964,677	([2])	([2])
Victoria	108	33.2	464,869	22.35	20,802
UTAH:					
Cedar City	178	22.4	770,285	55.02	13,999
Moab	240	([2])	674,804	([2])	([2])
Vernal	174	([2])	595,436	([2])	([2])
VERMONT: Rutland	118	6.5	804,102	196.79	4,086
VIRGINIA: Staunton	133	23.3	615,578	42.27	14,563
WASHINGTON: Moses Lake	108	11.1	1,698,922	245.33	6,925
WEST VIRGINIA:					
Beckley	181	6.8	1,008,532	237.36	4,249
Bluefield	145	6.7	1,008,532	239.44	4,212
Greenbrier	172	7.3	540,579	118.03	4,580
WYOMING:					
Laramie	144	26.9	397,400	23.59	16,846
Riverton	310	36.9	394,046	17.05	23,106
Rock Springs	184	37.8	390,488	16.52	23,642
Sheridan	129	38.2	336,701	14.07	23,926
Worland	164	7.6	797,844	166.74	4,785

[1] Hub classifications are subject to change annually based on the changes in enplanement levels at the specific hub and at all airports Nationwide.
[2] Data not available.
[3] 11 months data annualized.
[4] 8 months data annualized.
[5] Service hiatus during 2004.
[6] 9 months data annualized.

FEDERAL AVIATION ADMINISTRATION

PROGRAM DESCRIPTION

The Federal Aviation Administration is responsible for the safe movement of civil aviation and the evolution of a national system of airports. The Federal Government's regulatory role in civil aviation began with the creation of an Aeronautics Branch within the Department of Commerce pursuant to the Air Commerce Act of 1926. This Act instructed the agency to foster air commerce; designate and establish airways; establish, operate, and maintain aids to navigation; arrange for research and development to improve such aids; issue airworthiness certificates for aircraft and major aircraft components; and investigate civil aviation accidents. In the

Civil Aeronautics Act of 1938, these activities were transferred to a new, independent agency named the Civil Aeronautics Authority.

Congress streamlined regulatory oversight in 1957 with the creation of two separate agencies, the Federal Aviation Agency and the Civil Aeronautics Board. When the Department of Transportation [DOT] began its operations in 1967, the Federal Aviation Agency was renamed the Federal Aviation Administration [FAA] and became one of several modal administrations within DOT. The Civil Aeronautics Board was later phased out with enactment of the Airline Deregulation Act of 1978, and ceased to exist in 1984. Responsibility for the investigation of civil aviation accidents was given to the National Transportation Safety Board in 1967. FAA's mission expanded in 1995 with the transfer of the Office of Commercial Space Transportation from the Office of the Secretary, and decreased in December 2001 with the transfer of civil aviation security activities to the new Transportation Security Administration.

COMMITTEE RECOMMENDATION

The total recommended program level for the FAA for fiscal year 2006 amounts to $14,257,500,000, which is $423,140,000 more than the fiscal year 2005 enacted level. The following table summarizes the Committee's recommendations:

	Fiscal year—		Committee recommendation
	2005 enacted	2006 request	
Operations	$7,712,800,000	$8,051,000,000	$8,026,000,000
General fund appropriation	[2,834,071,584]	[1,551,000,000]	[2,339,500,000]
Trust fund appropriation	[4,878,728,416]	[6,500,000,000]	[5,686,500,000]
Flight service stations transition costs	....	150,000,000	150,000,000
Facilities and equipment [1]	2,519,680,000	2,448,000,000	2,448,000,000
Research, engineering, and development	129,880,000	130,000,000	134,500,000
Grants-in-aid for airports [2]	3,472,000,000	3,000,000,000	3,500,000,000
Total	13,834,360,000	13,779,000,000	14,258,500,000

[1] Does not include emergency appropriation of $5,100,000 in Public Law 108–324.
[2] Does not include emergency appropriation for Emergency Assistance to Airports of $25,000,000 in Public Law 108–324.

OPERATIONS

Appropriations, 2005	$7,712,800,000
Budget estimate, 2006	8,201,000,000
House allowance	8,396,920,000
Committee recommendation	8,176,000,000

PROGRAM DESCRIPTION

This appropriation provides funds for the operation, maintenance, communications, and logistical support of the air traffic control and air navigation systems. It also covers administrative and managerial costs for the FAA's regulatory, international, commercial space, medical, engineering and development programs, as well as policy oversight and agency management functions. The operations appropriation includes the following major activities: (1) the air traffic organization which operates, on a 24-hour daily basis, the national air traffic system, including the establishment and maintenance of a national system of aids to navigation, the development and distribution of aeronautical charts and the administration of acquisition, and research and development programs; (2) the regulation and certification activities including establishment and surveillance of civil air regulations to assure safety and development of standards, rules and regulations governing the physical fitness of airmen as well as the administration of an aviation medical research program; (3) the office of commercial space transportation; and (4) headquarters, administration and other staff and support offices.

COMMITTEE RECOMMENDATION

The Committee recommends a total of $8,176,000,000 for FAA operations, an increase of $463,200,000 above the level provided for fiscal year 2005 and $25,000,000 below the budget estimate. The Committee notes that the recommended rate of increase for this appropriation is approximately 6 percent, which is 3 times the government-wide budgetary increase of 2.1 percent.

The Committee recommendation derives $5,686,500,000 of the appropriation from the airport and airway trust fund. The level is consistent with the requirements of current law and is $813,500,000 less than the budget estimate. The balance of the appropriation will be drawn from the general fund of the Treasury.

As in past years, FAA is directed to report immediately to the House and Senate Committees on Appropriations in the event resources are insufficient to operate a safe and effective air traffic control system.

Second Career Training Program.—The Committee recommends retaining language which prohibits the use of appropriated funds for the second career training program. This prohibition has been carried in annual appropriations Acts for a number of years.

Sunday Premium Pay.—The Committee recommends retaining a funding limitation which prohibits FAA from paying Sunday premium pay, except in those cases where the individual actually worked on a Sunday.

Manned Auxiliary Flight Service Stations.—The Committee recommends continuing language that prohibits the use of funds for operating a manned auxiliary flight service station in the contiguous United States. The Committee does not recommend funding provided in the Operations account for such stations in fiscal year 2006.

Aeronautical Charting and Cartography.—The Committee recommends prohibiting funds in this Act from being used to conduct aeronautical charting and cartography [AC&C] activities through the working capital fund [WCF]. Public Law 106–181 authorized the transfer of these activities from the Department of Commerce to the FAA.

Government-issued Credit Cards.—The Committee recommends retaining a restriction on using a government-issued credit card to purchase a store gift card or gift certificate.

The following table summarizes the Committee's recommendation in comparison to the budget estimate and fiscal year 2005 enacted level:

	Fiscal year—		Committee recommendation
	2005 enacted	2006 budget estimate	
Air Traffic Organization	$6,136,598,000	$6,647,305,000	$6,627,010,000
Aviation Safety	903,764,000	941,742,000	956,242,000
Research and Acquisitions	221,100,000	....	....
Commercial Space Transportation	11,511,000	11,759,000	11,759,000
Financial Services	50,408,000	....	50,983,000
Human Resource Management	68,844,000	....	69,943,000
Region and Center Operations	147,476,000	....	150,744,000
Staff Offices	137,352,000	450,194,000	141,909,000
Information Services	35,747,000	....	36,112,000
Flight Service Stations Transition	....	150,000,000	150,000,000
Account-wide adjustments	....	....	−18,702,000
TOTAL	7,712,800,000	8,201,000,000	8,176,000,000

AIR TRAFFIC ORGANIZATION

The Committee recommends $6,627,010,000 for the Air Traffic Organization to operate and maintain the national air traffic control system. The recommended level is $490,412,000 more than the fiscal year 2005 enacted level. The Committee is confident that the recommended funding level is sufficient to continue safe and efficient management of the National Airspace System [NAS].

Aviation Statistics.—The Committee recommends no funding from FAA Operations for aviation statistical studies to be conducted by bureau of transportation statistics. The recommendation is a reduction of $4,000,000 from the budget estimate. Funding to support the bureau directly should be requested in the Research and Innovative Technology Administration.

Contract Tower Program.—The Committee continues to support the contract tower program and the cost-sharing program as a cost-effective way to enhance air traffic safety at smaller airports. The Committee recommends $90,500,000, an increase of $2,710,000 above the budget estimate. The recommended level will fund the existing contract tower program, the remaining eligible non-Federal towers not currently operated by FAA, and non-towered airports eligible for the program. In addition to these resources, the Committee recommends $7,500,000 for the contract tower cost-sharing program.

Annualization Adjustment.—The Committee recommends $58,778,000 for annualization costs, a reduction of $2,000,000 from the budget estimate to reflect actual costs.

National Airspace System Handoff.—The Committee recommends a reduction of $17,000,000 below the budget estimate due to budget constraints.

Air Traffic Controller Training.—The FAA's December 2004 Air Traffic Controller Workforce Plan states that the Agency intends to hire 12,500 new air traffic controllers by 2014. One of the ways in which they plan to accomplish this is by reducing the training time. The report also states that the FAA Academy in Oklahoma City no longer serves as a screen for air traffic controller candidates but rather is used to provide a "comprehensive, option specific, training curriculum." Initial qualification training at the FAA Academy is pass/fail with less than a 5 percent failure rate. Accordingly, the Committee agrees that FAA's policy of requiring all graduates from FAA's collegiate training initiative program attend the Academy's basic course is redundant, costly, and time-consuming. The Committee directs FAA to develop a method to assess whether or not individual CTI graduates are prepared to enter option specific training, and allow those who are prepared to bypass the Academy basic training. As the Agency seeks to reduce the time needed to train new air traffic controllers, this has the potential to be a logical first step.

Airway Facilities Certification and Maintenance.—The Committee is aware that the FAA is in the very early stages of developing a new process for maintaining and certifying national airspace systems. This new process, called Reliability Centered Maintenance, is used by industry and other agencies of the Federal Government. It relies on detailed analysis to develop specially tailored national standards for individual systems. The FAA believes this process will modernize the way it manages its increasingly software and hardware laden systems. Considering the importance of this change, the Committee requests that the GAO conduct an analysis of the FAA's plans and their impact.

Alien Species Action Plan [ASAP].—The Committee recommends $1,600,000 to continue the implementation of the Alien Species Action Plan which was adopted by the FAA as part of its August 26, 1998, Record of Decision approving certain improvements at Kahului Airport on the Island of Maui. These funds will be used to complete capital projects that were started in fiscal year 2002 and continue the operational requirements imposed by the ASAP.

National Airspace Redesign.—The Committee recommends $2,000,000 for the NY/NJ Airspace Redesign effort and directs that the funds shall not be reprogrammed by the FAA for other activities, including airspace redesign activities outside the NY/NJ metro area.

Louisville International Airport.—The ATO is currently reviewing the operational viability of the recommendations from the approved part 150 noise compatibility study at Louisville Airport. The Committee urges the FAA to perform an environmental assessment of the airport's west offset approach and departure proposal for the west runway as expeditiously as possible. As soon as the cost of the environmental assessment has been quantified, the Committee directs the FAA to submit a letter articulating the cost and schedule for the environmental assessment.

Non-Precision GPS Approaches.—The Committee recommends $10,000,000 for the development of additional approaches and flight procedures at the non-part 139 certified airports. The Committee supports this effort and encourages the FAA to publish GPS approaches at airports without an existing ILS approach or other ground-based navigational infrastructure. The Committee also encourages FAA to develop a GPS instrument approach at Beaver and Panguitch Municipal Airports in Utah.

Continuous Descent Approaches.—The Committee directs the FAA to explore the use of continuous descent approaches for nighttime operations at Philadelphia International Airport to determine possible decreases in noise levels within the State of Delaware and to report its findings in a letter to the House and Senate Committees on Appropriations within 1 year of enactment.

AVIATION SAFETY

The Committee recommends $956,242,000 for aviation safety. The recommendation is $14,500,000 more than the budget estimate.

The Committee recommends funds for aviation safety be distributed as follows:

	Fiscal year 2006 budget estimate	Committee recommendation
Flight standards	$675,845,000	$685,845,000
Certification	158,271,000	162,271,000
Medical	41,625,000	42,125,000
Accident investigation	4,966,000	4,966,000
Rulemaking	3,874,000	3,874,000
Air traffic safety oversight	5,897,000	5,897,000
Suspected unapproved parts	1,560,000	1,560,000
Planning, direction, and evaluation	49,704,000	49,704,000

Flight Standards Safety Inspectors.—The Committee recommends $14,300,000 to restore safety inspector staffing reductions that occurred in fiscal year 2005, an increase of $8,000,000 from the budget request. The DOT Inspector General's June report concluded that the Agency's budget request to replace 80 flight standards inspectors "may not be sufficient to ensure that all high risk and emerging issues receive adequate coverage." The recommended level will accelerate the replacement of staff inspectors lost in the current fiscal year and provide additional support for expanded repair station oversight.

The Committee is greatly concerned by level of attrition considering that the appropriations Act for the current year fully funded the FAA's budget request for this office. While the Committee acknowledges that the necessity to absorb unfunded pay increases has been a strain on available resources to this office, this strain has been greatly exacerbated by internal financial assessments against this office imposed by the Administrator and the Office of the Secretary—assessments that were not discussed in the budget request.

Aircraft Certification Service.—The Committee recommends $162,271,000 for aircraft certification service, which is $4,000,000 more than the budget estimate. Attrition of certification staff in fiscal year 2005 has impacted adversely the ability of the domestic aviation industry to bring new products to the marketplace, which undermines global leadership and competitiveness. The recommendation will restore the number of full-time equivalent positions in the FAA Aircraft Certification Service for fiscal year 2006. The Committee directs the FAA to submit quarterly reports during fiscal year 2006 to the House and Senate Committees on Appropriations that identifies the baseline staffing level, staffing goals, and number of new hires.

Considering the growth in the U.S. aerospace industry, the Committee recognizes that the FAA must improve the efficiency of the certification process. The Committee directs the FAA to issue a report on the publication and implementation of final regulations implementing the Organization Designation Authorization Process [ODA].

Flight Attendant Fatigue Study.—The Committee is disappointed that it has not yet received the results of the Civil Aeromedical Institute's flight attendant fatigue study. The Committee continues to hear reports that flight attendants are not receiving adequate rest time. The Committee expects the FAA to report its findings and recommendations for regulatory revisions in a thorough and expeditious manner.

Human Intervention and Motivation Study [HIMS].—The Committee recommends an increase of $500,000 in the aviation medical office to continue the Human Intervention and Motivation Study for the next 3 fiscal years. Since its inception in 1974, HIMS has provided the necessary training and education programs for alcohol and drug abuse prevention in the airline industry. Over 35 airlines in America actively participate in this program's workshops and seminars conducted by trained aeromedical personnel. Particular emphasis is directed toward identifying, assessing, and treating chemically dependent pilots in order for them to recover and regain medical clearance in accordance with FAA standards. The Committee has been informed that long-term success and recovery rate is approximately 90 percent.

Medallion Program.—The Committee recommends an increase of $2,000,000 to continue the medallion five star shield program, a key safety initiative in the FAA's current strategic plan for reducing general aviation accidents in Alaska.

COMMERCIAL SPACE

The Committee recommends $11,759,000 for the Office of Commercial Space Transportation, an amount equal to the budget request.

FINANCIAL SERVICES

The Committee recommends $50,983,000 for financial services, which is the same amount as the fiscal year 2006 budget estimate. The budget request presented funding for this budget activity under the request for "staff offices." The Committee, however, recommends funding as a separate budget activity.

Obligation Reports.—The Committee is concerned that the FAA has discontinued sending quarterly reports that detail obligations and transfers for each budget line in Facilities and Equipment and Research, Engineering, and Development. The FAA informed the Committee, after an inquiry, that the Agency was unable temporarily to prepare the information due to the conversion to a new cost accounting system. More than 18 months later, however, the Agency still has not resumed transmission of these valuable reports. The Committee directs the FAA to submit a quarterly obligation report for each appropriation to the House and Senate Committees on Appropriations for each appropriation. Each report shall be submitted no later than 15 days after the end of the quarter. In addition, the Committee directs the FAA to submit a report to the House and Senate Committees on Appropriations no later than November 31, 2005 that details all transfers among budget lines in the Facilities and Equipment appropriation for fiscal year 2005.

HUMAN RESOURCES

The Committee recommends $69,943,000 for human resources. The recommended level is the same as the budget request. The budget request presented funding for this budget activity under the request for "staff offices." The Committee recommends continuing to fund for this office as a separate budget activity, consistent with the recommendation in previous appropriations Acts.

REGION AND CENTER OPERATIONS

The Committee recommends $150,744,000 for region and center operations. The budget request presented this funding in the "Staff offices" request. The Committee recommendation maintains funding as a separate budget activity.

STAFF OFFICES

The Committee provides $141,909,000 for staff offices. The recommended level is the same as the budget estimate. The Committee recommendation reflects realignment of funding for financial services, human resources, region and center operations, and information systems as distinct budget activities.

INFORMATION SERVICES

The Committee recommends $36,112,000 for information services, which is $500,000 less than the budget estimate. The Committee's recommended reduction is due to lack of adequate justification of the e-gov initiative. The Committee directs that no funds shall be transferred to another agency in support of e-gov initiatives.

FLIGHT SERVICE STATIONS TRANSITION

The Committee recommends $150,000,000 for one-time costs associated with the flight service stations transition. The recommendation is equal to the amount in the budget request.

ACCOUNT-WIDE ADJUSTMENTS

The Committee recommends a general reduction of $18,702,000 and gives the Administrator discretion to manage the reduction. The Committee notes that the FAA's average full time equivalent staff year cost is one of the highest of all Federal agencies. The Committee expects the Administrator to accommodate the reduction by reducing overtime, sick leave, and official time costs; by improving productivity and training processes; and by consolidating facilities without jeopardizing the safe and efficient management of the National Airspace System [NAS].

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

Appropriations, 2005	$2,519,680,000
Budget estimate, 2006	2,448,000,000
House allowance	3,053,000,000
Committee recommendation	2,448,000,000

PROGRAM DESCRIPTION

The Facilities and Equipment [F&E] appropriation provides funding for modernizing and improving air traffic control and airway facilities, equipment, and systems. The appropriation also finances major capital investments required by other agency programs, experimental research and development facilities, and other improvements to enhance the safety and capacity of the airspace system. The program aims to keep pace with the increasing demands of aeronautical activity and remain in accordance with the Federal Aviation Administration's comprehensive 5-year capital investment plan [CIP].

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $2,448,000,000 for the Facilities and Equipment of the Federal Aviation Administration. The Committee recommendation is the same as the budget estimate and is $71,680,000 less than the fiscal year 2005 enacted level. The bill provides that $2,024,579,000 is available for obligation until September 30, 2008, and $423,421,000 is available until September 30, 2006.

The Committee recommendations focus on reinforcing greater accountability and mission goals, and strive for better or alternative ways of improving and modernizing the system. Furthermore, in reviewing the budget estimate for this account, the Committee has placed priority on funding programs necessary to upgrade current equipment for future capacity requirements or programs that will enable the FAA to proceed with initiatives to improve safety and initiatives to alleviate congestion, reduce aircraft spacing, and increase the efficiency of the NAS.

The FAA must take immediate steps to control personnel cost growth and to impose budget and schedule discipline on major acquisition programs in a time of fiscal constraints and declining capital budget funding. Our Nation's air traffic control system has failed to keep up with the increasing and changing demands of civil aviation, and the FAA will not be able to meet future demands and needs without changing and improving the ways the Agency modernizes the NAS. This challenge is unlikely to be met without changing the FAA culture. Ultimately, changing the FAA culture is a long term proposition, but the failure to do so will harm the aviation industry, inconvenience the flying public, and serve as an obstacle to national economic growth.

Budget Activities Format.—The Committee directs that the fiscal year 2007 budget request for the Facilities and Equipment account conform to the same organizational structure of budget activities.

The Committee's recommended distribution of funds for each of the budget activities funded by the appropriation follows:

FACILITIES AND EQUIPMENT

	Fiscal year— 2005 enacted with rescission	Fiscal year— 2006 estimate	Committee recommendation
Activity 1—Engineering, Development, Test and Evaluation			
Advanced Technology Development and Prototyping	$58,602,400	$38,460,000	$75,960,000
Safe Flight 21	44,098,368	32,950,000	42,950,000
Aeronautical Data Link (ADL) Applications	3,968,000	1,000,000	1,000,000
Next Generation Very High Frequency Air/Ground Communications System (NEXCOM)	29,710,400	33,500,000	33,500,000
User Request Evaluation Tool (URET)	....	73,300,000	68,300,000
Traffic Management Advisor (TMA)	....	24,000,000	22,000,000
Free Flight Phase 2	87,296,000	....	....
Technology Demonstration—Lousville KY	1,488,000	....	3,000,000
NAS Improvement of System Support Laboratory	992,000	1,000,000	1,000,000
William J. Hughes Technical Center Facilities	11,904,000	12,000,000	12,000,000
William J. Hughes Technical Center Infrastructure Sustainment	4,265,600	5,100,000	4,100,000
Local Area Augmentation (LAAS) for GPS	9,920,000	....	....
Global Communications, Navigation, and Surveillance System (GCNSS)	9,920,000	....	15,000,000
TOTAL ACTIVITY 1	262,164,768	221,310,000	278,810,000
Activity 2—Air Traffic Control Facilities and Equipment			
En Route Programs:			
En Route Automation Modernization (eRAM)	....	341,550,000	327,550,000
En Route Communications Gateway (ECG)	....	6,000,000	6,000,000
En Route System Modification	....	34,600,000	34,600,000
En Route Automation Programs	344,422,400	6,900,000	6,900,000
Next Generation Weather Radar [NEXRAD]—Provide	4,860,800	5,100,000	5,100,000
Weather and Radar Processor (WARP)	4,662,400	10,500,000	10,500,000
ARTCC Building Improvements/Plant Improvements	25,792,000	42,400,000	34,100,000
Voice Switching and Control System (VSCS)	23,907,200	7,500,000	7,500,000
Air Traffic Management (ATM)	37,200,000	83,300,000	53,600,000
Critical Telecommunication Support	1,289,600	....	....
Air/Ground Communications Infrastructure	13,392,000	22,900,000	22,900,000
ATC Beacon Interrogator (ATCBI)—Replacement	9,920,000	15,400,000	18,600,000
Air Traffic Control En Route Radar Facilities Improvements	....	3,000,000	3,000,000
En Route Communications and Control Facilities Improvements	1,012,634	1,864,500	1,864,500
Integrated Terminal Weather System (ITWS)	13,987,200	18,400,000	18,400,000
FAA Telecommunications Infrastructure	70,580,800	57,800,000	57,800,000
Guam Center Radar Approach Control (CERAP)—Relocate	2,281,600	3,000,000	3,000,000
Oceanic Automation System	47,616,000	35,700,000	35,700,000
ATOMS Local Area/Wide Area Network	992,000	2,200,000	2,200,000
Corrider Weather Integrated System (CWIS)	3,968,000	....	....
Volcano Monitoring	3,968,000	....	3,000,000
ARSR–4 Automated Technical Documentation	1,984,000	....	....
Subtotal En Route Programs	611,836,634	698,114,500	652,314,500
Terminal Programs:			
Airport Surface Detection Equipment—Model X (ASDE–X)	47,616,000	27,200,000	27,200,000
Terminal Doppler Weather Radar (TDWR)—Provide	7,936,000	8,000,000	8,000,000
Terminal Automation Phase 1	....	83,200,000	83,200,000
Terminal Automation Modernization Program	108,028,800	39,300,000	39,300,000
Terminal Air Traffic Control Facilities—Replace	127,000,800	85,400,000	105,100,000
ATCT/Terminal Radar Approach Control (TRACON) Facilities—Improve	47,737,371	51,469,900	51,469,900
Terminal Voice Switch Replacement (TVSR)/Enhancement Terminal Voice Switch (ETVS)	13,888,000	8,000,000	8,000,000
NAS Facilities OSHA and Environmental Standards Compliance	21,824,000	20,700,000	18,700,000
Houston Area Air Traffic System (HAATS)	11,904,000	10,200,000	10,200,000
NAS Infrastructure Management System (NIMS)	9,920,000	17,000,000	17,000,000
Airport Surveillance Radar (ASR–9)	20,534,400	26,200,000	26,200,000
Voice Recorder Replacement Program (VRRP)	7,043,200	5,500,000	5,500,000

FACILITIES AND EQUIPMENT—Continued

	Fiscal year—		Committee recommendation
	2005 enacted with rescission	2006 estimate	
Terminal Digital Radar (ASR–11)	86,800,000	60,600,000	60,600,000
DOD/FAA Facilities Transfer	3,174,400	1,300,000	1,300,000
Precision Runway Monitors	7,340,800	8,500,000	8,500,000
Terminal Radar (ASR)—Improve	1,065,110	942,100	942,100
Terminal Communications—Improve	1,120,365	1,463,000	1,463,000
Integrated Control and Monitoring	3,472,000	....	....
Terminal Automation	31,446,400	....	....
Subtotal Terminal Programs	557,851,646	454,975,000	472,675,000
Flight Service Programs:			
Automated Surface Observing System (ASOS)	7,737,600	4,500,000	4,500,000
FSAS Operational and Supportability Implementation System (OASIS)	9,126,400	14,300,000	10,200,000
Weather Message Switching Center Replacement (WMSCR)	992,000	....	....
Flight Service Station (FSS) Modernization	1,289,600	1,800,000	1,800,000
Subtotal Flight Service Programs	19,145,600	20,600,000	16,500,000
Landing and Navigational Aids Program:			
VHF Omnidirectional Radio Range (VOR) with Distance Measuring Equipment (DME)	1,984,000	3,000,000	3,000,000
Instrument Landing System (ILS)—Establish	41,014,240	8,200,000	14,025,000
Transponder Landing Systems	6,944,000	....	....
Wide Area Augmentation System (WAAS) for GPS	99,229,760	100,000,000	98,500,000
Runway Visual Range (RVR)	1,388,800	6,000,000	6,000,000
Navigation and Landing Aids—Improve	4,373,430	2,997,400	2,997,400
Approach Lighting System Improvement Program (ALSIP)	24,165,120	5,000,000	8,000,000
Distance Measuring Equipment (DME)	992,000	1,200,000	1,200,000
Visual NAVAIDS—Establish/Expand	3,174,400	1,600,000	1,600,000
LORAN-C	22,320,000	....	10,000,000
Instrument Approach Procedures Automation (IAPA)	3,075,200	5,900,000	5,900,000
Navigation and Landing Aids—Service Life Extension Program (SLEP)	1,984,000	2,000,000	2,000,000
VASI Replacement—Replace with Precision Approach Path Indicator	....	3,000,000	3,000,000
Subtotal Landing and Navigational Aids Programs	210,644,950	138,897,400	156,222,400
Other ATC Facilities Programs:			
Fuel Storage Tank Replacement and Monitoring	2,976,000	6,700,000	2,976,000
FAA Buildings and Equipment	10,939,380	11,400,000	11,400,000
Electrical Power Systems—Sustain/Support	39,680,000	45,000,000	40,000,000
Air Navigational Aids and ATC Facilities (Local Projects)	2,281,600	2,500,000	2,500,000
Aircraft Related Equipment Program	11,904,000	22,000,000	22,000,000
Computer Aided Engineering and Graphics (CAEG) Modernization	793,600	....	....
Airport Cable Loop Systems—Sustained Support	7,539,200	5,000,000	5,000,000
Alaskan NAS Interfacility Communications System (ANICS)	....	600,000	600,000
Subtotal Other ATC Facilities Programs	76,113,780	93,200,000	84,476,000
TOTAL ACTIVITY 2	1,475,592,610	1,405,786,900	1,382,187,900
Activity 3—Non-Air Traffic Control Facilities and Equipment			
Support Equipment:			
NAS Management Automation Program (NASMAP)	992,000	....	....
Hazardous Materials Management	14,880,000	17,000,000	15,100,000
Aviation Safety Analysis System (ASAS)	6,844,800	13,200,000	13,200,000
Logistics Support Systems and Facilities (LSSF)	5,952,000	13,200,000	13,200,000
Test Equipment—Maintenance Support for Replacement	2,976,000	3,000,000	3,000,000

FACILITIES AND EQUIPMENT—Continued

	Fiscal year— 2005 enacted with rescission	Fiscal year— 2006 estimate	Committee recommendation
National Aviation Safety Data Analysis Center (NASDAC)	1,587,200	900,000	900,000
National Air Space (NAS) Recovery Communications (RCOM)	7,572,382	10,000,000	7,573,000
Facility Security Risk Management	34,720,000	30,000,000	30,000,000
Information Security	7,936,000	12,000,000	8,000,000
Integrated Flight Quality Assurance (IFQA)	....	2,000,000	2,000,000
System Approach for Safety Oversight (SASO)	....	9,200,000	6,350,000
Aviation Safety Knowledge Management Environment (ASKME)	....	2,200,000	2,200,000
Subtotal Support Equipment	83,460,382	112,700,000	101,523,000
Training, Equipment and Facilities:			
Aeronautical Center Infrastructure Modernization	8,432,000	16,000,000	9,500,000
National Airspace System (NAS) Training Facilities	6,348,800	7,500,000	7,500,000
Distance Learning	1,488,000	1,900,000	1,900,000
Subtotal Training, Equipment and Facilities	16,268,800	25,400,000	18,900,000
TOTAL ACTIVITY 3	99,729,182	138,100,000	120,423,000
Activity 4—Facilities and Equipment Mission Support			
System Support and Services:			
System Engineering and Development Support	27,542,880	32,240,000	27,595,000
Safety Management System	....	3,000,000	3,000,000
Program Support Leases	42,259,200	45,000,000	45,000,000
Logistics Support Services (LSS)	7,836,800	9,700,000	9,700,000
Mike Monroney Aeronautical Center Leases	14,086,400	13,500,000	13,500,000
Transition Engineering Support	29,760,000	24,000,000	24,000,000
Frequency and Spectrum Engineering	6,051,200	6,100,000	6,100,000
Permanent Change of Station (PCS) Moves	1,517,760	500,000	500,000
Technical Support Services Contract (TSSC)	37,993,600	33,000,000	33,000,000
Resource Tracking Program (RTP)	992,000	....	....
Center for Advanced Aviation System Development (CAASD)	84,617,600	69,600,000	69,600,000
NOTAMS and Aeronautical Information Programs	11,904,000	10,000,000	10,000,000
Flight Service Facilities—Improve	....	1,163,100	1,163,100
TOTAL ACTIVITY 4	264,561,440	247,803,100	243,158,100
Activity 5—Personnel and Related Expenses			
Personnel and Related Expenses	417,632,000	435,000,000	423,421,000
SUBTOTAL ALL ACTIVITIES	2,519,680,000	2,448,000,000	2,448,000,000

ENGINEERING, DEVELOPMENT, TEST AND EVALUATION

Advanced Technology Development and Prototyping.—The Advanced Technology Development and Prototyping [ATDP] program develops and validates technologies that support a range of timely and critical initiatives within the Engineering, Development, Test and Evaluation activity. The Committee recommends $75,960,000 to be distributed as follows:

	Committee recommendation
Runway incursion reduction program	$7,100,000
System capacity, planning, and improvement	6,500,000
Separation standards	2,500,000
General aviation and vertical flight technology program	1,500,000
Operational concept validation	3,000,000

	Committee recommendation
Safer skies	3,400,000
NAS safety assessments	1,500,000
Wake turbulence	4,000,000
Airspace management laboratory	7,000,000
NAS requirements	800,000
Wind profiling and weather research Juneau	3,160,000
Runway obstruction warning system	1,000,000
Mobile object infrastructure technology	3,000,000
Airport technology program	21,500,000
Airport cooperative research program	10,000,000

Runway Obstruction Warning System.—The Committee recommends an increase of $1,000,000 for the ATDP budget line to continue development, enhancement, and evaluation of the Runway Obstruction Warning System at the test bed at Gulfport-Biloxi Airport.

Mobile Object Infrastructure Technology.—The Committee recommends $3,000,000 to advance technology to pre-deployment status and demonstrate the mobile object infrastructure technology's ability to provide remote maintenance and monitoring; data collection from disparate and unspecified sources; quality assurance in a secure and dynamic infrastructure; and, to establish an existing FAA lab as an official system wide information management node.

Airport Technology.—The budget estimate included $17,500,000 for airport technology research under the limitation for "Grants-in-Aid for Airports." The Committee recommends funding for this research program in this budget item because research is not an authorized use of airport improvement funds. The Committee recommendation is $4,000,000 more than the budget request, and funds recommended in addition to the estimate are for the airfield pavements research program, the same amount as the fiscal year 2005 enacted level. The program is designed to develop safer, more cost-effective, and durable asphalt and concrete airfield pavements.

Airport Cooperative Research Program.—The Committee recommends $10,000,000 and .5 FTE to continue the airport cooperative research program, which is equal to the budget estimate and $7,000,000 more than the fiscal year 2005 enacted level. The Committee does not recommend transferring this activity to "Grants-in-aid for airports" as proposed in the budget request.

Safe Flight 21.—The Committee supports the Safe Flight 21 program and recommends $42,950,000, an increase of $10,000,000 above the budget estimate. The Committee recommends an additional $10,000,000 to expedite deployment of ADS–B-based technology. The Committee directs the FAA to submit a spend plan to the House and Senate Committees on Appropriations not more than 30 days after enactment of the accompanying Act.

User Request Evaluation Tool [URET].—The Committee recommends $68,300,000, a reduction from the budget request of $5,000,000. The Committee notes that 58 percent of the budget estimate proposes to fund site maintenance and support activities for all 20 sites even though the conflict probe capability that URET provides was to be deployed to six centers in fiscal year 2002. The Committee believes that support costs should transition to the operations account within a reasonable time after site deployment and activation. The Committee recommendation supports the completion of deployment of URET to the final two sites. Future requests for this budget item should articulate the handoff from F&E activities to operational responsibilities.

Traffic Management Advisor [TMA].—The Committee recommends $22,000,000, a reduction of $2,000,000 from the budget request. The reduction is to the request of $5,026,917 for program management and field site support.

Technology Demonstration, Louisville International Airport, KY.—The Committee recommends $3,000,000 to continue to use the Louisville International Airport as a test bed for emerging air traffic technologies that improve safety, security, and efficiency of the Nation's airspace.

William J. Hughes Technical Center Infrastructure Sustainment.—The Committee recommends $4,100,000 for planning and physical improvements to technical center, which is $1,000,000 less than the budget request. The recommendation includes $500,000 for the provision of additional parking areas and fully funds the other activity tasks.

Global Communications, Navigation, and Surveillance System [GCNSS].—The Committee recommends $15,000,000 to continue the GCNSS program and develop a System Wide Information Management [SWIM] architecture. GCNSS is a critical element in the FAA's efforts to develop and demonstrate the SWIM architecture that begins the transformation to a network-enabled air transportation system, which in turn, will reduce FAA capital and operational costs.

AIR TRAFFIC CONTROL FACILITIES AND EQUIPMENT

En Route Automation Modernization Program.—The Committee recommends $327,550,000 for ERAM for fiscal year 2006, a decrease of $14,000,000 from the budget request and an increase of $66,554,800 over the fiscal year 2005 appropriated level. The Committee believes this reduction can be easily accommodated with appropriate management of the development ERAM release 1. The Committee also notes that the FAA will deploy the en route information display system [ERIDS] program segment using a fixed-price strategy, and the reduction reflects anticipated savings as a result of the revised contract pricing strategy. The revisions are consistent with the Committee's direction in fiscal year 2005 and the recommendations of a report issued by the Department's Inspector General on June 29, 2005.

The ERAM program is the largest and most complex program of the FAA current acquisition programs. While ERAM is progressing on schedule and within budget, the Committee is well aware that most complex and challenging software development lays ahead in fiscal year 2006 as well as integration testing of the software. At precisely this stage, most major acquisition programs experience considerable problems that caused uncontrolled cost growth, schedule delays, and diminished capabilities.

The FAA system engineering office has begun initial studies of alternate deployment scenarios. The Committee directs the FAA to provide the House and Senate Committees on Appropriations with a report on the findings of the analysis.

The Committee appreciates the presentation of the ERAM program as separate budget lines and the improvements to the justification materials for the program. The Committee maintains that the justification would benefit from more transparency of program measurements and milestones. The Committee encourages the FAA to provide with the fiscal year 2007 detail regarding each procurement element and definition and cost estimates for each activity task.

ARTCC Building Improvement/Plant Improvements.—The Committee recommends $34,100,000 for the capital improvements to the air route traffic control center buildings and plants. The recommended level is $8,308,000 or 32 percent more than the fiscal year 2005 enacted level and $8,300,000 less than the budget request. The adjustment to the requested level can be accommodated through careful management of engineering and program management and sustainment activities.

Air Traffic Management [ATM].—The Committee recommendation provides $53,600,000 for this budget item, a reduction of $29,700,000 from the requested level and an increase of $16,400,000 over the fiscal year 2005 appropriated level. An appeal of this reduction will be considered before final passage if a complete justification for the hardware and software elements of the functional upgrades and designs is provided to the Committee.

ATC Beacon Interrogator [ATCBI] Replacement.—The Committee recommends $18,600,000 for acquisition, installation, and site acceptance of air traffic control beacon interrogator-6 [ATCBI–6] equipment. The recommended level is $3,200,000 more than the budget estimate and $8,680,000 more than the fiscal year 2005 enacted level. The Committee recommends $1,600,000 for site preparation and equipment procurement for Jackson Hole, WY, and $1,600,000 for site preparation and equipment procurement for Central Oregon (Redmond), Oregon.

Integrated Terminal Weather System [ITWS].—The Committee recommends $18,400,000, the same amount as the budget estimate. The Committee recommendation includes not less than $1,600,000 for the replacement of the New York prototype ITWS with a production ITWS system and for the continued operation of the prototype ITWS until the production system becomes operational.

Oceanic Automation System [OAS].—The Committee recommends $35,700,000. The recommendation is equal to the budget estimate and is $11,916,000 less than the fiscal year 2005 enacted level. It is unclear exactly what progress FAA is making with ATOP, and there are disturbing developments with this important program. FAA recently announced that ATOP became operational at its New York facility, but at the same time announced delays for its Oakland facility, which was the first site to receive the new automated system. Further, even though FAA declared ATOP ready for "initial operations" at Oakland, the system was later deemed operationally unacceptable.

FAA has yet to explain how a new system could pass a battery of tests—including factory acceptance and site acceptance testing—and be declared ready to control live traffic but then found unsatisfactory to do so. The Committee questions FAA's testing regime as well as cost and timetables for ATOP considering that FAA has adjusted the contract twice in the last 12 months to keep ATOP on schedule. The Committee directs FAA to provide the Committee with a clear understanding of where the program stands and a schedule for when ATOP will be ready to control live traffic at all sites 24 hours a day, 7 days a week.

Airport Surface Detection Equipment—Model X [ASDE–X].—The Committee reasserts its view that the ASDE–X program is no longer a "low cost" alternative to more expensive airport surface radars, such as the ASDE–3. FAA committed to completing deployment of the system by fiscal year 2007, but the schedule has slipped to fiscal year 2009—a delay of 2 years. Although FAA has procured 35 ASDE–X systems, installation has become the major stumbling block. In fact, FAA has yet to deploy systems to more than half of the planned sites due to changes in system design and additional requirements, so that only two systems have been commissioned.

The Committee is troubled that FAA has been slow to install these new systems. The Committee strongly encourages FAA to use innovative ways for conducting site surveys and installing ASDE–X systems, including the use of private firms with requisite expertise subject to FAA certification. The Committee also directs FAA to provide priority listing of which airports will receive ASDE–X system as well as the criteria used to make these decisions.

Terminal Automation Modernization Program.—The Committee recommendation provides $39,000,000, an amount equal to the budget request and an increase of $7,300,000 from the fiscal year 2005 enacted level. The Committee continues to be concerned by the growing cost of this budget line item that originally was described as temporary and a necessary bridge until STARS was fully installed. The Committee directs the FAA to provide a plan to the House and Senate Committees on Appropriations by September 30, 2005 for this budget activity, including a plan for competing the terminal sustainment and display replacement activities.

The Committee remains concerned that FAA has not yet provided cost estimates and timetables for completing Standard Terminal Automation Replacement [STARS] program as directed in Committee reports accompanying the fiscal years 2004 and 2005 appropriations. This is unacceptable given the importance of the effort and extent of the cost and schedule programs experienced thus far. Moreover, it is perplexing that FAA is making so much of the next generation air traffic management system, and seeking ways to pay for it, when the Agency cannot complete a critical effort like STARS that was scheduled to be completed years ago.

FAA's most recent decision, the Terminal Automation Modernization Review [TAMR], addresses only 9 sites, including 4 III–E sites described as critical and 5 smaller II–E sites also described as critical. This leaves more than 100 sites that have not been addressed, a decision about them is at least a year away and that decision will not be reflected until the fiscal year 2008 budget request. FAA must develop an ability to manage its capital programs for terminal modernization, and the development of that capability starts with a clear understanding of what needs to be modernized, when it needs to be modernized, how it needs to be modernized, and a plan to meet the challenges posed by those understandings.

The Committee understands that FAA has explored various prototype solutions over the years, including a STARS display on a Common ARTS platform and STARS LITE for the II–E sites. FAA should endeavor to apply technologies and equipment developed in the STARS program as it formulates a plan to modernize the remaining III–E and II–E sites. A plan to modernize the remaining sites should maximize the utility of already invested taxpayers' resources consistent with the rationale behind the STARS procurement.

The FAA is directed to provide the Committee with a cost constrained plan for terminal automation replacement that takes into account display replacement at the remaining sites; the need for a technical refresh of the underlying Common ARTS software at the 4 III–E sites in the TAMR review; consolidation of II–E sites where feasible; a detailed life-cycle cost estimate for continued sustainment of the old Common ARTS platform and, a timetable for competing those remaining sites if it is decided that they will not be modernized with STARS equipment.

The FAA should submit this plan with the submission of the fiscal year 2007 budget request. Any terminal automation modernization commitments made before that plan is submitted are directed to be competed and the House and Senate Committees on Appropriations are to be briefed not less than 10 days before the competitive solicitation is advertised.

Volcano Monitoring.—The Committee recommendation provides $3,000,000 to continue the volcano monitoring program, which is $968,000 less than the fiscal year 2005 enacted level.

Terminal Air Traffic Control Facilities Replacement.—The Committee recommendation includes $105,100,000 for new and replacement air traffic control tower [ATCT] and ATCT/TRACON consolidation projects, an increase of $19,700,000 from the budget request. Funding shall be available for the following projects in the corresponding amounts:

Location	Amount
Addision Field, Dallas, TX	$1,500,000
Battle Creek, MI	1,600,000
Billings, MT	1,800,000
Boise, ID	7,700,000
Broomfield, CO	1,220,000
Champaign, IL	2,200,000
Cleveland, OH	18,225,000
Dayton, OH	1,300,000
Deer Valley, AZ	2,300,000
Dulles International, Chantilly, VA	4,500,000
Fort Wayne, IN	1,300,000
Gulfport/Biloxi, MS	5,000,000
Huntsville, AL	2,216,000
Kona, HI	2,000,000
LaGuardia Int'l, NY	10,000,000
Lihue, HI	2,000,000
Manchester, NH	1,300,000
Memphis, TN	2,300,000
Memphis, TN	16,100,000
Morristown, NJ	1,150,000
Morristown, NJ	8,339,000
Newport News, VA	2,300,000
Phoenix, AZ	2,450,000
Reno, NV	3,300,000

Location	Amount
Spokane, WA	3,000,000

Barnstable, Massachusetts Tower Replacement.—The Committee is aware that the Barnstable, MA airport is currently in the midst of a terminal expansion program as a result of increased enplanements. The Committee understands that the FAA is in the process of developing an air traffic control tower renovation and replacement master plan. The Committee directs the FAA to assess the need and benefit of replacing the tower at the Barnstable Municipal Airport (Boardman-Polando Field) as part of this master plan and to report the results to the Committee.

Spokane Tower.—The Committee includes $3,000,000 for the demolition or relocation of seven buildings that are in the line-of-sight of the new air traffic control tower currently under construction. The Committee also understands that the need to build additional duct banks and other costs will require additional resources in fiscal year 2006 in order for the tower to be commissioned on August 27, 2007. The Committee understands, however, that the FAA intends to utilize unobligated balances within the tower program to fully cover these additional costs.

Airport Traffic Control Tower [ATCT]/TRACON Facilities Improvement.—The Committee recommends $51,469,900 for improvements to terminal facilities and equipment, which is an amount equal to the budget request. The Committee recommendation includes funding for the following improvement, rehabilitation, and sustainment projects in the amounts listed below:

IMPROVE AIR TRAFFIC CONTROL FACILITIES

Facility	Description	Amount
Anchorage, AK	Upgrade LPGB/Seismic Compliance	$758,641
Kansas City, MO	Replace HVAC control system	130,000
Bellevue, NE	Install 2 direct expansion rooftop units	58,200
Kansas City, MO	Recaulk tower joints	131,250
Lincoln, NE	Upgrade and replace HVAC	371,332
Columbia, MO	General refer	183,860
Des Moines, IA	Replace siding	149,364
Westbury, NY	Renovate environmental equip rooms	223,000
Westbury, NY	Replace cooling towers	483,000
Westbury, NY	Relocate chilled and condenser pumps and motors	264,000
Flint, MI	General refurb	378,040
Aurora, IL	General refurb	201,420
Janesville, WI	General refurb	95,380
Burlington, VT	Install membrane style roof	128,500
Tampa, FL	Completely refurb TRACON	567,000
Sanford, FL	Additional D–BRITE and ARTS MDBM	207,530
Fort Sill, OK	ARAC Consolidation into OKC TRACON	7,236,070
Ontario, CA	Replace HVAC/Seismic Compliance	402,602
Pittsburgh, PA	Refurb elevator	111,550
Buffalo, NY	Expand base building	865,180
Lincoln, NE	Stars Facility Upgrade—Construction	219,641
Harrisburg, PA	Stars Facility Upgrade—Construction	224,641
Lubbox, TX	Facility General Refurbish	694,830
Fargo, SD	Stars Facility Upgrade—Design	129,673
Midland, TX	Stars Facility Upgrade—Design	109,266
Florence, SC	Stars Facility Upgrade—Design	66,032
Bakersfield, CA	Stars Facility Upgrade—Design	69,929
Lexington, KY	Stars Facility Upgrade—Design	57,565
Outagamie, WI	Stars Facility Upgrade—Design	78,250

IMPROVE AIR TRAFFIC CONTROL FACILITIES—Continued

Facility	Description	Amount
Monroe, LA	Stars Facility Upgrade—Design	60,425
Sioux Falls, SD	Stars Facility Upgrade—Design	60,425
DFW East, TX	Stars Facility Upgrade—Design	70,407
DFW West, TX	Stars Facility Upgrade—Design	70,407
DFW Center, TX	Stars Facility Upgrade—Design	70,407
Fort Worth Alliance, TX	Stars Facility Upgrade—Design	78,250
Fort Worth Meacham, TX	Stars Facility Upgrade—Design	70,854
Dallas Love Field, TX	Stars Facility Upgrade—Design	78,250
Grand Prairie, TX	Stars Facility Upgrade—Design	80,425
New York TRACON, NY	Stars Facility Upgrade—Design	63,333
Caldwell, NJ	Stars Facility Upgrade—Design	56,160
White Plains, NY	Stars Facility Upgrade—Design	76,119
Poughkeepsie, NY	Stars Facility Upgrade—Design	56,160
New York Kennedy, NY	Stars Facility Upgrade—Design	97,739
Farmingdale, NY	Stars Facility Upgrade—Design	109,266
Capital City, PA	Stars Facility Upgrade—Construction	252,310
Columbia, SC	Stars Facility Upgrade—Construction	425,557
Fayetteville, NC	Stars Facility Upgrade—Construction	583,673
Montgomery, AL	Stars Facility Upgrade—Construction	534,926
Gulfport, MS	Stars Facility Upgrade—Design	62,458
Colorado Springs, CO	Stars Facility Upgrade—Design	74,992
Cape Cod, MA	Stars Facility Upgrade—Design	54,654
Nantucket, MA	Stars Facility Upgrade—Design	54,654
Hyannis, MA	Stars Facility Upgrade—Design	45,000
Matha's Vineyard, MA	Stars Facility Upgrade—Design	62,599
Clarksburg, WV	Stars Facility Upgrade—Design	56,160
Morgantown, WV	Stars Facility Upgrade—Design	56,160
Kalamazoo, MI	Stars Facility Upgrade—Design	98,250
Bossier City, LA	Facility General Refurbish	1,270,340
Shreveport, LA	Facility General Refurbish	23,850
Houma, LA	Facility General Refurbish	130,060
Carlsbad, CA	Modernize term fac/seismic upgrade	1,157,025
Teterboro, NJ	Stars Facility Upgrade—Design	66,032
Danbury, CT	Stars Facility Upgrade—Design	56,160
New Haven, CT	Stars Facility Upgrade—Design	66,032
ACE Various		79,173
AEA Various		154,000
AGL Various		181,000
ANE Various		80,000
AAL Various		64,000
ANM Various		118,000
ASO Various		171,000
ASW Various		145,000
AWP Various		199,000
Denver, CO	Remediate soil heave problem	177,000
Total		22,193,438
REGIONAL PROJECTS		
Anchorage, AK	Refurb Tower—Ceiling, Carpet repair	151,200
Anchorage, AK	Humidification System Installation	66,000
Fairbanks, AK	Replace ceiling tiles, lighting, carpet shades	74,700
Reading, PA	Replace repair ATCT chiller plant	50,000
Rochester, NY	Resurface parking lot and service road	59,700
Teterboro, NJ	ATCT improve refurb tower	151,400
Middletown, PA	Refurb Tower—Ceiling, Carpet repair	38,300
Clarksburg, WV	Paint CKB ATCT interior	33,000
Pittsburgh, PA	Repair ceiling and walls	38,500
Clarksburg, WV	CKB ATCT window replacement	11,500
Allentown, WV	Repair ABE ATCT parking lot	19,500
Lancaster, PA	Reseal bldg and repair structure	20,000
N. Philadelphia, PA	Modernize ATCT	83,400
Ithaca, NY	Reseal bldg and repair structure	83,200
New York, NY	Install new public address system	145,100

IMPROVE AIR TRAFFIC CONTROL FACILITIES—Continued

Facility	Description	Amount
Allentown, PA	Modernize ATCT	67,000
Teterboro, NJ	Install smoking booth	18,800
Lancaster, PA	Repaint tower exterior	25,000
Norfolk, VA	Construct a storage building at ATCT	137,500
Albany, NY	Replace 486 computers with 2 SAID displays	52,900
New Haven, CT	Replace entrance to the ATCT base building	30,000
Portland, OR	Modify PDX ATCT Center Console	60,300
Yakima, WA	Replace 500kVA transformer and breakers	74,200
Englewood, CO	Install 3rd tower radar display at ATCT	10,000
Sea Boeing, WA	Add STARS equipment at Boeing field ATCT	19,200
Covington, KY	Install 3rd final radar monitor position	354,900
Covington, KY	Install 3rd arrival final radar pos	223,100
Covington, KY	Establish 3rd local control position	207,600
Covington, KY	Install printers at 4 radar positions	16,500
Covington, KY	Relocate grand control position	118,200
Peachtree, GA	Replace HVAC	166,100
Covington, KY	Coordinator Console	60,400
Charlotte, NC	Replace Plumbing	51,000
Chino, CA	Obtain 2nd d-brite for tower cab	27,400
Kearny Mesa, CA	Dbrite radar display installation, ceiling repair	20,700
La Verne, CA	Install portable rechargeable light gum	6,300
Tucson, AZ	Complete rehabilitation of TRACON restroom	179,400
Sacramento, CA	Provide new potable water piping	46,500
Long Beach, CA	Replace elevator control system	64,100
San Diego, CA	Recessed curb ramps	14,100
SN Luis OBSP, CA	Replace the elastomeric roofing material ATCT	30,500
Prescott, AZ	Replace carpet	6,000
Cleveland, OH	Siding Project—ATCT	102,500
Mansfield, OH	Reroof Tower	52,000
Ann Arbor, MI	Reroof Tower	52,000
Aurora, IL	Reroof Tower	52,000
Minneapolis, MN	Reconfigure Console Equipment	15,200
Detroit, MI	Repair and insulate roof	70,000
Olive Branch, MS	Establish direct voice shout line	11,600
Reid Hillview, CA	Resurface parking lot and service road	18,800
San Luis Obapo, CA	Replace roof	30,500
Scottsdale, AZ	Replace A/C system	148,000
Hilo, HI	Replace roof	50,000
Orlando, FL	Connectivity of reconfiguration airspace	17,600
Grand Forks, ND	Enlarge ATCT	172,100
Minneapolis, MN	Reorganize FD/CD position	15,200
Sioux Falls, SD	Install HVAC	15,000
New Orleans, LA	Facility General Refurbish	211,500
Traverse City, MI	Reroof Tower	52,000
Minot, ND	Reroof Tower	52,000
LaCrosse, WI	Reroof Tower	52,000
Cleveland, OH	Reroof Tower	52,000
Milwaukee, WI	Reroof Base Building	81,000
Grand Fork, ND	Replace Carpet	10,000
Madison, WI	TRACON Reconfiguration	154,400
Lansing, MI	New Lighting	32,200
Duluth, MN	Replace Carpet	23,700
Akron, OH	Model Break room	63,900
Grand Forks, ND	ATCT Expand Parking Lot	49,500
Total		4,769,900

NAS Facilities OSHA and Environmental Standards Compliance.—The Committee recommends $18,700,000 for this budget line. The Committee recommendation is made without prejudice to fund higher priorities.

Terminal Digital Radar (ASR–11).—The Committee recommends $60,600,000, the same amount as the budget request. The Committee recommendation supports funding to procure 6 radar sites at Gulfport, MS; Green Bay, WI; Monterey, CA; South Bend, IN; Kalamazoo, MI; and Midland, TX. The recommended level also provides funds for the construction of 10 radar facilities at Mobile, AL; North Valley, AZ; Little Rock, AR; Lexington, KY; Saginaw, MI; Sioux City, IA; Gulfport, MS; Amarillo, TX; Peoria, IL; and Green Bay, WI.

The Committee is aware of the gap in radar coverage in north central Kansas that affects airports at Salina and Manhattan as well as a number of military facilities. The Committee encourages the FAA to cooperatively work with the Department of Defense and U.S. Army to develop a surveillance solution that would provide improved radar coverage for the Salina Airport and serve the needs of the U.S. Army.

The Committee is aware also of the desire for a terminal radar to serve the region around the Santa Fe Airport in New Mexico. The Committee encourages the FAA to work with Santa Fe to improve radar coverage for the area.

FSAS Operational and Supportability Implementation System [OASIS].—The Committee recommends $10,300,000, a reduction of $4,100,000 from the budget estimate and an increase of $1,073,600 from the fiscal year 2005 enacted level. The Committee recommendation sustains lease services at 16 sites and 3 support systems until the FAA phases out the system.

Instrument Landing System [ILS] Establishment.—The Committee recommends $14,025,000 for establishment of instrument landing systems, which includes $4,400,000 for cost-sharing initiatives in which the FAA and airports share the costs of certain systems, including ILS, lighting, and navigational aids. The Committee directs funds to be distributed as follows:

Facility	Description	Amount
Fort Lauderdale-Hollywood, FL	Install previously procured approach lighting systems (runway 31).	$1,800,000
Hartsfield-Jackson International, GA	Aquire and install replacement LPDME	400,000
Keokuk Municipal, IA	Install previously aquired glide slope	550,000
Klawock, AK	Install previously aquired ILS	1,800,000
Long Beach, CA	Install previously procured approach lighting systems (runway 25R).	2,000,000
McCook Municipal, NE	Phase II installation of glide slope and PAPI system.	675,000
Western Nebraska (Scottsbuff) Regional, NE	Acquire and install glide slope and MALSR	1,900,000

In addition, the Committee recommends $500,000 for the FAA to conduct site survey to determine costs and feasibility for installing instrument landing systems at the following airports: Reno/Tahoe International, NV; University Park, PA; Aiken Municipal, SC; Wendover, UT; and Menomonie Municipal—Score Field, WI.

Wide Area Augmentation System.—The Committee recommendation includes $98,500,000 for the Wide Area Augmentation System [WAAS] for fiscal year 2006, a decrease of $1,500,000 from the budget request. The Committee is aware that the DOT Inspector General has noted that delays in the development of flight procedures and user equipage continue to be a risk to WAAS implementation. The Committee has reduced funding for software support due to budget constraints.

Approach Lighting System Improvement Program [ALSIP].—The Committee recommends $8,000,000 for procurement and installation of frangible approach lighting equipment including high intensity approach lighting system with sequenced flashing lights [ALSF–2] and medium intensity approach lighting system [MALSR]. The recommended level is $3,000,000 more than the budget estimate and $16,165,120 less than the fiscal year 2005 enacted level. The recommendation includes $3,000,000 to continue the program of providing lighting systems at rural airfields throughout Alaska.

In addition, the Committee is concerned with the slow pace of developing a new specification for MALSR. The Committee directs the FAA to submit a letter to the House and Senate Committees on Appropriations that indicates the schedule for issuing the new MALSR specification.

Loran-C.—The Committee recommends $10,000,000 to continue the program to modernize the Loran-C navigation system. The Committee is aware that recapitalization of the loran radionavigational system in the contiguous United States has largely been completed, but notes that substantial work remains in Alaska.

Fuel Storage Tank Replacement and Monitoring.—The Committee recommends $2,976,000 for fuel storage tank management, the same amount as the fiscal year 2005 enacted level. The reduction is made without prejudice due to higher budget priorities.

The Committee is aware that the Tonopah, NV radar site is subject to frequent power surges, which result in losses of radar coverage in the area. The Committee encourages the FAA to consider acquiring and installing an uninterruptible power source or engine generator electrical system at the radar site.

Electrical Power Systems-Sustain/Support.—The Committee recommendation provides $40,000,000 for the electrical power systems program, which is $320,000 more than the fiscal year 2005 level and $5,000,000 less than the budget request.

NON-AIR TRAFFIC CONTROL FACILITIES AND EQUIPMENT

Hazardous Materials Management.—The Committee recommends $15,100,000 for the hazardous materials management program. The Committee recommendation is an inflationary increase of $220,000 from the fiscal year 2005 appropriated level and a reduction of $1,900,000 from the budget estimate.

National Airspace System [NAS] Recovery Communications [RCOM].—The Committee recommendation provides $7,573,000 for this budget item, the same level as the adjusted appropriation in fiscal year 2005 and a reduction of $2,427,000 from the fiscal year 2006 requested level. This reduction can be accommodated by constraining other C3 efforts and by stretching out the completion of the hardware procurement.

Information Security.—The Committee recommendation provides $8,000,000 for this budget item, a reduction of $4,000,000 from the requested level and the same amount appropriated in fiscal year 2005. This funding is adequate to pursue the current information security improvements to prevent and isolate intrusion in the Agency's computer networks.

System Approach for Safety Oversight [SASO].—The Committee recommends $6,350,000 for this new program, which is $2,850,000 less than the budget estimate. Some of the activities related to re-engineering business process models are not capital expenses. In addition, the Committee is concerned by the vague and overly general description of the initiative in the justifications materials as well as by the lack of specificity about future funding requirements.

Aeronautical Center Infrastructure Modernization.—The Committee recommends $9,500,000 for improvements to the aeronautical center, an increase of $1,068,000 from the fiscal year 2005 enacted level and a reduction of $6,500,000 from the budget request. The recommendation provides sufficient funds to make significant improvements in the Mike Monroney Aeronautical Center facilities and to address the most critical deficiencies in those facilities.

MISSION SUPPORT

System Engineering and Development Support.—The Committee recommendation provides $27,595,000 for system engineering and technical assistance [SETA] and other contract support. The recommendation is the same level appropriated in fiscal year 2005 and a reduction of $4,645,000 from the budget estimate. Funding in this budget line has increased by 15 percent since fiscal year 2003, even as funding for "Facilities and Equipment" has decreased. The reduction is appropriate given the declining level of resources compared to the fiscal year 2005 enacted level. The Committee directs the FAA to submit a list to the House and Senate Committees on Appropriations of all major programs that have been cancelled as a direct result of SETA investment analysis by December 31, 2005.

PERSONNEL AND RELATED EXPENSES

Personnel and Related Expenses.—The Committee recommendation provides $423,421,000.

RESEARCH, ENGINEERING, AND DEVELOPMENT

(AIRPORT AND AIRWAY TRUST FUND)

Appropriations, 2005	$129,880,000
Budget estimate, 2006	130,000,000
House allowance	130,000,000
Committee recommendation	134,500,000

PROGRAM DESCRIPTION

The Research, Engineering and Development [RE&D] appropriation provides funding for long-term research, engineering and development programs to improve the air traffic control system by increasing its safety and capacity, as well as reducing the environmental impacts of air traffic, as authorized by the Airport and Airway Improvement Act and the Federal Aviation Act, as amended. The programs are designed to meet the expected air traffic demands of the future and to promote flight safety through improvements in facilities, equipment, techniques, and procedures in order to ensure that the system will safely and efficiently handle future volumes of aircraft traffic.

COMMITTEE RECOMMENDATION

The Committee recommends $134,500,000 for the FAA's research, engineering, and development activities. The recommended level of funding is $4,500,000 more than budget request and $4,620,000 more than the fiscal year 2005 enacted level.

A table showing the fiscal year 2005 enacted level, the fiscal year 2006 budget estimate, and the Committee recommendation follows:

RESEARCH, ENGINEERING AND DEVELOPMENT

	Fiscal year—		Committee recommendation
	2005 enacted	2006 estimate	
Improve Aviation Safety:			
Fire research and safety	$6,525,376	$6,244,000	$6,244,000
Propulsion and fuel systems	7,114,624	4,049,000	5,049,000
Advanced material/structural safety	6,643,424	2,613,000	3,213,000
Atmospheric hazards/digital system safety	4,086,048	3,441,000	3,441,000
Aging aircraft	18,997,792	19,007,000	20,077,000
Aircraft catastrophic failure prevention research	1,107,072	3,340,000	3,340,000
Flightdeck maintenance/system integration human factors	11,699,648	8,181,000	8,181,000
Aviation safety risk analysis	8,570,880	4,932,000	4,932,000
Air traffic control airways facility human factors	9,391,264	9,654,000	9,654,000
Aeromedical research	10,078,720	6,889,000	8,889,000
Weather program—safety	20,671,296	20,582,000	20,582,000
Improve Efficiency:			
Joint Program and Development Office	5,059,200	18,100,000	17,000,000
Wake Turbulence	4,261,632	2,296,000	2,296,000
Reduce Environment Impacts: Environment and Energy	11,794,880	16,008,000	17,008,000
Mission Support:			
System Planning and Resource Management	515,840	1,271,000	1,201,000
William J. Hughes Technical Center Laboratory Facility	3,361,888	3,393,000	3,393,000
Total	129,879,584	130,000,000	134,500,000

[1] Includes across the board rescission.

IMPROVE AVIATION SAFETY

Fire Research and Safety.—The Committee recommends $6,244,000 for fire research and safety, the same amount as the budget request.

Propulsion and Fuel Systems.—The Committee recommends $5,049,000 for propulsion and fuel systems research to reduce commercial fatalities. The Committee provides $500,000 to complete the evaluation of the effects of molecular markers designed for the purpose of detecting adulteration or dilution of jet fuel for use in aviation engines. The Committee recommends $300,000 to continue research into technologies for modifications of existing general aviation piston engines to enable safe operation using unleaded aviation fuel.

The recommended level of funding also includes $500,000 for further research into the performance and combustion characteristics of aviation grade ethanol fuels at South Dakota State University.

Advanced Materials/Structural Safety.—The Committee recommends $3,213,000 for advanced materials/structural safety research. The recommendation is an increase of $600,000 from the budget estimate and a decrease of $3,430,424 from the fiscal year

2005 enacted level. The Committee recommends $500,000 to support and improve ongoing metallic and composite structures research at the National Institute for Aviation Research and $400,000 for advanced materials research at the University of Washington.

Center of Excellence for General Aviation Research [CGAR].—The Committee notes that the FAA has supported the research efforts of the Center of Excellence for General Aviation Research [CGAR] which is a consortium of the aviation industry and five universities—Embry Riddle Aeronautical University; the University of North Dakota; Wichita State University; University of Alaska; and, Florida Agricultural and Mechanical University. The Committee supports the continued funding of the research of CGAR and recommends $400,000 for CGAR in the propulsion on fuel system budget activity and $100,000 in the aging aircraft budget activity.

Aging Aircraft.—The Committee recommends $20,077,000 for the aging aircraft program to reduce commercial aviation fatalities and to continue the collaborative efforts between the FAA and several public and private organizations. The Committee recommends $1,000,000 for the Center for Aviation Systems Reliability [CASR]; $1,265,000 for the Aging Aircraft Nondestructive Inspection Validation Center [AANC]; $1,000,000 for the National Institute for Aviation Research; and, $1,325,000 for the Center for Aviation Research and Aerospace Technology [CARAT]; and assumes continued support for the Engine Titanium Consortia.

Flight Safety/Atmospheric Hazards Research.—The Committee recommends $5,167,000, which is $235,000 more than the budget estimate. The recommendation includes $235,000 to continue development of in-flight simulator training for commercial pilots at the Flight Research Training Center.

Aeromedical Research.—The Committee recommends $8,889,000 for aeromedical research, an increase of $2,000,000 above the budget estimate. The Committee recommends $2,000,000 to continue studies related to cabin air quality to be conducted by the center of excellence for cabin environment research.

IMPROVE EFFICIENCY OF AIR TRAFFIC CONTROL SYSTEM

Joint Program and Development Office.—The Committee recommends $17,000,000 for FAA's contribution to the multi-agency Joint Planning and Development Office [JPDO]. This office represents the Departments of Defense, Commerce, Transportation, and Homeland Security, in addition to the National Aeronautics and Space Administration and the FAA, in developing the next generation air transportation system. The JPDO, and its charter, was established and charged in Public Law 108–176.

The JPDO has the potential to shape the next generation air traffic management system by coordinating and focusing the research efforts and procurement decisions of the participating Federal agencies. The Committee, however, is concerned that the JPDO has not established firm expectations for what it can and should deliver in the short- and long-term and has not developed budget or cost estimates that are fundamental for making informed choices for future development. This is particularly important given the complex mission to transform the current system and FAA's inability to bring successfully new capabilities on line that can enhance capacity.

The JPDO released its first plan in late 2004, but it did not address what new capabilities it would pursue or the related funding requirements. There are several potential core capabilities, including automatic dependent surveillance-broadcast [ADS–B], that appear to be candidates for early deployment. An important measure for evaluating the JPDO will be how it shapes, modifies, initiates, and even eliminates various acquisition programs. The JPDO will ultimately be just another internal layer of management unless the office has and uses the authority to influence procurement programs, priorities, and timetables. The Committee believes that the JPDO can assist the administration in cutting through the seemingly interminable and ineffective efforts to this point to improve the acquisition agenda at the FAA and to help match FAA's operational imperatives with acquisition execution.

Because of the potential funding implications and adjustments to existing FAA programs, the Committee directs the DOT Inspector General to provide an assessment of the current acquisition decision-making process and how to best integrate the JPDO into that process. The DOT IG should give special attention to how FAA acquisition elements, both internal to the FAA and contracted services funded by the Facilities and Equipment appropriation, are also involved in the acquisition process and whether those functions would be better suited as a responsibility of the JPDO.

REDUCE ENVIRONMENTAL IMPACT OF AVIATION

Environment and Energy.—The Committee recommends $17,008,000 for research to reduce environmental impacts. The recommended level is $1,000,000 more than the budget estimate and $5,213,120 more than the fiscal year 2005 enacted level. The recommended level includes $1,000,000 for aerospace propulsion particulate emissions research at the consortium coordinated by the University of Missouri—Rolla.

MISSION SUPPORT

System Planning & Resource Management.—The Committee provides $1,201,000, which is slightly less than the 2006 budget estimate.

GRANTS-IN-AID FOR AIRPORTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(AIRPORT AND AIRWAY TRUST FUND)

Appropriations, 2005	$2,800,000,000
Budget estimate, 2006	3,300,000,000
House allowance	3,600,000,000
Committee recommendation	3,390,000,000

PROGRAM DESCRIPTION

This account finances a program of grants to fund airport planning and development, noise compatibility planning and projects, the military airport program, reliever airports, airport program administration, and other authorized activities for public use airports in all States and territories.

COMMITTEE RECOMMENDATION

The Committee recommends $3,390,000,000 for liquidation of obligations incurred pursuant to contract authority for grants-in-aid for airports. The recommended liquidation of contract authorization is $90,000,000 more than budget estimate and $590,000,000 more than fiscal year 2005 enacted level. This is consistent with the Committee's limitation on obligations for airport grants for fiscal year 2006 and for the payment of obligations from previous fiscal years.

GRANTS-IN-AID FOR AIRPORTS

(LIMITATION ON OBLIGATIONS)

(AIRPORT AND AIRWAY TRUST FUND)

Limitation, 2005	$3,472,000,000
Budget estimate, 2006	3,000,000,000
House allowance	3,600,000,000
Committee recommendation	3,500,000,000

COMMITTEE RECOMMENDATION

The Committee recommends a limitation on obligations of $3,500,000 for grants-in-aid to airports for fiscal year 2006, which is $500,000,000 more than the budget estimate and $28,000,000 more than the fiscal year 2005 enacted level. The Committee recommendation is sufficient to continue the important tasks of enhancing airport and airway safety, ensuring that airport standards continue to be met, maintaining existing airport capacity, and developing additional capacity.

A table showing the distribution of these funds according to current law compared to the fiscal year 2005 level and the President's budget request follows:

GRANTS-IN-AID FOR AIRPORTS

	Fiscal year—		Committee recommendation
	2005 enacted	2006 request	
Obligation Limitation	$3,472,000,000	$3,000,000,000	$3,500,000,000
Personnel and Related Expenses	68,251,584	81,346,584	71,096,000
Airport Technology Research	....	17,500,000	....
Small Community Air Service	19,840,000	....	20,000,000
Available for AIP Grants	3,383,908,416	2,901,153,416	3,408,904,000
Emergency Assistance to Airports	25,000,000	....	....
Total AIP	3,497,000,000	3,000,000,000	3,500,000,000
Primary Airports	903,365,316	816,280,396	903,768,585
Cargo Service Airports	118,436,795	91,710,881	119,311,640
Alaska Supplemental (Sec. 4714(e))	21,345,114	21,345,114	21,345,114
States (General Aviation):			
Non-Primary Entitlement	384,493,376	347,620,461	341,147,527
State Apportionment by Formula	292,288,307	176,988,919	340,633,273

GRANTS-IN-AID FOR AIRPORTS—Continued

	Fiscal year— 2005 enacted	Fiscal year— 2006 request	Committee recommendation
Subtotal	676,781,683	524,062,177	681,780,800
Carryover Entitlement	415,911,084	400,000,000	400,000,000
Subtotal Entitlements	2,135,839,992	1,853,398,567	2,126,206,139
Small Airport Fund:			
Non Hub Airports	222,164,063	196,254,528	217,288,910
Non Commercial Service	111,082,031	98,127,264	108,644,455
Small Hub	55,541,016	49,063,632	54,322,227
Subtotal Small Airport Fund	388,787,110	343,445,424	380,255,592
Subtotal Non Discretionary	2,524,627,102	2,196,843,991	2,506,461,731
Discretionary Set-Aside: Noise	300,748,460	162,489,138	315,854,794
Discretionary Set-Aside: Reliever	5,671,257	3,064,081	5,956,119
Discretionary Set-Aside: Military Airport Program	34,371,253	18,570,187	26,097,691
Subtotal Discretionary Set-asides	340,790,969	184,123,406	347,908,604
C/S/S/N	388,867,759	390,139,514	408,400,249
Pure Discretionary	129,622,586	130,046,505	136,133,416
Subtotal Other Discretionary	518,490,345	520,186,019	544,533,665
Subtotal Discretionary	859,281,314	704,309,425	902,442,269
TOTAL AIP GRANTS	3,383,908,416	2,901,153,416	3,408,904,000

Airport Discretionary Grants.—Within the budgetary resources provided in the accompanying bill, $902,442,269 is available for discretionary grants to airports. The Committee has carefully considered a broad array of discretionary grant requests that can be expected in fiscal year 2006. Specifically, the Committee expects the FAA to give priority consideration to applications for the projects listed below in the categories of AIP for which they are eligible. If funds in the remaining discretionary category are used for any projects in fiscal year 2006 that are not listed below, the Committee expects that they will be for projects for which FAA has issued letters of intent (including letters of intent the Committee recommends below that the FAA issues subsequently), or for projects that will produce significant aviation safety improvements or significant improvements in systemwide capacity or otherwise have a very high benefit/cost ratio.

Within the program levels recommended, the Committee directs that priority be given to applications involving the further development of the following airports:

State	Airport Name	Project Description
AK	Sitka Rocky Gutierrez	Airport terminal improvements.
AL	Abbeville Municipal	Runway extension.
AL	Huntsville International—Jones Field	Construct Taxiway L.
AL	Mobile Regional	Rehabilitate Access Road.
AL	Mobile Regional Airport	Land acquisition for future Runway RPZ.
AR	Boone County Regional Airport	Acquire aircraft rescue and firefighting vehicle.
AR	Texarkana Regional Airport	Construct Aircraft Firefighting and Rescue station.

State	Airport Name	Project Description
AR	Jonesboro Municipal Airport	Taxiway Lighting.
AR	Stuttgart Municipal Airport	Rehabilitate taxiway and apron.
AR	Northwest Arkansas Regional Airport	Airfield drainage improvements and construct parallel taxiway.
AZ	Phoenix Sky Harbor Airport	Taxiway Reconstruction.
AZ	Phoenix Deer Valley	Land Acquisition.
CA	Sacramento International	Update airport master plan.
DE	Delaware Airpark (33N)	Construct runway, taxiway and apron.
FL	Gainesville Regional	Rehabilitate runway and parallel taxiway.
FL	Panama City-Bay County International	Various Improvements.
FL	Jacksonville	Reconstruct Terminal Apron.
FL	Labelle Municipal, X14	Construct Terminal Building.
FL	Space Coast Regional	Apron Reconstruction.
GA	Augusta Regional Airport at Bush Field	Terminal Building.
GA	Glimer County Airport, Ellijay Georgia	Land Acquisition, Access Road and Apron.
GA	Newnan-Coweta County Airport	Perimeter fencing.
IA	Dubuque Regional	ARFF Equipment.
IA	Atlantic Municipal	Construct runway—phase 5.
IA	Arthur N. Neu Airport	Construct Runway 3/21.
IA	Council Bluffs Municipal	Construct Runway 18/36 Phase 6.
IA	Fairfield Municipal	Construct Runway 18/36 Phase 6.
IA	Iowa City Municipal	Extend Runway 2/27 Phase.
IA	Newton Municipal	Construct Taxiway Phase 1.
IA	Ankeny Regional	Update airport master plan, expand north apron, remove power line for Runway 36, and improve runway safety area.
IA	Keokuk Municipal	Perimeter fencing.
IA	Charles City Municipal	Runway and Taxiway construction.
IL	St. Louis Downtown	Airfield Signage.
IL	Quad City International	Taxiway Improvements.
IL	Greater Rockford	Expand Terminal Building, Extend Runway 7/25.
IN	Gary/Chicago	Railroad relocation.
IN	Indianapolis Executive	Design and construction of parallel taxiway phase 1.
KY	Bowman Field	To construct a taxiway parallel to runway 14–32.
KY	Louisville International-Standiford Field	Group VI Taxiway Upgrades.
KY	Louisville International-Standiford Field	Noise mitigation.
KY	Barkley Regional	Runway improvements.
KY	Barkley Regional	Terminal Building.
LA	Alexandria Int'l	Various taxiway and runway improvements.
LA	Baton Rouge Airport	Rehabilitate Taxiway Lighting.
LA	Baton Rouge Airport	Land Acquisition for Blount Road.
LA	Baton Rouge Airport	Land Acquisition, Conway.
LA	Baton Rouge Airport	Land Acquisition, Hobgood.
LA	Leesville	Runway extension.
LA	Morehouse Memorial	Runway extension.
LA	Monroe Regional	New terminal.
LA	Houma-Terrebonne	Reconstruct taxiways and aircraft-parking ramps.
LA	South Lafourche	Strengthen and widen runway.
LA	New Orleans Int'l	Aircraft rescue and firefighting building.
LA	Lafayette Airport	Construct taxiway.
MD	Martin State	Taxiway F Extension.
MD	Baltimore-Washington International	Taxiway, apron enhancements.
MD	Greater Cumberland Regional	Various Improvements.
ME	Greenville Municipal Airport	Reconstruction of Runway 14–32.
MI	Manistee County Blacker	Various Improvements.
MI	Cherry Capital	Terminal upgrades.
MI	Jackson County Reynolds Field	New primary runway and various improvements.
MI	Capitol City	Phase II of extension to primary runway.
MI	Chippewa County International	Maintenance and Inspection facility.
MI	Bishop	Land acquisition, design and construction for new facility.
MI	Greenville Municipal Airport	New terminal.
MI	Detroit City	Land acquisition, replacement runway and airport modernization.
MI	Detroit Metropolitan Wayne County	De-icing facility and equipment.
MN	Wilmar	Design and construction of new hangar facilities.

State	Airport Name	Project Description
MN	Minneapolis-St Paul/Wold-Chamberlain	Terminal pavement/aprons.
MN	St. Paul Downtown Holman Field	Flood protection dike.
MN	Duluth International	Terminal security enhancements.
MN	St. Cloud Regional	Environmental assessment to support land acquisition and development; Terminal security enhancements; Airside terminal equipment—movable aircraft stairs and deicing equipment.
MN	Thief River Falls Regional	Construct hangar to address overnight storage and maintenance issues.
MO	Jefferson City Memorial	Extend taxiways.
MO	New Branson West	Construct runway.
MO	Nevada Municipal	Runway 2/20 Rehabilitation.
MO	Moberly-Omar N Bradley	Extend Runway 13/31 and Construct Parallel Taxiway.
MS	Golden Triangle Regional Airport	Various improvements.
MS	Corinth Municipal	Land Acquisition.
MS	Gulfport-Biloxi International	Taxiway rehabilitation, cargo apron and lighting.
MS	Gulfport-Biloxi International Airport	Perimeter Road, Taxiway Rehabilitation.
MS	Bruce Campbell Field	Construct terminal and terminal access road.
MS	Jackson International	Runway extension, apron replacement, rehabilitation of runways and taxiways.
MS	Hawkins Field	Runway extension.
MS	Philadelphia Municipal	Runway extension.
MT	Billings Logan International	Overlay Runway 10R/28.
MT	Missoula International	Land acquisiton.
NC	Concord Regional	Runway improvements.
NC	Rowan County Airport	Land acquisition.
NC	Rockingham-Hamlet	ILS system, terminal improvement, security fencing, and land acquistion.
ND	Devils Lake Municipal	Construct wildlife fence, Aircraft Rescue and Fire Fighting vehicle building, land purchase, runway extension.
ND	Jamestown Regional	Construct wildlife fence, Aircraft Rescue and Fire Fighting vehicle building, land purchase, taxiway extension.
ND	Lisbon Municipal	Runway construction.
NE	Western Nebraska Regional Airport	Rehabilitate Apron, Rehabilitate Runway Lighting, Rehabilitate Taxiway Lighting, Install Guidance Signs, Install Miscellaneous Navigational Aids, Install Runway Vertical/Visual Guidance System, and Construct Terminal Building.
NJ	Teterboro Airport	Implementation of runway safety improvements on the ends of runways that lack the FAA standard of a 1,000 foot safety overrun area.
NJ	Teterboro Airport	Development and implementation of a Perimeter Intrusion Detection system.
NJ	Woodbine Municipal	Land acquisition.
NM	Double Eagle II	Construct apron.
NM	Alexander Municipal	Construct crosswind runway.
NV	Carson	Replace single runway.
NV	North Las Vegas Air Terminal	Security Identification Display Area [SIDA] Access Control Systems.
NV	Reno Stead	Ramp Road Reconstruction.
NV	Reno Tahoe International	FAR Part 150 Residential Sound Insulation Program.
NV	Reno Stead	Reconstruction of Taxiway ''B'' North End and Construction of Runway 14/32 South Taxiway Connector at the Reno Stead Airport.
NV	Reno Stead	Runway 8/26 Edge Lighting Replacement.
NV	Reno Stead	Update Airport Master Plan Study and Drainage Master Plan.
NV	Reno Tahoe International	Second Floor Concourse Build-out—Phase II.
NY	Niagara Falls International	New terminal, apron, and related upgrades.
OH	Cleveland Hopkins International	Continuation of payments to the Department of Port Control for runway 6L/24R pursuant to Letter of Intent issued by the FAA in 2000.
OH	Cleveland Hopkins International	Runway 6R/24L safety improvements and southwest extension.

State	Airport Name	Project Description
OK	Sallisaw Municipal	Extend, rehabilitate runway.
OK	R.L. Jones, Jr.	Airfield drainage improvements.
OK	Altus/Quartz Mountain Regional	Improve the runway safety area, rehabilitate runway and install airfield lighting and signs and runway drainage improvements.
OK	University of OK—Westheimer	Construct roads and improve drainage.
OK	R.L. Jones, Jr.	Reconstruction and rehabilitation of roads around RVS.
OK	R.L. Jones, Jr.	Asphalt improvements.
PA	Philadelphia International	Environmental Impact Statements for the near-term extension of Runway 17/35 and the longer-term Airfield Capacity Enhancement Program.
PA	Pittsburgh International	Upgrades for snow removal equipment buildings.
PA	Fayette County Airport Authority	Runway extension and various improvements.
SD	Black Hills Clyde Ice Field	Runway extension.
TN	Nashville International Airport	Rehabilitate runway 13–31.
TN	McGhee-Tyson	ARFF building.
TX	Easterwood Airport	Rehabilitate Runway 16/34.
TX	Denton Municipal Airport	Various airfield improvements.
TX	Alliance	Extend runway and taxiways.
TX	New Braunfels	ILS.
TX	Granbury Municipal	Construct new Runway 18/36.
TX	Brownsville	Extend runway, improve airport drainage, rehabilitate terminal apron, rehabilitate Runway 13/31, and improve Runway 17/35 safety area.
TX	Brownsville	Airport parking lot.
TX	San Marcos Municipal	Construct t-hangar and terminal building.
UT	Beaver and Panguitch Municipal	GPS Approach Surveys.
WA	Snohomish County (Paine Fled)	Kilo One Taxiway.
WI	Kenosha Regional	Develop southeast hangar area.
WI	Lacrosse Municipal	Construct parallel taxiway phase II.
WI	Dane County Regional-Tax Field	Expand air carrier apron.
WI	LEO. Simmental Municipal	Reconstruct and extend runway; Construct parallel taxiway; Develop hangar area phase II.
WI	Wittman Regional	Reconstruct and strengthen crosswind runway.
WI	Rhinelander-Oneida County	Extend and reconstruct runway 15/33 and construct a parallel taxiway.
WI	Austin Straubel International	Construct runway 18 safety area and install Instrument Landing System [ILLS].
WI	Manitowoc County	Reconstruction of Runway 17/35 with High Intensity Runway Lighting; Precision Approach Path Indicator; Construction of an access road to navies and equipment.
WI	Merrill Municipal	Construct parallel taxiways, hangar area and terminal building.
WI	New Richmond Regional	Extend and reconstruct primary runway and parallel taxiway; construct hangar area; reconstruct apron.
WI	Chippewa Valley Regional	Construct and expand airline terminal facilities.
WI	Rice Lake Regional—Carl's Field	Strengthen primary runway and parallel taxiway.
WI	Taylor County	Extend primary runway, construct parallel taxiway, develop terminal area.
WI	Rock Co	Land Acquisition.
WV	Raleigh City Memorial	Various Improvements.
WV	Yeager	Various Improvements.
WV	Harrison/Marion Regional	Various Improvements.
WV	Tri-State/Walker-Long Field	Various Improvements.
WV	Greenbrier Valley	Various Improvements.
WV	Morgantown Muni-Walter L. Bill Hart Fld	Various Improvements.
WV	Mid-Ohio Valley Regional	Various Improvements.
WV	Mercer Cty	Various Improvements.
WV	Upshur County Regional	Various Improvements.
WV	Elkins-Randolph Co-Jennings Randolph Fld	Various Improvements.
WV	Fairmont Muni	Various Improvements.
WV	Logan County	Various Improvements.
WV	Eastern WV Reg/Shephard Field	Various Improvements.
WV	Marshall County	Various Improvements.
WV	Grant County	Various Improvements.

State	Airport Name	Project Description
WV	Philippi-Barbour County Regional	Various Improvements.
WV	Kee Field	Various Improvements.
WV	Mason County	Various Improvements.
WV	Jackson County	Various Improvements.
WV	Summersville	Various Improvements.
WV	Braxton County	Various Improvements.
WV	Welch Muni	Various Improvements.
WV	Wheeling-Ohio County	Various Improvements.
WV	Mingo County	Various Improvements.

Letters of Intent.—Congress authorized the FAA to use letters of intent [LOI's] to fund multiyear airport improvement projects that will significantly enhance systemwide airport capacity. FAA must consider a project's benefits and costs in determining approval for AIP funding. The FAA has adopted a policy of committing to LOI's no more than approximately 50 percent of forecasted discretionary funds allocated for capacity, safety, security, and noise projects. The Committee has viewed this policy as reasonable as it gave FAA the flexibility to fund other worthy projects that do not fall under a LOI. Both FAA and airport authorities have found letters of intent helpful in planning and funding airport development.

Current letters of intent assume the following grant allocations for fiscal year 2006:

	Amount
Alaska: Ted Stevens Anchorage International	$14,185,000
California: Norman Y. Mineta San Jose International	2,419,000
Florida:	
Southwest Florida International	4,000,000
Miami International	7,550,000
Orlando International	7,620,000
Georgia: The William B. Hartsfield Atlanta International	19,368,000
Illinois:	
Central Illinois Regional Airport	4,872,000
Chicago Midway International	12,000,000
Indiana: Indianapolis International	15,000,000
Kentucky: Cincinnati/Northern Kentucky International	16,995,000
Massachusetts: General Edward Lawrence Logan International	13,610,000
Maryland: Hagerstown Regional-Richard A. Henson Field	6,000,000
Michigan: Detroit Metropolitan Wayne County	19,050,000
Minnesota: Minneapolis-St Paul International/World-Chamberlain	7,500,000
Missouri: Lambert-St Louis International	17,882,000
North Carolina: Piedmont Triad International	12,900,000
New Hampshire: Manchester	4,500,000
Ohio:	
Cleveland Hopkins International	10,576,000
Port Columbus International	7,000,000
Pennsylvania: Harrisburg International	8,340,000
Rhode Island: Theodore Francis Green State	643,000
Tennessee: Memphis International	5,878,000
Texas:	
Dallas/Fort Worth International	5,692,000
George Bush Intercontinental	17,250,000
Washington: Seattle-Tacoma International	17,604,000

In addition, applications are pending for capacity enhancement projects which would, if constructed, significantly reduce congestion and delay. These projects require multiyear funding commitments. The Committee recommends that the FAA enter into letters of intent for multiyear funding of such capacity enhancement projects.

Panama City-Bay County International Airport, FL.—The Committee encourages the FAA to give priority consideration to the application for a letter of intent that the Panama City-Bay County International Airport Authority submitted for construction of a new airport. The Committee has been informed that substantial safety and capacity benefits will accrue from the completion of this project. Also, the Committee understands that almost two-thirds of the cost of this project will be funded from non-Federal sources.

Passenger Facility Charges.—The Committee notes that a sizable alternative source of funding is available to airports in the form of passenger facility charges [PFC's]. The first PFC charge began for airline tickets issued on June 1, 1992. DOT data shows that as of April 30, 2005, 354 airports were approved to collect PFC's in the amount of $47,600,000,000. During calendar year 2004, airports collected $2,231,141,000 in PFC charges, and $2,198,000,000 is estimated to be collected in calendar year 2005. Of the airports collecting PFC's, approximately one-fifth collected about 90 percent of the total, and all of these are either large or medium hub airports. The first collections at the new $4.50 PFC level began on April 1, 2001, at 31 airports. As of December 31, 2003, 229 airports have been approved to collect at the PFC level of $4.50. Eventually, the funding to airports from the 50 percent nominal increase in authorized passenger facility charges will result in dramatically increased resources for airport improvements, expansions, and enhancements.

Runway Incursion Prevention Systems and Devices.—The bill includes a provision that allows funds for grants-in-aid to airports to be used by airports to procure and install runway incursion prevention systems and devises.

Explosive Detection System [EDS] Installation.—The accompanying bill retains language to prohibit funding under this limitation to be used for modifications to airports that are necessary to install bulk explosive detection systems. Funding for such modifications is now provided by the Department of Homeland Security.

Administration.—The Committee recommends a separate limitation of $71,096,000 for personnel and related expenses of the office of airports within the overall limitation on obligations for the grants-in-aid for airports. The recommendation is $10,250,584 less than budget estimate and $2,844,416 more than the fiscal year 2005 enacted level. The Committee recommends no funding for the airport cooperative research program as an expense of the office of airports, a reduction of $10,000,000 from the budget estimate. Instead, the Committee recommends funding this research program under "Facilities and Equipment." The Committee recommends limiting funding for electronic grant systems development and integration to the base level of funding of $500,000 and reduces inflationary growth by $584.

Airport Technology Research.—The Committee does not recommend transferring 18 full time equivalent [FTE] staff or any related funding for the airport technology research program to the limitation on obligations for grants-in-aid to airports. Research, even research that directly supports airports, is not authorized under the AIP program. The Committee, however, has recommended funding for these research activities under the Facilities and Equipment account.

Small Community Air Service Development Program.—The Committee recommends a limitation of $20,000,000, within the overall limitation on obligations for grants-in-aid to airports, for the small community air service development program and associated administrative costs. This is the same amount as the level provided in fiscal year 2005. The program is designed to improve air service to underutilized airports in small and rural communities. The total number of communities or groups of communities that can participate in the program is limited to no more than 4 from any one State and no more than 40 in any fiscal year. The program gives priority to communities that have high air fares, will contribute a local share of the cost, will establish a public-private partnership to facilitate airline service, where assistance will provide benefits to a broad segment of the traveling public, and where the assistance will be used in a timely fashion.

GRANTS-IN-AID FOR AIRPORTS

(AIRPORT AND AIRWAY TRUST FUND)

(RESCISSION OF CONTRACT AUTHORIZATION)

Rescission, 2005	−$265,000,000
Budget estimate, 2006	−1,674,000,000
House allowance	−469,000,000
Committee recommendation	−1,174,000,000

COMMITTEE RECOMMENDATION

The Committee recommends a rescission of contract authorization of $1,174,000,000 of contract authority from the Airport and Airway Trust Fund. Section 48112 of title 49, United States Code, stipulates that additional contract authorization for the grants-in-aid program is automatically made available in an amount equal to the difference between the appropriated level for the facilities and equipment program and the authorized amount for the same fiscal year. The Committee recommendation rescinds $469,000,000 of new contract authorization that was made available in fiscal year 2005 pursuant to section 48112. The recommendation also rescinds $705,000,000 of contract authorization made available pursuant to section 48112 or otherwise available in fiscal year 2006. All of the contract authorization that the Committee recommends for rescission exceeds the obligation limitation for fiscal year 2006. The Committee recommendation will not have a programmatic impact on the grants-in-aid for airports program.

ADMINISTRATIVE PROVISIONS—FEDERAL AVIATION ADMINISTRATION

Section 101 provides airports the authority to transfer certain instrument landing systems to the Federal Aviation Administration.

Section 102 limits the number of technical staff years at the Center for Advanced Aviation Systems Development to no more than 375 in fiscal year 2006.

Section 103 prohibits funds in this Act to be used to adopt guidelines or regulations requiring airport sponsors to provide the Federal Aviation Administration "without cost" buildings, maintenance, or space for FAA services. The prohibition does not apply to negotiations between FAA and airport sponsors concerning "below market" rates for such services or to grant assurances that require airport sponsors to provide land without cost to the FAA for air traffic control facilities.

Section 104 permits the Administrator to reimburse FAA appropriations for amounts made available for 49 U.S.C. 41742(a)(1) as fees are collected and credited under U.S.C. 45303.

Section 105 allows funds received to reimburse FAA for providing technical assistance to foreign aviation authorities to be credited to the Operations account.

Section 106 extends the terms and conditions of the aviation insurance program, commonly known as "war risk insurance," and the limitation on air carrier liability for third party claims arising out of acts of terrorism to August 31, 2006 and includes an option for the Secretary to futher extend the program until December 31, 2006.

Section 107 includes a provision making a project meeting certain specified requirements eligible for grants-in-aid for airports.

Section 108 allows small hub primary status airports to be eligible for a terminal development project if the airport received a discretionary grant while the airport was designated as a non-hub primary airport.

FEDERAL HIGHWAY ADMINISTRATION

PROGRAM DESCRIPTION

The principal mission of the Federal Highway Administration is, in partnership with State and local governments, to foster the development of a safe, efficient, and effective highway and intermodal system nationwide including access to and within National Forests, National Parks, Indian Lands and other public lands.

COMMITTEE RECOMMENDATION

Under the Committee recommendations, a total program level of $41,013,259,000 would be provided for the activities of the Federal Highway Administration in fiscal year 2006.

LIMITATION ON ADMINISTRATIVE EXPENSES

Appropriations, 2005	$343,728,000
Budget estimate, 2006	367,638,000
House allowance	359,529,000
Committee recommendation	364,638,000

PROGRAM DESCRIPTION

This limitation on obligations provides for the salaries and expenses of the Federal Highway Administration for program management, direction, and coordination; engineering guidance to Federal and State agencies; and advisory and support services in field offices.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation on obligations of $364,638,000 for administrative expenses of the agency. The Committee recommends $603,000 for 6 new FTEs for oversight of major projects. The Committee supports the initiative to improve the agency's capability for monitoring the status of major projects and reviewing project finance plans. The Committee directs FHWA to submit with the fiscal year 2007 budget justification a report describing the cost, schedule, funding, and technical status of all major projects and an explanation of significant risks to costs, schedules, funding or technical issues.

The Committee recommends a reduction of $4,000,000 for increased administrative funding in support of oversight and stewardship activities without prejudice. The Committee notes that the justification for the initiative is brief and overly vague. The Committee is willing to reconsider this reduction should the FHWA provide adequate documentation to support this funding increase.

Assistance to Daggett County, Utah.—The Committee directs the FHWA to provide administrative assistance and guidance to Daggett County, Utah, regarding the administration and application of existing Federal funds for the rehabilitation and enhancement of Brown's Park Road. This road provides service to both the Flaming Gorge National Recreation Area and interstate access to the surrounding States. The Committee is informed that Daggett County lacks the ability to administer existing Federal funds for the rehabilitation of this road and needs guidance and advice on what Federal programs may benefit this unique circumstance.

Beartooth Highway.—The Committee is aware that in May 2005, the State of Montana suffered a serious mudslide that destroyed large portions of the scenic Beartooth Highway. The Beartooth Highway is an internationally recognized roadway, and has substantial economic value to the Montana communities of Red Lodge and Cooke City. The Committee understands that repair of the highway is eligible for emergency relief highway funding and urges the FHWA to support the reconstruction efforts and act quickly on any requests for assistance.

LIMITATION ON TRANSPORTATION RESEARCH

Limitation, 2005	$458,800,000
Budget estimate, 2006	....
House allowance	485,000,000
Committee recommendation	408,491,420

PROGRAM DESCRIPTION

The limitation controls spending for the transportation research and technology programs of the FHWA. This limitation includes the intelligent transportation systems, surface transportation research, technology deployment, training and education, and university transportation research.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation on obligations for transportation research of $408,491,420. This limitation is consistent with the Senate-passed authorization level and is $50,308,580 less than the fiscal year 2005 enacted level.

FEDERAL-AID HIGHWAYS

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

Limitation, 2005	$34,422,400,000
Budget estimate, 2006	34,700,000,000
House allowance	36,287,100,000
Committee recommendation	40,194,259,000

PROGRAM DESCRIPTION

The Federal-aid highways program provides financial support to States and localities for development, construction, and repair of highways and bridges through matching grants. The program is financed from the Highway Trust Fund and most of the funds are distributed through apportionments and allocations to States. State highway departments have the authority to initiate Federal-aid projects subject to approval of plans, specifications, and cost estimates by the Federal Highway Administration.

COMMITTEE RECOMMENDATION

The Committee recommends limiting fiscal year 2006 Federal-aid highways obligations to $40,194,259,000, which is $5,494,259,000 more than the budget request and the fiscal year 2005 enacted level.

FEDERAL-AID HIGHWAYS PROGRAMS

The roads and bridges that make up our Nation's highway infrastructure are built, operated, and maintained through the joint efforts of Federal, State, and local governments. States have much flexibility to use Federal-aid highway funds to best meet their individual needs and priorities, with FHWA's assistance and oversight.

The Transportation Equity Act for the 21st Century [TEA21], the highway, highway safety, and transit authorization through fiscal year 2003 makes funds available in the following major categories:

National Highway System.—The Intermodal Surface Transportation Efficiency Act [ISTEA] of 1991 authorized the National Highway System [NHS], which was subsequently established as a 163,000-mile road system by the National Highway System Designation Act of 1995. This system serves major population centers, intermodal transportation facilities, international border crossings, and major destinations. It is comprised of all interstate routes, selected urban and principal rural arterials, defense highways, and major highway connectors carrying up to 76 percent of commercial truck traffic and 44 percent of all vehicle traffic. A State may transfer up to half of its NHS funds to the Surface Transportation program [STP] and all NHS funds with the concurrence of the Secretary of Transportation. The Federal share of the NHS is an 80 percent match and funds remain available for 4 fiscal years.

Interstate Maintenance.—The 46,567-mile Dwight D. Eisenhower National System of Interstate and Defense Highways retains a separate identity within the NHS. This program finances projects to rehabilitate, restore, resurface and reconstruct the Interstate system. Reconstruction of bridges, interchanges, and over-crossings along existing interstate routes is also an eligible activity if it does not add capacity other than high occupancy vehicle [HOV] and auxiliary lanes.

All remaining Federal funding to complete the initial construction of the interstate system has been provided through previous highway legislation. TEA21 provides flexibility to States in fully utilizing remaining unobligated balances of prior Interstate Construction authorizations. States with no remaining work to complete the Interstate System may transfer any surplus Interstate Construction funds to their Interstate Maintenance program. States with remaining completion work on Interstate gaps or open-to-traffic segments may relinquish Interstate Construction fund eligibility for the work and transfer the Federal share of the cost to their Interstate Maintenance program.

Surface Transportation Program.—The surface transportation program [STP] is a very flexible program that may be used by the States and localities for any roads (including NHS) that are not functionally classified as local or rural minor collectors. These roads are collectively referred to as Federal-aid highways. Bridge projects paid with STP funds are not restricted to Federal-aid highways but may be on any public road. Transit capital projects are also eligible under this program. The total funding for the STP may be augmented by the transfer of funds from other programs and by minimum guarantee funds under TEA21 which may be used as if they were STP funds. Once distributed to the States, STP funds must be used according to the following percentages: 10 percent for safety construction; 10 percent for transportation enhancement; 50 percent divided among areas of over 200,000 population and remaining areas of the State; and, 30 percent for any area of the State. Areas of 5,000 population or less are guaranteed an amount based on previous funding, and 15 percent of the amounts reserved for these areas may be spent on rural minor collectors. The Federal share for the STP program is 80 percent with a 4-year availability period.

Bridge Replacement and Rehabilitation Program.—The program provides assistance for bridges on public roads, including a discretionary set-aside for high cost bridges and for the seismic retrofit of bridges. Fifty percent of a State's bridge funds may be transferred to the NHS or the STP, but the amount of any such transfer is deducted from the national bridge needs used in the program's apportionment formula for the following year.

At least 15 percent, but not more than 35 percent, of a State's apportioned bridge funds must be spent on bridges not on the Federal-aid system.

Congestion Mitigation and Air Quality Improvement Program.—This program provides funds to States to improve air quality in non-attainment and maintenance areas. A wide range of transportation activities are eligible, as long as DOT, after consultation with EPA, determines they are likely to help meet national ambient air quality standards. TEA21 provides greater flexibility to engage public-private partnerships, and expands and clarifies eligibilities to include programs to reduce extreme cold starts, maintenance areas, and particulate matter [PM–10] nonattainment and maintenance areas. If a State has no non-attainment or maintenance areas, the funds may be used as if they were STP funds.

On-road and off-road demonstration projects may be appropriate candidates for funding under the CMAQ program. Both sectors are critical for satisfying the purposes of the CMAQ program, including regional emissions and verifying new mobile source control techniques.

Federal Lands Highways.—This program provides authorizations through three major categories—Indian reservation roads, parkways and park roads, and public lands highways (which incorporates the previous forest highways category)—as well as a new category for Federally-owned public roads providing access to or within the National Wildlife Refuge System. There is also a program for improving deficient bridges on Indian reservation roads.

The Committee directs that the funds allocated for this program in this bill and in permanent law are to be derived from the FHWA's public lands discretionary program, and not from funds allocated to the National Park Service's regions.

Minimum Guarantee.—After the computation of funds for major Federal-aid programs, additional funds are distributed to ensure that each State receives an additional amount based on equity considerations. This minimum guarantee provision under current law as extended ensures that each State will have a return of 90.5 percent on its share of contributions to the highway account of the Highway Trust Fund.

Emergency Relief.—This program provides for the repair and reconstruction of Federal-aid highways and Federally-owned roads which have suffered serious damage as the result of natural disasters or catastrophic failures. TEA21 restates the program eligibility specifying that emergency relief [ER] funds can be used only for emergency repairs to restore essential highway traffic, to minimize the extent of damage resulting from a natural disaster or catastrophic failure, or to protect the remaining facility and make permanent repairs. If ER funds are exhausted, the Secretary of Transportation may borrow funds from other highway programs.

National Corridor Planning and Border Infrastructure Programs.—TEA21 created a national corridor planning and development program that identifies funds for planning, design, and construction of highway corridors of national significance, economic growth, and international or interregional trade. Allocations may be made to corridors identified in section 1105(c) of ISTEA and to other corridors using considerations outlined in legislation. The coordinated border infrastructure program is established to improve the safe movement of people and goods at or across the U.S./Mexico and U.S./Canada borders.

Ferry Boats and Ferry Terminal Facilities.—This program provides funding for the construction of ferry boats and ferry terminal facilities.

National Scenic Byways Program.—This program provides funding for roads that are designated by the Secretary of Transportation as All American Roads [AAR] or National Scenic Byways [NSB]. These roads have outstanding scenic, historic, cultural, natural, recreational, and archaeological qualities.

Transportation and Community and System Preservation Pilot Program.—TEA21 created a new transportation and community and system preservation program that provides grants to States and local governments for planning, developing, and implementing strategies to integrate transportation and community and system preservation plans and projects. These grants may be used to improve the efficiency of the transportation system, reduce transportation externalities and the need for future infrastructure investment, and improve transportation efficiency and access consistent with community character.

FEDERAL-AID HIGHWAYS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

Appropriations, 2005	$35,000,000,000
Budget estimate, 2006	35,000,000,000
House allowance	36,000,000,000
Committee recommendation	40,194,259,000

The Committee recommends a liquidating cash appropriation of $40,200,000,000. The recommended level is $5,194,259,000 more than the budget request and is necessary to pay outstanding obligations from various highway accounts pursuant to prior appropriations acts.

FEDERAL-AID HIGHWAYS

(RESCISSION)

The bill rescinds $2,300,000,000 in contract authority balances from the five core programs. The Committee directs FHWA to administer the rescission by allowing each State maximum flexibility in making these adjustments among the five programs.

APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

Appropriations, 2005	$79,360,000
Budget estimate, 2006	....
House allowance	....
Committee recommendation	80,000,000

PROGRAM DESCRIPTION

Funding for the Appalachian Development Highway System [ADHS] is authorized under section 1069(y) of the Intermodal Surface Transportation Efficiency Act (Public Law 1020–240). Funds for the ADHS will be used for the necessary expenses for construction of corridor highways in the 13 States that comprise the Appalachian region.

COMMITTEE RECOMMENDATION

The Committee recommends $80,000,000 for the Appalachian Development Highway System [ADHS]. The recommended amount is $80,000,000 more than the budget estimate and $640,000 more than the fiscal year 2005 enacted level. In many instances, these corridor highways will replace some of the most deficient and dangerous segments of rural roadway in the Nation.

ADMINISTRATIVE PROVISIONS—FEDERAL HIGHWAY ADMINISTRATION

Section 110 distributes obligation authority among Federal aid highway programs.

Section 111 credits funds received by the Bureau of Transportation Statistics to the Federal-aid highways account.

Section 112 authorizes funds made available to States of Arizona and Nevada to be expended for payment of debt service on notes issued for the bypass bridge project at Hoover Dam.

Section 113 prohibits funding for development or dissemination of any programmatic agreement making the Interstate eligible under the National Register of Historic Places.

Section 114 exempts certain over-the-road bus and public transit vehicles from axle weight limitations.

Section 115 provides access for solid waste vehicles to a "transit only" ramp in Washington State following the completion of necessary safety improvements to the ramp.

FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

PROGRAM DESCRIPTION

The Federal Motor Carrier Safety Administration [FMCSA] was established within the Department of Transportation by the Motor Carrier Safety Improvement Act [MCSIA] (Public Law 106–159) in December 1999. Prior to this legislation, motor carrier safety responsibilities were under the jurisdiction of the Federal Highway Administration.

FMCSA's primary mission is to improve the safety of commercial vehicle operations on our Nation's highways. To accomplish this mission, FMCSA is focused on reducing the number and severity of large truck crashes. FMCSA is responsible for ensuring that Mexican commercial vehicles entering the United States operate in accordance with the North American Free Trade Agreement [NAFTA] and comply with all U.S. hazardous material and safety regulations. In addition, FMCSA oversees compliance with the Federal Motor Carrier Commercial Regulations through increased household goods carrier enforcement, education and outreach.

Agency resources and activities contribute to safety in commercial vehicle operations through enforcement, including the use of stronger enforcement measures against safety violators; expedited safety regulation; technology innovation; improvements in information systems; training; and improvements to commercial driver's license testing, recordkeeping, and sanctions. To accomplish these activities, FMCSA works closely with Federal, State, and local enforcement agencies, the motor carrier industry, highway safety organizations, and individual citizens.

MCSIA and the Transportation Equity Act for the 21st Century [TEA21] provide funding authorizations for FMCSA, including administrative expenses, motor carrier research and technology, the national Motor Carrier Safety Assistance Program [MCSAP] and the Information Systems and Strategic Safety Initiatives [ISSSI] program. FMCSA's scope was expanded by the U.S.A. Patriot Act, which created new and enhanced security measures. In addition, the Appropriations Acts since fiscal year 2002 have included funding for border enforcement and safety related activities associated with implementation of the NAFTA requirement that Mexican long-haul shippers be allowed to operate within the United States subject to the same safety and environmental requirements placed on American commercial carriers.

For fiscal year 2006, it is necessary to reauthorize the FMCSA programs contained in TEA21 and MCSIA. The budget request reflects the administration's reauthorization proposal for a new account structure for FMCSA that consolidates the current programs into two distinct accounts: Motor Carrier Safety Operations and Programs and Motor Carrier Safety Grants. The Committee recommendation follows the proposed new structure of accounts and notes that the recommendation is consistent with the provisions of the reauthorization bill adopted by the Senate on May 17, 2005.

COMMITTEE RECOMMENDATION

The Committee recommends a total of $490,020,000 for FMCSA in fiscal year 2006, which is $25,020,000 more than the requested amount and $46,053,000 more than the fiscal year 2005 level. The Committee recommends this funding with the expectation that Congress will soon act to provide sufficient contract authority to reflect this amount.

MOTOR CARRIER SAFETY OPERATIONS AND PROGRAMS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

Limitation, 2005	$255,487,000
Budget estimate, 2006 (limitation)	233,000,000
House allowance	215,000,000
Committee recommendation	211,400,000

PROGRAM DESCRIPTION

This account provides the necessary resources to support motor carrier safety program activities and maintain the agency's administrative infrastructure. Funding supports nationwide motor carrier safety and consumer enforcement efforts, including Federal safety enforcement activities at the U.S./Mexico border to ensure that Mexican carriers entering the United States are in compliance with Federal Motor Carrier Safety Regulations. Resources are also provided to fund motor carrier regulatory development and implementation, information management, research and technology, safety education and outreach, and the 24-hour safety and consumer telephone hotline.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation on obligations of $211,400,000 for FMCSA operating expenses and motor carrier safety programs. The recommendation is $21,600,000 less than the budget estimate and is made to remain within the funding level included in the Safe, Accountable, Flexible, and Efficient Transportation Equity Act [SAFETEA], as passed by the Senate. The Committee notes that the surface transportation authorization process envisions predetermined guaranteed funding levels for the operating expenses and motor carrier safety programs for fiscal year 2006 and the next several years. It is difficult, if not impossible, to predict the appropriate funding level for administrative expenses and program support beyond one fiscal year due to the staffing fluctuations in any organization and the potential necessity for additional resources to respond to an unforeseen or acute safety issue. Accordingly, the approach of the authorization bill risks inadequate funding and potentially could compromise safety by impeding the administration's and Congress's flexibility to assess annually and provide the appropriate level of resources.

The Committee recommendation also restructures the administrative and program account consistent with the budget request and as adopted in the Senate reauthorization bill. The funding recommendation is $44,087,000 less than the fiscal year 2005 enacted limitation on administrative expenses under the former structure of accounts. For comparative purposes, the recommendation is $5,711,000 more than the fiscal year 2005 amount after realigning the previous year's levels to the new account structure. The bill specifies that $9,600,000 for the research and technology program is available for obligation until September 30, 2009. In addition, the bill specifies that $6,800,000 is to make commercial vehicle analysis reporting system [CVARS] grants and clarifies that no non-Federal match is needed for CVARS grants. The recommended funding level for CVARS grants is the same as the amount in the budget estimate and SAFETEA.

OPERATING EXPENSES

The Committee recommends $143,649,000 for operating expenses.

Administrative Infrastructure Completion.—The Committee recommends $8,275,000 for the administrative infrastructure completion initiative, which is $2,441,000 less than the budget request and $339,000 more than the fiscal year 2005 level. The budget estimate is based on an inflationary increase to the fiscal year 2005 requested level of funding, not the enacted level. The Committee recommendation adjusts the estimate for current services with a limited increase for the program. The Committee encourages FMCSA to contain the cost of the program and to identify efficiencies for the administrative functions.

State Enforcement of Farm Operations.—The Committee is concerned about the confusion and the unnecessary burdens imposed on farm operators and State enforcement officials associated with Federal Motor Carrier Safety Administration title 49, Code of Federal Regulations, parts 381–397. Clearly, farmers operating their own equipment to transport their own farm commodities to local markets are intended in many if not most cases to be exempt from the Federal regulatory requirements imposed on commercial operators. In regard to the regulations referenced, the Committee directs the FMCSA to review and provide a report to the Committee within 90 days outlining: the explicit legal requirements for farm operators and State enforcement officials; the flexibility, waivers and exemptions available to States in enforcing Federal requirements;

what conditions related to farm operator compliance compel the DOT to withhold Motor Carrier Safety Assistance Program assistance to States; and, include recommendations on how these Federal requirements may be simplified and made more uniform to avoid unnecessary and unintended confusion and regulatory burdens.

Household Goods Enforcement.—The Committee recommends $1,344,000 for household goods enforcement, which is equal to the budget request and $54,000 more than the fiscal year 2005 enacted level. The Committee encourages FMCSA to assert its role to enforce Federal laws and regulations with respect to transportation of household goods and to do everything possible to increase the number of investigations against unscrupulous household goods movers.

Federal New Entrant Program.—The Committee recommends $2,000,000 for FMCSA costs associated with the new entrant program. The recommended level is $14,647,000 less than the budget request and is $976,000 less than the fiscal year 2005 enacted level. The recommended level is sufficient to support the existing on-board staffing for fiscal year 2006. The Committee continues to assert that it is more appropriate for the new entrant program to be primarily carried out by the States as the roadside inspection program with FMCSA performing the role of setting policy, exercising oversight over the States, and carrying out the program in the few States that are unable to do so presently. In those cases, FMCSA may provide assistance through their own personnel or the use of certified contractors to conduct safety audits on new entrant carriers. Consistent with the Committee's recommendations in the past 2 fiscal years and the Senate passed SAFETEA legislation, the Committee recommends an increase of $29,000,000 under "Motor Carrier Safety Grants" for grants to States to carry out the new entrant program. The Committee directs FMCSA to inform the States of the full amount of funding available to implement the program for fiscal year 2006 and to provide assistance to the States in preparing to draw upon these funds.

Quality Assurance and Regulatory Evaluation Initiatives.—The Committee recommends $1,000,000 for a new quality assurance program and a new regulatory evaluation program. The Committee recommendation is $800,000 lower than the budget estimate and is made without prejudice so as not to exceed the funding level established in SAFETEA. The Committee recommendation supports 2 new full time equivalent positions and no less than $700,000 for contract support. The Committee supports both initiatives and encourages FMCSA to implement each to achieve the intended effect of ensuring that agency policies, procedures, and regulations are achieving agency goals and are being applied evenly.

Enforcement Case Backlog.—The Committee recommends $400,000 to reduce the backlog of enforcement cases against unsafe carriers and institute a process to streamline adjudications.

Working Capital Fund.—The Committee recommends $3,080,000 for the working capital fund. The Committee recommendation is a 10 percent increase above the fiscal year 2005 enacted level. The Committee has not received adequate justification to support a 38 percent increase, as proposed in the budget request.

U.S.-Mexico Cross Border Trucking.—Section 350 of the fiscal year 2002 Transportation Appropriations Act (Public Law 107–87) mandated that certain safety requirements must be met for Mexican motor carriers to enter the United States. Prior to the enactment of that legislation, on June 27, 2002, the Committee held a joint hearing with the Committee on Commerce, Science and Transportation on cross-border truck and bus operations at the United States-Mexico border. At that hearing, the Department of Transportation's Inspector General pointed out that, despite the fact that FMCSA had issued a rule requiring States to authorize their enforcement personnel to take action when they encounter a vehicle without valid operating authority, only two States had taken the necessary action by the time of that hearing. Today, more than 3 years later, some States have still not provided authorization for their enforcement personnel to take trucks without the proper operating authority out-of-service despite the fact that the FMCSA established a deadline for compliance with this requirement of September 30, 2003.

The Committee is frustrated and dismayed to learn of the slow responsiveness by several States in complying with this Federal requirement. The Committee has tasked the Federal Motor Carrier Safety Administration with carrying out congressional intent on all of the safety requirements established in section 350 of Public Law 107–87 and the implementation of all Federal motor carrier safety regulations. This includes the provision in section 350 requiring that inspectors of Mexican trucks affix a Commercial Vehicle Safety Alliance [CVSA] decal showing that the vehicle meets all necessary requirements. Given the Agency's disappointing results in compelling compliance by the States to the above-cited requirements, the Committee directs the Administrator to redouble her efforts and take whatever steps are necessary to ensure that States come into full compliance with all the safety requirements and intent set forth in section 350.

PROGRAM EXPENSES

The Committee recommends $67,751,000 for FMCSA's program expenses.

A table comparing the fiscal year 2005 enacted level, the fiscal year 2006 budget estimate, and the Committee recommendation follows:

	Fiscal year—		Committee recommendation
	2005 enacted	2006 estimate	
Research and technology	$8,432,000	$10,953,000	$9,600,000
Regulatory development	11,054,000	11,310,000	11,310,000
Information management	40,573,000	45,714,000	43,423,000
CVARS grants	(7,314,000)	(6,800,000)	(6,800,000)
Consumer hotline	372,000	556,000	390,000
Outreach and education	2,182,000	1,013,000	2,013,000
PRISM operations	992,000	1,015,000	1,015,000
Total, motor carrier safety programs	63,605,000	70,561,000	67,751,000

Federally Conducted Compliance Reviews.—The Committee is concerned that the number of federally conducted compliance reviews and enforcement actions have decreased significantly since the new entrant program commenced and directs FMCSA to ensure that it reverses this trend consistent with the objectives and goals of MCSIA. The Committee also directs FMCSA to work closely with the States to promote their continued participation in a vigorous compliance review program. In order to monitor its progress, FMCSA shall provide a report to the House and Senate Committees on Appropriations on the number of completed compliance reviews and new extrant safety audits in conjunction with the Agency's fiscal year 2007 budget request.

Research and Technology.—The Committee recommends $9,600,000 for research and technology. The recommendation is $1,353,000 less than the requested amount and $1,168,000 more than the fiscal year 2005 enacted level.

Outreach and Education.—The Committee recommends $2,013,000 for the outreach and education program, an increase of $1,000,000 above the budget request and $169,000 less than the fiscal year 2005 enacted level. The Committee reminds FMCSA that data collection and analysis are two of the most important aspects of any program that focuses on ways to inform and influence behavior. The Committee expects FMCSA to manage the Outreach and Education program with the same performance, data, and analysis-driven focus which the Agency is implementing for the enforcement programs. The Committee directs FMCSA to use funds provided above the budget estimate to continue the outreach program with the goal of enhancing the coordination and effective enforcement of Federal laws and regulations with respect to household goods transportation. The Committee directs FMCSA to develop a process as part of the household good outreach program for State safety authorities and law enforcement agencies to refer investigations to the appropriate Federal authorities.

Share the Road Safely.—The Committee recommends no less than $500,000 of outreach and education funds for the share the road safely campaign. The recommendation is $3,000 more than the fiscal year 2005 enacted level.

Since fiscal year 2004, the Congress has directed the National Highway Traffic Safety Administration [NHTSA] to be the responsible DOT Agency for the share the road safely program instead of the FMCSA, the original modal Agency to administer the program. This was done to not only help boost a fledgling program; it was also to encourage NHTSA to help instruct motor carrier staff regarding the inner workings of an education campaign that includes both the motoring public and commercial motor vehicle drivers.

In fiscal year 2005, the Congress provided $497,000 to NHTSA for the program and directed FMCSA to detail one FTE to the Agency to help oversee share the road safely, in anticipation of FMCSA resuming full responsibility for the program in fiscal year 2006. The Committee recommends funding for share the road safely under the motor carrier account and no funding has been provided directly to NHTSA. However, the Committee directs FMCSA to use this experience as a vital lesson in education program management. Further, FMCSA shall provide at least two updates to the House and Senate Committees on Appropriations during fiscal year

2006 on the transition of the program from NHTSA to FMCSA, as well as the status of the two planned enforcement/media waves.

Consumer Hotline.—The Committee recommends $390,000 for the telephone hotline, which is $166,000 less than the budget request and $18,000 more than the fiscal year 2005 enacted level. The Committee notes that funding for the hotline has been limited to $375,000 for the past 2 fiscal years and the recommended increase will maintain current services.

Information Management Program.—The Committee recommends $43,423,000 for FMCSA's information management program [IMP], which is $45,714,000 less than the budget request and $40,573,000 more than the fiscal year 2005 enacted level.

MOTOR CARRIER SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

(INCLUDING TRANSFER OF FUNDS)

	Liquidation of contract authorization	Limitation on obligations
Appropriations, 2005	$190,000,000	$188,480,000
Budget estimate, 2006	232,000,000	232,000,000
House allowance	286,000,000	286,000,000
Committee recommendation	278,000,000	278,620,000

PROGRAM DESCRIPTION

This account provides the necessary resources for the Motor Carrier Safety Assistance Program [MCSAP] State grants. Grants will be used to support State compliance reviews; identify and apprehend traffic violators; conduct roadside inspections; and support safety audits on new entrant carriers. Grants are also provided to States for enforcement efforts at both the southern and northern borders to ensure that all points of entry into the United States are fortified with comprehensive safety measures; improvement of State commercial driver's license [CDL] oversight activities to prevent unqualified drivers from being issued CDL's; and the Performance Registration Information Systems and Management [PRISM] program, which links State motor vehicle registration systems with carrier safety data in order to identify unsafe commercial motor carriers.

COMMITTEE RECOMMENDATION

(LIQUIDATION OF CONTRACT AUTHORIZATION)

The Committee recommends a liquidation of contract authorization of $278,620,000 for the payment of obligations incurred in carrying out motor carrier safety grant programs. The Committee recommendation is $46,620,000 more than budget estimate and is consistent with the amount of contract authorization for this program under SAFETEA, as passed by the Senate. The recommended liquidating cash appropriation is an $88,620,000 increase from the enacted level of funding under the "National Motor Carrier Safety Program," the previous account for grants and project funding to States.

(LIMITATION ON OBLIGATIONS)

The Committee recommends a limitation on obligations of $278,620,000 for motor carrier safety grants. The recommended limitation is $46,620,000 more than budget estimate and is consistent with the amount of contract authorization for this program under SAFETEA, as passed by the Senate. The Committee recommendation is $90,140,000 more than the fiscal year 2005 enacted level of funding under the "National Motor Carrier Safety Program." The Committee recommends a separate limitation for each grant program funded under this account with the following funding allocations:

	Amount
Motor carrier safety assistance program [MCSAP]	$193,620,000
Border enforcement grants	33,000,000
Performance and registration information system management [PRISM] grants	4,000,000
Commercial driver's license and driver improvement program	23,000,000
Commercial vehicle information systems and networks [CVISN] grants	25,000,000

The Committee recommendation includes language clarifying that the Federal share is 100 percent for grants provided for commercial driver's license program improvements as authorized by section 210 of the Motor Carrier Safety Improvement Act of 1999 (Public Law 106–159).

The Committee recommendation includes language clarifying that if a State does not have a new entrant audit program, funds can be withheld and transferred to FMCSA to carry out the safety audit on their behalf.

ADMINISTRATIVE PROVISIONS—FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

Section 120 subjects the funds in this Act to section 350 of Public Law 107–87 in order to ensure the safety of all cross-border long haul operations conducted by Mexican-domiciled commercial carriers.

Section 121 prohibits the use of funds in this Act to implement or enforce any provision of the Final Rule issued on April 16, 2003, (Docket No. FMCSA–97–2350) as it may apply to operators of utility service vehicles and as it applies to motion picture and television production drivers working at a site within a 100 air mile radius of the reporting location.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

PROGRAM DESCRIPTION

The National Highway Traffic Safety Administration [NHTSA] is responsible for motor vehicle safety, highway safety behavioral programs, and the motor vehicle information and automobile fuel economy programs. The Federal Government's regulatory role in motor vehicle and highway safety began in September 1966 with the enactment of the National Traffic and Motor Vehicle Safety Act of

1966 (codified as chapter 301 of title 49, U.S. Code) and the Highway Safety Act of 1966 (codified as chapter 4 of title 23, U.S. Code). The National Traffic and Motor Vehicle Safety Act of 1966 instructs the Secretary to reduce traffic crashes and deaths and injuries resulting from traffic crashes; establish motor vehicle safety standards for motor vehicles and motor vehicle equipment in interstate commerce; carry out needed safety research and development; and expand the national driver register. The Highway Safety Act of 1966 instructs the Secretary to increase highway safety by providing for a coordinated national highway safety program through financial assistance to the States.

In October 1966, these activities, originally under the jurisdiction of the Department of Commerce, were transferred to the Department of Transportation, to be carried out through the National Traffic Safety Bureau. In March 1970, the National Highway Traffic Safety Administration [NHTSA] was established as a separate organizational entity in the Department. It succeeded the National Highway Safety Bureau, which previously had administered traffic and highway safety functions as an organizational unit of the Federal Highway Administration.

NHTSA's mission was expanded in October 1972 with the enactment of the Motor Vehicle Information and Cost Savings Act (codified as chapters 321, 323, 325, 327, 329, and 331 of title 49, U.S. Code). This Act instructs the Secretary to establish low-speed collision bumper standards, consumer information activities, and odometer regulations. Three major amendments to this Act have been enacted: (1) a December 1975 amendment directs the Secretary to set and administer mandatory automotive fuel economy standards; (2) an October 1984 amendment directs the Secretary to require certain passenger motor vehicles and their major replacement parts to be marked with identifying numbers or symbols; and (3) an October 1992 amendment directs the Secretary to set and administer automobile content labeling requirements.

COMMITTEE RECOMMENDATION

The Committee recommendation of $779,062,000 provides sufficient funding for the National Highway Traffic Safety Administration to maintain current programs and continue the mobilization and paid media initiatives that have proven so effective in increasing safety belt use and impaired driving awareness.

The following table summarizes the Committee recommendations:

Program	Fiscal year—		Committee recommendation
	2005 enacted [1]	2006 estimate	
Operations and research	$231,122,000	$237,367,000	$226,688,000
National driver register	3,571,000	4,000,000	4,000,000
Highway traffic safety grants	223,200,000	465,000,000	548,182,095
Total	457,893,000	696,367,000	778,870,095

OPERATIONS AND RESEARCH

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

Limitation, 2005	$231,122,000
Budget estimate, 2006	227,367,000
House allowance	237,367,000
Committee recommendation	226,688,000

PROGRAM DESCRIPTION

These programs support research, demonstrations, technical assistance, and national leadership for highway safety programs conducted by State and local government, the private sector, universities, research units, and various safety associations and organizations. These programs emphasize alcohol and drug countermeasures, vehicle occupant protection, traffic law enforcement, emergency medical and trauma care systems, traffic records and licensing, State and community traffic safety evaluations, motorcycle riders, pedestrian and bicycle safety, pupil transportation, distracted and drowsy driving, young and older driver safety programs, and development of improved accident investigation procedures.

COMMITTEE RECOMMENDATION

The Committee recommends a total of $226,688,000 in new budgetary resources, which is $679,000 less than the budget request and $4,434,000 less than the fiscal year 2005 enacted level.

The Committee recommends funds to be distributed to the following program activities in the following amounts:

Program	Committee recommendation
Contact programs:	
Safety performance	$11,334,000
Safety assurance	18,277,000
Highway safety	46,172,000
Research and analysis	70,107,000
General administration	673,000
Salaries and benefits	72,002,000
Travel	1,336,000
Operating expenses	22,963,000
Grant administration reimbursement	(16,176,000)
Total	226,688,000

OPERATING EXPENSES

Budget Documentation.—The Committee reminds NHTSA that budget request materials submitted to the Congress should not only include explanatory documentation for any proposed budget increases; the budget materials should also describe any proposed decreases to programs from the prior year's funding levels. This is clearly lacking in the budget documentation for fiscal year 2006 and NHTSA should ensure that this does not reoccur in future years.

Working Capital Fund.—The Committee notes with concern the drastic increase in NHTSA's working capital fund request for fiscal year 2006, representing a 50 percent increase over last year's enacted level. These costs, lacking any justification or description in the budget request documents, are for costs related to the new DOT headquarters building. With the fiscal constraints the Agency faces, the Committee is troubled that such a large increase is a high priority, given that the funding will do little to improve the safety of America's roads. The Committee recommends $5,403,000 for the working capital fund, a decrease of $2,000,000 from the budget request.

Administrative Grant Reimbursements.—The Committee continues to deny NHTSA's repeated requests for an increase in the administrative take-down the Agency places on the grant programs. This is funding that would otherwise go to the States to improve highway safety at the State and local level. Therefore, the Committee recommends $16,176,000, the fiscal year 2005 level, as reimbursements to NHTSA for administering the grant programs.

Workforce Planning and Development.—NHTSA established this program in fiscal year 2001 in an effort to encourage young professionals to enter into the fields of engineering, research, science and technology, vehicle safety and injury. The Committee recognizes the agency's desire to build a base for future employment but notes that the challenges of attrition in the transportation workforce are not unique to NHTSA. The Committee continues to encourage that this type of workforce planning be done throughout the entire Department of Transportation and be coordinated by the Office of the Assistant Secretary for Administration. Accordingly, the Committee, again, has not included the requested funding to support the initiative.

SAFETY PERFORMANCE

Vehicle Safety Harmonization.—The Committee recommends $206,000 for international harmonization activities, an amount equal to the budget request.

New Car Assessment Program.—The Committee recommends $7,679,000 for the New Car Assessment Program [NCAP]. The Committee directs NHTSA to evaluate whether the NCAP program should be refined in light of the findings in the GAO report issued in April 2005. The Agency should detail this evaluation in a letter report to the House and Senate Committees on Appropriations by March 15, 2006. NHTSA should provide responses to the issues raised in the GAO report and specifically address the recommendations made by the GAO. NHTSA should also examine methods by which NCAP tests can differentiate more clearly the performance of dissimilar vehicles and other changes to improve the ratings system used to communicate NCAP results to the public.

Additionally, the Committee commends NHTSA for beginning the process to consider changing its frontal program, as evidenced by its October 14, 2004, Federal Register request for comments. Given the proximity of the September 1, 2007, date by which all light duty vehicles will have to meet a 35 mph full frontal barrier test under FMVSS 208, as well as the lead times inherent in vehicle design, the Committee encourages the Agency to complete its analysis of the docket comments and take any commensurate action it deems appropriate no later than December 16, 2005. The Committee further directs NHTSA to address specifically means to communicate the availability of crash avoidance technologies, such as stability control, to consumers to aid in their evaluation of vehicle safety as part of their purchase decision.

HIGHWAY SAFETY PROGRAMS

The Committee recommends funds to be distributed to the following program activities in the following amount:

	Committee recommendation
Impaired Driving	$12,800,000
Pedestrians/Bicycles	2,000,000
Motorcycles	738,000
National Occupant Protection	11,774,000
Enforcement and Justice Services	2,271,000
Emergency Medical Services	3,505,000
Records and Licensing	2,660,000
Highway Safety Research	7,490,000
Emerging Traffic Safety Issues	1,178,000
NOPUS	1,656,000
International Activities	100,000

Impaired Driving.—The Committee recommends $12,800,000 to support the impaired driving program. This amount is $2,706,000 more than the budget request. These additional funds will allow NHTSA to continue to: (1) promote high visibility law enforcement; (2) educate prosecutors, judges and law enforcement regarding impaired driving and promote specialized or enhanced court systems; (3) develop effective messages and countermeasures to reach high risk groups; (4) encourage widespread adoption of medical screening and brief intervention for individuals with alcohol abuse problems; and (5) complete NHTSA's model impaired driving records information system pilot which will assist States in tracking repeat offenders and begin to promote its use in more States. The additional funding will also provide NHTSA with resources to advance the use of standard field sobriety testing [SFST], continue to train law enforcement to use SFST, fund the standardization of the SFST course and study how to reduce significantly the time required to present the course to law enforcement.

The Committee recommendation has combined NHTSA's impaired driving and drug impaired driving programs into one program line item, in recognition of the fact that countermeasures must focus on the impaired driving issue with adequate attention to both alcohol and drugs.

In addition, the Committee recommends additional funding of $14,000,000 to support national advertising in coordination with the annual "You Drink & Drive. You Lose" impaired driving law enforcement crackdown. These funds will be derived from the section 163 grant program.

Judicial and Prosecutorial Awareness.—The Committee recommends $1,100,000 for judicial and prosecutorial awareness to expedite the detection, identification and tracking of hard core drunk drivers. The Committee is aware that one of the major factors in alcohol-related crashes is the number of habitual drunk drivers involved in alcohol-related traffic crashes.

The Committee directs NHTSA to work with State and local law enforcement officials, judges, prosecutors and parole officers to assist them in developing strategies that specifically target the removal of habitual drunk drivers from the road. In addition, the Committee awaits the report from NHTSA regarding strategies to evaluate the effectiveness of this program and NHTSA's plans to carry it out. This report was due on June 1, 2005.

Driving While Intoxicated [DWI] Online Reporting System Development.—According to NHTSA's research, DWI enforcement requires high visibility for efficiency. Unfortunately, the DWI arrest process can take up to 6 hours to complete, with DWI arrest paperwork accounting for approximately 60 percent of the processing time. In 2003 and 2004, under a grant from the Texas Department of Transportation, the Texas Municipal Police Association [TMPA] conducted a number of focus groups to determine the issues prolonging DWI arrest time. The majority stated that a standardized and simplified DWI report would allow officers to complete a DWI arrest in less time and ease the extensive DWI arrest process for officers.

After gathering and analyzing information from the focus groups, TMPA developed the pilot Online DWI Reporting System in an effort to reduce the amount of paperwork associated with DWI arrests, without compromising the information required in legal proceedings. TMPA has reported to the Committee that those using the system have experienced up to a 50 percent reduction in DWI processing times, as well as ensured the integrity of the reports in court by consulting with prosecutors.

The DWI Online Reporting System is currently in its pilot stage in Texas, and a statewide release is planned for the autumn of 2005. TMPA has also received a grant from NHTSA to collaborate with the State of Georgia and develop an online DWI reporting system for the State by January 2006. The Committee is encouraged by the success of this pilot program and encourages NHTSA to continue to monitor its progress closely.

Pedestrians, Bicyclists, and Pupil Transportation.—The Committee is troubled by the considerable decrease NHTSA proposes for the pedestrian, bicycle, and pupil transportation program in fiscal year 2006, amounting to a reduction of 45 percent from the fiscal year 2005 level. The Committee directs NHTSA to provide a specific and detailed analysis to the House and Senate Committees on Appropriations by September 1, 2005, itemizing and explaining each proposed reduction to this program.

Student Transportation.—As NHTSA is undertaking cuts to these important programs in the pedestrians, bicyclists, and pupil transportation category, they are simultaneously undertaking the development of a tool to determine the economic impacts of installing safety belts in school buses. The Committee understands that there were quite a few school bus accidents in 2005 and national discussions are taking place about making school bus transportation safer. However, the Committee is concerned that school bus safety may be overshadowing the larger issue of student safety. Three years ago, the Transportation Research Board of the National Academies, at the request of Congress, provided a data-driven report that showed that school bus transportation is the safest possible mode for students traveling to school; fatalities per million student miles were less than 1 percent on school bus travel. However, being a passenger in a vehicle with a teen driver (2.4 percent), walking (8.7 percent) or the worst, riding a bicycle, have proven to be far more dangerous. Therefore, as NHTSA is developing a report on the economic impacts of seat belt installation in school buses, the Committee directs NHTSA to expand the scope of this report to include the economic impacts, as well as the possible impacts to child fatalities, of providing increased school bus service for children who now take other, much more dangerous, modes to school.

In addition, the Committee reminds NHTSA that in April 2002, the Agency released a report to Congress that stated that lap seat belts had little benefit in reducing serious injuries in an accident; the report went further to state that these belts could actually increase the risk of injury for students on a school bus. As NHTSA is undergoing this economic and safety analysis, the Committee instructs the Agency to submit a letter by August 31, 2005, to the House and Senate Committees on Appropriations that explains the justification for undertaking this analysis, considering the findings of the previous report. NHTSA is reminded that their mission is to assist State and local decision makers in reducing student risk of injury in the most effective—as well as safe—manner.

Backover Incidents.—The Committee has become aware of possible increases in backover incidents, especially involving impacts between small children and the rear of reversing motor vehicles. The Committee directs NHTSA to evaluate means to reduce this incidence, including educational efforts undertaken by State agencies—such as the Utah Department of Transportation's "Spot the Tot" program—and by various organizations, as well as technological means provided by original equipment manufacturers and the aftermarket. In addition, NHTSA should explore the value of promptly providing relevant information to consumers on effective means to reduce or avoid backover incidents. NHTSA shall report to the House and Senate Committees on Appropriations within 1 year of enactment of this Act on its assessment of the magnitude of backover incidents and the means of mitigating such incidents. If the Agency is unable to quantify the extent of the issue, then it should include possible means by which a better quantification of backover incidents may be obtained.

Motorcycles.—NHTSA's budget documents state that motorcycle fatalities have increased for 6 straight years, for a total 73 percent increase since 1997. Helmet use continues to decline in many States and impaired driving plays a role in 40 percent of motorcycle accidents. Despite these shocking statistics, NHTSA again is proposing to decrease funding for the motorcycle program. The Committee recommends $800,000 for motorcycle program activities, the fiscal year 2005 level, and directs NHTSA to provide an update to the House and Senate Committees on Appropriations by November 1, 2005, detailing the Agency's innovative and creative agenda for decreasing motorcycle fatalities in fiscal year 2006.

National Occupant Protection Program.—Recent years have seen encouraging increases in safety belt use across the country, reaching 80 percent for 2004; Michigan has accomplished a 93 percent use rate.

The Committee continues to urge NHTSA to be vigilant and resourceful in its efforts to not only increase the seat belt rate, but ensure that this vigilance is not overshadowing the overall goal of reducing fatalities in this and every aspect of highway safety. The Committee recommends $11,774,000 for NHTSA's occupant protection efforts, which is the requested amount.

To supplement NHTSA's overall safety belt effort, the Committee recommends funding to continue the "Click It or Ticket" national public service message program.

Emergency Medical Services.—The Committee is aware that there is no national repository for EMS data, similar to the national databases that exist to support police and fire services. The Congress included additional funding in fiscal year 2005 to support a National EMS Resource Center to assist State and local EMS data collection and analysis. For fiscal year 2006, the Committee recommends an additional $850,000 to support the continuation costs of the NEMSIS Technical Assistance Center. In addition, the Committee encourages NHTSA to continue toward the full implementation of NEMSIS, which will provide data entry and reporting capabilities at the local EMS level, data collection and reporting capabilities at the State level, and a National EMS Database to be housed at NHTSA. This database will also have a Technical Assistance Center to assist EMS systems in data collection and use. The Committee also recommends $350,000 to continue rural vehicular trauma at the University of South Alabama.

International Activities.—The Committee recommends $100,000 for NHTSA's new international activities initiative, a decrease of 50 percent from the budget request.

Share the Road Safely.—For the last 2 fiscal years, the Congress has directed NHTSA to take responsibility for the share the road safely program, instead of the Federal Motor Carrier Safety Administration [FMCSA]. In fiscal year 2005, the Congress directed FMCSA to detail one FTE to NHTSA to help oversee this program, in anticipation of FMCSA resuming full responsibility for the program in fiscal year 2006. The Committee has provided funding for share the road safely under the FMCSA account and no funding has been provided directly to NHTSA. However, the Committee directs NHTSA to remain available as a resource to FMCSA in the future with regard to this program, as it pertains to both the motoring public, as well as commercial motor vehicles.

RESEARCH AND ANALYSIS

Biomechanical Research.—The Committee recommends $14,000,000 for biomechanics research. The Committee's recommendation includes necessary resources for the continued research of the Crash Injury Research and Engineering Network program.

Driver/Vehicle Performance/Simulator.—The Committee includes $7,050,000 for the driver/vehicle performance/simulator program as requested in the budget estimate. Within the funds provided, the Committee directs that no less than $3,000,000 be utilized for the National Advance Driving Simulator.

Fatality Analysis Reporting System.—The Committee recommends $7,063,000 for the Fatality Analysis Reporting System [FARS], the proposed budget request. This represents a $1,300,000 increase from the fiscal year 2005 enacted base funding, a drastic increase in growth. In addition, the Agency's request materials state that "without the additional funding . . . it will be nearly impossible for the Agency to be able to reach the target of August for completion of these critical data." In fiscal year 2005, the Congress provided an additional $850,000 over the NHTSA requested amount, because the Agency claimed that the FARS program would not be able to complete its work without the increased funding. Although the funding is in the actual budget request this year, the Committee is concerned that this program is not being budgeted for appropriately, as it appears to be on the verge of a shut-down on a yearly basis. Perhaps by providing the House and Senate Committees on Appropriations a detailed itemization of spending by August 15, 2005, NHTSA will be more properly prepared for the fiscal year 2007 budget submission.

FAST FARS.—The Committee recommends $1,000,000 for the FAST FARS data collection program. An effective FAST FARS system will permit the Agency to analyze the effectiveness of its programs more quickly, thereby improving decision making to better utilize limited safety funding resources.

Tread Act Compliance.—The primary purpose of the TREAD Act was to improve the safety of the motoring public. The Committee remains concerned that many tires that are imported into the United States do not comply with the early warning reporting and future tire testing requirements of the TREAD Act. To assist NHTSA's ongoing enforcement efforts against non-compliant tire imports, the Committee provides $150,000 under salaries and expenses for one additional full-time equivalent staff to work exclusively in NHTSA's vehicle safety compliance office. NHTSA should move to ensure that this position is filled expeditiously.

Vehicle Crash Causation Study.—The Committee continues to support the ongoing vehicle crash causation study and provides $7,000,000, the fiscal year 2005 level, for this purpose.

Hydrogen Fuel Cell and Alternative Fuel Vehicle Safety.—The Committee strongly supports NHTSA's new initiative to address possible safety concerns as hydrogen fuel cell and other alternative fuel cell vehicles are introduced into the Nation's fleet. The fiscal year 2006 budget request, $1,350,000, is provided for this purpose.

Plastic and Composite Vehicles.—The Committee recognizes the development of plastics and polymer-based composites in the automotive industry and the important role these technologies play in improving and enabling automobile performance. The Committee recommends $250,000 to begin development of a program to examine possible safety benefits of Lightweight Plastic and Composite Intensive Vehicles [PCIV]. The program will help facilitate a foundation between DOT, the Department of Energy and industry stakeholders for the development of safety-centered approaches for future light-weight automotive design.

NATIONAL DRIVER REGISTER

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

	Liquidation of contract authorization	Limitation on obligations
Appropriations, 2005	$3,600,000	$3,571,000
Budget estimate, 2006	4,000,000	4,000,000
House allowance	4,000,000	4,000,000
Committee recommendation	4,000,000	4,000,000

PROGRAM DESCRIPTION

This account provides funding to implement and operate the Problem Driver Pointer System [PDPS] and improve traffic safety by assisting State motor vehicle administrators in communicating effectively and efficiently with other States to identify drivers whose licenses have been suspended or revoked for serious traffic offenses such as driving under the influence of alcohol or other drugs.

COMMITTEE RECOMMENDATION

(LIQUIDATION OF CONTRACT AUTHORIZATION)

The Committee recommends a liquidation of contract authorization of $4,000,000 for payment on obligations incurred in carryout provisions of the National Driver Register Act. The recommended liquidating cash appropriation is equal to the budget estimate and is $400,000 more than the fiscal year 2005 enacted level.

LIMITATION ON OBLIGATIONS

The Committee recommends a limitation on obligations of $4,000,000 for the national driver register. The recommended limitation is the same as the budget request and is $429,000 more than the fiscal year 2005 enacted level.

HIGHWAY TRAFFIC SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

	Limitation of contract authorization	Limitation on obligations
Appropriations, 2005	$225,000,000	$223,200,000
Budget estimate, 2006	465,000,000	465,000,000
House allowance	551,000,000	551,000,000
Committee recommendation	548,182,095	548,182,095

PROGRAM DESCRIPTION

Under the Section 402 grant program, grant allocations are determined on the basis of a statutory formula established under 20 U.S.C. 402. Individual States use this funding in national priority areas established by Congress which have the greatest potential for achieving safety improvements and reducing traffic crashes, fatalities and injuries. The section 410 alcohol-impaired driving countermeasures incentive grant program encourages States to enact stiffer laws and implement stronger programs to detect and remove impaired drivers from the roads. The section 405 occupant protection program encourages States to promote and strengthen occupant protection initiatives.

COMMITTEE RECOMMENDATION

(LIQUIDATION OF CONTRACT AUTHORIZATION)

The Committee recommends an appropriation for liquidation of contract authorization of $548,182,095 for payment on obligations incurred in carryout provision of the highway traffic safety grant programs. The Committee recommendation is consistent with the amount of contract authorization for highway traffic safety grant programs under SAFETEA, as passed by the Senate. The recommended liquidating cash appropriation is $83,182,095 more than budget estimate and $324,982,095 more than fiscal year 2005 enacted level.

(LIMITATION ON OBLIGATIONS)

The Committee recommends a limitation on obligations of $548,182,095 for the highway traffic safety grant programs funded under this heading. The recommended limitation is $83,182,095 more than budget estimate and $324,982,095 more than fiscal year 2005 enacted level.

The Committee continues to recommend prohibiting the use of section 402 funds for construction, rehabilitation or remodeling costs, or for office furnishings and fixtures for State, local, or private buildings or structures.

The Committee recommends a separate limitation on obligations for administrative expenses and for each grant program as follows:

	Amount
Highway safety programs (section 402)	$209,217,985
Occupant protection programs (section 405)	149,667,110
Demonstration programs (section 406)	7,400,000
Emergency medical services program (section 407A)	5,000,000
Impaired driving program (section 410)	115,721,000
State traffic safety information systems improvements (section 412)	45,000,000
Administrative expenses	16,176,000
Total	548,182,095

Public Safety Messages.—The bill contains a provision (sec. 140) extending the authority for States to use traffic safety grant funds under Section 402 to produce and place highway safety public service messages in television, radio, cinema, print media and on the Internet. The Committee continues a provision that was included in previous appropriations Acts which designated grant funds to be used for public safety messages related to safety belt use and support of the "Click It or Ticket" mobilization that is conducted each year in May and November. In fiscal year 2005, NHTSA again used this funding to support State high-visibility "Click It or Ticket" enforcement programs and bolstered these programs with almost $10,000,000 in targeted State and national advertising.

The Committee has again included bill language providing $10,000,000 from the seat belt grant program to be used consistent with current practice and as directed by the NHTSA Administrator for broadcast advertising to support the national law enforcement mobilization aimed at increasing seat belt use.

ADMINISTRATIVE PROVISIONS—NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

Section 130 allows States to use funds provided under section 402 of title 23, U.S.C. to produce and place highway safety public service messages related to seat belt usage and impaired driving. The provision allocates $10,000,000 for the purpose of national paid media to support national safety belt mobilizations under section 157 and a total of $20,000,000 under section 163 to include: $6,000,000 to support State impaired driving mobilization enforcement efforts and $14,000,000 for paid media to support national law enforcement mobilizations on impaired driving.

The Committee notes that the pending reauthorization bill, SAFETEA, as passed by the Senate, creates a $24,000,000 set-aside for paid media support. Currently, the Committee recommends funding these programs as it has in previous appropriations bills for the short term; however, the Committee will review the conference deliberations on that legislation for direction for the conference of this appropriations bill.

Section 131 allows the Secretary of Transportation for fiscal year 2006, to use the funds necessary to carry out the provisions of section 157 of title 23.

Section 132 allows up to $130,000 of funds available under 23 U.S.C. 403 and 7212(a)(9) of the Highway Safety Grant Program Reauthorization Act of 2005 to pay travel and expenses for State management reviews and highway safety staff core competency development training.

FEDERAL RAILROAD ADMINISTRATION

The Federal Railroad Administration [FRA] became an operating administration within the Department of Transportation on April 1, 1967. It incorporated the Bureau of Railroad Safety from the Interstate Commerce Commission, the Office of High Speed Ground Transportation from the Department of Commerce, and the Alaska Railroad from the Department of the Interior. The Federal Railroad Administration is responsible for planning, developing, and administering programs to achieve safe operating and mechanical practices in the railroad industry. Grants to the National Railroad Passenger Corporation (Amtrak) and other financial assistance programs to rehabilitate and improve the railroad industry's physical infrastructure are also administered by the Federal Railroad Administration.

SAFETY AND OPERATIONS

Appropriations, 2005	$138,651,000
Budget estimate, 2006	145,949,000
House allowance	145,949,000
Committee recommendation	146,000,000

PROGRAM DESCRIPTION

The Safety and Operations account provides support for FRA rail safety activities and all other administrative and operating activities related to staff and programs.

COMMITTEE RECOMMENDATION

The Committee recommends $146,000,000 for Safety and Operations for fiscal year 2006, which is $51,000 more than the budget request and $7,349,000 more than the fiscal year 2005 enacted level. Of this amount the bill specifies that, $13,856,000 remains available until expended.

Safety Oversight and Enforcement.—The Committee notes with concern and dismay that this has been one of the worst years on record in recent times for railroad-related injuries and fatalities. A hazardous materials derailment in Graniteville, South Carolina resulted in nine fatalities, 250 injuries and the evacuation of 5,400 people. In addition, a tragic commuter crash in Glendale, California resulted in 11 deaths and 120 injuries, and an Amtrak derailment in Stevenson, Washington resulted in 24 people being injured. More recently, a collision between two trains in Bentonia, Mississippi on July 10, 2005, resulted in four crew fatalities. A few months ago, the Secretary announced a Rail Safety Action Plan designed to focus the FRA's safety oversight effort. As the FRA implements this new safety action plan, the Committee directs the GAO to conduct a broad assessment of FRA's enforcement activities. The GAO's review should examine how the newly created Rail Safety Action Plan complements the existing Safety Assurance and Compliance Program to ensure that identified safety vulnerabilities are addressed in a timely and systemic manner. The GAO should provide its assessment to the Committee by June 1, 2006.

RAILROAD RESEARCH AND DEVELOPMENT

Appropriations, 2005	$35,737,000
Budget estimate, 2006	46,325,000
House allowance	....
Committee recommendation	41,000,000

PROGRAM DESCRIPTION

Railroad Research and Development provides for research in the development of safety and performance standards for railroads and the evaluation of their role in the Nation's transportation infrastructure.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $41,000,000 for railroad research and development, which is $5,325,000 less than the budget request and $5,263,000 more than the fiscal year 2005 enacted level.

Within the funds provided, $15,000,000 is for the Nationwide Differential Global Positioning System [NDGPS]. The account also includes $3,000,000 for a public-private partnership with a freight railroad to fund a project to assist the development of technology to deploy safety overlay technology designed to prevent train movement authority violations, over-speed violations, and train collision accidents caused by non-compliance of authorities as well as provide additional protections to roadway workers and to protect against open switches in non-signal territories. Within the funds provided, $2,000,000 is for Marshall University and the University of Nebraska for safety research programs in rail equipment, human factors, track, and rail safety-related issues. The Committee also includes $250,000 for structural integrity research utilizing plates or chopped fiber sprays for reinforcements on rail structures such as piles, pile-caps, and steel bridges at WVU's Constructed Facilities Center.

RAILROAD REHABILITATION AND IMPROVEMENT FINANCING PROGRAM

The Rail Rehabilitation and Improvement Financing Program [RRIF], as established in section 7203 of the Transportation Equity Act for the 21st Century [TEA21], does not authorize any direct appropriations, but it enables the Secretary of Transportation to provide loans and loan guarantees to State and local governments, Government-sponsored authorities and corporations, railroads and joint ventures to acquire, improve, or rehabilitate intermodal or rail equipment or facilities, including track, bridges, yards, and shops. No appropriations, new loan guarantee commitments, nor loan repayment extensions are proposed for fiscal year 2006.

NEXT GENERATION HIGH-SPEED RAIL

Appropriations, 2005	$19,493,000
Budget estimate, 2006	....
House allowance	10,165,000
Committee recommendation	11,500,000

PROGRAM DESCRIPTION

The Next Generation High-Speed Rail Technology Demonstration Program [NGHSR] seeks to demonstrate technology that will facilitate the incremental development of high-speed rail passenger service that has air or road competitive door-to-door trip times between major city pairs and reliable, high quality, cost-effective service.

COMMITTEE RECOMMENDATION

The Committee provides $11,500,000 for NGHSR, which is $11,500,000 more than the budget request and $7,993,000 less than the fiscal year 2005 enacted level. The Committee rejects the administration's recommendation that this program be eliminated. Nevertheless, the Committee has reduced substantially the funding until the future of a national passenger rail system has been decided. If Amtrak or some subsequent national passenger rail system is reformed successfully, a high speed rail component will be an obvious element of such a system. Consequently, the Federal

Railroad Administration must maintain an adequate commitment to high speed rail technology as well as other related technology.

The Committee includes $4,500,000 to address critical highway-rail crossing safety needs within the Gulf Coast High Speed Rail Corridor. In addition, the Committee includes $2,000,000 for highway-rail crossing improvements to the Pacific Northwest Corridor in Vancouver, Washington; $500,000 for the Public Education and Enforcement Research program for highway-rail grade crossing safety in Illinois; and, $500,000 for corridor improvements to the Midwest Regional Rail Initiative in Milwaukee, Wisconsin.

ALASKA RAILROAD REHABILITATION

Appropriations, 2005	$24,800,000
Budget estimate, 2006	....
House allowance	....
Committee recommendation	20,000,000

PROGRAM DESCRIPTION

The Alaska Railroad was established by Congress on March 12, 1914, in order to facilitate economic development and access to mineral deposits in the Territory of Alaska. Completed in 1923, the railroad was part of the Department of the Interior until the creation of the Department of Transportation at which time the railroad became part of FRA. On January 5, 1985, pursuant to authority delegated by the Alaska Railroad Transfer Act of 1982, (45 U.S.C. 1201 et seq.), FRA sold the Federal Government's interest in the Alaska Railroad to the Alaska Railroad Corporation [ARRC], a public corporation of the State of Alaska. Today, the ARRC provides freight and passenger service from the ice-free ports of Whittier, Seward and Anchorage to Fairbanks as well as Denali National Park and military installations. Vessel and rail barge connections are provided from Seattle, Washington and Prince Rupert, British Columbia.

COMMITTEE RECOMMENDATION

The Committee provides $20,000,000 for rail safety and infrastructure improvements benefiting passenger and freight operations of the Alaska Railroad. This funding is $4,800,000 below the fiscal year 2005 level and $20,000,000 above the budget request.

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK)

Appropriations, 2005	$1,207,264,000
Budget estimate, 2006 [1]	360,000,000
House allowance	1,176,248,000
Committee recommendation	1,450,000,000

[1] Funds to be available for transfer to the Surface Transportation Board for directed service of commuter rail obligations.

PROGRAM DESCRIPTION

The National Railroad Passenger Corporation (Amtrak) is a for-profit corporation that operates intercity passenger rail services in 46 States and the District of Columbia, in addition to serving as a contractor in various capacities for several commuter rail agencies. Congress created Amtrak in the Rail Passenger Service Act of 1970 (Public Law 91–518) in response to private carriers' inability to profitably operate intercity passenger rail service due a steady decline in ridership that began in the 1920's. Thereafter, Amtrak assumed the common carrier obligations of the private railroads in exchange for the right to priority access of their tracks for incremental cost.

Amtrak has operated at a deficit every single year since its inception in 1971. This is despite generating more than $35,000,000,000 in revenue and receiving approximately $28,000,000,000 in Federal subsidy assistance during this time. At the same time, Amtrak accumulated a significant backlog of both deferred maintenance costs and capital investment needs while failing to make any substantial progress toward financial self-sufficiency or operational solvency.

Recently, Amtrak's annual deficits have grown from approximately $900,000,000 during the 1990's to well over $1,000,000,000 each year since 2001. Since 2001, Amtrak's annual operating losses have exceeded $1,000,000,000 and annual cash losses have exceeded $600,000,000. Amtrak also faces some $600,000,000 a year in capital costs, mostly with regard to the Northeast Corridor. Amtrak also will have debt service of nearly $300,000,000 annually for the foreseeable future. In addition, the deferral of maintenance has created a significant risk of operational failure.

COMMITTEE RECOMMENDATION

The Committee includes $1,450,000,000 for the operation costs and capital requirements of Amtrak, which is $242,736,000 more than the fiscal year 2005 funding level and $1,090,000,000 more than the budget request.

Necessity for Cost Cutting Measures.—For fiscal year 2006, the Amtrak Board of Directors has sought an appropriation of $1,820,000,000 which is $420,000,000 more than the Committee allowance and $603,000,000 more than the comparable 2005 appropriation. The request of the Amtrak Board reflects an expectation of steadily increasing costs—especially costs associated with capital expenditures over the Northeast Corridor. In the face of those expectations, the Committee believes it essential that the Corporation take immediate measures to lower its costs.

The Inspector General of the Department of Transportation has found that removing sleeper car service, dining cars, and other amenities from long distance trains could reduce net operating losses by $74,000,000 to $158,000,000 a year and would also yield an immediate reduction of about $75,000,000 in planned annual capital spending. Over the next 5 years, the potential Federal subsidy savings range from $650,000,000 to over $1,000,000,000.

The cost of providing sleeper car accommodations for first class passengers costs the Corporation $39,400,000 annually. Services such as food and beverage and sleeper car accommodations do not come close to covering the costs of providing those services. As such, Amtrak spends $2 for every $1 received when providing food and beverage service and incurs associated operating losses of nearly $150,000,000. Furthermore, Amtrak estimates that it will spend $11,600,000 over the next 5 years to overhaul long distance diner cars.

Consistent with existing law, the Committee instructs that, beginning no later than 6 months after the enactment of this Act, no operating grants to Amtrak may be used to subsidize losses from food and beverage service. 49 U.S.C. Section 24305 provides that Amtrak may provide food and beverage service on its trains only if revenues from the services each year are at least equal to the costs of providing those services.

While the Committee recognizes that passengers traveling on long-distance trains for 10 to 12 hours or longer clearly need a means to access food during the trip, this does not mean that food service should be provided with a Federal subsidy. Options for reducing costs for food service could include increasing food prices, installing vending machines, having passengers obtain meals in stations during regular stops, distributing boxed meals that have been prepared off the train, selling packaged food from carts on the trains, and redesigning food service cars so that they generate sufficient revenues to offset costs. Amtrak is directed to pursue these alternatives.

Besides losing $39,400,000 annually providing sleeper car accommodations to its first class passengers, Amtrak estimates that it will spend $144,700,000 over the next 5 years to overhaul its Viewliner and Superliner sleeper cars and $111,100,000 to acquire new sleeper cars.

The Committee has included a provision stipulating that, no later than 6 months after the enactment of this Appropriations bill, no fiscal year 2006 operating grants to Amtrak may subsidize losses from sleeper car accommodations on Amtrak's long distance trains. Amtrak may provide sleeper car accommodations only if revenues from the service are at least equal to the operating and capital expenses of providing such service.

Further, Amtrak requested $787,000,000 in capital funds for fiscal year 2006. To help meet this funding level, the Committee authorizes the Corporation to impose a Federal ticket surcharge, or passenger service fee, to each ticket issued by Amtrak and to apply the proceeds toward restoring Amtrak-owned infrastructure, fleet, and facilities to a system wide state-of-good-repair. A surcharge equal to 5 percent of the current ticket price may be imposed on each ticket issued for passenger rail travel in the Northeast Corridor and a surcharge equal to 2 percent of the current ticket price may be imposed on each ticket issued for passenger rail travel outside the Northeast Corridor. Such ticket surcharges could result in additional revenues to the Corporations totaling $51,700,000 assuming that such surcharges do not serve to depress ticket sales. The provision included in the bill authorizes the Corporation to assess these surcharges only if it believes that they will not have a deleterious effect on ridership and revenues.

Managerial Cost Accounting System.—To achieve long-term reforms in the delivery of intercity passenger rail, it is also imperative that Amtrak develop a cost accounting system that identifies the average and marginal costs of providing service on all of Amtrak's corridor and long distance routes. Amtrak's current cost accounting system is insufficient to provide the information required for effective route management. The Committee has included a provision setting aside not less than $5,000,000 for the purpose of procuring the new managerial cost accounting system, which shall include average and marginal unit cost capability.

Subsidy Requirements and Maintenance Costs of the Northeast Corridor.—In testimony before the Committee in March 2006, the Department of Transportation General Counsel noted with dismay that Amtrak receives a greater Federal subsidy on a per passenger mile basis than other modes of transportation. Indeed, a more in depth analysis of Amtrak's finances reveals that, within the Amtrak system, no rail service receives a higher subsidy on a per passenger mile basis than the Northeast Corridor.

While much of the debate over subsidies for Amtrak has centered around the per-passenger subsidies of Amtrak's long distance trains, these discussions customarily ignore Amtrak's extraordinarily high annual capital and maintenance expenditures for the Northeast Corridor. Such discussions also routinely ignore the annual debt service payments that Amtrak must cover. In fiscal year 2006, Amtrak's debt service payments for the Northeast Corridor are expected to be roughly $124,000,000—more than the comparable debt service levels attributable to either Amtrak's long distance trains or State-supported Corridors. When all of Amtrak's anticipated costs for the coming year are factored into the analysis of Amtrak's costs and subsidy needs, it reveals that Amtrak's State-supported trains and long distance trains will cost roughly 26 cents and 29 cents per passenger mile respectively while the Northeast Corridor service will cost roughly 34 cents per passenger mile.

Moreover, it is clear that the overwhelming share of Amtrak's recent and anticipated capital expenditures have and will continue to be directed toward the Northeast Corridor. Over the last 3 years, annual capital expenditures over the Northeast Corridor have grown from by more than 90 percent—a boost of $178,000,000. During the same period, appropriations for the railroad's annual subsidy grew by $167,000,000. For fiscal year 2006, Amtrak is seeking to boost such expenditures to $531,000,000—a 170 percent increase over the level just 2 years ago. Both the Administration and Amtrak's own proposals for reforming the railroad call for the Northeast Corridor to be returned to a "state of good repair." The DOT Inspector General testified before the Committee that this initiative alone will cost roughly $5,000,000,000.

At present, despite the fact that Amtrak owns the entire Northeast Corridor between Washington DC, and New Rochelle, New York and between New Haven, Connecticut and Boston, Massachusetts, Amtrak trains represent only 10 percent of the trains operating over the Amtrak-owned segments. Trains operated by the commuter rail authorities comprise the other 90 percent. Given the longer distances traveled by Amtrak trains over the Corridor, the commuter railroads represent roughly 42 percent of the train miles traveled over the corridor. Yet, while contributions by the commuter authorities to the Corridor's maintenance costs have increased in recent years, the extent of these contributions have not been consistent between commuter authorities and do not cover their fully allocated portion of said maintenance costs. As such, the Committee has included a provision allowing the Corporation to assess the commuter rail authorities operating over the corridor an appropriate fee for the maintenance expenses that the Corporation must make to sustain their commuter rail operations.

In establishing the appropriate amount for such assessments, the Corporation must fully account for the contributions that those rail authorities are already making toward these maintenance costs based on the existing agreements between the commuter authorities and the Corporation. Moreover, the Committee expects the Corporation to work with the impacted commuter rail authorities to establish a transparent and consultative process based on empirical data regarding the Corridor's annual maintenance needs so that all contributors to the Corridor's costs have a clear and common understanding of the necessary maintenance projects requiring funding.

Representations Before Congress.—While the Committee recognizes a legitimate need for Amtrak to communicate with Congress, it believes that it is essential that Amtrak staff accurately reflect the program and policies of Amtrak's Board of Directors and Amtrak management. As such, the Committee has included a provision that prohibits funding in the bill from being used to influence Congress regarding proposed legislation unless those representations are consistent with the stated policies of the Amtrak Board as articulated through the Amtrak President.

ADMINISTRATIVE PROVISIONS—FEDERAL RAIL ADMINISTRATION

Section 140 makes a technical correction to the use of funds made available in Public Law 108–447 for rail relocation in Auburn, Maine to improve safety and mitigate an existing hazard.

Section 141 makes a technical correction to the use of funding made available to Illinois for rail safety programs.

Section 142 allows the Secretary of Transportation to make a $1,000,000 grant to the New Orleans Regional Planning Commission from the Next Generation High-Speed Rail account.

FEDERAL TRANSIT ADMINISTRATION

The Federal Transit Administration was established as a component of the Department of Transportation by Reorganization Plan No. 2 of 1968, effective July 1, 1968, which transferred most of the functions and programs under the Federal Transit Act of 1964, as amended (78 Stat. 302; 49 U.S.C. 1601 et seq.), from the Department of Housing and Urban Development. The missions of the Federal Transit Administration are: to assist in the development of improved mass transportation facilities, equipment, techniques, and methods; to encourage the planning and establishment of urban and rural transportation services needed for economical and desirable development; to provide mobility for transit dependents in both metropolitan and rural areas; to maximize the productivity and efficiency of transportation systems; and to provide assistance to State and local governments and their instrumentalities in financing such services and systems.

The programs funded by the Federal Transit Administration, as contained in TEA21 and a series of short-term extensions for fiscal year 2005, need to be reauthorized for fiscal year 2006, and the budget request for the Federal Transit Administration reflects the administration's reauthorization proposal. The budget request retains a separate account for administration and restructures the Federal transit programs into two accounts: Formula Grants and Research and Major Capital Investment Grants. In addition, the budget request proposes to consolidate funding from the general fund for the administration account and from the Highway Trust Fund for the proposed Formula Grants and Research account.

The Committee recommendation provides sufficient funding and stability for the Federal Transit Administration pending completion of the reauthorization of the surface transportation programs. The Committee has followed the program structure found in current law and has resisted the temptation to prejudge programmatic priorities and modifications that may emerge from the reauthorization process. Nevertheless, the Committee remains concerned that the single-minded focus to increase local flexibility and funding stability as presented in the budget request may cause neglect to other important Federal interests in a national transit program. The Federal interest in transit should be—and is—greater than establishing rote entitlements that merely redistribute trust fund revenue by formula.

Under the Committee recommendation, a total program level of $8,208,644,715 is provided for the administrative expenses and programs of the Federal Transit Administration for fiscal year 2006. This funding is comprised of $1,386,522,000 in appropriations from the general fund and $6,822,125,000 in limitations on contract authority from the mass transit account of the Highway Trust Fund.

The following table summarizes the Committee's recommendations compared to fiscal year 2005 and the administration's request:

Program	2005 enacted	2006 estimate	2006 House allowance	Committee recommendation
Administrative expenses	$77,376,000	$83,500,000	$80,000,000	$79,544,000
Formula grants	3,999,917,670		4,417,000,000	4,354,191,000
University transportation research	5,952,000		8,000,000	5,818,000
Transit planning and research	126,976,000		160,325,000	156,278,000
Formula grants and research		6,135,000,000		
Capital investment grants	3,312,114,400		3,641,675,000	3,490,972,000
Major capital investment grants		872,500,000		
Job access and reverse commute grants	124,000,000		175,000,000	121,833,000

ADMINISTRATIVE EXPENSES

	General fund	Trust fund
Appropriations, 2005	$9,672,000	$67,704,000
Budget estimate, 2006	83,500,000	
House allowance	12,000,000	68,000,000
Committee recommendation	13,411,000	66,133,000

PROGRAM DESCRIPTION

Administrative expenses funds personnel, contract resources, information technology, space management, travel, training, and other administrative expenses necessary to carry out its mission to promote public transportation systems.

COMMITTEE RECOMMENDATION

The Committee recommends a total of $79,544,000 in new budget resources for the Agency's salaries and administrative expenses, which is comprised of an appropriation of $13,411,000 from the general fund and a limitation on obligations of $66,133,882 from the mass transit account of the highway trust fund. The recommended level of funding is $2,168,000 more than the fiscal year 2005 enacted level.

The specific levels of funding recommended by the Committee are as follows:

	Committee recommendation
Office of the Administrator	$925,000
Office of Administration	6,800,000
Office of Chief Counsel	4,200,000
Office of Communications & Congressional Affairs	1,300,000
Office of Program Management (including the Office of Safety and Security)	7,500,000
Office of Budget and Policy	7,200,000
Office of Research, Demonstration and Innovation	4,700,000
Office of Civil Rights	3,000,000
Office of Planning	4,200,000
Regional offices	21,000,000
Central account	16,219,000
National Transit Database	2,500,000
TOTAL	79,544,000

The Committee recommendation includes language authorizing the Administrator to transfer funding between offices. Any transfers totaling more than 5 percent of the initial appropriation from this account must be approved by the House and Senate Committees on Appropriations through the same process used for reprogramming funds.

Budget Justifications.—The FTA is directed to submit its fiscal year 2007 congressional justification for administrative expenses by office, with material detailing salaries and expenses, staffing increases, and programmatic initiatives of each office.

Staffing Increases.—The Committee recommends no funding for additional FTE for fiscal year 2006. The Agency's budget justification materials state that 10 additional FTE are needed due to the "pending enactment of new and expanded transportation authorization legislation which may make major changes in our program structure and processes". The Committee does not support drastic increases in Federal agencies simply because new authority may be given to them at some point in the future. In addition, the request gives no mention to the responsibilities that will be reduced or eliminated under this pending legislation and what impact those changes will have on FTA's staffing.

Project Management Oversight Activities.—The Committee directs FTA to continue to submit to the House and Senate Committees on Appropriations the quarterly FMO and PMO reports for each project with a full funding grant agreement.

To further support oversight activities, the bill continues a provision requiring FTA to reimburse the DOT Office of Inspector General [OIG] $2,000,000 for costs associated with audits and investigations of transit-related issues, including reviews of new fixed guideway systems. This reimbursement must come from funds available for the execution of contracts. Over the past several years, the OIG has provided critical oversight of a number transit projects and FTA activities, which the Committee has found invaluable. The Committee anticipates that the Inspector General will continue such activities in fiscal year 2006.

National Transit Database.—The Committee recommendation continues funding for the operation of the National Transit Database in the administrative expenses account. The budget request assumes funding for the National Transit Database to be set aside under the proposed Formula Grants and Research account. The Committee asserts that the activities of the database are administrative in nature and therefore recommends $2,500,000 for continued operation and maintenance of the National Transit Database.

Full Funding Grant Agreements [FFGAs].—TEA21, as amended, requires that FTA notify the House and Senate Committees on Appropriations, as well as the House Committee on Transportation and Infrastructure and the Senate Committee on Banking, 60 days before executing a full funding grant agreement. In its notification to the House and Senate Committees on Appropriations, the Committee directs FTA to submit the following information: (1) a copy of the proposed full funding grant agreement; (2) the total and annual Federal appropriations required for the project; (3) the yearly and total Federal appropriations that can be planned or anticipated for future FFGAs for each fiscal year through 2008; (4) a detailed analysis of annual commitments for current and anticipated FFGAs against the program authorization, by individual project; (5) an evaluation of whether the alternatives analysis made by the applicant fully assessed all the viable alternatives; (6) a financial analysis of the project's cost and sponsor's ability to finance the project, which shall be conducted by an independent examiner and which shall include an assessment of the capital cost estimate and finance plan; (7) the source and security of all public and private sector financing; (8) the project's operating plan, which enumerates the project's future revenue and ridership forecasts; and (9) a listing of all planned contingencies and possible risks associated with the project.

The Committee also directs FTA to inform the House and Senate Committees on Appropriations in writing 30 days before approving schedule, scope, or budget changes to any full funding grant agreement. Correspondence relating to all changes shall include any budget revisions or program changes that materially alter the project as originally stipulated in the FFGA, including any proposed change in rail car procurement.

The Committee directs FTA to continue to provide a monthly new start project update to the House and Senate Committees on Appropriations, detailing the status of each project. This update should include FTA's plans and specific milestone schedules for advancing projects, especially those within 2 years of a proposed full funding grant agreement. In addition, FTA should notify the Committees 10 days before any project in the new starts process is given approval by FTA to advance to preliminary engineering or final design.

Interpreting Congressional Intent.—The Committee reiterates to FTA that it is improper for the agency to take actions changing the Congressionally approved scope of programs and projects without receiving approval of the House and Senate Committees on Appropriations. The Committee continues to direct FTA to consult with the Committees before making any decisions clarifying Congressional intent.

FORMULA GRANTS

	General fund	Trust fund
Appropriations, 2005	$499,990,000	$3,499,928,000
Budget estimate, 2006	....	....
House allowance	662,550,000	3,754,450,000
Committee recommendation	734,117,000	3,620,074,000

PROGRAM DESCRIPTION

Formula grants to States and local agencies funded under this heading fall into four categories: urbanized area formula grants; clean fuels formula grants; formula grants and loans for special needs of elderly individuals and individuals with disabilities; and formula grants for non-urbanized areas. In addition, setasides of formula funds are directed to: a grant program for intercity bus operators to finance Americans with Disabilities Act [ADA] accessibility costs; and the Alaska Railroad for improvements to its passenger operations.

COMMITTEE RECOMMENDATION

The Committee recommends $4,354,191,000 for transit formula grants. The recommended level of funding is comprised of an appropriation of $734,117,000 from the general fund and $3,620,074,000 from a limitation on obligations from the mass transit account of the highway trust fund. The recommendation is $354,273,000 more than the fiscal year 2005 enacted level.

The Committee recommendation maintains the set-aside for project oversight in current law instead of providing an increase for program management of formula funds, as requested. The Committee distributes, consistent with current statutory set asides, the total level of funding among the formula categories as follows:

Urbanized Area Formula	$3,713,389,578
Alaska Railroad	5,467,615
Over-the-road Bus Program	7,428,824
Elderly & Persons with Disabilities	178,291,778
Nonurbanized Area Formula	449,613,205

Section 3007 of TEA21 amends U.S.C. 5307, urbanized formula grants, by striking the authorization to utilize these funds for operating costs, but includes a specific provision allowing the Secretary to make operating grants to urbanized areas with a population of less than 200,000. Generally, urbanized formula grants may be used to fund capital projects and to finance planning and improvement costs of equipment, facilities, and associated capital maintenance used in mass transportation. All urbanized areas greater than 200,000 in population are statutorily required to use 1 percent of their annual formula grants on enhancements, which include landscaping, public art, bicycle storage, and connections to parks.

Over-the-road Buses.—The Committee has included $7,428,824 in fiscal year 2006 for the over-the-road accessibility program. These funds are intended to assist over-the-road bus operators in complying with the Americans with Disabilities Act accessibility requirements.

The following table displays the State-by-State distribution of the formula program funds within each of the program categories:

FEDERAL TRANSIT ADMINISTRATION ESTIMATED FISCAL YEAR 2006 APPORTIONMENTS FOR FORMULA GRANTS PROGRAMS (BY STATE)

State	Section 5307 Urbanized Area	Section 5311 Non-urbanized Area	Section 5310 Elderly & Persons with Disabilities	State Total Formula Grants
Alabama	$16,899,475	$12,506,648	$3,107,587	$32,513,710
Alaska	[1] 9,513,218	1,743,130	360,884	11,617,232
American Samoa	....	285,933	70,638	356,571
Arizona	51,608,524	6,101,216	3,250,633	60,960,373
Arkansas	8,427,522	9,046,763	1,976,164	19,450,449
California	636,895,839	19,224,938	19,281,482	675,402,259
Colorado	51,262,946	5,431,523	2,242,398	58,936,867
Connecticut	44,324,994	2,780,269	2,178,232	49,283,495
Delaware	6,743,484	1,260,541	591,424	8,595,449
District of Columbia	77,294,100	....	501,508	77,795,608
Florida	181,519,593	12,538,499	12,276,668	206,334,760
Georgia	71,476,359	15,852,764	4,565,637	91,894,760
Guam	....	772,616	190,929	963,545
Hawaii	27,931,825	1,874,705	843,369	30,649,899
Idaho	6,137,201	3,444,442	801,678	10,383,321
Illinois	237,017,016	13,384,686	7,083,208	257,484,910
Indiana	37,781,783	13,323,463	3,697,983	54,803,229
Iowa	13,656,727	9,041,179	1,875,903	24,573,809
Kansas	10,427,102	7,389,451	1,674,988	19,491,541
Kentucky	19,607,789	12,352,514	2,859,873	34,820,176
Louisiana	31,697,549	9,649,210	2,847,014	44,193,773
Maine	3,299,641	4,796,107	959,849	9,055,597
Maryland	77,483,601	4,986,035	3,030,981	85,500,617
Massachusetts	134,376,810	3,563,340	4,045,553	141,985,703
Michigan	70,576,720	16,768,748	5,881,503	93,226,971
Minnesota	46,841,542	11,018,547	2,663,822	60,523,911
Mississippi	5,443,113	10,803,943	1,981,992	18,229,048
Missouri	40,172,602	12,500,035	3,528,779	56,201,416
Montana	2,781,760	3,333,919	655,848	6,771,527
N. Mariana Islands	728,450	37,561	72,499	838,510
Nebraska	8,582,985	4,522,511	1,089,603	14,195,099
Nevada	23,056,083	1,606,809	1,346,205	26,009,097
New Hampshire	5,034,167	3,413,564	805,942	9,253,673
New Jersey	224,463,177	3,296,777	5,163,282	232,923,236
New Mexico	9,539,832	4,774,801	1,209,684	15,524,317
New York	595,660,936	17,327,584	12,330,346	625,318,866
North Carolina	42,513,505	21,403,170	5,114,079	69,030,754
North Dakota	3,292,822	2,053,270	504,951	5,851,043
Ohio	94,383,818	20,172,440	6,888,734	121,444,992
Oklahoma	14,483,822	9,817,173	2,341,390	26,642,385
Oregon	40,112,333	7,213,218	2,165,686	49,491,237
Pennsylvania	161,770,479	20,313,213	8,143,283	190,226,975
Puerto Rico	42,759,308	1,656,573	2,732,767	47,148,648
Rhode Island	10,126,070	599,906	816,480	11,542,456
South Carolina	15,152,064	10,671,490	2,699,121	28,522,675
South Dakota	2,530,117	2,796,200	563,421	5,889,738
Tennessee	30,308,166	13,598,002	3,786,591	47,692,759
Texas	212,094,766	30,224,659	11,416,760	253,736,185
Utah	31,423,160	2,421,029	1,081,034	34,925,223

FEDERAL TRANSIT ADMINISTRATION ESTIMATED FISCAL YEAR 2006 APPORTIONMENTS FOR FORMULA GRANTS PROGRAMS (BY STATE)—Continued

State	Section 5307 Urbanized Area	Section 5311 Non-urbanized Area	Section 5310 Elderly & Persons with Disabilities	State Total Formula Grants
Vermont	1,124,889	2,512,727	471,608	4,109,224
Virgin Islands	....	542,071	177,723	719,794
Virginia	57,802,506	11,804,533	3,997,038	73,604,077
Washington	103,606,845	7,937,112	3,389,916	114,933,873
West Virginia	5,334,071	6,454,672	1,473,842	13,262,585
Wisconsin	41,690,805	12,582,953	3,090,158	57,363,916
Wyoming	1,488,896	1,835,956	393,108	3,717,960
Subtotal	3,700,262,907	447,365,139	178,291,778	4,325,919,824
Oversight	[2] 18,594,286	2,248,066	....	20,842,352
Total	3,718,857,193	449,613,205	178,291,778	4,346,762,176
Over-the-Road Bus	....	....	....	7,428,824
Grand Total	3,718,857,193	449,613,205	178,291,778	4,354,191,000

[1] Includes $5,440,277 to Alaska Railroad for improvements to passenger operations.
[2] Includes $27,338 in an oversight take-down from Alaska Railroad.

UNIVERSITY TRANSPORTATION RESEARCH

	General fund	Trust fund
Appropriations, 2005	$744,000	$5,208,000
Budget estimate, 2006	....	....
House allowance	1,200,000	6,800,000
Committee recommendation	981,000	4,837,000

PROGRAM DESCRIPTION

Section 5505 of TEA21 provides authorization for the university transportation research program. The purpose of the university transportation research program is to foster a national resource and focal point for the support and conduct of research and training concerning the transportation of passengers and property. Funds provided under the FTA university transportation research program are transferred to and managed by the Research and Special Programs Administration and combined with a transfer of funds from the Federal Highway Administration. The transit university transportation research program funds are statutorily available only to the University of Minnesota and Northwestern University. Funding is also statutorily available for awards based on competitive applications of approved universities.

COMMITTEE RECOMMENDATION

The Committee recommends $5,818,000 to continue the university transportation research program. The recommended funding level is comprised of an appropriation of $981,000 from the general fund and $4,837,000 from a limitation on obligations from the mass transit account of the highway trust fund. The Committee recommendation is $133,745 more than the fiscal year 2005 enacted level.

TRANSIT PLANNING AND RESEARCH

	General fund	Trust fund
Appropriations, 2005	$15,872,000	$111,104,000
Budget estimate, 2006	....	....
House allowance	24,049,000	136,276,000
Committee recommendation	26,350,000	129,937,000

PROGRAM DESCRIPTION

This appropriation provides financial assistance to States for statewide planning and other technical assistance activities; local and regional planning support for metropolitan areas and non-urban areas; research, development, and demonstration projects; and the national transit institute. National research and planning funds are used to partner with the transportation industry and academic institutions to further transit technology and increase the quality and level of transit services.

COMMITTEE RECOMMENDATION

The Committee action provides $156,287,000 for transit planning and research. The recommended level of funding is comprised of an appropriation of $26,350,000 from the general fund and a limitation on obligations from the mass transit of the highway trust fund of $129,937,000.

The accompanying bill specifies that $5,208,000 is available for rural transportation assistance; $3,967,000 for the National Transit Institute at Rutgers University; $8,992,000 for transit cooperative research; $104,004,000 for State and metropolitan planning; and $34,116,000 for the national planning and research program.

National Planning and Research.—Within the total funding level for the national planning and research program, the Committee recommendation includes the following activities in the corresponding amounts:

Project	Amount
Advanced vehicle emission reduction sensor technology, Ohio	$500,000
Biodiesel hybrid bus research, Alabama	1,000,000
CIMERC, Pennsylvania	1,000,000
City of Mt. Vernon, Washington—transit and redevelopment study	200,000
Low cost carbon fiber production technology, Tennessee	1,000,000
NDSU transit center for small urban areas	400,000
Project ACTION	3,000,000
Southern fuel cell coalition—center for transportation and the environment	1,500,000
Transport 2020, Wisconsin	1,000,000
Washington State ferries wireless over water project	1,000,000
WVU exhaust emission testing initiative, West Virginia	1,400,000

FORMULA GRANTS AND RESEARCH

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

Obligation limitation, 2005	....
Budget estimate, 2006	$6,135,000,000
House allowance	....
Committee recommendation	....

PROGRAM DESCRIPTION

As proposed in the budget, the Formula Grants and Research would include formula grants to States and local agencies and transit planning and research activities.

COMMITTEE RECOMMENDATION

The Committee does not recommend funding for formula grants and research and has funded these activities consistent with current law in the absence of completion of the surface transportation reauthorization bill.

TRUST FUND SHARE OF EXPENSES

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

PROGRAM DESCRIPTION

The liquidation cash appropriation provides for liquidation of obligations incurred pursuant to contract authorization and annual limitations on obligations for the highway trust fund share of the administrative expenses, formula grants, university transportation research, transit planning and research, job access and reverse commute grants, and capital investment grants.

COMMITTEE RECOMMENDATION

The Committee recommends $6,824,667,000 in liquidating cash for the administrative expenses and programs of the Federal Transit Administration, which is $6,134,667,000 more than the budget estimate and $80,167,000 more than the fiscal year 2005 enacted level. The recommended level is equal to limitations on obligations included for fiscal year 2006 and is necessary to meet the accounting principles of the highway trust fund.

CAPITAL INVESTMENT GRANTS

	General funds	Trust funds
Appropriations, 2005	$414,014,000	$2,898,100,000
Budget estimate, 2006	....	....
House allowance	546,251,000	3,095,424,000
Committee recommendation	588,578,000	2,902,394,000

PROGRAM DESCRIPTION

Section 5309 of 49 U.S.C. authorizes discretionary grants or loans to States and local public bodies and agencies thereof to be used in financing mass transportation investments. Investments may include construction of new fixed guideway systems and extensions to existing guideway systems; major bus fleet expansions and bus facility construction; and fixed guideway expenditures for existing systems.

COMMITTEE RECOMMENDATION

The Committee action recommends a level of $3,490,972,000. Within this total, $2,902,394,000 is derived from the mass transit account of the highway trust fund and $588,578,000 is appropriated from the general fund.

The Committee provides that funding for capital investment grants shall be distributed as follows:

	Amount
Fixed guideway modernization	$1,307,473,000
Buses and bus facilities	796,977,000
New starts	1,386,522,000

BUS AND BUS FACILITIES

The Committee recommends $796,977,000 for bus and bus facilities funding. These funds may be used to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities.

Limited Extensions of Discretionary Funds.—There have been occasions when the Committee has extended the availability of capital investment funds for longer than the original 3-year availability. The Committee, however, has extended funding for many of these projects for more than 1 fiscal year, in an effort to give transit agencies and FTA the opportunity to spend these funds. The Committee strongly urges FTA to obligate the grants before the commencement of the fiscal year 2006 calendar, as the Committee will not look favorably upon any further requests for an extension of funds past 1 fiscal year. Three, even 4, fiscal years is more than an adequate amount of time for project sponsors to obligate the discretionary grants, except in the most unusual of circumstances. Transit agencies are urged not to seek discretionary funding when the work cannot be completed in a 3-year time frame. In addition, by October 30, 2006, FTA should submit a report to the House and Senate Committees on Appropriations detailing which of these projects have not obligated the funds, including an explanation of why this could not be achieved.

The availability of these particular funds is extended for 1 additional year, absent further congressional direction. For the second year, the Committee directs the FTA not to reallocate funds provided in fiscal year 2002 or previous Acts for the following bus and bus facilities projects:

PA—Wilkes Barre intermodal facility

AL—City of Montgomery's Rosa Parks bus project

AL—Alabama State Dock intermodal passenger and freight terminal bus and bus related facilities

IN—Indianapolis downtown transit facility

MA—Springfield Union Station intermodal facility

MO—Missouri Pacific Depot

MO—St. Louis Metro Transit Agency/Cab Care paratransit facility

MT—Statewide bus and bus facilities

PA—Butler Township multi-modal transfer center

PA—Callowhill bus garage replacement

PA—Monroe County Transit Authority park and ride

NM—Las Cruces intermodal transit facility.

The Committee further directs the FTA not to reallocate funds provided in fiscal year 2003 for the following bus and bus facilities projects:

NV—Bus Rapid Transit Project Las Vegas Blvd

NV—Las Vegas Downtown Transportation Center

NV—Regional Transportation Commission [RTC] BRT—North Las Vegas CIVIS Bus Stops

MT—Billings bus and bus facilities

MO—Missouri Bus & Bus Facilities—Dunklin County, City of Houston, Southeast Missouri Transportation Service, Scott County, SE Missouri State University

MO—Missouri Statewide Bus and Bus Facility Projects

OH—Lorain Renovation Train Depot in a Multi-modal Hub

OH—Ohio Public Transportation Association—Bus and Bus Facilities for the State of Ohio

NE—Metro Area Transit—Intermodal Facility

NE—Metro Area Transit South Omaha/Stockyard Center.

CT—Bridgeport Intermodal Transportation Center

CT—Hartford-New Britain Busway Project

CT—Norwich Intermodal Transportation Center

IN—Indianapolis Downtown Transit Facility

MA—Springfield Union Station Intermodal Redevelopment Project

WA—Aurora Avenue Bus Rapid Transit

WA—Burien transit center transit oriented development

WA—King Street Station Multimodal Facility

The Committee recommends that funds for bus and bus facilities shall be distributed as follows:

Project Name	Committee recommendation
Alabama Association of Area Agencies on Aging Bus and Van Purchase	$500,000
Alabama State Docks Intermodal Center	5,400,000
Alaska Native Medical Center intermodal bus/parking facility	2,000,000
BARTA-Franklin Street Station Intermodal, Pennsylvania	1,000,000
Bellows Falls, Vermont Multimodal	2,000,000
Ben Franklin Transit, Maintenance and Operations Facility, Washington	1,000,000
Blacksburg Transit Intermodal Facility, Virginia	500,000
Bloomington-Indiana University Campus Bus System, Indiana	1,500,000
Bloomington Public Transportation Corporation, Indiana	2,400,000
Boulder Highway Max Bus Rapid Transit System, Nevada	1,000,000
Brazos Transit District Bus Replacement, Texas	250,000
Bridgeport Intermodal Transport Center, Connecticut	6,000,000
Brockton Area Transit Authority Replacement Buses, Massachusetts	1,500,000
Broward County Alternative Fuel Buses, Florida	250,000
Bucks County Intermodal Facility, Pennsylvania	1,000,000
Burlington Transit Facilities, Vermont	1,500,000
Bus and Bus Facilities, Farmington, New Mexico	320,000
Bus and Bus Facilities, Las Cruces, New Mexico	1,400,000
Bus Replacement/Expansion for the Rapid, Grand Rapids, Michigan	3,000,000
Bus Replacement and Facilities, Delaware	3,000,000
Bus Replacements, Pennsylvania	1,000,000
Canal Road Connector Bus Rapid Transit/HOV Project, Mississippi	11,000,000
Capital Area Transportation Authority, Hybrid Public Transportation Vehicles Purchase, Lansing, Michigan	3,500,000
Capital Metro Expansion and Improvement, Texas	4,200,000
Cedar Avenue Bus Rapid Transit, Dakota County, Minnesota	1,500,000
Centre Area Transportation Intermodal Facility, Pennsylvania	1,000,000
CFRTA LYNX Bus Fleet Expansion, Florida	3,000,000
Church Street Transportation Center, Pennsylvania	2,900,000

Project Name	Committee recommendation
City of Albuquerque, New Mexico—Transit Vehicles	500,000
City of Anderson Intermodal Center Project, Indiana	250,000
City of Coralville Intermodal facility—Iowa	2,200,000
City of El Paso—Sun Metro Bus Replacement, Texas	4,000,000
City Utilities of Springfield bus facilities, Missouri	3,000,000
Clallam Transit, Washington	330,000
Colorado Transit Coalition—Colorado	6,000,000
Commuter Rail Hub Planning and Renovation of the Historic Brigham City Train Depot, Utah	150,000
Corpus Christi Bus and Bus Facilities, Texas	200,000
Crawford Intermodal Transportation Facility, Pennsylvania	1,000,000
Downtown Akron Transportation Center, Ohio	500,000
Easton Intermodal, Pennsylvania	1,000,000
Everett Transit, Bus and Paratransit Vehicle Replacement, Washington	1,100,000
First District Bus Replacement and Facilities, Michigan	4,000,000
Foothills Community Action Partnership Foothills Express Transit Expansion Project, Kentucky	700,000
Fort Wayne—Citilink, Indiana	250,000
Fresno FAX Low-Emission Bus Acquisition	1,000,000
Georgia GRTA Xpress Implantation Buses, Georgia	4,500,000
Gettysburg Bus and Bus Facilities, Pennsylvania	500,000
Grant Transit, Washington	450,000
Grays Harbor Transit, Transit Center Expansion, Washington	1,000,000
Grays Harbor Transit, Washington	130,000
Greater Lynchburg Transit Company Vehicle Replacement, Virginia	1,000,000
Greater Minnesota Transit Capital	2,000,000
Greater Ouachita Port intermodal facility, Louisiana	1,000,000
Greater Richmond Transit Company Bus Operations and Maintenance Facility, Virginia	4,000,000
Greater Sacramento Regional Bus Replacement/Bus Facility Expansion	3,000,000
Hampton Roads Transit Bus Facilities, Virginia	4,500,000
Haverhill Intermodal Center Parking Improvements, Massachusetts	2,000,000
Hazleton Intermodal, Pennsylvania	3,000,000
Helena Transit Facility—Montana	500,000
High Point International Furniture Market Transportation Terminal, North Carolina	2,400,000
Honolulu Bus and Bus Facilities, Hawaii	8,000,000
Idaho Statewide ITS	200,000
Idaho Transit Coalition Bus Capital Investment	4,000,000
Illinois Statewide buses and facilities	10,000,000
Indy Go Buses and Bus Facilities, Indiana	4,000,000
Inter-city Transit Companies, Meridian, Mississippi	350,000
Island Transit, Washington	1,350,000
Ivy Tech State College Multi-Modal Facility, Indiana	500,000
Jacksonville Transportation Authority Bus and Bus Facilities, Florida	750,000
Jamestown 2007 Natural Gas Bus purchase, Virginia	500,000
JATRAN bus replacement, Mississippi	1,000,000
Jefferson County Transit, Washington	730,000
Kalispell Buses—Montana	200,000
Kansas Statewide Bus and Bus Facilities, Kansas	2,000,000
KCATA bus rapid transit, Missouri	7,000,000
King County Airfield Transfer Area, Washington	1,200,000
King County Metro Park and Ride on First Hill, Washington	1,200,000
King County Metro, Bus Radio Replacement Program, Washington	4,000,000
Louisiana Statewide buses and facilities	6,250,000
LACMTA Bus Program—California	3,000,000
Lafayette—Bus Replacement, Indiana	1,500,000
Lafayette Louisiana Multimodal Transportation Facility	750,000
Lancaster Intermodal, Pennsylvania	4,000,000
Lechmere Intermodal Improvements, Massachusetts	1,390,000
Lewistown Bus Facility—Montana	200,000
Lubbock/Citibus Low-Floor Buses, Paratransit Vans and Facilities, and Passenger Amenities, Texas	200,000
MARTA Automated Smart Card Fare Collection System, Georgia	1,750,000
Mason County Transit, Washington	300,000
Memphis Airport Intermodal Facility, Tennessee	2,500,000
Metropolitan Atlanta Rapid Transit Authority acquisition of clean buses, Georgia	4,800,000
Metro Transit Operators Coalition Bus Acquisition	1,000,000
Midland Bus Facilities, Texas	200,000
Mobile Waterfront Infrastructure Development, Alabama	1,500,000

Project Name	Committee recommendation
Montgomery Bus Stop, Shelters and Bus GPS Tracking System in Alabama	500,000
Montgomery County Intermodal, Pennsylvania	1,000,000
Mountain Line Bus—Montana	1,750,000
Muncie Indiana Transit System	2,400,000
Nassau County Hub and Centre, New York	2,000,000
Nevada Statewide Bus and Bus Facilities, Nevada	4,000,000
New Orleans Streetcar Project, Louisiana	340,000
Newark Penn Station Intermodal Improvements, New Jersey	2,000,000
North Dakota Statewide Transit	2,250,000
OATS buses and bus facilities, Missouri	4,000,000
Ohio Statewide buses and facilities	12,583,000
Pablo Bus Facility—Montana	400,000
Pablo Buses—Montana	300,000
Paducah Area Transit System in Paducah, Kentucky	2,100,000
Petersburg Transit Intermodal Facility, Virginia	750,000
Philadelphia Zoo Intermodal Transportation Center, Pennsylvania	250,000
Poplar Transit Facility Renovation—Montana	160,000
Port Angeles International Gateway Project, Washington	1,600,000
Port Authority of Allegheny County Bus Acquisition, Pennsylvania	6,200,000
Potomac and Rappahannock Transit Commission Buses for service expansion, Virginia	3,000,000
Prospect and East 21st Street Intermodal Transportation Center, Ohio	1,750,000
Public Bus Transfer and Parking Facility, Montana	2,500,000
Pullman Multi-Modal Transit Center, Pennsylvania	1,000,000
Pullman Transit, Washington	50,000
Puyallup Transit Center Park and Ride, Washington	1,000,000
Regional Bus and Bus Facilities: Intermodal Terminals, including Gateway TRAX station, Utah	3,000,000
Renaissance Square, Rochester, New York	8,000,000
Reno and Sparks Intermodal Transportation Terminals and Related Development, Nevada	1,000,000
Replacement Buses and Bus Related Equipment, Nebraska	2,000,000
Rhode Island Public Transit Authority Elmwood Avenue Maintenance Facility Improvements	3,600,000
Rhode Island Public Transit Authority Transit Security Improvements	400,000
Rhode Island Statewide Vehicle Replacement	2,000,000
Richmond Highway Public Transportation Initiative, Virginia	4,800,000
RiverSphere Multimodal Facility, Louisiana	500,000
Rural Bus Program, Hawaii	5,000,000
San Antonio—New Buses, Bus Facility Improvements, and Bus-Related Projects, Texas	200,000
San Antonio VIA Metropolitan Transit bus upgrade, Texas	2,500,000
San Joaquin Regional Hybrid Bus Acquisition	1,000,000
Sandy Transit Bus Facility, Oregon	750,000
Shenango Valley Shuttle Service, Pennsylvania	500,000
Silver Spring Transit Center, Maryland	6,000,000
Skagit Transit Bus Acquisition, Washington	850,000
Skagway intermodal facility, Alaska	2,000,000
SMART Multi-Modal Transit Center and Bus Maintenance Facility, Oregon	1,000,000
Sound Transit, Eastgate Transit Access, Washington	3,000,000
South Bend—TRANSPO, Indiana	1,000,000
South East Missouri Transportation Service, Missouri	2,000,000
St. Cloud MTC Buses and Facilities	1,000,000
Stamford Urban Transitway Phase II, Connecticut	5,000,000
StarTran Farebox Technology Upgrades—Nebraska	1,000,000
State of Arkansas—Bus and Bus Facilities for Urban, Rural, and Elderly and Disabled Agencies	8,000,000
Statewide Bus and Bus Facilities, North Carolina	5,000,000
Statewide Bus and Bus Facilities, South Dakota	1,000,000
Statewide Bus and Bus Facilities, Utah	4,250,000
Statewide Bus Replacement, Iowa	5,000,000
Sun-Tran Operations and Maintenance Facility Expansion, Utah	500,000
Syracuse University, Bus Purchase for the Connective Corridor Project, New York	1,500,000
The UEL Bus Stop, University of Minnesota Twin Cities Transitway, Minnesota	100,000
TN Statewide Bus and Bus Facilities	10,000,000
Town of Normal Multimodal Transportation Center, Illinois	4,000,000
Transit Center 9400 South Sandy, Utah	1,000,000
Trolley Plaza, Alabama	250,000
Tucson SunTran Alternative Fuel Bus Replacement, Arizona	3,000,000
Tucson SunTran Bus Storage and Maintenance Facility, Arizona	10,000,000
Twin Transit, Washington	160,000

Project Name	Committee recommendation
UNI Multimodal Project, Cedar Falls, Iowa	3,500,000
Union Depot, downtown Saint Paul, Minnesota	750,000
Union Station Intermodal Trade and Transit Center, Pennsylvania	2,500,000
University of Montana bus maintenance facility	500,000
Uptown Crossings Joint Development Transit Project, Cincinnati, Ohio	2,000,000
Utah Intermodal Transit Hubs, Utah	500,000
Valley Transit, Washington	550,000
Vehicle Acquisition, South Carolina	4,000,000
West Side Transit Facility, Albuquerque, New Mexico	1,500,000
West Valley City Intermodal Terminal, Utah	750,000
Westminster College Intermodal Transportation Facilities Expansion for Shuttle Buses, Utah	250,000
WI Statewide Bus and Bus Facilities	10,000,000
Williamsport Trade and Transit Centre Expansion, Pennsylvania	1,350,000
Winston-Salem Union Station Intermodal Facility, North Carolina	500,000
WMATA Bus Purchase	3,000,000
WV Statewide buses and facilities	5,000,000

Metro Area Transit Intermodal Facility, Nebraska.—The Committee directs that amounts made available in fiscal year 2003 for the Metro Area Transit Intermodal Facility in Nebraska shall be made available for Metro Area Transit bus and bus facilities in Nebraska.

Illinois Statewide Buses.—The Committee provides $10,000,000 to the Illinois Department of Transportation [IDOT] for section 5309 Bus and Bus Facilities grants. The Committee expects IDOT to provide at least $5,000,000 for Downstate Illinois replacement buses in Bloomington, Champaign-Urbana, Danville, Decatur, Peoria, Pekin, Quincy, River Valley, Rockford, Rock Island, Springfield, Madison County, Rides MTD, South Central MTD, and Macomb, including $375,000 for the Springfield MTD night service project. Further, the Committee expects IDOT to provide appropriate funds for bus facilities in Bloomington, Galesburg, Macomb, Peoria, and Rock Island, including $500,000 for the Champaign Day Care Center/Park-n-Ride and $500,000 for the Macomb maintenance facility.

FIXED GUIDEWAY MODERNIZATION

The Committee recommends a total of $1,307,473,000 for the modernization of existing rail transit systems. The Committee recommendation continues the practice under TEA21, as extended, to distribute the funds by formula. The following table itemizes the fiscal year 2006 rail modernization allocations by State:

FEDERAL TRANSIT ADMINISTRATION SECTION 5309 FIXED GUIDEWAY MODERNIZATION APPORTIONMENTS

State	Urbanized Area	Apportionment
AK	Anchorage, AK—Alaska Railroad	$2,447,682
AZ	Phoenix—Mesa, AZ	2,702,494
CA	Antioch, CA	2,283,656
CA	Concord, CA	13,454,313
CA	Lancaster-Palmdale, CA	2,302,895
CA	Los Angeles-Long Beach-Santa Ana, CA	39,377,991
CA	Mission Viejo, CA	1,533,025
CA	Oxnard, CA	1,277,412
CA	Riverside-San Bernardino, CA	4,237,757
CA	Sacramento, CA	3,480,443
CA	San Diego, CA	14,899,234

FEDERAL TRANSIT ADMINISTRATION SECTION 5309 FIXED GUIDEWAY MODERNIZATION APPORTIONMENTS—Continued

State	Urbanized Area	Apportionment
CA	San Francisco-Oakland, CA	72,810,098
CA	San Jose, CA	13,697,671
CA	Thousand Oaks, CA	703,060
CO	Denver-Aurora, CO	3,624,749
CT	Hartford, CT	1,770,497
CT	Southwestern Connecticut	40,368,155
DC	Washington, DC-VA-MD	75,266,485
FL	Jacksonville, FL	117,185
FL	Miami, FL	20,987,023
FL	Orlando, FL	177,265
FL	Tampa-St. Petersburg, FL	136,551
GA	Atlanta, GA	29,144,217
HI	Honolulu, HI	1,262,500
IL	Chicago, IL-IN	147,020,421
IL	Round Lake Beach-McHenry-Grayslake, IL-WI	2,443,470
IN	South Bend, IN-MI	873,462
LA	New Orleans, LA	3,187,354
MA	Boston, MA-NH-RI	77,008,637
MA	Worcester, MA-CT	1,084,251
MD	Baltimore Commuter Rail	19,915,968
MD	Baltimore, MD	10,169,242
MI	Detroit, MI	351,848
MN	Minneapolis-St. Paul, MN	6,966,819
MO	Kansas City, MO-KS	35,433
MO	St. Louis, MO-IL	4,662,439
NJ	Atlantic City, NJ	1,815,046
NJ	Northeastern New Jersey	90,528,199
NJ	Trenton, NJ	1,535,704
NY	Buffalo, NY	1,362,251
NY	New York	383,840,412
NY	Poughkeepsie-Newburgh, NY	2,281,439
OH	Cleveland, OH	13,099,541
OH	Dayton, OH	5,666,531
OR	Portland, OR-WA	4,670,275
PA	Harrisburg, PA	860,071
PA	Philadelphia, PA-NJ-DE-MD	98,261,778
PA	Pittsburgh, PA	20,750,639
PR	San Juan, PR	2,368,682
RI	Providence, RI-MA	2,606,655
TN	Chattanooga, TN-GA	93,358
TN	Memphis, TN-MS-AR	252,004
TX	Dallas-Fort Worth-Arlington, TX	6,503,095
TX	Houston, TX	8,102,952
VA	Virginia Beach, VA	1,393,348
WA	Seattle, WA	25,486,839
WI	Madison, WI	824,891
WI	Milwaukee, WI	312,858
	Total Apportioned	1,294,398,270
	Oversight	13,074,730
	Grand Total	1,307,473,000

NOTE.—The most current validated National Transit Database statistics, which is the data applied in the actual fiscal year 2005 fixed guideway mod apportionments, were used. No changes were discerned between the apportionment formula in the Senate reauthorization bill and current law.

Fixed Guideway Modernization Oversight.—The Committee is concerned regarding complaints from industry representatives that formula funds from the fixed guideway modernization program are being mishandled by some transit agencies. The Committee has long been concerned that large amounts of funds are being funneled, predominantly, to American's largest cities, unencumbered by Federal controls or oversight. The Committee therefore directs the Office of Inspector General [OIG] to undertake an investigation of the fixed guideway modernization program, to include an assessment of: FTA's statutory oversight role, including initiation of budgetary audits; FTA's discretionary oversight role; and a review of at least six transit agencies currently receiving modernization funds, from all three tiers of funding, and an audit of how resources have been expended during, at least, a 5-year period. The OIG should keep the House and Senate Appropriations Committees informed of its progress as the investigation moves forward and should submit the final report to the Committees by July 1, 2006.

NEW STARTS

The bill provides $1,386,522,000 for the new starts program. These funds are available for major investment studies, preliminary engineering, right-of-way acquisition, project management, oversight, and construction for new systems and extensions. Under section 3009(g) of TEA21, there is an 8-percent statutory cap on the amount made available for activities other than final design and construction—that is, alternatives analysis, environmental impact statements, preliminary engineering, major investment studies, and other predesign and preconstruction activities.

The accompanying bill continues a provision that rejects the FTA interpretation that once a project exceeds $25,000,000, it is subject to FTA review and evaluation and therefore FTA must approve it for advancement. Further, there is no limit of funding on alternatives analysis, preliminary engineering, or final design, and a project seeking more than that amount for such activities does not need an early systems work agreement, as FTA has interpreted to be required under subsection (g)(1). The Committee is aware that numerous projects seeking a FFGA have significant unobligated balances because FTA has delayed awarding these grants without articulating any rationale. The Committee, therefore, directs FTA to release expeditiously previously appropriated funds for all new start projects identified in this and prior Appropriations Acts that remain unobligated and have not been reallocated by the Congress, upon the request of the grantee and the satisfaction of statutory requirements.

The Committee recommends the following allocations of new starts funds in fiscal year 2006:

Alaska and Hawaii ferry projects, $10,296,000;

Baltimore Central Light Rail Double Track Project, Maryland, $12,420,000;

Central Phoenix/East Valley LRT, Arizona, $90,000,000;

Charlotte South Corridor Light Rail Project, North Carolina, $55,000,000;

City of Miami Streetcar, Florida, $2,000,000;

City of Rock Hill Trolley Study, South Carolina, $400,000;

Commuter Rail, Albuquerque to Santa Fe, New Mexico, $500,000;

Commuter Rail, Utah, $9,000,000;

CORRIDORone Regional Rail Project, Pennsylvania, $1,500,000;

CTA Douglas Blue Line, Illinois, $45,150,000;

CTA Ravenswood Brown Line, Illinois, $40,000,000;
Dallas Northwest/Southeast Light Rail MOS, Texas, $12,000,000;
Dulles Corridor Rapid Transit Project, Virginia, $26,000,000;
East Corridor Commuter Rail, Nashville, Tennessee, $6,000,000;
East Side Access Project, New York, $340,000,000;
Euclid Corridor Transportation Project, Ohio, $24,774,513;
Gainesville-Haymarket VRE Service Extension, Virginia, $1,450,000;
Hartford-New Britain Busway, Connecticut, $6,000,000;
Hudson-Bergen Light Rail MOS 2, New Jersey, $100,000,000;
Kansas City, MO, Southtown BRT, $12,300,000;
Metra, Illinois, $42,180,000;
Metro Gold Line Eastside Light Rail Extension, California, $80,000,000;
Houston METRO, Texas, $12,000,000;
Mid-Coast Light Rail Transit Extension, California, $7,160,000;
Mid-Jordan Light Rail Transit Line, Utah, $500,000;
Mission Valley East, California, $7,700,000;
New Jersey Trans-Hudson Midtown Corridor, New Jersey, $3,315,000;
North Corridor Interstate MAX Light Rail Project, Oregon, $18,110,000;
North Shore Connector, Pennsylvania, $55,000,000;
Northeast Corridor Commuter Rail Project, Delaware, $1,425,000;
Northstar Corridor Commuter Rail Project, Minnesota, $2,000,000;
Oceanside Escondido Rail Project, California, $12,210,000;
Regional Fixed Guideway Project, Nevada, $3,000,000;
Rhode Island Integrated Commuter Rail Project, Rhode Island, $6,000,000;
San Francisco BART Extension to San Francisco International Airport, California, $81,860,000;
San Francisco Muni Third Street Light Rail Project, California, $10,000,000;
San Juan Tren Urbano, Puerto Rico, $10,200,000;
Schuylkill Valley Metro, Pennsylvania, $2,000,000;
Seattle Sound Transit, Washington, $80,000,000;
Second Avenue Subway, New York, $25,000,000;
Silicon Valley Rapid Transit Corridor Project, Santa Clara County, California, $5,000,000;
Silver Line Phase III, Massachusetts, $4,000,000;
Sounder Commuter Rail, Washington, $5,000,000;
Southeast Corridor Multi-Modal Project (T–REX), Colorado, $80,000,000;
Triangle Transit Authority Regional Rail System (Raleigh-Durham), North Carolina, $18,000,000;
Washington County Commuter Rail Project, Oregon, $15,000,000;
West Corridor Light Rail, Colorado, $5,000,000.

Limited Extensions of Discretionary Funds.—There have been occasions when the Committee has extended the availability of capital investment funds. These extensions are granted on a case by case basis and, in nearly all instances, are due to circumstances that were unforeseen by the project's sponsor. The availability of these particular funds is intended for one additional year, absent further congressional direction. The Committee directs the FTA not to reallocate funds provided in fiscal year 2003 or previous Acts for the following new starts projects: Albuquerque/Greater Albuquerque, New Mexico Mass Transit and Light Rail Las Vegas, Nevada, Resort Corridor Fixed Guideway; Indianapolis Northeast-Downtown Corridor project; Kenosha-Racine-Milwaukee [KRM] Rail Extension project; Maryland, [MARC] Commuter Rail Improvements; Wilmington, DE, Downtown Transit Corridor Project; and Wilmington, DE, Train Station Improvements.

New Starts Project Ratings.—The Congress has consistently urged the FTA to continually improve the process for evaluating projects in the new starts program. This March, the FTA Administrator released a "Dear Colleague" letter to industry leaders, notifying them of changes to the ratings and evaluation process for this program. Regrettably, no similar letter was sent to the Congress.

One of the key changes proposed in this letter was to adjust the rating thresholds for the cost-effectiveness score. While improving the way in which the financial capabilities of a project are measured is beneficial, the Committee is troubled by the manner in which FTA and DOT have implemented such changes. The letter was sent approximately 1 month and 1 week following the submission of the President's fiscal year 2006 budget request. If key changes to the ratings process were forthcoming, a mention of this fact in the New Starts Report, or a withholding of the cost-effectiveness rating for projects in the report until a later time, would seem more seem sensible than releasing public ratings of projects, only to change the implication of these ratings 5 weeks later. FTA must recognize that local transit agencies depend on the credibility of the Government's ratings with local officials and citizens; FTA, in what appears to be an irresponsible display of indecisiveness, seemed to show many that this is not always the case.

In addition, the Committee must also point out that transit agencies, much like State DOTs or highway agencies, depend on the stability and certainty of Federal standards when using Federal funding for a project. Solid planning is essential to the success of capital projects as large as those in the new starts process. In fact, adding certainty has been at the center of the administration's SAFETEA proposal. FTA, following no legal modification proceedings, announced a significant ratings change that would affect countless projects in the planning stages. This announcement was made with little preparation for how this change would impact projects in the final stages of the new starts process, such as those in final design or nearing that stage. No time period for when these new ratings would be implemented was given and many project sponsors were left feeling undercut by a changing process that was completely unforeseen. In fact, the Assistant Secretary for Budget and Programs, in testimony to the Committee, stated that the projects in the pipeline would be "grandfathered" and would not have to abide by the new ratings change. This response, however, proved to be inaccurate.

Confusion and different implementation interpretations is not the way that the Federal Government should be assisting local governments. DOT and FTA need to clearly articulate, not only to the transit community but also to formally notify the Congress, what the revised ratings standards are and how they will be executed, including a specific implementation timeframe and a detailed list of what projects will be affected. In addition, DOT should apply new internal procedures for the notification of new ratings or evaluation changes in the program, as well as procedures clearly articulating how any new changes would be communicated to those involved—the transit agencies, the Congress, DOT officials—in a timely manner that takes into account an implementation timeframe for the new variations. This should be done as soon as possible and the Secretary should notify the House and Senate Committees on Appropriations when this has been accomplished. The Committee expects that, if these new ratings have already been implemented, that should be incorporated in the Supplementary New Starts Report, due next month.

San Juan, Puerto Rico, Tren Urbano Project.—The Committee remains aware of the continuing safety and operational issues at San Juan, Puerto Rico's Tren Urbano transit project. Since FTA entered into the initial FFGA with the transit authority in 1996, the Committee has seen the project's costs more than double, the operational schedule slip numerous times, and officials managing the project imprisoned due to accounting illegalities and fraud. The project is now operational; however, the Committee remains concerned that significant safety and performance issues remain, including an inadequate safety incident reporting system. The Committee directs FTA to be vigilant in its oversight of the transit agency and rail project, by utilizing the discretionary oversight tools at FTA's disposal, including safety oversight audits and a continuation of PMO assessments. Further, the Committee urges FTA to withhold Federal funds from the transit agency if any significant safety non-compliance issues arise.

In addition, the Office of Inspector General has remained closely involved in the oversight of this project and the Committee encourages the OIG to continue this role and to report any concerns to the House and Senate Committees on Appropriations without delay.

Appropriations for Full Funding Grant Agreements.—The Committee reiterates direction initially agreed to in the fiscal year 2002 conference report that FTA should not sign any FFGAs that have a maximum Federal share of higher than 60 percent.

MAJOR CAPITAL INVESTMENT GRANTS

	General fund	Trust fund
Appropriations, 2005	....	....
Budget estimate, 2006	$875,500,000	$690,000,000
House allowance	....	....
Committee recommendation	....	....

PROGRAM DESCRIPTION

The account funds planning, engineering, and construction of new fixed guideway systems and extensions to existing systems. Funds are also available for metropolitan and statewide planning activities.

COMMITTEE RECOMMENDATION

The Committee does not recommend funding for major capital investment grants and instead has provided funding for the new starts program and planning activities consistent with current law in the absence of completion of the surface transportation reauthorization bill.

JOB ACCESS AND REVERSE COMMUTE GRANTS

	General fund	Trust fund
Appropriations, 2005	$15,500,000	$108,500,000
Budget estimate, 2006	....	....
House allowance	26,250,000	148,750,000
Committee recommendation	20,541,000	101,292,000

PROGRAM DESCRIPTION

The program makes competitive grants to qualifying metropolitan planning organizations, local governmental authorities, agencies, and nonprofit organizations. Grants may not be used for planning or coordination activities.

COMMITTEE RECOMMENDATION

The Committee recommends $121,832,715 for the Job Access and Reverse Commute Grants program. Of the total recommended amount of funding, $20,540,996 is appropriated from the general fund and $101,291,719 is a limitation on obligations from the mass transit account of the highway trust fund. The budget request includes funding for job access grants within the proposed formula grants and research account.

ADMINISTRATIVE PROVISIONS—FEDERAL TRANSIT ADMINISTRATION

Section 150 exempts limitations previously made available on obligations for programs of the FTA under 49 U.S.C. 5338.

Section 151 allows funds under this Act, Federal Transit Administration, Capital investment grants not obligated by September 30, 2008 to be made available for other projects under 40 U.S.C. 5309.

Section 152 allows funds appropriated before October 1, 2005, that remain available for expenditure to be transferred.

Section 153 prohibits mass transit trust funds that are made available for Federal transit assistance programs from being transferred or outlaid to the General Fund of the United States Treasury and also requires that obligations incurred to carry out a Federal Transit program, project or activity that is funded from both the Mass Transit Account and the General Fund be liquidated from amounts appropriated from the General Fund before any Mass Transit Account funds may be expended to satisfy obligations incurred for the program, project or activity.

Section 154 allows unobligated funds for new projects under Federal Transit Authority to be used during this fiscal year to satisfy expenses incurred for such projects.

Section 155 allows funds made available for Alaska or Hawaii ferry boats or ferry terminal facilities to be used to construct new vessels and facilities, or to improve existing vessels and facilities.

Section 156 allows unobligated transit funds to be used for site-preparation and design purposes for a project in Vermont.

Section 157 allows funds designated in Public Law 108–447 and Public Law 108–199 for the King County Metro Park and Ride on First Hill, Seattle, Washington, to be available to the Swedish Hospital parking garage, Seattle, Washington, subject to the same conditions and requirements of Section 125 of Division H of Public Law 109–447.

Saint Lawrence Seaway Development Corporation

PROGRAM DESCRIPTION

The Saint Lawrence Seaway Development Corporation [SLSDC] is a wholly owned Government corporation established by the Saint Lawrence Seaway Act of May 13, 1954 (33 U.S.C. 981). The SLSDC is a vital transportation corridor for the international movement of bulk commodities such as steel, iron, grain, and coal, serving the North American region that makes up one-quarter of the United States population and nearly half of the Canadian population. The SLSDC is responsible for the operation, maintenance, and development of the United States portion of the Saint Lawrence Seaway between Montreal and Lake Erie.

OPERATIONS AND MAINTENANCE

(HARBOR MAINTENANCE TRUST FUND)

Appropriations, 2005	$15,773,000
Budget estimate, 2006	8,000,000
House allowance	16,284,000
Committee recommendation	16,284,000

PROGRAM DESCRIPTION

The Harbor Maintenance Trust Fund [HMTF] was established by the Water Resources Development Act of 1986 (Public Law 99–662). Since 1987, the HMTF has supported the operations and maintenance of commercial harbor projects maintained by the Federal Government. Appropriations from the Harbor Maintenance Trust Fund and revenues from non-Federal sources finance the operation and maintenance of the Seaway for which the SLSDC is responsible.

COMMITTEE RECOMMENDATION

The Committee recommendation includes $16,284,000 to fund the operations and maintenance of the SLSDC. This amount is $8,284,000 above the President's request and is $511,000 above the fiscal year 2005 enacted level.

Maritime Administration

PROGRAM DESCRIPTION

The Maritime Administration [MARAD] is responsible for programs authorized by the Merchant Marine Act, 1936, as amended (46 App. U.S.C. 1101 et seq.). MARAD is also responsible for programs that strengthen the U.S. maritime industry in support of the Nation's security and economic needs. MARAD prioritizes DOD's use of ports and intermodal facilities during DOD mobilizations to guarantee the smooth flow of military cargo through commercial ports. MARAD manages the Maritime Security Program, the Voluntary Intermodal Sealift Agreement Program and the Ready Reserve Force, which assure DOD access to commercial and strategic sealift and associated intermodal capacity. MARAD also continues to address the disposal of obsolete ships in the National Defense Reserve Fleet which are deemed a potential environmental risk. Further, MARAD administers education and training programs through the U.S. Merchant Marine Academy and six State maritime schools that assist in providing skilled merchant marine officers who are capable of serving defense and commercial transportation needs. The Committee continues to fund MARAD in its support of the United States as a maritime nation.

MARITIME SECURITY PROGRAM

Appropriations, 2005	$97,910,000
Budget estimate, 2006	156,000,000
House allowance	156,000,000
Committee recommendation	156,000,000

PROGRAM DESCRIPTION

The Maritime Security Program provides resources to maintain a U.S. flag merchant fleet crewed by U.S. citizens to serve both the commercial and national security needs of the United States. The program provides direct payments to U.S. flag ship operators engaged in U.S. foreign trade. Participating operators are required to keep the vessels in active commercial service and are required to provide intermodal sealift support to the Department of Defense in times of war or national emergency.

COMMITTEE RECOMMENDATION

The Committee recommends $156,000,000 for the Maritime Security Program, consistent with the budget request.

OPERATIONS AND TRAINING

Appropriations, 2005	$108,602,000
Budget estimate, 2006	113,650,000
House allowance	112,336,000
Committee recommendation	118,649,000

PROGRAM DESCRIPTION

The Operations and Training appropriation primarily funds the salaries and expenses for MARAD headquarters and regional staff in the administration and direction for all MARAD programs. The account includes funding for the U.S. Merchant Marine Academy, six State maritime schools, port and intermodal development, cargo preference, international trade relations, deep-water port licensing, and administrative support costs.

COMMITTEE RECOMMENDATION

The Committee recommends $118,649,000 for Operations and Training for fiscal year 2006. The recommendation is $4,999,000 above the President's budget request and $10,047,000 above the fiscal year 2005 enacted level. The Committee has included $13,033,000 for the U.S. Merchant Marine Academy to continue with the major design and construction projects as identified in the 10-year capital improvement plan.

Funds appropriated for Operations and Training are sufficient to maintain the operating costs incurred by headquarters and regional staffs in administering and directing the Maritime Administration programs. The Committee recommendation includes the necessary resources to cover the costs of officer training at the U.S. Merchant Marine Academy; provide Federal financial support to the six State maritime academies; support coordination efforts for U.S. maritime industry activities under emergency conditions; and to promote port and intermodal development activities.

Funds provided for this account are to be distributed as follows: $59,854,000 for the U.S. Merchant Marine Academy, $10,611,000 for the State Maritime schools, and $48,184,000 for MARAD operations, for a total of $118,649,000.

Marine Transportation System Information Advocate.—As the lead agency for maritime matters within the Department of Transportation and as a result of the February 2005 congressional report on the interoperability of information resources among strategic ports, the Committee directs that MARAD be designated as the Marine Transportation System [MTS] Information Advocate to serve as the focal point for MTS information management. In order to maintain this MTS information, the Committee has included $10,000,000 of which $3,000,000 is for the identification of and shared access to a fault tolerant, secure, Federal facility capable of the collection, storage, management, and assured delivery of this critical information and $7,000,000 is for the planning and preliminary development of an overarching information framework to support this critical need.

SHIP DISPOSAL

Appropriations, 2005	$21,443,072
Budget estimate, 2006	21,000,000
House allowance	21,000,000
Committee recommendation	21,000,000

PROGRAM DESCRIPTION

The Ship Disposal account provides resources to dispose of obsolete merchant-type vessels of 150,000 gross tons or more in the National Defense Reserve Fleet [NDRF] which the Maritime Administration is required by law to dispose of by the end of 2006. Currently there is a backlog of more than 115 ships awaiting disposal. Many of these vessels are some 50 years old or more and pose a significant environmental threat due to the presence of hazardous substances such as asbestos and solid and liquid polychlorinated biphenyls [PCBs].

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $21,000,000 for ship disposal. This amount is the same as the budget request and $443,072 below the fiscal year 2005 enacted level.

The Committee is very concerned about the progress, management and oversight of the ship disposal program. The initial deadline for MARAD to complete disposal of its obsolete ship inventory was September 30, 1999, but this deadline was extended to September 30, 2001, in the National Defense Authorization Act for fiscal year 1998 (Public Law 105–85). In the National Defense Authorization Act for fiscal year 2001 (Public Law 106–398), the deadline was extended again to September 30, 2006. Between fiscal years 2001 and 2005 almost $80,000,000 has been appropriated for this program. Despite adequate funding MARAD will not meet its extended deadline in fiscal year 2006.

The Government Accountability Office [GAO] published a report in March 2005 titled, "Maritime Administration: Improved Program Management Needed to Address Timely Disposal of Obsolete Ships." In it, the GAO cites several impediments to the successful completion of this effort, including MARAD's lack of an integrated strategy to dispose of its obsolete ship inventory and an inadequate identification of resources needed to achieve its goals.

The Committee recognizes that MARAD informed Congress soon after the disposal deadline was extended that it would not be able to achieve complete disposal by the extended deadline date, but is not satisfied with the reasons cited by MARAD for the inadequate progress that has been made. The Committee urges MARAD to be more transparent with Congress concerning the ship disposal program's budget needs and progress being made.

As such, the Committee directs MARAD to submit a report to the Committee on Appropriations on the progress being made to dispose of the entire inventory of obsolete ships within the National Defense Reserve Fleet. MARAD is directed to submit the initial report no later than 3 months after the enactment of this Act, and subsequent reports will be submitted every 6 months thereafter until this program is completed. These reports should, at a minimum, detail the contracts that have been awarded for this program, the progress being made toward actual disposal by each contractor, and impediments that may hinder the completion of this program. The Committee continues to urge MARAD to consider alternative means of disposal such as artificial reefing, deep-water sinking and donations to historic organizations when possible.

MARITIME GUARANTEED LOAN PROGRAM

Appropriations, 2005	$4,726,000
Budget estimate, 2006	3,526,000
House allowance	3,526,000
Committee recommendation	4,726,000

PROGRAM DESCRIPTION

The Maritime Guaranteed Loan Program, commonly referred to as, "Title XI," provides for a Federal Government guarantee of private-sector debt for ship construction and shipyard modernization. This program fosters and sustains a U.S. shipbuilding and repair industry which helps ensure that the United States remains a maritime nation.

As required by the Federal Credit Reform Act of 1990 (Public Law 101–508), this account includes the subsidy costs associated with the loan guarantee commitments made in 1992 and beyond (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year), as well as the administrative expenses of this program. The subsidy amounts are estimated on a present value basis and administrative expenses are estimated on a cash basis.

Funds for administrative expenses for the Title XI program are appropriated to this account, and then transferred by reimbursement to Operations and Training to be obligated and outlayed.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $4,726,000 for the Title XI, Maritime Guaranteed Loan Program. This amount is $1,200,000 above the administration's 2006 budget request and the same as the fiscal year 2005 enacted level.

Within 60 days of enactment of this Act, the Committee directs the Maritime Administration to submit to the Committee on Appropriations a report detailing the expenditure of funds, progress made and current status of the Maritime Guaranteed Loan Program's efforts to develop and acquire a comprehensive computer-based financial monitoring system. The Committee believes that such a system will enable MARAD to better monitor and analyze the financial condition of recipients of Title XI funds.

Credit Watch.—The Committee is pleased that MARAD has re-established "Credit Watch." This process ensures greater protection of the government's financial interest in the Title XI program by providing more accountability for companies experiencing financial difficulties. The Committee is aware that as of June 30, 2004, there were 25 of the 70 participants in the Title XI program on "Credit Watch." The Committee directs MARAD to continue and even strengthen this process. Measures such as this are vital to the stability of the Title XI program.

As such, the Committee directs the Maritime Administration to submit a report within 30 days of enactment of this Act detailing the number of companies that are currently on "Credit Watch." The report should, at a minimum, detail the companies that fall into the three risk categories (high, middle and low) and whether these companies are current in submitting the required certifications and/or deposits into the Reserve Fund. For those companies that are not current in their deposits and/or certifications, MARAD should detail what actions it is taking to mitigate their default risk and ensure that such companies become current in their obligations.

NATIONAL DEFENSE TANK VESSEL CONSTRUCTION PROGRAM

Appropriations, 2005	$74,400,000
Budget estimate, 2006	–74,400,000
House allowance	....
Committee recommendation	25,000,000

PROGRAM DESCRIPTION

The fiscal year 2004 Defense Authorization Act (Public Law 108–136) authorized the National Defense Tank Vessel Construction Program to provide financial assistance for the construction of five privately owned product tank vessels to be available for national defense purposes in time of war or national emergency.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $25,000,000 for the National Defense Tank Vessel Construction Program. The Committee has not included the administration rescission of $75,000,000 from fiscal year 2005 funds which would have eliminated this program.

Instead, the Committee supports the goal of this program to revitalize commercial tank ship construction in the United States. The program provides the last dollar in for U.S.-flag, U.S.-crewed, and U.S.-built double-hulled, commercially-viable, and militarily-useful product tankers. Vessels constructed under this program will operate as part of the Maritime Security Fleet.

Tankers constructed under this program will operate only in the international shipping trades but the experience and skills acquired through the program will also facilitate construction in the United States of new vessels for the domestic or Jones Act shipping trades.

ADMINISTRATIVE PROVISIONS—MARITIME ADMINISTRATION

Section 160 authorizes the Maritime Administration to furnish utilities and services and make repairs to any lease, contract, or occupancy involving Government property under the control of MARAD. Rental payments received pursuant to this provision shall be credited to the Treasury as miscellaneous receipts.

Section 161 prohibits obligations incurred during the current year from construction funds in excess of the appropriations and limitations contained in this Act or in any prior appropriation Act.

PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION

The Pipeline and Hazardous Material Safety Administration [PHMSA] was established in the Department of Transportation on November 30, 2004, pursuant to the Norman Y. Mineta Research and Special Programs Improvement Act (Public Law 108–246). The PHMSA is responsible for the Department's pipeline safety program as well as oversight of hazardous materials transportation safety operations. The Administration also is dedicated to safety, including the elimination of transportation-related deaths and injuries associated with hazardous materials and pipeline transportation, and by promoting transportation solutions that enhance communities and protect the environment.

ADMINISTRATIVE EXPENSES

Appropriations, 2005	....
Budget estimate, 2006	$17,027,000
House allowance	17,027,000
Committee recommendation	16,877,000

PROGRAM DESCRIPTION

This account funds program support costs for the PHMSA, including policy development, civil rights, management, administration and agency-wide expenses.

COMMITTEE RECOMMENDATION

The Committee recommends $16,877,000 for this account, of which $645,000 is transferred from the Pipeline Safety Fund. The Committee expects PHMSA to use these funds as reflected in its budget justification.

The recommended level includes a reduction of $150,000 from the budget estimate to account for the transfer of an attorney to the Office of General Counsel for the Office of Emergency Transportation litigation caseload.

HAZARDOUS MATERIALS SAFTEY

Appropriations, 2005	....
Budget estimate, 2006	$26,324,000
House allowance	26,183,000
Committee recommendation	26,138,000

PROGRAM DESCRIPTION

The PHMSA oversees the safety of more than 800,000 daily shipments of hazardous materials in the United States. PHMSA uses risk management principles and security threat assessments to fully assess and reduce the risks inherent in hazardous materials transportation.

COMMITTEE RECOMMENDATION

The Committee recommends $26,138,000 for hazardous materials safety, of which $1,847,000 shall remain available until September 30, 2007.

The Committee denies $186,000 for new positions to administer activities related to shipment of spent nuclear fuel and high-level radioactive waste to a private interim storage facility.

PIPELINE SAFETY

(PIPELINE SAFETY FUND)

(OIL SPILL LIABILITY FUND)

Appropriations, 2005	$69,211,000
Budget estimate, 2006	73,165,000
House allowance	72,860,000
Committee recommendation	73,165,000

PROGRAM DESCRIPTION

The Office of Pipeline Safety [OPS] is designed to promote the safe, reliable, and reliable sound transportation of natural gas and hazardous liquids by pipelines.

COMMITTEE RECOMMENDATION

The Committee recommendation provides $73,165,000, of which $15,000,000 will be derived from the Oil Spill Liability Trust Fund and of which $58,165,000 shall be derived from the Pipeline Safety Fund.

The Committee remains concerned with the significant increase included in the budget estimate for funds from the oilspill liability trust fund. The Oil Pollution Act of 1990 requires that these trust funds be used exclusively for oilspill prevention and response activities, and the Committee strongly encourages the OPS to allocate oversight activities between the hazardous liquid and gas pipelines and to factor the oilspill liability trust fund into the allocation formula that determines the hazardous liquid pipeline user fee assessment to accurately reflect the amount and type of oversight activities being conducted by the office consistent with the trust fund. Last year, the Committee directed that the fiscal year 2006 budget justification should adequately address this issue by containing an itemization of how these funds are being allocated within the OPS. The Committee is troubled that such information was not provided in the justification materials supporting the budget request. The Committee reiterates its direction to include an itemization of how funds from the oilspill liability trust fund are being allocated within the OPS in the fiscal year 2007 budget justification.

EMERGENCY PREPAREDNESS GRANTS

(EMERGENCY PREPAREDNESS FUND)

Appropriations, 2005	$198,000
Budget estimate, 2006	200,000
House allowance	200,000
Committee recommendation	200,000

PROGRAM DESCRIPTION

The Hazardness Materials Transportation Uniform Safety Act of 1990 [HMTUSA] requires PHMSA to (1) develop and implement a reimbursable emergency preparedness grant program; (2) monitor public sector emergency response training and planning and provide technical assistance to states, political subdivisions and Indian tribes; and (3) develop and update periodically a mandatory training curriculum for emergency responders.

COMMITTEE RECOMMENDATION

The Committee recommends $200,000, the same as the budget request, for activities related to emergency response training curriculum development and updates, as authorized by section 117(A)(i)(3)(B) of HMTUSA. The Committee includes an obligation limitation of $14,300,000 for the emergency preparedness grant program.

RESEARCH AND INNOVATIVE TECHNOLOGY ADMINISTRATION

RESEARCH AND DEVELOPMENT

Appropriations, 2005 [1]	$4,310,000
Budget estimate, 2006	6,274,000
House allowance	4,326,000
Committee recommendation	4,326,000

[1] Fiscal year 2005 account represents the transfer of resources from the Office of the Secretary of Transportation ($975,000) and the Research and Special Programs Administration ($3,335,000).

PROGRAM DESCRIPTION

The Research and Innovative Technology Administration [RITA] was established in the Department of Transportation, effective November 24, 2004, pursuant to the Norman Y. Mineta Research and Special Programs Improvement Act (Public Law 108–246). The mission of RITA is to focus the Department's multi-modal and intermodal research efforts, while coordinating the multifaceted research agenda of the Department.

RITA includes the University Transportation Centers, the Volpe National Transportation Center and the Bureau of Transportation Statistics [BTS], which is funded by an allocation from the Federal Highway Administration's Federal-aid highway account.

COMMITTEE RECOMMENDATION

The Committee recommends $4,326,000 for Research and Development for fiscal year 2006, which is $1,948,000 below the budget request. The Committee directs the Department to identify the proposed use of these funds through the operating plan.

Research Coordination.—In 2003, the Government Accountability Office [GAO] reviewed the Research and Special Programs Administration [RSPA] ability to meet all legislative and DOT requirements for planning, managing, and evaluating research within the Department. The GAO found that RSPA lacked a database or tracking system for research, and that the agency had declining staff and resources devoted to the effort. RITA was created to raise the profile and better focus research within DOT, including coordination and evaluation of research, as well as to advance the Department's overall transportation technology agenda. The Committee is interested in learning whether RITA is better equipped to overcome the challenges that faced its predecessor and directs GAO to conduct an assessment of RITA's ability to coordinate, facilitate and evaluate research in DOT in a manner that makes the most efficient use of resources and concentrates on the most important challenges facing the transportation sector. In addition, GAO should examine the strengths and weaknesses of RITA's transportation statistics program. The Committee directs GAO to submit its findings and recommendations to the House and Senate Committees on Appropriations by March 30, 2006.

Bureau of Transportation Statistics

(LIMITATION ON OBLIGATIONS)

Limitation on obligations, 2005	$30,015,000
Budget estimate, 2006	32,869,000
House allowance	33,000,000
Committee recommendation	26,281,610

PROGRAM DESCRIPTION

The Bureau of Transportation Statistics [BTS] is funded by an allocation from the limitation on obligations for Federal-aid highways. The Bureau compiles, analyzes, and makes accessible information on the Nation's transportation systems; collects information on intermodal transportation and other areas as needed; and enhances the quality and effectiveness of the statistical programs of the Department of Transportation through research, the development of guidelines, and the promotion of improvements in data acquisition and use.

COMMITTEE RECOMMENDATION

The Committee has provided $26,281,610 for BTS, which is $6,587,390 less than the budget request and $3,733,390 less than the fiscal year 2005 enacted level. The Committee recommendation reflects the set-aside amount provided in the Senate-passed surface transportation reauthorization bill, SAFETEA. The Committee continues to limit BTS staff to no more than 136 full-time equivalent staff years.

Form M.—The Committee is concerned that financial and operating statistics data related to motor carriers are no longer being collected. Last year, the conferees denied the request to move this function from BTS to FMCSA; it was always expected, however, that this data would continue to be collected. The Committee believes that the collection of this data can be useful in determining which motor carrier firms may be in need of additional safety oversight as financially distressed firms are often more inclined to defer equipment maintenance. The Committee directs the Director to immediately resume the motor carrier financial and operating statistics survey.

Office of Inspector General

SALARIES AND EXPENSES

Appropriations, 2005	$58,528,000
Budget estimate, 2006	62,499,000
House allowance	62,499,000
Committee recommendation	62,499,000

PROGRAM DESCRIPTION

The Inspector General Act of 1978 established the Office of Inspector General [OIG] as an independent and objective organization, with a mission to: (1) conduct and supervise audits and investigations relating to the programs and operations of the Department; (2) provide leadership and recommend policies designed to promote economy, efficiency, and effectiveness in the administration of programs and operations; (3) prevent and detect fraud, waste, and abuse; and (4) keep the Secretary and Congress currently informed regarding problems and deficiencies.

OIG is divided into two major functional units: the Office of Principal Assistant Inspector General for Auditing and Evaluations [PAIGAE] and the Office of Assistant Inspector General for Investigations [AIGI]. The PAIGAE and AIGI are supported by headquarters and regional staff.

COMMITTEE RECOMMENDATION

The Committee recommendation provides $62,499,000 for activities of the Office of Inspector General, which is $3,971,000 more than the fiscal year 2005 enacted level and the same as the budget request. In addition, current law authorizes the OIG to be reimbursed from Department of Transportation operating agencies and from the National Transportation Safety Board in the following amounts:

	Amount
Federal Aviation Administration	$1,200,000
Federal Highway Administration	3,524,000
Federal Transit Administration	2,000,000
National Transportation Safety Board	500,000

The Committee has included general provision in title VII (Sec. 718) that requires all departments and agencies in this Act to report quarterly to the House and Senate Committees on Appropriations on all sole source contracts, including the contractor, the amount of the contract, the purpose of the contract and the rationale for a sole-source procurement as opposed to a market-based procurement. The departments and agencies also are required to publish this information quarterly in the Federal Register. The Committee directs the IG to assess any conflicts of interest with regard to these contracts and DOT.

Unfair Business Practices.—The bill maintains language which authorizes the OIG to investigate allegations of fraud and unfair or deceptive practices and unfair methods of competition by air carriers and ticket agents.

SURFACE TRANSPORTATION BOARD

SALARIES AND EXPENSES

	Appropriation	Crediting offsetting collections
Appropriations, 2005	$21,080,000	$1,042,000
Budget estimate, 2006	24,388,000	1,250,000
House allowance	26,622,000	1,250,000
Committee recommendation	24,388,000	1,250,000

PROGRAM DESCRIPTION

The Surface Transportation Board [STB] was created on January 1, 1996, by the Interstate Commerce Commission Termination Act of 1995 [ICCTA] (Public Law 104–88). The Board is a three-member, bipartisan, decisionally independent adjudicatory body organizationally housed within DOT and is responsible for the regulation of the rail and pipeline industries and certain non-licensing regulation of motor carriers and water carriers.

STB's rail oversight activities encompass rate reasonableness, car service and interchange, mergers, line acquisitions, line constructions, and abandonments. STB's jurisdiction also includes certain oversight of the intercity bus industry and pipeline carriers, rate regulation involving noncontiguous domestic water transportation, household goods carriers, and collectively determined motor carrier rates.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $24,388,000 for activities of the Board, which is the same as the requested amount and $3,308,000 more than the fiscal year 2005 enacted level. Included in the recommended amount is an estimated $1,250,000 in fees to be collected, which will offset the appropriated funding. The Board is authorized to credit the fees collected to the appropriated amount as offsetting collections reducing the general funds appropriation on a dollar-for-dollar basis as the fees are received and collected.

ADMINISTRATIVE PROVISIONS—DEPARTMENT OF TRANSPORTATION

Section 170 allows funds for maintenance and operation of aircraft; motor vehicles; liability insurance; uniforms; or allowances, as authorized by law.

Section 171 limits appropriations for services authorized by 5 U.S.C. 3109 not to exceed the rate for an Executive Level IV.

Section 172 prohibits funds in this Act for salaries and expenses of more than 106 political and Presidential appointees in the Department of Transportation, and prohibits political and Presidential personnel to be assigned on temporary detail outside the Department of Transportation or an independent agency funded in this Act.

Section 173 prohibits funds for the implementation of section 404 of title 23, U.S.C.

Section 174 prohibits recipients of funds made available in this Act to release personal information, including a social security number, medical or disability information, and photographs from a driver's license or motor vehicle record without express consent of the person to whom such information pertains; and prohibits the Secretary of Transportation from withholding funds provided in this Act for any grantee if a State is in noncompliance with this provision.

Section 175 allows funds received by the Federal Highway Administration, Federal Transit Administration, and the Federal Railroad Administration from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training may be credited to each agency's respective accounts.

Section 176 authorizes the Secretary of Transportation to allow issuers of any preferred stock to redeem or repurchase preferred stock sold to the Department of Transportation.

Section 177 prohibits funds in this Act to make a grant unless the Secretary of Transportation notifies the House and Senate Committees on Appropriation at least 3 full business days before any discretionary grant award, letter of intent, or full funding grant agreement totaling $1,000,000 or more is announced by the Department or its modal administration.

Section 178 allows rebates, refunds, incentive payments, minor fees and other funds received by the Department of Transportation from travel management center, charge card programs, subleasing of building space and miscellaneous sources are to be credit to appropriations of the Department of Transportation.

Section 179 allows that amounts from improper payments to a third party contractor that are lawfully recovered by the Department of Transportation shall be available to cover expenses incurred in recovery of such payments.

Section 180 authorizes the transfer of unexpended sums from "Minority Business Outreach" to "Office of the Secretary, Salaries and expenses".

Section 181 prohibits funds for the Office of the Secretary of Transportation to approve assessments or reimbursable agreements pertaining to funds appropriated to the modal administrations in this Act, unless such assessments or agreements have completed the normal reprogramming process for congressional notification.

Section 182 limits funds for the fiscal year 2006 working capital fund of the Department of Transportation.

Section 183 continues the provision designating the city of Norman, Oklahoma, to be considered part of the Oklahoma City Transportation urbanized area for fiscal year 2006.

TITLE II—DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2005	$156,299,000
Budget estimate, 2006	195,253,000
House allowance	157,452,000
Committee recommendation	197,591,000

PROGRAM DESCRIPTION

The Departmental Offices consists of the Office of the Secretary and Deputy Secretary, the Office of International Affairs, the Office of Domestic Finance, the Office of Terrorism and Financial Intelligence, the Office of Tax Policy, the Office of Economic Policy, the Office of the General Counsel, the Office of Legislative Affairs, the Office of Public Affairs, Office of the Treasurer, and the Office of Management. The Secretary of the Treasury has the primary role in formulating and managing the domestic and international tax and financial policies of the Federal Government. The Secretary's responsibilities funded by the Salaries and Expenses appropriation include: recommending and implementing United States domestic and international economic and tax policy; fiscal policy; governing the fiscal operations of the Government; executing the Nation's financial sanction policies; disrupting and dismantling terrorist financial infrastructure; protecting the United States and international financial system from terrorist financing, money laundering, and other financial crimes; managing the public debt; managing international development policy; representing the United States on international monetary, trade and investment issues; overseeing Department of the Treasury overseas operations; and directing the administrative operations of the Department of the Treasury. The majority of the Salaries and Expenses appropriation provides resources for policy formulation and implementation in the areas of domestic and international finance, terrorist financing and financial crimes, tax, economic, trade, financial operations and general fiscal policy. This appropriation also provides resources to support to the Secretary and policy components, and coordination of departmental administrative policies in financial and personnel management, procurement operations, and information systems and telecommunications.

COMMITTEE RECOMMENDATION

The Committee recommends $197,591,000 for the Salaries and Expenses appropriation of the Departmental Offices [DO] account of the Department of the Treasury for fiscal year 2006. This amount is $2,338,000 above the budget request and $41,292,000 above the fiscal year 2005 enacted level. Within the funds provided under this account, the Committee has provided $3,000,000 for information technology modernization; $100,000 for official reception and representation expenses; $258,000 for unforeseen emergencies; and $5,173,000 for the Treasury-wide financial statement audits and other Treasury office and bureau audits. Bill language also is included establishing a staffing floor of 125 FTEs for the Office of Foreign Assets Control [OFAC].

The Committee has established specific salaries and expenses spending limitations for each program activity within the Departmental Offices account. The Committee has included authority for the Department to request funding transfers between each of its program activities. The Department is required to submit any such transfer requests to the House and Senate Committees on Appropriations and receive approval prior to the execution of any such transfer.

The following table compares the fiscal year 2005 enacted level to the fiscal year 2006 budget estimate and the Committee's recommendation for each office:

	Fiscal year 2005 enacted	2006 Budget estimate	Committee recommendation
Executive direction	$7,215,808	$16,656,312	$8,642,366
General counsel	7,142,400	....	7,851,946
Economic policies and programs	29,935,670	32,010,626	32,010,626
Financial policies and programs	25,127,417	24,720,470	27,220,470
Financial crimes and policies and programs	31,754,516	39,938,449	39,938,449
Treasury-wide management policies and programs	15,986,722	16,843,447	16,843,447
Administration	60,924,111	65,083,696	65,083,696

Executive Direction.—The Committee has not decided to follow the budget request proposal to consolidate funding for the office of general counsel under the executive direction activity. The Committee is extremely troubled by the performance of the Office of Legislative Affairs. The Committee understands that a new Assistant Secretary for Legislative Affairs is pending confirmation and looks forward to working with the new Assistant Secretary in improving the performance of the office. The Committee has not included the budget request of an additional $162,000 and one new FTE for the Office of Legislative Affairs.

General Counsel.—The Committee has included additional funds to support the hiring of one new FTE in the area of intelligence law.

Infrastructure Protection Research.—The Committee has included $2,500,000 in additional funds under the financial policies and programs activity to continue critical infrastructure protection research and development through the "e-Cavern partnership."

Financial Crimes.—The Committee has included funding for OFAC under DO and has included funding to transfer permanently 23 FTE from OFAC to the Office of Intelligence and Analysis [OIA] for fiscal year 2006. The Committee, however, continues to be concerned that the diverse and broad operational responsibilities of OFAC not be undermined by a dilution of resources devoted to the entire mission of this office. As the Agency charged with administering and enforcing economic sanction programs for the United

States Government, adequate resources must be provided to this office. Accordingly, the Committee has established a staffing floor of 125 full-time equivalent positions for this Office. Further, the Committee strongly urges the Department and administration to budget additional resources to ensure OFAC has the capacity to carry out its responsibilities.

Office of Terrorism and Financial Intelligence [TFI].—The Committee strongly supports the Office of Terrorism and Financial Intelligence [TFI], which was created about 1½ years ago by the Intelligence Authorization Act of 2004. A key component of TFI, also created by the Congress, was the Office of Intelligence and Analysis [OIA]. The Office of Intelligence and Analysis was created to ensure that Treasury was equipped with a first-rate intelligence capability to ensure that high-level policy officials at Treasury and the administration would benefit from Treasury's unique sources, insight and capabilities on the very broad range of financial issues important to the United States. For example, it is the sense of the Committee that Treasury's solid relationships with Finance Ministries and Central Banks around the world provide important sources of information that could benefit policy makers on a wide range of issues: issues ranging from the financing of terrorism to potential debt crisis to trade and currency issues. It is the sense of the Committee that this information is currently not being captured, analyzed and disseminated in any regular way and the Committee believes this is the role for which the OIA was created; that is, to produce policy level intelligence products for high level policy officials in Treasury and the Administration. The creation of the OIA should also cause Treasury to play a larger role in the Intelligence Community than it has in the past. Treasury is a long-time member of the National Security Council. The Committee believes the creation of the OIA will provide Treasury with a better voice at the Council, which will ultimately benefit the country.

Unfortunately, the Committee is very concerned about the apparent direction Treasury has taken in standing up the OIA. The OIA seems to be primarily staffed with employees from Treasury's Office of Foreign Assets Control [OFAC] and the Financial Crimes Enforcement Network [FinCEN], both components of TFI. Notably, Treasury has detailed 23 analysts from OFAC's Foreign Terrorist Division. These analysts appear to be doing nothing different in the OIA than they were doing at OFAC, i.e., preparing evidentiary packages for terrorist designations by OFAC. Removing these analysts from OFAC cripples its ability to address its targeted sanctions regimes aimed at terrorists; and, the development of these tactical evidentiary packages is not the sort of high-level policy oriented intelligence product the Committee believes the Congress had intended for the OIA.

The Committee understands that the administration has recently nominated the Treasury's first Assistant Secretary for Intelligence and Analysis to lead OIA. Pending Senate confirmation, the Committee looks forward to working with this new Assistant Secretary and expects her to carry out the duties and responsibilities of OIA established by the Congress. While the Committee understands the OIA is struggling to stand-up, and that terrorist financing is correctly a priority in that stand up, the Committee would benefit greatly from more information TFI and the OIA have for the full implementation of the Office. To that end, the Committee directs the Assistant Secretary of Intelligence and Analysis to submit a report within 90 days after the date of enactment of this Act that details how OIA will implement the purpose of the Office as intended by the Congress. This report should address how OIA is addressing all needs of the Treasury and other Administration policy makers on financial issues and how the OIA is distinguishing itself from the functions of the Department's existing analytic units at Treasury's OFAC and FinCEN. The Committee directs that this report contain a resource plan that will enable the OIA to fulfill its mission.

Information Security.—The Government Accountability Office [GAO] recently issued a report that found serious control weaknesses that jeopardizes the security of sensitive financial and taxpayer data and law enforcement data. According to the April 15, 2005 GAO report, these weaknesses increase the risk that sensitive taxpayer and Bank Secrecy Act [BSA] data will be inadequately protected from unauthorized disclosure, modification, use, or destruction. Further, these weaknesses heighten the risk that Internal Revenue Service [IRS] and Financial Crimes Enforcement Network [FinCEN] assets will be inadequately protected and controlled to ensure the continuity of operations when unexpected interruptions occur.

This report is especially alarming given the recent breaches of personal information held by private data collection agencies. The Committee is concerned about the GAO's finding that taxpayer and BSA data may have been disclosed to unauthorized individuals. The scope of this problem is potentially immense since the IRS granted all 7,460 mainframe users the ability to read and modify sensitive taxpayer and BSA data, including information about citizens, law enforcement personnel, and individuals subject to investigation.

Due to these findings, the Committee directs the Secretary to correct immediately the problems identified by the GAO. Further, the Committee directs the Secretary to submit a report by no later than February 8, 2006 on the status of its corrective actions.

DEPARTMENT-WIDE SYSTEMS AND CAPITAL INVESTMENTS PROGRAM

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2005	$32,002,000
Budget estimate, 2006	24,412,000
House allowance	21,412,000
Committee recommendation	24,412,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $24,412,000 for department-wide systems and capital investment program. This amount is equal to the budget request and $7,590,000 below the fiscal year 2005 enacted level.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

Appropriations, 2005	$16,368,000
Budget estimate, 2006	16,722,000
House allowance	17,000,000
Committee recommendation	16,722,000

PROGRAM DESCRIPTION

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

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $16,722,000 for salaries and expenses of the Office of Inspector General. The Committee has provided the same level as the budget request to the Treasury Inspector General and $354,000 above the fiscal year 2005 enacted level.

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION

Appropriations, 2005	$128,093,000
Budget estimate, 2006	133,286,000
House allowance	133,286,000
Committee recommendation	133,286,000

PROGRAM DESCRIPTION

The Treasury Inspector General for Tax Administration [TIGTA] was established by the IRS Restructuring and Reform Act of 1998 (Public Law 105–206). Funding was first appropriated for this account in the fiscal year 2000 Treasury and General Government Appropriations Act (Public Law 106–58).

TIGTA conducts audits, investigations, and evaluations to assess the operations and programs of the Internal Revenue Service [IRS] and Related Entities, the IRS Oversight Board and the Office of Chief Counsel to (1) promote the economic, efficient and effective administration of the Nation's tax laws and to detect and deter fraud and abuse in IRS programs and operations; and (2) recommend actions to resolve fraud and other serious problems, abuses, and deficiencies in these programs and operations, and keep the Secretary and Congress fully and currently informed of these issues and the progress made in resolving them. TIGTA reviews existing and proposed legislation and regulations relating to the programs and operations of the IRS and Related Entities and makes recommendations concerning the impact of such legislation and regulations on the economy and efficiency in the administration of programs and operations of the IRS and Related Entities. The audit function provides program audit, limited contract audit and financial audit services. Program audits review and audit all facets of IRS and Related Entities in an effort to improve IRS systems and operations, while ensuring fair and equitable treatment of taxpayers. Contract audits focus on invoices/vouchers submitted to the IRS to determine whether charges are valid. The investigative function provides for the detection and investigation of improper and illegal activities involving IRS programs and operations and protects the IRS and Related Entities against external attempts to corrupt or threaten their employees.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $133,286,000 for the Treasury Inspector General for Tax Administration. This amount is an increase of $5,193,000 above the fiscal year 2005 enacted level and the same as the budget request.

AIR TRANSPORTATION STABILIZATION PROGRAM

Appropriations, 2005	$1,984,000
Budget estimate, 2006	2,942,000
House allowance	2,500,000
Committee recommendation	2,942,000

PROGRAM DESCRIPTION

The Air Transportation Safety and System Stabilization Act, Public Law 107–42, established the Air Transportation Stabilization Board. The Board may issue up to $10,000,000,000 in loan guarantees.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $2,942,000 for the Air Transportation Stabilization Program. This amount is equal to the budget request and $958,000 above the fiscal year 2005 enacted level.

TREASURY BUILDING AND ANNEX REPAIR AND RESTORATION

Appropriations, 2005	$12,217,000
Budget estimate, 2006	10,000,000
House allowance	10,000,000
Committee recommendation	10,000,000

PROGRAM DESCRIPTION

The Treasury Building and Annex Repair and Restoration appropriation funds the repairs, selected improvements and construction necessary to renovate and maintain the main Treasury Building and the Treasury annex.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $10,000,000 for the repair and restoration of the Treasury Building and Annex, equal to the budget request and $2,217,000 less than the fiscal year 2005 enacted level.

According to the budget request, this is the final year of funding for this project. The Committee is hopeful that this is the case despite the significant cost overruns and delays that have plagued this project.

FINANCIAL CRIMES ENFORCEMENT NETWORK

Appropriations, 2005	$71,922,000
Budget estimate, 2006	73,630,000
House allowance	73,630,000
Committee recommendation	73,630,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends the budget request level of $73,630,000 for the Financial Crimes Enforcement Network. This amount is an increase of $1,708,000 above the fiscal year 2005 enacted level.

The Committee strongly supports the mission of FinCEN and its program priorities in administering the Bank Secrecy Act and safeguarding the U.S. financial system from money laundering and illicit finance. The Committee believes that FinCEN's mission is especially critical in supporting the Department of Treasury's efforts in combating the financing of terrorism. To that end, the Committee has provided the resources necessary to support FinCEN's fiscal year 2006 program increases.

In support of FinCEN's mission, the Committee has provided the additional program funding for the following areas as requested in the budget request: (1) enhancing anti-money laundering/terrorist regulatory structure, (2) strengthening overall analytical support services, (3) expanding international terrorist financing information exchange, and (4) enhancing anti-money laundering data analysis and Bank Secrecy Act e-filing.

The Committee also continues its support for FinCEN's development of the "BSA Direct" initiative. BSA Direct is expected to be fully deployed in the fall of 2005 and will provide greater access and analytical ability for FinCEN and its customers in administering the Bank Secrecy Act. The Committee understands that this new system will help address some of the information security problems with the current data base system managed by the IRS. Accordingly, the Committee directs the Director of FinCEN to report to the Committee on any significant delays, deviations, or adjustments in costs. In addition, the Committee has included report language under departmental offices requiring the Secretary to monitor and implement corrective actions related to the information security problems found in the Government Accountability Office's April 15, 2005 report on IRS information security over taxpayer and Bank Secrecy Act data (GAO–05–482).

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

Appropriations, 2005	$229,083,000
Budget estimate, 2006	236,243,000
House allowance	236,243,000
Committee recommendation	236,243,000

PROGRAM DESCRIPTION

In 1940, the United States Department of the Treasury established the Fiscal Service, which consisted of the Bureau of Accounts, the Bureau of the Public Debt, and the Office of the Treasurer. A 1974 reorganization of the Fiscal Service created the Bureau of Government Financial Operations, which was formed from a merger of the Bureau of Accounts and most functions of the Office of the Treasurer. In 1984, the Bureau of Government Financial Operations was renamed the Financial Management Service [FMS]; the new name reflected Treasury's renewed emphasis on achieving greater efficiency and economy in government financial management.

FMS implements payment policy and procedures for the Federal program agencies, issues and distributes payments, promotes the use of electronics in the payment process, and assists agencies in converting payments from paper checks to electronic funds transfer [EFT]. FMS also provides debt collection operational services to client agencies and implements collections policy, regulations, standards and procedures for the Federal Government and assists agencies in converting collections from paper to electronic media.

Government-wide Accounting and Reporting.—FMS also provides financial accounting, reporting, and financing services to the Federal Government and the Government's agents who participate in the payments and collections process by generating a series of daily, monthly, quarterly and annual Government-wide reports. FMS also works directly with agencies to help reconcile reporting differences.

COMMITTEE RECOMMENDATION

The Committee recommends $236,243,000 for salaries and expenses for FMS. This amount is the same as the budget request and $7,160,000 above the fiscal year 2005 enacted level.

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Appropriations, 2005	$82,336,000
Budget estimate, 2006	62,486,000
House allowance	91,126,000
Committee recommendation	91,126,000

PROGRAM DESCRIPTION

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

TTB enforces the Federal laws and regulations relating to alcohol and tobacco. Its responsibilities include maintaining a sound revenue management and regulatory system that continues to reduce the taxpayer burden, improve service, collect the revenue due, prevent tax evasion and other criminal conduct, and protecting the public and preventing consumer deception in regulated commodities.

COMMITTEE RECOMMENDATION

The Committee recommends $91,126,000 for TTB for fiscal year 2006. This amount is an increase of $28,640,000 over the budget request and an increase of $8,790,000 over the fiscal year 2005 enacted level. The increase over the budget request is due to the assumption of $28,640,000 in revenues from new user fees. The new user fee legislative proposal is not supported by the Committee.

BUREAU OF ENGRAVING AND PRINTING

PROGRAM DESCRIPTION

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

The BEP designs, manufactures, and supplies Federal Reserve notes, various public debt instruments, as well as financial characters issued by the United States, such as postage and internal revenue stamps. The BEP executes certain printings for various territories administered by the United States, particularly postage and revenue stamps.

The operations of the BEP are currently financed by means of a revolving fund established in accordance with the provisions of Public Law 656, August 4, 1950 (31 U.S.C. 181), which requires the BEP to be reimbursed by customer agencies for all costs of manufacturing products and services performed. The BEP is also authorized to assess amounts to acquire capital equipment and provide for working capital needs.

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

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

Appropriations, 2005	$178,165,000
Budget estimate, 2006	176,923,000
House allowance	176,923,000
Committee recommendation	176,923,000

PROGRAM DESCRIPTION

The Public Debt Service was formed in 1919 with the appointment of the first Commissioner of the Public Debt. The Public Debt Service took general charge debt operations including debt accounting and securities issue and retirement, which had been conducted by several independent divisions within the Treasury. Acting under the authorization of the Reorganization Act of 1939, the President created the Bureau of the Public Debt, which was established as part of the Fiscal Service in the Department of the Treasury effective June 30, 1940, (31 U.S.C. 306). In 1993, the Savings Bonds Division, a separate organization, was made part of the Bureau.

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

COMMITTEE RECOMMENDATION

The Committee recommends the budget request level of $176,923,000 for the Bureau of the Public Debt for fiscal year 2006. This amount is an increase of $3,158,000 above the fiscal year 2005 enacted level.

The Committee recommends adjusting the number of direct FTE from 1,289 to 1,390 to reflect the Bureau's realignment of its administrative functions. The Bureau of the Public Debt's Office of Administration became a member of the Treasury Franchise Fund in fiscal year 1999 and changed its name to the Administrative Resource Center [ARC]. At that time the bureau transferred ARC's 237 FTEs to the Treasury Franchise Fund. This realignment does not affect the recommended appropriation for Administering the Public Debt for fiscal year 2006.

The Committee also recommends adjusting the estimated number of reimbursable FTE for the Treasury Franchise Fund from 713 to 559 to reflect the organizational changes in the Bureau of the Public Debt.

Public Debt is presently realigning its core administrative and policy functions by placing them in a new Office of Management Services staffed by existing Public Debt personnel currently assigned to ARC. This reorganization places Public Debt on an equal footing with ARC's other customers, which appropriately retain their core administrative and policy functions, while purchasing administrative transaction services from ARC. The reorganization provides Public Debt with a clearer managerial accountability over two functions that are, in fact, distinctly different—the Public Debt-specific administrative functions including policy formulation contrasted with a competitive, fee-for-service transaction-based business.

ARC provides a full-range of administrative services to Public Debt and offers a variety of services including financial management on a reimbursable basis to other Federal agencies.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT

Appropriations, 2005	$55,078,000
Budget estimate, 2006	7,900,000
House allowance	55,000,000
Committee recommendation	55,000,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends $55,000,000 for the CDFI Fund, which is $78,000 below the fiscal year 2005 enacted level and $47,100,000 above the budget request. The Committee recommends that the entire program, not just the New Markets Tax Credit program, remain at the Department of the Treasury as opposed to the administration's proposal of moving the program to the Department of Commerce under the Strengthening America's Communities Initiative.

The Committee is again concerned about the proposed reductions to CDFI and the respective programs within CDFI. These programs play an important role in providing financial services to underserved communities in both urban and rural communities across the country. However, the Committee is concerned with the lack of third party assessment in regards to the oversight of the Bank Enterprise Award Program. The Committee directs the Government Accountability Office to conduct a study of the Bank Enterprise Award Program, to be completed by April 30, 2006, regarding the current status of the program and BEA's impact on bank behavior as it relates to providing financial services to underserved communities. The Committee expects the BEA program to be funded at no less than $11,000,000 for fiscal year 2006.

The Committee also recommends a set-aside of $4,000,000 for grants, loans, and technical assistance and training programs to benefit Native America, Alaskan Natives, and Native Hawaiian communities in the coordination of development strategies, increased access to equity investments, and loans for development activities.

UNITED STATES MINT

UNITED STATES MINT PUBLIC ENTERPRISE FUND

PROGRAM DESCRIPTION

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

Treasury and to Congress in support of the operations of the revolving fund.

The operations of the Mint are divided into three major activities: Circulating Coinage; Numismatic and Investment Products; and Protection. The Mint is credited with receipts from its circulating coinage operations, equal to the full cost of producing and distributing coins that are put into circulation, including depreciation of the Mint's plant and equipment on the basis of current replacement value. Those receipts pay for the cost of the Mint's operations, which includes the costs of production and distribution. The difference between the face value of the coins and these costs are profit, which is deposited as seigniorage to the general fund. In fiscal year 2004, the Mint transferred $665,000,000 to the general fund. Any seigniorage used to finance the Mint's capital acquisitions is recorded as budget authority in the year that funds are obligated for this purpose and as receipts over the life of the asset.

COMMITTEE RECOMMENDATION

The Committee recommends a spending level of $36,900,000 for circulating coinage and protective service capital investments for the Mint. This amount is an increase of $12,900,000 above the fiscal year 2005 enacted level and is equal to the budget request.

INTERNAL REVENUE SERVICE

PROGRAM DESCRIPTION

The Internal Revenue Service history dates back to 1862. In 1953 following a reorganization of its function, its name became the Internal Revenue Service [IRS]. The IRS mission is to provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all. The IRS deals directly with more Americans than any other institution, public or private. In 2004, the IRS collected over $2,000,000,000,000 in revenue and processed more than 224 million tax returns at a cost of 48 cents for each $100 collected by the IRS. During the 2004 filing season, for the first time, over half of all individual taxpayers (nearly 67 million) filed electronically. Also, in 2004, the Agency provided assistance almost 85 million times through toll-free telephone lines, correspondence or visits to its more than 400 offices nationwide. An important focus of recent years for the IRS has been to undertake a major modernization of its systems and business operations to better serve taxpayers and enforce the law.

COMMITTEE RECOMMENDATION

The Committee recommends $10,679,261,000 for the Internal Revenue Service. This is an increase of $443,175,000 above the fiscal year 2005 enacted level and the same as the budget request. The Committee has provided $6,893,000,000 for tax enforcement activities, including $446,000,000 for enhanced tax enforcement activities to address the Federal tax gap, consistent with the concurrent budget resolution.

Tax Gap.—The IRS recently released preliminary results of a 3-year study on the difference between what taxpayers are supposed to pay and what they actually do pay, known as the "tax gap." For tax year 2001, the research indicates that the tax gap was between $311,000,000,000 and $353,000,000,000. After IRS enforcement activities coupled with late payments are included in this estimate, the net tax gap is between $257,000,000,000 and $298,000,000,000. The Committee strongly believes that the IRS must and can reduce the tax gap if the IRS is given additional resources and is able to improve its operational capabilities (most notably through the Business Systems Modernization program).

The budget request aims to address the tax gap through a significant boost in enforcement resources. The Committee supports this effort and believes that the IRS must improve its collection and examination activities. The Committee also agrees with the IRS's guiding principle that service plus enforcement equals compliance. However, the budget request appears to be boosting enforcement at the expense of customer service. While the Committee strongly supports the administration's efforts to boost enforcement activities, it is concerned about maintaining a reasonable overall balance between the IRS's enforcement and service activities and fears that reducing services will increase noncompliance among taxpayers. According to the GAO, "a sole focus on enforcement will not likely be sufficient to further reduce the net tax gap." GAO notes that "providing quality services to taxpayers is an important part of any overall strategy to improve compliance and thereby reduce the tax gap." Therefore, the Committee strongly believes in a multi-pronged effort to shrink the tax gap and not one overly reliant on enforcement.

Operating Plan and Notification.—In addition to the normal operating plan requirements detailed in the introduction in this report, the Committee directs the IRS to include details on any planned reorganization, job reductions or increases to offices or activities within the Agency, and modifications to any service or enforcement activity. Further, as discussed below, the IRS should promptly notify the Committee if there are any substantial changes of these plans. The Committee also is interested in the expenditure of funds provided to support IRS activities under the Interagency Crime and Drug Enforcement [ICDE] program. Therefore, the Committee directs the IRS to include details on the use of the ICDE funds and how it will support IRS's core responsibilities.

Reorganization Plans.—Last year, the Committee expressed its disappointment with the Agency's performance with regard to reorganization plans resulting in substantial reductions-in-force. The Committee expected the IRS to comply with this language by not beginning any reorganization, realignment, or restructuring of its workforce without prior consultation of the Committee. Unfortunately, this year the Committee learned of IRS's imminent plans to close taxpayer assistance centers prior to IRS's understanding the complete effect of this proposal on taxpayers, without providing adequate alternatives, without consulting stakeholders, and prior to the start of the Congress's fiscal year 2006 appropriations process. The Committee has also recently learned that the IRS has offered job swaps enabling eligible IRS employees to apply for early retirement and/or buyouts by trading jobs with taxpayer assistance employees whose positions are proposed for elimination. Accordingly, the Committee directs the IRS to consult with the Committee prior to elimination, consolidation, or reorganization of its workforce, and prohibits the IRS from proceeding with matters relating to such job movement prior to the Committee's action on the IRS budget.

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 2006 funding levels, to make no staffing reductions at the Martinsburg National Computing Center and the programmed level at the Finance Center in Beckley, WV. Further, the Committee directs the IRS to provide an annual report to the Committee on its efforts to protect and increase staffing levels at the Martinsburg and Beckley IRS facilities.

Taxpayer Services in Alaska and Hawaii.—Given the remote distance of Alaska and Hawaii from the U.S. mainland and the difficulty experienced by Alaska and Hawaii taxpayers in receiving needed tax assistance by the national toll-free line, it is imperative that the Taxpayer Advocate Service Center in each of these States is fully staffed and capable of resolving taxpayer problems of the most complex nature. The Committee directs the Internal Revenue Service to continue to staff each Taxpayer Advocate Service Center in each of these States with a Collection Technical Advisor and an Examination Technical Advisor in addition to the current complement of office staff.

PROCESSING, ASSISTANCE, AND MANAGEMENT

Appropriations, 2005	$4,056,857,000
Budget estimate, 2006	4,136,578,000
House allowance	4,181,520,000
Committee recommendation	4,136,578,000

PROGRAM DESCRIPTION

This appropriation provides for all functions related to processing of tax returns, including electronic filing, accounting for tax revenues, issuing refunds and tax notices, with concentrated efforts in the area of accurate and timely processing of tax returns, related documents and payments. The appropriation provides services to the taxpayer before a return is filed by interpretation of the tax law through published guidance, technical advice and other technical services. This appropriation includes agency-wide administration services, including facilities services, rent, space and housing needs, employee customer support, and procurement services; managing internal performance of IRS personnel, including recruitment of highly skilled personnel, expanded training opportunities to enhance expert skills, conducting background investigations; managing activities of strategic planning, financial resources, EEO and diversity; and, offering information access by IRS-wide communication and liaison programs.

COMMITTEE RECOMMENDATION

The Committee recommends $4,136,578,000 for Processing, Assistance, and Management, which is $79,721,000 above the fiscal year 2005 enacted level and the same as the budget request. Bill language is included providing $4,100,000 for the tax counseling for the elderly program and $8,000,000 for low-income taxpayer clinic grants.

Taxpayer Services.—The Committee is concerned about the proposed taxpayer service reductions due to the IRS's inability to explain the potential impact of these changes on taxpayers. Reducing taxpayer services, especially for the Nation's most vulnerable and needy populations, is puzzling, especially given the trends in the Nation's demographics, which indicate a growing elderly population and immigrant population. Yet, instead of increasing and improving taxpayer services for these populations, the IRS's budget proposes to cut services that these populations rely upon.

The Committee also is concerned that the proposed service cuts lack specificity and the IRS has not developed concrete plans to provide adequate alternative services that would replace the proposed service cuts. The Government Accountability Office [GAO] noted in testimony on April 14, 2005 that "IRS has not finalized the details on where reductions in taxpayer service would occur."

Clearly, the IRS can provide alternative services at a more cost-effective and efficient manner. Recent GAO testimony states that the IRS may be able to "maintain the overall level of assistance to taxpayers by changing the menu of services offered, offsetting reductions in some areas with new and improved services in other areas." Nevertheless, the IRS has failed to develop a comprehensive plan that would ensure adequate alternative and improved services to taxpayers. For example, the IRS is re-directing taxpayers from taxpayer assistance centers [TAC] to volunteer income tax assistance [VITA] sites. However, both the GAO and the Treasury Inspector General for Tax Administration [TIGTA] have identified significant problems with the accuracy of tax preparation services provided at VITA sites. Further, while the IRS is encouraging more taxpayers to use volunteer sites for return preparation, resources devoted to these activities are declining. Staffing for IRS's Stakeholder Partnerships, Education and Communication [SPEC] office has declined by 63 FTEs over the past 2 years.

In addition, the IRS has justified some of its proposed cuts based on reduced usage of such services. However, some of the reduction in usage was caused by the IRS's own internal policies. For example, beginning in fiscal year 2003, the IRS established guidelines to reduce tax return preparation in the taxpayer assistance centers [TAC] by 20 percent. This goal was reiterated in the fiscal year 2005–2006 Wage & Investment Strategy and Program Plan. By directing the reduction of such services, the reduction in demand and usage became a self-fulfilling prophecy and not one justified by reduced taxpayer needs or demands for such services.

The Committee also questions the IRS's estimated cost savings from reducing some of their services. For example, the IRS announced on May 27, 2005 that it planned to close 68 TACs across the Nation. However, the Committee is highly skeptical of the projected savings from closing these walk-in centers since only three of the 68 TACs are stand-alone facilities while the remainder are co-located with other IRS offices.

Due to the Committee's concerns, the Committee has included an administrative provision that prohibits the use of funds provided in this Act for purposes of reducing any taxpayer service function or program until the Treasury Inspector General for Tax Administration [TIGTA] has completed a study detailing the impact of the IRS's plans to reduce services on taxpayer compliance and taxpayer assistance. The Committee also requests TIGTA to review the accuracy of the estimated cost-savings of the reduced services.

Further, the Committee directs the IRS to undertake a comprehensive review of its current portfolio of taxpayer services and develop a 5-year plan that outlines the services it should provide to improve services for taxpayers. This plan should detail how it plans to meet the service needs on a geographic basis (by State and major metropolitan area), including any proposals to realign existing resources to improve taxpayer access to services, and address how the plan will improve taxpayer service based on reliable data on taxpayer service needs. As part of this review, the Committee strongly urges the IRS to use innovative approaches to taxpayer services, such as virtual technology and mobile units. The IRS also should expand efforts to partner with State and local governments and private entities to improve taxpayer services. For example, about three-fourths of the Nation's 100 largest cities have some coordinated effort around the Earned Income Tax Credit by providing outreach and free tax preparation services. This plan should be developed in consultation with the IRS Oversight Board and the National Taxpayer Advocate and submitted to the House and Senate Appropriations Committees by no later than March 1, 2006.

Stakeholder Partnerships, Education and Communication.—The Stakeholder Partnerships, Education and Communication [SPEC] office plays a central role in assisting taxpayers deal with the complexity of the tax law and reducing IRS workload through education and taxpayer service. SPEC administers such tax return preparation programs to assist low-income people, those with limited English proficiency [LEP], disabled people, and the elderly. Further, the GAO reported that one method of improving compliance through customer service is to educate taxpayers about confusing or commonly misunderstood tax requirements. GAO noted that one method to reduce confusion among taxpayers is to test IRS forms and instructions before use. Unfortunately, the GAO found that in 2003, the IRS had tested revisions to only five individual forms and instructions from July 1997 through June 2002 although hundred of forms and instructions had been revised in 2001 alone. Accordingly, the Committee directs the IRS to provide additional resources for SPEC for fiscal year 2006 and to use some of these additional resources to address GAO's findings and improve quality and performance at its volunteer income tax preparation sites.

User Fees.—The Committee has held discussions with the authorizing committee on potential legislative actions that would redirect revenues generated by existing user fees from the general fund to the IRS. Currently, the IRS is required to return a share of the revenues generated from their user fees to the general fund instead of retaining a larger portion or all of the user fees for the services the IRS provides to its customers. The Committee strongly supports the authorizing committee on efforts that would allow the IRS to retain a larger portion or all of the revenues generated by user fees. The Committee also strongly supports the use of these additional funds for purposes of improving taxpayer service (such as preventing the closure of needed face-to-face services like taxpayer assistance centers) and increasing examination and collection efforts on corporate entities.

TAX LAW ENFORCEMENT

Appropriations, 2005	$4,363,539,000
Budget estimate, 2006	4,725,756,000
House allowance	4,541,466,000
Committee recommendation	4,725,756,000

PROGRAM DESCRIPTION

Tax Law Enforcement [TLE] provides equitable application and enforcement of the laws, identifies possible non-filers, investigates violations of criminal statutes; supports the Statistics of Income program; conducts research to identify compliance issues; and supports the Earned Income Tax Credit program.

TLE's Compliance services funds services provided to a taxpayer after a return is filed to identify and correct possible errors or underpayment. Included in this activity are staffing, training and support for: (1) compliance services operational management; (2) centralized automated collection system [ACS] and collection by correspondence in service centers; (3) field investigations and collection efforts associated with delinquent taxpayer and business entity liabilities; (4) documents matching; (5) examination of taxpayer returns at service centers; (6) field exams to determine corresponding tax liabilities; (7) enforcement of criminal statutes related to violations of internal revenue laws, other financial crimes and interagency crime and drug enforcement programs; (8) processing of reports for currency transactions over $10,000; (9) case settlement through the appeals process; (10) litigation; and (11) taxpayer advocate case processing.

The Research and Statistics of Income activity funds research and statistical analysis support for the IRS. It provides annual income, financial, and tax data from tax returns filed by individuals, corporations, and tax-exempt organizations. Likewise it provides resources for market-based research to identify compliance issues, for conducting tests of treatments to address non-compliance, and for the implementation of successful treatments of taxpayer noncompliant behavior.

The Earned Income Tax Credit [EITC] activity program provides for expanded customer service and public outreach program, strengthened enforcement activities, and enhances research efforts to reduce over claims and erroneous filings.

COMMITTEE RECOMMENDATION

The Committee recommendation provides the budget request level of $4,725,756,000 for tax law enforcement for fiscal year 2006.

This amount is $362,217,000 above the fiscal year 2005 enacted level. Bill language is included providing up to $1,000,000 for research. The Committee also included bill language from the budget request that provides up to $55,584,000 for the Interagency Crime and Drug Enforcement Program. Bill language also is included allowing the IRS to transfer up to $10,000,000 to the Processing, Assistance, and Management or Information Systems accounts to manage the earned income tax credit compliance program and to reimburse the Social Security Administration for the cost of implementing section 1090 of the Taxpayer Relief Act of 1997.

New Enforcement Initiatives.—The Committee strongly supports the IRS's new enforcement initiatives on attacking corrosive noncompliance activity driving the tax gap, detecting and deterring corrosive corporate non-compliance, increasing individual taxpayer compliance, curtailing fraudulent refund crimes, and combating abusive transactions by entities with special tax status. Overall, the IRS proposes to spend $264,632,000 on these new initiatives, of which $180,864,000 will be funded out of the Tax Law Enforcement account and of which the remainder will be funded out of the Processing, Assistance, and Management and Information Systems accounts. An administrative provision has been included that requires the IRS to report on the implementation of these new initiatives.

National Research Program.—The Committee strongly supports the work of the National Research Program [NRP] to increase understanding about the tax gap. Some of the major objectives of the NRP include improving fairness of tax administration and improving the IRS's ability to detect noncompliance and develop appropriate cost-effective treatments for prevention and early intervention. While NRP's most recent analysis of the tax gap has provided some preliminary useful information on noncompliance, there remain significant gaps on information on the impact of taxpayer services on compliance and treatments for prevention and early intervention. Further, the GAO has expressed concerns about some areas of the tax gap research that relied on outdated data and methodologies. Accordingly, the Committee directs the IRS's Research, Analysis and Statistics Office to broaden its efforts on understanding the impact of taxpayer services on compliance and to make this a priority area for the NRP. The Committee also directs the IRS to develop plans for obtaining more contemporary information on compliance.

The Committee understands that the IRS used new software technology to gain information on schedule D filings. The Committee encourages the IRS to assess the usefulness of new software technology and consider using it where appropriate.

INFORMATION SYSTEMS

Appropriations, 2005	$1,577,768,000
Budget estimate, 2006	1,597,717,000
House allowance	1,575,146,000
Committee recommendation	1,597,717,000

PROGRAM DESCRIPTION

This appropriation provides for Service-wide Information Systems [IS] operations and maintenance and investments to enhance or develop business applications for IRS' business programs. This appropriation includes staffing, telecommunications, hardware and software (including commercial-off-the shelf software), and contractual services. Staffing develops and maintains millions of lines of programming code supporting all aspects of the tax-processing pipeline; as well as operating and administering the Service's hardware infrastructure and a variety of management information systems. In addition this appropriation covers the modification and enhancement of existing systems or processes, providing changes in systemic functionality, and establishing bridges between current production systems and the new modernization architecture being developed as part of the Service-wide Business Systems Modernization efforts.

COMMITTEE RECOMMENDATION

The Committee recommendation provides the budget request level of $1,597,717,000 for Information Systems for fiscal year 2006. This amount is $9,129,000 below the fiscal year 2005 enacted level. Bill language is included allowing $75,000,000 of these funds to remain available until September 30, 2007.

BSM Office.—The Business Systems Modernization Office [BSMO] is funded through this appropriation for support costs. Due to the importance of this office, especially as it shifts more program management functions from the prime contractor to the Agency, it is critical that the IRS provides adequate resources to this office. IRS has recently taken steps to implement a human capital strategy to address the staffing needs for this office. Accordingly, the Committee supports the budget request level of $45,000,000 for this office for fiscal year 2006. Further, the Committee directs the IRS to provide the necessary hiring flexibilities in order to recruit and hire the skilled staff needed for this office and any additional resources necessary to implement fully its human capital strategy for BSMO.

BUSINESS SYSTEMS MODERNIZATION

Appropriations, 2005	$203,360,000
Budget estimate, 2006	199,000,000
House allowance	199,000,000
Committee recommendation	199,000,000

PROGRAM DESCRIPTION

This account provides for revamping business practices and acquiring new technology. The Agency is using a formal methodology to prioritize, approve, fund, and evaluate its portfolio of business systems modernization investments. This methodology is designed to enforce a documented, repeatable, and measurable process for managing investments throughout their life cycle. The process is reviewed by the Government Accountability Office on a regular basis as part of the submission requirements for expenditure plans to the House and Senate Committees on Appropriations. The expenditure plan approval process prior to the use of appropriated funds continues for fiscal year 2006.

COMMITTEE RECOMMENDATION

The Committee recommendation provides the budget request level of $199,000,000 for Business Systems Modernization [BSM] for fiscal year 2006. This amount is $4,360,000 below the fiscal year 2005 enacted level. Bill language is included requiring an expenditure plan for these funds.

The Committee strongly believes that BSM is the IRS's highest management and administrative priority and requires focus and attention from top management. The Committee recognizes that the success or failure of BSM will directly impact the IRS's ability to perform its functions in both customer service and enforcement.

The Committee commends the IRS for taking steps to correct long-standing and significant problems with BSM. For example, the IRS has wisely scaled-back and right-sized the program to focus on the core components of BSM—namely, the Customer Account Data Engine [CADE] project—and begun an effort to move program management, systems engineering, and business integration operations from its prime contractor to the Agency. The Committee strongly agrees with the IRS for making CADE its top priority for BSM. IRS has also deployed initial phases of several modernized systems during the past year, including CADE, Modernized e-File, and e-Services. Lastly, the IRS has developed a new BSM program improvement framework, which covers all identified issues and allows the IRS to identify, prioritize, and resolve these issues.

Despite these improvements during the past year, BSM continues to be classified as "high risk" by the Government Accountability Office [GAO]. Further, the Treasury Inspector General for Tax Administration [TIGTA] continues to classify BSM as the IRS's top management challenge. Due to these concerns, the Committee remains seriously concerned about the costs, scheduling, performance, and management of BSM. Since its inception almost 6 years ago, the Congress has appropriated about $1,900,000,000 for BSM. Even with this significant investment, BSM has continually experienced cost overruns, missed scheduling milestones, and produced less than expected performance deliverables. According to GAO, 12 BSM project segments have experienced cost increases and/or schedule delays against short-term and long-term commitments. And while IRS recently delivered two BSM projects, CADE Releases 1.1 and 1.2, at the estimated cost and on or before the scheduled completion dates, these achievements would not have occurred if the IRS had re-baselined the cost and schedule estimates.

Further, even though the Agency has experienced some recent success with BSM, much more work remains to be done. For example, the initial deployment of CADE will allow IRS to use this system to process less than 1 percent (or 2 million) of all tax returns filed this year and is only able to handle the most basic of tax forms (1040EZ). However, IRS has scheduled to release CADE Release 2 and plans to be able to process about 33 million tax returns by 2007 (still far short of the over 200 million tax returns received by IRS each filing season), but no detailed plans or schedules are available for the remaining phase of this project. Further, the Committee is anxious about the deployment of the Filing and Payment Compliance [F&PC] project since it is expected to increase IRS's capacity to treat and resolve the backlog of delinquent taxpayer cases and improve voluntary taxpayer compliance.

According to GAO, the significant delays and substantive changes to BSM indicate a need for IRS to revisit its long-term goals, strategies, and plans for BSM that are consistent with the budgetary outlook and IRS's management capabilities. Due to these concerns, the Committee directs the IRS to develop a coherent and comprehensive vision for BSM's future beyond the year 2007. Therefore, for CADE and each of the other modernization projects, the Committee directs the IRS to determine (1) what additional functionality needs to be developed to cover the remaining tax returns, (2) how much it will cost to develop this functionality, and (3) when this functionality will be made available. Moreover, the IRS should provide the Committee with specific goals and timetables, consistent with the new vision for BSM's future.

The Committee strongly supports the new efforts of BSMO, led by its new Associate Chief Information Officer [CIO], to correct the long-standing and significant problems with the program. The Committee believes that the new Associate CIO is taking the right steps in addressing the BSM's problems, including improving oversight and management of the program.

The Committee also supports the BSMO's efforts in improving implementation of performance-based contracting for the program. The Committee strongly urges the IRS to implement fully performance-based contracting practices for managing BSM task orders to ensure that contractor costs are being adequately controlled and the contractor is delivering products that fully satisfy the requirements and contract specifications.

HEALTH INSURANCE TAX CREDIT ADMINISTRATION

Appropriations, 2005	$34,562,000
Budget estimate, 2006	20,210,000
House allowance	20,210,000
Committee recommendation	20,210,000

PROGRAM DESCRIPTION

This appropriation provides operating funds to administer the advance payment feature of a new Trade Adjustment Assistance health insurance tax credit program to assist dislocated workers with their health insurance premiums. The tax credit program was enacted by the Trade Act of 2002 (Public Law 107–210) and became effective in August 2003.

COMMITTEE RECOMMENDATION

The Committee recommendation provides the budget request level of $20,210,000 for the Health Insurance Tax Credit Administration in fiscal year 2006. This amount is $14,352,000 below the fiscal year 2005 enacted level.

ADMINISTRATIVE PROVISIONS

The Committee has included four administrative provisions carried in prior appropriations acts and six new administrative provisions. The administrative provisions are as follows:

The bill continues a provision allowing the IRS to transfer up to 5 percent of any appropriation made available to the Agency in fiscal year 2006 to any other IRS account, with the exception of the Tax Law Enforcement account, which is limited to 3 percent. The IRS is directed to follow the Committee's reprogramming procedures outlined earlier in this report.

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

The bill continues a provision requiring the IRS to institute and enforce policies and procedures, which will safeguard the confidentiality of taxpayer information.

The bill continues a provision directing that funds shall be available for improved facilities and increased manpower to support a 1–800 help line service for taxpayers.

The bill includes a new provision prohibiting the use of funds in this Act to reduce taxpayer services until TIGTA completes a review on the impact of IRS's proposed reductions on taxpayer compliance and taxpayer assistance and their plans to provide alternative services, and submits such study to the House and Senate Appropriations Committees. The Committee directs TIGTA to consult with the National Taxpayer Advocate and IRS Oversight Board on this review.

The bill includes a new provision designating not less than $6,447,000,000 for tax enforcement to address the tax gap and an additional $446,000,000 for enhanced tax enforcement activities. This provision is consistent with section 404(b)(2) of the Concurrent Resolution on the Budget for fiscal year 2006 (House Report 109–62).

The bill includes a new provision requiring the IRS to submit a report not later than 90 days after the date of enactment of this Act on tax enforcement.

The bill includes a new provision designating not less than $166,249,000 for the Taxpayer Advocate Service [TAS]. The Committee directs that 85 percent or $141,311,650 of these funds be funded out of tax enforcement and the remainder out of taxpayer service functions. This percentage split is consistent with the fiscal year 2005 budget function allocations. Further, this amount does not include the normal overhead expenses that IRS provides outside of the TAS account. Accordingly, the Committee directs the IRS to continue providing overhead support from accounts outside of TAS.

The bill includes a new provision requiring the IRS to submit its fiscal year 2007 budget justification in the same format provided under this Act. While the Committee appreciates the IRS's effort to align and integrate performance goals and measures with budget resources, the proposed budget structure under the request is overly simplistic and reduces the Committee's ability to ensure accountability on the expenditure of appropriated funds. The Committee is willing to engage in discussions with the IRS and Office of Management and Budget on improving the budget structure but this discussion should occur prior to the submission of the budget request.

The bill includes a new provision eliminating the cap on the amount of funds the IRS is allowed to retain from user fees. This cap was established under the fiscal year 1995 Treasury, Postal Service and General Government Appropriations Act (Public Law 103–329). The Committee believes this cap is obsolete since the IRS has never reached this cap.

DEPARTMENT OF THE TREASURY

Administrative Provisions

The Committee continues 10 administrative provisions carried over from prior appropriations acts and one new administrative provision. The administrative provisions are as follows:

Section 210 authorizes certain basic services within the Treasury Department in fiscal year 2006, 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 211 authorizes transfers, up to 2 percent, between Departmental Offices, Office of Inspector General, Financial Management Service, Alcohol and Tobacco Tax and Trade Bureau, Financial Crimes Enforcement Network, and the Bureau of the Public Debt appropriations under certain circumstances.

Section 212 authorizes transfer, up to 2 percent, between the Internal Revenue Service and the Treasury Inspector General for Tax Administration under certain circumstances.

Section 213 requires the purchase of law enforcement vehicles be consistent with Departmental vehicle management principles.

Section 214 prohibits the Department of the Treasury and the Bureau of Engraving and Printing from redesigning the $1.00 Federal Reserve Note.

Section 215 authorizes the Secretary of the Treasury to transfer funds from Salaries and Expenses, Financial Management Service, to the Debt Collection Fund as necessary to cover the costs of debt collection. Such amounts shall be reimbursed to the Salaries and Expenses account from debt collections received in the Debt Collection Fund.

Section 216 amends Section 122 of Public Law 105–119 (5 U.S.C. 3104 note), by striking "7 years" and inserting "8 years".

Section 217 requires prior approval for the construction and operation of a museum by the United States Mint.

Section 218 prohibits the merger of the United States Mint and the Bureau of Engraving and Printing without prior approval of the committees of jurisdiction.

Section 219 requires a report from the Secretary of the Treasury related to currency manipulation.

Section 220 prohibits the merger of FinCEN with Departmental Offices.

TITLE III—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Appropriations, 2005	$31,915,207,000
Budget estimate, 2006	29,147,486,000
House allowance	33,670,898,000
Committee recommendation	34,758,734,000

PROGRAM DESCRIPTION

The Department of Housing and Urban Development [HUD] was established by the Housing and Urban Development Act (Public Law 89–174), effective November 9, 1965. This Department is the principal Federal agency responsible for programs concerned with the Nation's housing needs, fair housing opportunities, and improving and developing the Nation's communities.

In carrying out the mission of serving the needs and interests of the Nation's communities and of the people who live and work in them, HUD administers mortgage and loan insurance programs that help families become homeowners and facilitate the construction of rental housing; rental and homeownership subsidy programs for low-income families who otherwise could not afford decent housing; programs to combat discrimination in housing and affirmatively further fair housing opportunity; programs aimed at ensuring an adequate supply of mortgage credit; and programs that aid neighborhood rehabilitation, community development, and the preservation of our urban centers from blight and decay.

HUD administers programs to protect the homebuyer in the marketplace and fosters programs and research that stimulate and guide the housing industry to provide not only housing, but better communities and living environments.

COMMITTEE RECOMMENDATION

The Committee recommends for fiscal year 2006 an appropriation of $34,758,734,000 for the Department of Housing and Urban Development. This is $2,843,527,000 above the fiscal year 2005 enacted level and $5,611,248,000 above the budget request.

TENANT-BASED RENTAL ASSISTANCE

(INCLUDING RESCISSION AND TRANSFERS OF FUNDS)

Appropriations, 2005 [1]	$14,765,920,000
Budget estimate, 2006 [1]	15,845,194,187
House allowance [1]	15,631,400,000
Committee recommendation [1]	15,636,064,000

[1] Include an advance appropriation of some $4,200,000,000.

PROGRAM DESCRIPTION

This account provides funding for the section 8 tenant-based (voucher) program. Section 8 tenant-based housing assistance is one of the principle appropriations for Federal housing assistance and provides rental housing assistance to over 2 million families. Further, it funds incremental vouchers to assist non-elderly disabled families, to provide vouchers for tenants that live in projects where the owner of the project has decided to leave the section 8 program, or for replacement of units lost from the assisted housing inventory (Tenant Protection vouchers), etc. Under these programs, eligible low-income families pay 30 percent of their adjusted income for rent, and the Federal Government is responsible for the remainder of the rent, up to the fair market rent or some other payment standard. This account also provides funding for the Contract Administrator program and Family Self-Sufficiency [FSS]. Under FSS, families receive job training and employment that should lead to a decrease in their dependency on welfare programs and move towards economic self-sufficiency.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $15,636,064,000 for fiscal year 2006, including $4,200,000,000 as an advance appropriation to be made available on October 1, 2006. These funds are $870,144,000 above the fiscal year 2005 level. Of these amounts, the Committee has allocated $14,089,756,000 for the renewal of all expiring section 8 contracts; $192,000,000 for section 8 preservation contracts through tenant protections; $48,000,000 for family self-sufficiency contracts; $1,295,408,000 for administrative fees; $5,900,000 for transfer to the Working Capital Fund; and $5,000,000 for transfer to the Affordable Housing and Economic Development.

This account provides funding for section 8 tenant-based housing programs based on a budget-based approach that seeks to ensure funding for vouchers in use while permitting public housing agencies [PHAs] to fund vouchers up to the authorized level. This account funds housing for over 2 million families. Moreover, this level of funding will ensure that PHAs have adequate funds for all vouchers-in-use. The Committee expects that many PHAs will be able to pay the cost of all vouchers up to the legal authorized level.

In addition, the account funds incremental vouchers to assist non-elderly disabled families, vouchers for tenants that live in projects where the owner of the project has decided to opt-out of the section 8 project-based program, or for the replacement of other units lost from the assisted housing inventory. The Committee remains concerned over the increased costs of section 8 rents over the last few years and what that could mean to this program in the future. The Committee believes lax administration has resulted in the spiraling costs of this program and the unacceptably high costs of rents for low-income housing.

The Committee is optimistic that the budget-based approach will ensure a more rigorous rent policy and fiscally responsible approach. As a result, the Committee directs HUD to report semi-annually on rent increases for affordable, low-income housing throughout the Nation, including the cost to the government due to its failure to promote or implement a policy for developing low-income housing, especially in tight rental housing markets. The Committee also directs HUD to report no later than June 30, 2006 on the effectiveness of this budget-based approach to vouchers, including the extent to which available housing units are lost because of new cost adjustments as well as the impact of this policy on extremely low-income families (those at or below 30 percent of median income for an area).

The Committee has also broadened the base for determining the funding for section 8 vouchers for each PHA by eliminating the 3-month May through July snapshot of voucher costs and replacing it with the most recent 12-month period that provides accurate and reliable data. The legislation also includes up to $45,000,000 for HUD to award funds to PHAs that were unfairly disadvantaged by the 3-month snapshot and from excessive costs due to portability over the last year. This funding should eliminate the need for any central fund.

The Committee includes $192,000,000 for tenant protection assistance. This represents some $183,000,000 less than the budget request is some $9,304,000 more than the fiscal year 2005 level. The administration has assumed the full implementation of a demolition rule for "obsolete" public housing. This rule will not be implemented in time to obligate these funds, especially since HOPE VI remains a viable option for this housing. This funding does include up to $12,000,000 for section 8 assistance to cover the cost of judgments and settlement agreements.

The Committee also remains concerned that HUD is not committed to maintaining section 8 project-based housing and may be encouraging owners to opt out of the program. This would be a tremendous mistake since affordable housing needs are growing while the stock of affordable low-income housing is shrinking. HUD is directed to report no later than June 30, 2006 on the status of HUD's efforts to retain section 8 project-based housing, including a 5-year analysis of units lost and retained, by year, State, and locality. HUD is also directed to provide an analysis of all efforts made by HUD to preserve low-income section 8 units. The Committee also directs GAO to assess HUD's efforts and success in preserving HUD-assisted low-income housing, especially section 8 project-based housing, including recommendations on how better to preserve this housing. This report shall be submitted to the House and Senate Committees on Appropriations no later than July 15, 2006.

The Committee recommends $1,295,408,000 for administrative fees for PHAs. These funds are to be allocated on a pro-rata share based on the fiscal year 2005 allocation. These funds are intended to ensure the success of the section 8 voucher program, but can be used to provide related low-income housing, including development costs.

The Committee provides $48,000,000 for Family Self-Sufficiency coordinators [FSS]. These funds are designed to promote self-sufficiency by moving from welfare to work. The Department was unable to justify its request for $55,000,000. Therefore, the Committee directs HUD to provide an assessment on the use of FSS funds over the last 5 years and projected future needs. The Committee also directs the HUD Inspector General to assess the use of FSS funds over the last 5 years.

The Committee includes $5,900,000 to transfer to HUD's Working Capital Fund which is needed for HUD to complete an effective IT system to track HUD funding.

The Committee includes $5,000,000 to transfer to the Affordable Housing and Economic Development Technical Assistance Board.

The administration continues to urge the adoption of its block grant proposal and asserts that PHAs will have the needed flexibility to meet local needs and conditions and to respond to local rental costs in a more responsible manner. However, the proposal fails for, among other things, the following reasons: (1) the proposed funding is inadequate to support current section 8 utilization; and (2) the proposal would eliminate the current section 8 requirement that three-quarter of all vouchers go to extremely low-income families who are often the elderly, disabled and those most in need of affordable housing.

These flaws in the section 8 proposal could result in very low and extremely low-income families and households having to live in substandard housing at unsustainable rents or else become homeless which would be a greater burden and cost on the social safety net than the current use of vouchers. In addition, the proposal could result in PHAs lowering the payment standard for housing or increasing the rent burden on families. In either case the result could be a disaster and a retreat on a long-term Federal commitment designed to eliminate the concentration of low-income families in the worst and poorest communities.

The Committee believes that a section 8 block grant proposal could work if the program receives adequate funding and required, as with current policy, PHAs to provide at least three-quarters of all vouchers to extremely low-income families. Nevertheless, this is a very controversial housing policy recommendation that deserves the full attention of the House and Senate Banking Committees as well as the House and Senate Committees on Appropriations.

HOUSING CERTIFICATE FUND

(RESCISSION)

Appropriations, 2005	$1,557,000,000
Budget estimate, 2006	2,500,000,000
House allowance	2,493,600,000
Committee recommendation	1,500,000,000

The Committee recommends a rescission of $1,500,000,000, a reduction of $1,000,000,000 from the budget request and $7,000,000 less than the fiscal year 2005 rescission level. The administration has been unable to demonstrate there are adequate "excess" section 8 funds available for rescission, which has been the source for prior year rescissions. Instead, the administration appears likely to rescind funds from congressional priority programs such as the Homeless Assistance programs, HOME, HOPE VI section 202 housing for elderly and section 811 Housing for Persons with Disabilities. As a result, because both HUD and OMB have recommended this rescission from section 8 funds, to the extent there are inadequate "excess" section 8 funding for the rescission, the next source of rescission funding is to be obtained from up to 10 percent of HUD Salaries and Expenses and up to 10 percent of OMB funding. Only after this source of funds are exhausted can unobligated funds from other HUD programs be used to satisfy this rescission.

PROJECT-BASED RENTAL ASSISTANCE

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2005	$5,298,200,000
Budget estimate, 2006	5,072,100,000
House allowance	5,088,300,000
Committee recommendation	5,072,100,000

PROJECT DESCRIPTION

Section 8 project-based rental assistance provides a rental subsidy to a private landlord that is tied to a specific housing unit as opposed to a voucher which allows a recipient to seek a unit, subject primarily to certain rent caps. Amounts in this account include funding for the renewal of expiring 8 project-based contracts, including section 8, moderate rehabilitation, and single room occupancy [SRO] housing.

COMMITTEE RECOMMENDATION

The Committee provides a total of $5,072,100,000 for the annual renewal of project-based contracts, of which up to $147,200,000 is for the cost of contract administrators, $1,000,000 is for the Working Capital Fund, and $5,000,000 is for the Affordable Housing and Economic Development Technical Assistance Board. This funding is equal to the budget request and $226,172,000 below the fiscal year 2005 level. As discussed in the Tenant-Based Rental Assistance account, GAO is directed to assess the status of HUD's efforts to preserve assisted housing.

PUBLIC HOUSING CAPITAL FUND

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2005	$2,579,200,000
Budget estimate, 2006	2,327,200,000
House allowance	2,600,000,000
Committee recommendation	2,327,200,000

PROGRAM DESCRIPTION

This account provides funding for modernization and capital needs of public housing authorities (except Indian housing authorities), including management improvements, resident relocation and homeownership activities.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $2,327,200,000 for the public housing capital fund, which is the same as the budget request and $252,000,000 below the fiscal year 2005 enacted level.

Of the amount made available under this section, up to $45,000,000 is for supportive services for residents of public housing, and $15,000,000 is for the Neighborhood Networks Initiative in public housing. Funds for the Neighborhood Networks Initiative are provided to establish and operate computer centers in and around public housing. These funds are intended to allow residents of public housing develop the technology skills that are increasingly important in the 21st century workplace. Per the budget request, $8,820,000 is available from this account to pay for the costs of administrative and judicial receiverships and $13,230,000 shall be transferred to the Working Capital Fund.

HUD is prohibited from using any funds under this account as an emergency reserve under section 9(k) of the United States Housing Act of 1937, but is provided up to $17,000,000 for emergency capital needs.

The bill includes up to $20,000,000 for the demolition, relocation, and site remediation for obsolete and severely distressed public housing units.

PUBLIC HOUSING OPERATING FUND

Appropriations, 2005	$2,438,336,000
Budget estimate, 2006	3,407,300,000
House allowance	3,600,000,000
Committee recommendation	3,557,300,000

PROGRAM DESCRIPTION

This account provides funding for the payment of operating subsidies to some 3,050 public housing authorities (except Indian housing authorities) with a total of over 1.2 million units under management in order to augment rent payments by residents in order to provide sufficient revenues to meet reasonable operating costs.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $3,557,300,000 for the public housing operating fund, which is $1,118,964,000 above the fiscal year 2005 level and $150,000,000 more than the budget request. The Committee includes $5,000,000 for the Affordable Housing and Economic Development Technical Assistance Board.

HUD is prohibited from using any funds under this account as an emergency reserve under section 9(k) of the United States Housing Act of 1937. The bill includes language from the fiscal year 2004 appropriations bill that prohibits the use of operating funds to pay for the operating expenses for a prior fiscal year.

The Committee is very concerned regarding the administration's proposed Operating Fund rule. A number of public housing agencies [PHAs] have raised substantial concerns that the proposed Operating Fund rule is a violation of the requirements that governed the negotiation rulemaking process which began as long ago as 1998. As with any rulemaking process, OMB has the authority to make changes to any proposed regulation in the interest in the government. However, the Committee believes that this authority is constrained when the negotiated rulemaking process is required by statute, especially, as in this case, Congress has invested substantial funds to ensure a comprehensive regulation. As a result, the Committee expects the final rule to reflect the negotiated agreement by the parties to the rulemaking to the greatest extent possible. Because of the funding levels involved, the Committee expects a reasonable phase-in period for PHAs that have to absorb the greatest reductions or greatest increases in their annual operating funds. The Committee notes that the initial agreement for this negotiated rulemaking process was that no additional funds would be obligated in total beyond the existing funding level at the time of initial rulemaking, except for inflation.

The Committee also transfers $5,000,000 to the Affordable Housing and Economic Development Technical Assistance Board.

REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING [HOPE VI]

Appropriations, 2005	$142,848,000
Budget estimate, 2006	....
House allowance	60,000,000
Committee recommendation	150,000,000

PROGRAM DESCRIPTION

The "Revitalization of severely distressed public housing" [HOPE VI] account makes awards to public housing authorities on a competitive basis to demolish obsolete or failed developments or to revitalize, where appropriate, sites upon which these developments exist. This is a focused effort to eliminate public housing which was, in many cases, poorly located, ill-designed, and not well constructed. Such unsuitable housing has been very expensive to operate, and difficult to manage effectively due to multiple deficiencies.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $150,000,000 for the "HOPE VI" account, which is $150,000,000 above the budget request and $7,152,000 above the fiscal year 2005 level. The administration also sought to eliminate this program by rescinding $142,848,000 of the fiscal year 2005 funding. The Committee urges the Department to reconsider the elimination of the HOPE VI program, and consider a restructured HOPE VI program that is more efficient, cost-effective and still capable of leveraging other funds for rebuilding often distressed communities in which these "HOPE VI" projects are located.

This is an important program that has revitalized many distressed properties as well as being the anchor for the revitalization of many communities in which these properties are located. The Committee acknowledges that many of the funds appropriated for this program have yet to be expended as projects are delayed and remain in the pipeline due to the complexities related to the funding of these types of projects as well as local controversies between interested local parties. Nevertheless, the program has proven to be very successful in transforming the lives of the assisted families and in rebuilding often distressed communities.

The Committee also looks forward to working with the administration in reducing the backlog of projects through a simplification of the project process.

NATIVE AMERICAN HOUSING BLOCK GRANT

(INCLUDING TRANSFERS OF FUNDS)

Appropriations, 2005	$621,984,000
Budget estimate, 2006	582,600,000
House allowance	600,000,000
Committee recommendation	622,000,000

PROGRAM DESCRIPTION

This account funds the native American housing block grants program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 [NAHASDA]. This program provides an allocation of funds on a formula basis to Indian tribes and their tribally designated housing entities to help them address the housing needs within their communities. Under this block grant, Indian tribes will use performance measures and benchmarks that are consistent with the national goals of the program, but can base these measures on the needs and priorities established in their own Indian housing plan.

COMMITTEE RECOMMENDATION

The Committee recommends $622,000,000 for the Native American Housing Block Grant, of which $2,000,000 is set aside for a credit subsidy for the section 601 Loan Guarantee Program. The Committee recommendation is $39,400,000 above the budget request and $16,000 above the fiscal year 2005 enacted level. The Committee includes $5,000,000 for the Affordable Housing and Economic Development Technical Assistance Board.

The Committee continues to believe that training and technical assistance in support of NAHASDA should be shared, with $2,200,000 to be administered by the National American Indian Housing Council [NAIHC] and $4,500,000 by HUD in support of the inspection of Indian housing units, contract expertise, training and technical assistance in the training, oversight, and management of Indian housing and tenant-based assistance. The Committee also is concerned about the significant amount of funds that are carried over and expects HUD to facilitate the use of these funds in a timely manner.

The Committee is very concerned with both the policy and method by which HUD revised the eligibility requirements under which HUD allocates the Native American Housing Assistance Block Grant [NAHASDA]. On April 19, 2004, HUD issued its NAHASDA funding for fiscal year 2004 by using “multi-race” census data for making funding allocations as opposed to funding tribes based on members of a “single race”. While this may be a legitimate approach, HUD’s allocation is based on census date that relies on self-certification. Equally troubling is the fact that HUD failed to use “notice and comment” rulemaking in making such a substantial policy change. This concern is reinforced by the fact that HUD was unable to reach a consensus among tribal groups on this policy change. Consequently, while the Committee is not looking to challenge the policy change at this time, the Committee does direct HUD to reassess this decision through notice and comment rulemaking. The Committee also directs HUD to establish oversight procedures to ensure that tribal members are qualified for purposes of the NAHASDA tribal funding allocations.

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2005	$4,960,000
Budget estimate, 2006	2,645,000
House allowance	2,645,000
Committee recommendation	5,000,000

PROGRAM DESCRIPTION

This program provides access to private financing for Indian families, Indian tribes and their tribally designated housing entities who otherwise could not acquire housing financing because of the unique status of Indian trust land. As required by the Federal Credit Reform Act of 1990, this account includes the subsidy costs associated with the loan guarantees authorized under this program.

COMMITTEE RECOMMENDATION

The Committee recommends $5,000,000 in program subsidies to support a loan guarantee level of $145,345,000. This is $40,000 more than both the fiscal year 2005 enacted level and $2,355,000 more than the budget request.

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND

[Including tranfer of funds]

	Program account	Limitation on direct loans
Appropriations, 2005	$992,000	$37,403,000
Budget estimate, 2006	882,000	35,000,000
House allowance	882,000	35,000,000
Committee recommendation	1,000,000	37,403,000

PROGRAM DESCRIPTION

This program provides access to private financing for native Hawaiians who otherwise could not acquire housing finance because of the unique status of the Hawaiians Home Lands as trust land. As required by the Federal Credit Reform Act of 1990, this account includes the subsidy costs associated with the loan guarantees authorized under this program.

COMMITTEE RECOMMENDATION

The Committee recommends $1,000,000 in program subsidies to support a loan guarantee level of $37,403,000. The subsidy level is $8,000 more than the fiscal year 2005 level and $118,000 more than the budget request.

COMMUNITY PLANNING AND DEVELOPMENT

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS [HOPWA]

Appropriations, 2005	$281,728,000
Budget estimate, 2006	268,000,000
House allowance	290,000,000
Committee recommendation	287,000,000

PROGRAM DESCRIPTION

The Housing Opportunities for Persons with AIDS [HOPWA] Program is designed to provide States and localities with resources and incentives to devise long-term comprehensive strategies for meeting the housing needs of persons living with HIV/AIDS and their families.

Statutorily, 90 percent of appropriated funds are distributed by formula to qualifying States and metropolitan areas on the basis of the number and incidence of AIDS cases reported to Centers for Disease Control and Prevention by March 31 of the year preceding the appropriation year. The remaining 10 percent of funds are distributed through a national competition.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $287,000,000 for this program, which is $5,272,000 above the fiscal year 2005 enacted level and $19,000,000 above the budget request. The Committee also requires HUD to allocate these funds in a manner that preserves existing HOPWA programs to the extent these programs are determined to be meeting the needs of persons with AIDS.

OFFICE OF RURAL HOUSING AND ECONOMIC DEVELOPMENT

Appropriations, 2005	$23,808,000
Budget estimate, 2006	....
House allowance	10,000,000
Committee recommendation	24,000,000

PROGRAM DESCRIPTION

The Office of Rural Housing and Economic Development was established to ensure that the Department has a comprehensive approach to rural housing and rural economic development issues. The account includes funding for technical assistance and capacity building in rural, underserved areas, and grants for Indian tribes, State housing finance agencies, State and local economic development agencies, rural nonprofits and rural community development corporations to pursue strategies designed to meet rural housing and economic development needs.

COMMITTEE RECOMMENDATION

The Committee recommends $24,000,000 for the Office of Rural Housing and Economic Development for fiscal year 2006 to support housing and economic development in rural communities as defined by USDA and HUD. This funding level is $192,000 above the fiscal year 2005 level and $24,000,000 above the budget request.

The Committee does not accept the administration's recommendation to eliminate funding for this program. The Committee believes that the Office of Rural Housing and Economic Development plays an important role in HUD's community development activities. Twenty-five percent of nonmetropolitan homes are renter-occupied, and the high cost of housing burdens those in rural areas, as it does in urban communities. Furthermore, the Committee notes that the programs of the Office of Rural Housing and Economic Development are sufficiently different from the housing programs administered by the Department of Agriculture to warrant separate appropriations.

HUD is directed to administer this program according to existing regulatory requirements. It is expected that any changes to the program shall be made subject to notice and comment rulemaking.

The Committee is aware of potential housing shortages in rural areas around the country where military bases are likely to receive a large influx of troops after the completion of the BRAC process. The Committee encourages regional HUD offices to work with local communities in addressing these housing shortages and recognizes the importance of the availability of low income housing for soldiers who are eligible. Currently, soldiers who receive the Basic Allowance for Housing [BAH] must include their receipts from BAH into their general calculations of their family's income for the purposes of determining the family's eligibility for low-income housing assistance. Because of uncertainties regarding the availability of housing for these families as well as concerns about the soundness of the eligibility policy, the Committee directs GAO to submit a report by June 30, 2006 to the House and Senate Committees on Appropriations on the impact of the current rent eligibility policy on the ability of soldiers to obtain decent and affordable housing as well as the possible impact of reversing the policy of using BAH in a family's housing assistance eligibility calculations.

COMMUNITY DEVELOPMENT FUND

(INCLUDING TRANSFERS OF FUNDS)

Appropriations, 2005	$4,671,328,000
Budget estimate, 2006	....
House allowance	4,243,500,000
Committee recommendation	4,323,610,000

PROGRAM DESCRIPTION

Under title I of the Housing and Community Development Act of 1974, as amended, the Department is authorized to award block grants to units of general local government and States for the funding of local community development programs. A wide range of physical, economic, and social development activities are eligible with spending priorities determined at the local level, but the law enumerates general objectives which the block grants are designed to fulfill, including adequate housing, a suitable living environment, and expanded economic opportunities, principally for persons of low and moderate income. Grant recipients are required to use at least 70 percent of their block grant funds for activities that benefit low- and moderate-income persons.

Funds are distributed to eligible recipients for community development purposes utilizing the higher of two objective formulas, one of which gives somewhat greater weight to the age of housing stock. Seventy percent of appropriated funds are distributed to entitlement communities and 30 percent are distributed to nonentitlement communities after deducting designated amounts for special purpose grants and Indian tribes.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $4,323,610,000 for the Community Development Fund in fiscal year 2006. This is an increase of $4,323,610,000 above the budget request for fiscal year 2006 and $347,718,000 below the fiscal year 2005 enacted level.

The administration has proposed to eliminate the Community Development Block Grant [CDBG] program by consolidating CDBG activities, and most of the set-asides within the Community Development Fund, into a new economic development block grant, the Strengthen America's Communities initiative. The proposal would move this proposed block grant to the Department of Commerce. Under the proposal, some 18 programs, including CDBG, HUD Brownfields program, and the Rural Housing and Economic Development program, would be terminated and/or merged into the new block grant. Proposed funding for all these programs would total $3,700,000,000 instead of the overall $5,640,000,000 which funded these programs in fiscal year 2005. This represents a reduction of $1,940,000,000 or 34.2 percent from fiscal year 2005 levels. In addition, the administration has proposed the transfer of Youthbuild to the Department of Labor. CDBG and the other programs in the Community Development Fund were funded at $4,700,000,000 in fiscal year 2005, with CDBG funded at $4,150,000,000. The Committee has rejected the entire proposal since it would undermine HUD's mission and essentially strip HUD's scope of activities to almost only housing programs.

As evidenced by CDBG's universal support by States and communities throughout the Nation, CDBG is an integral part of HUD's mission and essential to the ability of States and communities to address their local housing and economic community development needs. What is especially troubling is that at the end of 2004, HUD, OMB and related interest groups agreed to a consensus document to address weaknesses in the CDBG program by creating an Outcome Measurement System to establish new benchmarks and better oversight. HUD currently is implementing these new benchmarks. Consequently, the Committee strongly believes that the elimination of CDBG runs counter, not only to HUD's mission, but to the recent reform measures endorsed by OMB.

The Committee has included $3,767,410,000 for community development block grants [CDBG]. Set-asides under this account include $69,000,000 for native Americans; $3,000,000 for the Housing Assistance Council; $2,000,000 for the National American Indian Housing Council; $15,000,000 for the Self Help Homeownership Opportunity Program; $4,200,000 for the National Council of La Raza; $30,000,000 is for Capacity Building for Community Development and Affordable Housing for LISC and the Enterprise Foundation; and $32,400,000 for section 107 grants, including $3,000,000 to support Alaska Native-Serving Institutions and Native Hawaiian-Serving Institutions; $2,600,000 for competitive grants awarded to Tribal Colleges and Universities to build, expand, renovate, and equip their facilities; $1,000,000 for community development work study, $9,000,000 for historically black colleges and universities, of which up to $1,000,000 is for technical assistance, $2,000,000 for Community Outreach Partnerships, and $6,000,000 for Hispanic-serving institutions. The Committee includes $8,800,000 for assistance authorized under the Hawaiian Homelands Homeownership Act of 2000 under section 107. The administration proposed to fund this program in a separate account. Finally, $3,000,000 is transferred to the working capital fund and $10,000,000 is transferred to the Affordable Housing and Economic Development Technical Assistance Board.

The Committee also includes $55,000,000 for the Youthbuild program of which $5,000,000 is to develop programs in underserved and rural areas. The Committee remains concerned regarding the overall quality of the Youthbuild program and objects to its transfer to the Department of Labor without adequate assurances that the program will be administered with comprehensive oversight. The concept of Youthbuild is exceptional; namely, providing disadvantaged youth with training and job opportunities in the housing construction marketplace. Within this program, these young people develop marketable housing skills that result in the construction of housing for low-income families.

Unfortunately, HUD has never administered the Youthbuild program with adequate oversight. This has resulted in an uneven record and questionable evidence regarding the success of the program. While the Committee believes that some of the local Youthbuild programs are of exceptional quality, there is inadequate evidence of the overall quality of the program. The Committee also believes that the success of such a program can, in part, be measured by local support, including financial support. Ultimately, a program of this nature should be able to attract adequate non-Federal financial support to the extent that the need for Federal funds are substantially reduced; such funds can then be redirected to other small, but worthy, programs that will then be able to leverage Federal funds into a larger success. As a result, the Committee directs GAO comprehensively to assess and report to the House and Senate Committees on Appropriations by June 30, 2006 on Youthbuild's overall success, including its ability to attract local support and funding.

The Committee also funds the Economic Development Initiative at $290,000,000 and the Neighborhood Initiatives program at $40,000,000.

The Economic Development Initiatives are as follows:

$400,000 for Bean's Café in Anchorage, Alaska for the expansion of its kitchen;

$150,000 for the Alaska Botanical Garden in Anchorage, Alaska for expansion and renovation of its infrastructure;

$750,000 for the Bering Straits Native Corporation in Nome, Alaska for Cape Nome Quarry upgrades;

$950,000 for the Western Alaska Council, Boy Scouts of America in Anchorage, Alaska for construction of the Boy Scouts High Adventure Base Camp near Talkeetna, Alaska;

$750,000 for the City of Ketchikan, Alaska for construction of the Tongass Coast Aquarium;

$1,000,000 for Alaska Pacific University for the construction of a building;

$500,000 for the People's Regional Learning Center in Bethel, Alaska to construct a vocational school and dormitories;

$500,000 for the Dillingham City School District in Dillingham, Alaska, to repair the gymnasium in the Dillingham middle/high school;

$400,000 for Construction and outfitting of the University of South Alabama's Mitchell School of Business Library in Mobile, Alabama;

$400,000 for construction and outfitting of the New Centurions, Inc. New Life for Women Shelter in Etowah County, Alabama;

$250,000 for the Greenville Family YMCA for child care facility acquisition, renovation, and construction in Greenville, Alabama;

$300,000 for the City of Evergreen for expansion of the Evergreen Conecuh County Library in Evergreen, Alabama;

$400,000 for the Fayette County Commission for the Fayette County Industrial Park in Fayette County, Alabama;

$200,000 for the Hayneville/Lowndes County Library Foundation for construction of a new library in Hayneville, Alabama;

$350,000 for the Jasper Area Family Services Center for construction of the Center in Jasper, Alabama;

$300,000 for the City of Tuskegee for Downtown Revitalization in Tuskegee, Alabama;

$400,000 for the Alabama Institute for the Deaf and Blind's Tuscaloosa Regional Center in Tuscaloosa, Alabama;

$250,000 for the City of Montgomery to develop the Montgomery Riverwalk in Montgomery, Alabama;

$250,000 for the Cleveland Avenue YMCA for facility expansion in Montgomery, Alabama;

$200,000 for the Wilcox County Industrial Development Authority for planning and development of its Industrial/Commercial Park;

$300,000 for the City of Guin for planning and development of its Industrial/Commercial Park;

$300,000 for the Central Arkansas Resource Conservation and Development Council in Helena, Arkansas for the construction of the Phillips County Agricultural Storage Facility;

$200,000 for the Boys and Girls Club of Ouachita County, Arkansas for the construction of recreational facilities;

$200,000 for the City of Conway, Arkansas for downtown revitalization;

$200,000 for Audubon Arkansas for the development of the Audubon Nature Center at Gillam Park in Little Rock, Arkansas;

$250,000 for the 10th and Mission Affordable Family Housing & Commercial Space Project, for the development of housing units and commercial space, Mercy Housing, San Francisco;

$200,000 for the City of Inglewood to construct a Senior Center;

$200,000 for the San Francisco Museum and Historical Society Old Mint Restoration Project, San Francisco;

$600,000 for the City of Oakland, CA for the Fox Theater Restoration;

$200,000 for the City of Redding, CA for the Stillwater Business Park;

$200,000 for the West Angeles Community Development Corporation, CA for the development of the West Angeles Plaza;

$200,000 to the Housing Trust of Santa Clara County, CA, for the First Time Home Buyer Loan Program;

$200,000 for the San Francisco Fine Arts Museums, CA, for M.H. de Young Memorial Museum construction;

$200,000 for the Agua Caliente Cultural Museum, Palm Springs, CA for construction;

$300,000 for the City of Denver, Denver Rescue Mission for the Acquisition and Renovation of Emergency and Transitional Housing for Colorado's Homeless population;

$450,000 for the City of Hartford for the Hartford Homeownership Initiative;

$200,000 for the City of Hartford for the renovation of the Mark Twain House Building;

$300,000 for the City of Ansonia for the renovation of the Ansonia Armory;

$250,000 for the City of West Haven, CT, for the redevelopment of residential housing;

$250,000 for the City of Stamford, CT, for renovations to the Yerwood Community Center;

$250,000 for the Town of Southbury, CT, for renovations to the Bent of the River Audubon Center;

$200,000 for the City of Hartford, CT, for neighborhood restoration activities undertaken by the Southside Institutions Neighborhood Alliance;

$250,000 for the Ministry of Caring, House of Joseph II, in Wilmington, DE for the renovation/operation of the facility;

$200,000 to the St. Michaels School and Nursery, Wilmington, DE, for expansion of the school;

$200,000 to the Wilmington Senior Center, Wilmington, DE, for the completion of the renovation of the Lafayette Court Senior Apartments project;

$250,000 for Easter Seals Delaware & Maryland's Eastern Shore for the construction of the new Easter Seals Facility in Georgetown, Delaware;

$200,000 for the Wilmington Music School for the Music School Expansion in Wilmington, Delaware;

$200,000 to the City of Lewes for the Lewes Canalfront Park in Lewes, Delaware;

$500,000 for Orange County, FL for Central Receiving Center to renovate single occupancy rooms;

$500,000 for the Lowry Park Zoological Society, Tampa, FL for business development initiative;

$300,000 for the Central Florida YMCA to expand and renovate the Wayne Densch YMCA Family Center;

$250,000 for Miami Dade College and the construction of a library at their Hialeah, Florida campus;

$250,000 for Nova Southeastern University for the Center for Collaborative Bio-Medical Research;

$600,000 for the City of Coral Gables, Florida for the Biltmore Complex Restoration Project;

$400,000 for the City of Orlando, Florida for the Parramore Neighborhood Revitalization Project;

$250,000 for Miami Dade County, Florida for the Miami Performing Arts Center;

$250,000 for the American Beach Property Owners' Association, Fernandina Beach, Florida for the Historic Evans Rendezvous Cultural Center Restoration Project;

$200,000 for the City of Gainesville, Florida for the Downtown Revitalization Project;

$200,000 for the Florida Memorial University, Miami, Florida: West Augustine Initiative;

$200,000 for Mercer University, Macon, Georgia for Critical Personnel Development Program [CPDP];

$200,000 for Atlanta, Georgia Intergenerational Resource Center for a senior housing project;

$200,000 for Warner Robins, Georgia Museum of Aviation, expansion of aviation flight and technology center;

$200,000 for City of Moutri, Georgia for a community and economic development initiative;

$200,000 for Morehouse School of Medicine for West End Community Development;

$500,000 for Atlanta Symphony Orchestra, Georgia for the Atlanta Symphony Center expansion;

$650,000 for the Boys & Girls Club of Hawaii, Honolulu, HI, for planning, design and construction of the Nanakuli Boys & Girls Club;

$300,000 for Pa'a Pono Miloli'I construct a community and youth center;

$300,000 for the Children's Justice Center Foundation to construct and renovate the child counseling center on Oahu;

$300,000 for the Maui Economic Development Board to renovate the enterprise building;

$300,000 for the Kauai YMCA to construct facilities;

$200,000 for the Lanai Youth Center to acquire and construct activity facilities;

$200,000 for the County of Hawaii for the renovation of a Caregiver and Senior Resource Center;

$300,000 for Hale Mahaolu Ehiku to construct affordable rental housing for senior citizens;

$1,000,000 for the City of Clinton, Iowa, for redevelopment of Liberty Square;

$400,000 for the City of Waterloo, Iowa, for the acquisition and rehabilitation of the Cedar Valley TechWorks facility;

$300,000 for the City of Des Moines, Iowa, for the Riverpoint West development;

$300,000 for the City of Fort Dodge, Iowa for the Lincoln Neighborhood housing initiative;

$1,000,000 to the Iowa Department of Economic Development for the Main Street Iowa program for restoration of structures on main streets throughout the State;

$750,000 to Polk County, Iowa for the purchase and rehabilitation of housing for low income people;

$200,000 to the Heartland Hill Habitat for Humanity in Brehmer County, Iowa for the renovation of deteriorated housing for low income housing;

$300,000 to the City of Council Bluffs, Iowa for downtown historic building renovation;

$1,000,000 for Ada County, Idaho for development of the Family Justice Center and the Detox Center;

$1,000,000 for the Clearwater Economic Development Association for the implementation of the Lewis and Clark Bicentennial Plan;

$1,000,000 for Boise State University for construction of the Center for Environmental Science and Economic Development;

$1,000,000 for the Idaho Migrant Council for planning, design, and construction of the Burley Community Center, Burley, Idaho;

$500,000 for the Looking for Lincoln Heritage Coalition in Springfield, IL, for the Looking for Lincoln economic development and tourism initiative;

$800,000 for the Peace and Education Coalition in Chicago, IL, for construction of a new facility to serve San Miguel Schools in the City's Back of the Yards neighborhood;

$300,000 to the Haymarket Center in Chicago, IL, for construction and establishment of the McDermott Addiction Center;

$200,000 for the Quincy Public Library in Quincy, IL, for a newspaper digitization and community education project;

$200,000 for the United Way of Decatur and Mid-Illinois in Decatur, IL, for construction and rehabilitation of housing facilities for the homeless and disabled;

$250,000 to the Chicago Historical Society for construction of a new Chicago History Exhibition and redevelopment of current facilities;

$200,000 for Home Sweet Home Ministries—Threshold program located in the City of Bloomington, IL for the construction of an additional housing facility;

$250,000 for the City of Northfield, IL for construction of pedestrian and bicycle paths as well as other infrastructure improvements to the Northfield Park District;

$200,000 for the Township of North Hurricane, IL for construction of a multi-purpose building within Precinct 1 of the Township;

$500,000 for the City of Muncie, Indiana to revitalize the downtown urban park;

$250,000 for Daviess County, Indiana, to implement the Web Portal Technology Development Initiative in Daviess County schools;

$250,000 for the City of Anderson, Indiana to expand the Fiber Optic Network;

$250,000 for the City of Indianapolis, IN for the Link Savoy Housing Development;

$200,000 for the City of Evansville, IN for the Center City Industrial Park;

$200,000 for the City of Fort Wayne, IN for the Fort Wayne Technology Center;

$1,000,000 for the Boys and Girls Clubs of Greater Kansas City for the construction of the Heathwood Community Center for Children and Families in Wyandotte County, KS;

$500,000 for Sedwick County, KS for the construction of a Technical Education and Training Center;

$300,000 for the City of Fort Scott, KS for the redevelopment of underground infrastructure in the Central Business District;

$200,000 for the City of Topeka, KS for renovating and updating Heartland Park Topeka;

$500,000 for the City of Mission, Kansas to ensure the future viability of business and residential districts near the Rock Creek Project;

$500,000 for the City of Fairview, Kansas to ensure the future viability of business and residential districts near the Rock Creek Project;

$600,000 for the Kentucky Commerce Cabinet to develop a visitor center at the Big Bone Lick State Park;

$200,000 for McCracken County Fiscal Court to construct an Emergency Services Building;

$200,000 for Clinton County to develop and construct a Welcome Center;

$250,000 for Alexandria Central Economic Development District, to develop the Alexandria Riverfront Development;

$250,000 for Ascension Parish, to develop the Lamar Dixon Exposition Center;

$500,000 for the Audubon Nature Institute for the Audubon Living Science Museum and Wetlands Center in New Orleans, Louisiana;

$500,000 for Lafourche Parish for waterfront development along Bayou Lafourche in Ascension, Assumption and Lafourche Parishes, Louisiana;

$280,000 for the City of North Adams, MA for the renovation of the historic Mohawk Theater;

$280,000 for the City of Holyoke, MA for renovations to the Picknelly Adult and Family Education Center;

$200,000 for the City of Medford, MA for the redevelopment of Medford Square;

$280,000 for the Main South Community Development Corporation, Worcester, MA for the redevelopment of the Gardner-Kilby-Hammond Neighborhood;

$260,000 for the City of Lawrence, MA for the redevelopment of the Lawrence In-Town Mall site;

$250,000 for the Bird Street Community Center, Boston, MA for facility renovations;

$200,000 for Straight Ahead Ministries of Westboro, MA for the acquisition and renovation of facilities in Hubbardston, MA;

$200,000 for Girls Incorporated of Lynn, MA for building renovations;

$300,000 for the Maryland Food Bank in Baltimore for construction and equipping of new food distribution center;

$500,000 for the Mother Teresa Health Clinic and Social Service Center, Maryland;

$450,000 for the East Baltimore Development Project, Maryland;

$500,000 for Patterson Park/Library Square Revitalization, Maryland;

$400,000 for Goucher College, Community Service Center, Maryland;

$200,000 for the American Visionary Arts Museum, Maryland;

$200,000 for the Our Daily Bread Employment Center, Maryland;

$325,000 for the City of Brewer Administrative Building Redevelopment;

$300,000 for the Franco-American Heritage Center, Renovation Project;

$325,000 for the Bangor Waterfront Park on the Penobscot River for the City of Bangor;

$350,000 for the Town of Milo, Maine for the development of the Eastern Piscataquis Industrial Park;

$350,000 for the Town of Van Buren: Van Buren Regional Business Park;

$350,000 for Western Maine Community Action: Keeping Seniors Home program;

$300,000 for the University of New England: George and Barbara Bush Cultural Center for construction and equipment;

$200,000 for the City of Portland, Portland Public Library Renovation and Expansion Project;

$100,000 for the Penobscot Marine Museum Maine-Mawooshen: One Country, Two Worlds Project—Construction of exhibit;

$300,000 for the Westbrook Housing Authority: Larrabee Village Supportive Services for construction and design of facilities for the elderly & disabled;

$600,000 for The Enterprise Group of Jackson, MI for the Armory Arts redevelopment project;

$600,000 to the Arab Community Center for Economic and Social Services [ACCESS] in Dearborn, MI for expansion of a museum;

$600,000 to the City of Detroit, MI for redevelopment of the Far East Side neighborhood;

$350,000 to the City of Saginaw, MI to provide for the revitalization of Northeast Saginaw;

$300,000 for the State of Michigan for costs associated with the relocation of the A.E. Seaman Mineral Museum;

$300,000 for Focus: Hope in Detroit, MI for the upgrades to the cogeneration microgrid;

$250,000 for the Goodwill Inn Homeless Shelter in Traverse City, MI for construction of a new shelter;

$200,000 to the Harbor Habitat for Humanity in Benton Harbor, MI for costs associated with infrastructure in the construction of new homes;

$200,000 for the Hmong American Mutual Assistance Association in Minneapolis, Minnesota to complete the HAMAA Community Center;

$200,000 for the Red Lake Band of Chippewa Indians in Red Lake, Minnesota to construct criminal justice complex project;

$200,000 for the Chicanos Latinos Unidos En Servicio [CLUES] in St. Paul, Minnesota for facility construction;

$200,000 for Redwood County, Minnesota for the Material Recovery/Waste to Energy Facility at Lamberton, Minnesota;

$300,000 to purchase a new site for an affordable housing development for low-income seniors in Mora, MN;

$500,000 for the Liberty Memorial Association in Kansas City, MO for construction and renovation;

$250,000 for the St. Louis Bosnian Chamber of Commerce for construction of a community center in St. Louis, MO;

$250,000 for the Boys & Girls Clubs of Greater Kansas City, MO for RBI construction;

$250,000 for the Winston Churchill Memorial in Fulton, MO for construction and renovation;

$250,000 for Covenant House Missouri for construction of homeless youth center in St. Louis, MO;

$250,000 for Truman State University for construction of Speech and Hearing Clinic in Kirksville, MO;

$250,000 for City of Springfield, MO for renovation of the Springfield Commercial Club Building;

$750,000 to the Family Support Services Center for Autistic Children for construction of a Center to serve families with autistic children in St. Charles County, Missouri;

$500,000 to the University of Missouri for Hickman House preservation, renovation and improvements project in Howard County, Missouri;

$500,000 to the Salvation Army Northland Community Center, to construct a family center and community room Clay County, Missouri;

$1,000,000 to the Kansas City Neighborhood Alliance for capital improvements in Kansas City, Missouri;

$1,000,000 to Better Living Communities for capital improvements for Salisbury Park neighborhood housing development in St. Louis, Missouri;

$500,000 to the St. Louis Housing Authority for neighborhood housing development of the Cochran Gardens Public Housing Site in St. Louis, Missouri;

$750,000 to the City of Kansas City for Swope Community Builders for the Linwood Housing project, Kansas City, Missouri;

$500,000 to the Missouri Soybean Association for test plots for the Life Sciences Research Development and Commercialization Project in Boone County, Missouri;

$500,000 to the Mark Twain Neighborhood Association for capital improvements in St. Louis, Missouri;

$750,000 to the Students in Free Enterprise World Headquarters for capital improvements (equipment) in Greene County, Missouri;

$250,000 to the Advanced Technology Center for construction of Laser/photronics lab complex and classroom in Mexico, Missouri;

$750,000 to the Youzeum for construction of youth health museum in Boone County, Missouri;

$400,000 to City of Kennett for downtown revitalization in Kennett, Missouri;

$500,000 in the City of Oxford, Mississippi for the Innovation and Outreach Center;

$500,000 in the City of Madison, Mississippi, for the Historic Madison Gateway Project;

$500,000 in the City of Tchula, Mississippi for the Tchula New Town Infrastructure Project;

$1,000,000 for the Mississippi Museum of Art in Jackson, Mississippi, for renovations and improvements;

$900,000 for the Education Building for the Jackson Zoo in Jackson, Mississippi, to construct an educational building;

$800,000 for the Lafayette County Courthouse in Oxford, Mississippi, to restore and renovate their historic c. 1872 courthouse;

$800,000 for the Hinds Community College Performing Arts Center in Utica, Mississippi, to construct a performing arts, multi-purpose building;

$1,000,000 for the Mississippi Film Enterprise Zone in Canton, Mississippi, to create an art film enterprise facility;

$800,000 for the Delta Interpretive Center in Greenville, Mississippi for construction of an education and cultural interpretive facility;

$500,000 for the Mississippi University for Women Facility Restoration in Columbus, Mississippi, for facility improvements and restoration;

$500,000 for the Simpson County, Mississippi Courthouse for renovations and improvements;

$500,000 for the Jackson Public School-Belhaven College H.T. Newell Field Complex Partnership for facility improvements and construction in Jackson, Mississippi;

$400,000 for the City of Collins, Mississippi, to build a multi-purpose civic center;

$200,000 for the St. Ambrose Leadership College, Mississippi, for restoration of a historic building for housing;

$300,000 for construction funds for the Hancock County Community Emergency Operations Center;

$500,000 for the renovation of the Robert O. Wilder Building at Tougaloo College in Jackson, Mississippi;

$200,000 for the Liberty House Foundation, for construction expenses in Ft. Harrison, MT;

$350,000 for the Rocky Mountain Development Council, to continue the PenKay Eagles Manor Renovation in Helena, MT;

$250,000 for the Rocky Boy Reservation's utilization of Malmstrom Air Force Base's excess housing;

$250,000 for the Rocky Mountain Elk Foundation in Missoula, MT for the infrastructure needs of their new headquarters facility;

$250,000 for the Center for St. Vincent Healthcare's Center for Healthy Aging in Billings, MT;

$200,000 for the Child and Family Intervention Center to renovate the Garfield School Building in Billings, MT;

$200,000 for the Yellowstone Boys and Girls Ranch's Education Facilities Expansion in Billings, MT;

$200,000 for the Carter County Museum's Highway to Hell Creek project facilities expansion in Ekalaka, MT;

$400,000 for the Big Sky Economic Development Corporation for acquisition and rehabilitation for low-income housing in Billings, MT;

$200,000 for the Missoula Aging Services building renovation in Missoula, MT;

$200,000 to the St. Vincent Center for Healthy Aging for construction in Billings, MT;

$300,000 to the Daly Mansion Preservation Trust for the renovation of the Daly Mansion in Hamilton, MT;

$250,000 to CommunityWorks for the construction of the ExplorationWorks Museum in Helena, MT;

$200,000 to the Montana Technology Enterprise Center for the construction of lab facilities in Missoula, MT;

$400,000 for Renovations to the Core Sound Waterfowl Museum in Harkers Island, NC;

$450,000 for the New River Community Partners Museum Development Project in Sparta, NC;

$200,000 for Catawba Science Museum to renovate and expand exhibitions in Hickory, NC;

$200,000 for Military Business Park Development in Fayetteville, NC;

$250,000 for the City of Wilmington, NC, for the Downtown Park & Open Space Initiative;

$250,000 for the City of Fayetteville, NC, for the Military Business Park;

$250,000 for the City of Asheville, NC, for the Veterans Memorial Restoration;

$250,000 for the Northwest Ventures Communities, Minot, ND for the construction of the Northwest Career and Technology Center;

$200,000 for the United Tribes Technical College in Bismarck, ND for the construction of family housing;

$350,000 for the City of Killdeer, ND to construct a community activity center;

$400,000 for the City of Rugby, ND to support construction and other projects within two North Dakota REAP Zones;

$300,000 for the Dakota Boys and Girls Ranch, Minot, ND for facilities at their Minot location;

$350,000 for the NDSU Research and Technology Park in Fargo, ND for the Advanced Technology Career Training Center;

$300,000 for the Bismarck-Mandan Development Association, Bismarck, ND for the construction of the National Energy Technology Training and Education Facility;

$200,000 for the Minot Area Community Development Foundation, Minot, ND for the Prairie Community Development Center;

$200,000 for the Turtle Community College, Belcourt, ND for the Turtle Mountain Vocational Educational Center;

$1,000,000 for Metro Community College's Health Careers and Science Building in the City of Omaha;

$200,000 for Thurston County Courthouse renovation in the City of Pender;

$200,000 for the Boys and Girls Home of Nebraska's Columbus Family Resources Center in the City of Columbus;

$200,000 for the Willa Cather Pioneer Memorial and Educational Foundation's Moon Block restoration project in the City of Red Cloud;

$200,000 for Clarkson College's Central Student Service Center Facility in the City of Omaha;

$200,000 for University of Nebraska-Lincoln's Enterprise Development in Rural Nebraska in the City of Lincoln;

$950,000 for a parking facility as part of the Joslyn Art Museum Master Plan, in Omaha, Nebraska;

450,000 for Families in Transition, Manchester, New Hampshire for the Mothers and Children: Staying Together Recovery Center;

350,000 for New Hampshire Community Technical College System, Conway, New Hampshire for the Consortium-Based Academic Center;

200,000 for Gibson Center, Madison, New Hampshire for the preservation of senior housing at Silver Lake Landing;

$500,000 for the New Hampshire Community Loan Fund, manufactured housing park program;

$200,000 for the Monadnock, NH, Township home owner initiative;

$400,000 for the Derry, NH, Senior Center project;

$600,000 for the Manchester, NH, YWCA project;

$400,000 for the Nashua, NH, Downtown Riverfront Opportunity Program;

$400,000 for the Student Conservation Association service center, New Hampshire;

$250,000 for the City of Pleasantville, NJ for the construction and renovation of the Pleasantville Marina;

$200,000 for the City of Paterson, NJ for the design and renovation of the Silk City Senior Nutrition Center;

$200,000 for the St. Joseph's School of the Blind in Jersey City, NJ for the construction of a new facility;

$300,000 for the Rutgers-Camden Business Incubator, Camden NJ for the expansion of the business incubator;

$1,130,000 for Presbyterian Medical Services for their Head Start Facility in Santa Fe, New Mexico;

$750,000 for the Albuquerque Mental Health Housing Coalition, Inc. for the renovation of the Sunport Plaza Apartments in Albuquerque, New Mexico;

$620,000 for Eastern New Mexico State University in Portales, New Mexico for scientific instructional equipment;

$200,000 for Otero County, NM, Veteran's Museum Construction;

$350,000 for City of Carlsbad, NM, Battered Family Shelter Construction;

$250,000 for Helping Hands Food Bank of Deming, NM, Construction;

$350,000 for City of Sunland Park, NM, Community Center Construction;

$250,000 for Sandoval County, NM, Community Health Alliance, Construction and Equipment;

$200,000 for City of Portales, NM, Rehabilitation of the Yam Movie Palace;

$300,000 for the Pahrump Senior Center, Pahrump, NV, for senior transportation;

$500,000 for the Nathan Adelson Hospice, Henderson, NV, for an adult day care center;

$200,000 for the Ridge House, Reno, NV, for client housing;

$500,000 for the University of Nevada-Reno to provide a Small Business Development Center;

$500,000 for the City of Las Vegas, Nevada for the renovation of the old Post Office;

$350,000 for the City of Reno, Nevada to provide Fourth St. Corridor Enhancements;

$300,000 for the City of Pahrump/Nye County, Nevada Fairgrounds Project;

$500,000 for Wadsworth, Nevada to provide a Community Center;

$200,000 for the City of Sparks, Nevada for the Deer Park Facility Renovation Project;

$250,000 for the City of Reno, Nevada to provide a Food Bank of Northern Nevada Regional Distribution Facility Project;

$200,000 to the YWCA of Niagara, NY for the computer lab expansion;

$250,000 to Alianza Dominicana of New York City, NY for expansion of the Triangle building;

$200,000 to SUNY Plattsburgh, NY for the expansion of the Adirondack-Champlain Community Fiber Network;

$250,000 to the El Museo del Barrio in New York City, NY for capital improvements;

$200,000 to the Central New York Community Arts Council of Utica, NY for the expansion of the Stanley Theater;

$200,000 to the City of Canandaigua, NY for the construction of a regional tourism center;

$200,000 for the Graduate College of Union University, Schenectady, NY to establish a freestanding campus;

$200,000 for the Robert H. Jackson Center, Jamestown, NY for auditorium restoration;

$200,000 for the Griffiss Local Development Corporation, Rome, NY for development of a multi-tenant technology office complex;

$200,000 for the Nassau County Museum of Art, Roslyn Harbor, NY for building restoration;

$200,000 for the Veterans Outreach Center, Rochester, NY for renovation and expansion of employment and training facilities;

$200,000 for the City of Canton, Ohio for the New Horizons Park land and site acquisition, demolition, or facilities construction;

$200,000 for Wright Dunbar, Inc., Dayton, Ohio, to construct the Gateway to Paul Laurence Dunbar Memorial;

$500,000 for the Dayton Development Coalition, Ohio for land and site acquisition, demolition, site preparation and facilities construction;

$300,000 for The Preston Fund for SMA Research, Beachwood, Ohio, for the construction and development of Preston's H.O.P.E.;

$300,000 for the Defiance County Senior Service Center, Defiance, Ohio, for construction;

$250,000 for the Ukrainian Museum-Archives, Cleveland, Ohio, for Phase II Development and construction;

$250,000 for The Scioto Society, Inc., Chillicothe, Ohio for the Tecumseh! Capital Improvement Project;

$270,000 for the Lorain County Community College Great Lakes Business Growth and Development Center;

$200,000 for the City of Jackson's Day Care Center;

$260,000 for Wilberforce University Ohio Private Historically Black University Residence Hall Project;

$270,000 for the Solid Waste Authority of Central Ohio [SWACO] Pyramid Resource Center;

$220,000 for the City of Ardmore, OK, to construct the Ardmore Community Resource Center;

$220,000 for Norman Economic Development Corporation, Norman, OK, to construct an engineering incubator;

$200,000 for the City of Ponca City, OK, to construct a museum building and information center for the statue of Ponca Chief Standing Bear;

$220,000 for the United States-Mexico Cultural Education Foundation to establish the Center for North American Sustainable Economic Development at the University of Oklahoma, Norman, OK;

$220,000 for the Native American Cultural Center and Museum, Oklahoma City, OK, for construction of the American Indian Cultural Center;

$200,000 for the City of Midwest City, OK to construct a community outreach center;

$200,000 for the City of Lakeview, Oregon to develop geothermal resources;

$200,000 for Marion-Polk Food Share in Salem, Oregon to improve and renovate an emergency food distribution center;

$200,000 for the City of Pendleton, Oregon to improve and renovate round-up facilities;

$500,000 for construction of an education building at the Blue Mountain Community College's Northeastern Oregon Collaborative University Center, Hermiston, Oregon;

$250,000 for construction of the Downtown/Riverfront Access Project by the City of The Dalles for the Port of The Dalles, Oregon;

$200,000 for construction of a Teen Activity Center at the Santo Community Center in Medford, Oregon;

$200,000 for the City of Carbondale, Pennsylvania for the South Main Street Economic Development Initiative which is designed to reduce blight along the City's Main Street Corridor;

$200,000 for the Redevelopment Authority of the City of Corry to acquire a brownfield site in downtown Corry, Pennsylvania;

$200,000 for Weatherly Borough, Pennsylvania to acquire and redevelop the Lehigh Valley Railroad Shops and Weatherly Steel Plant complex in the heart of Weatherly, PA;

$200,000 for Indiana County, Pennsylvania to acquire the Wayne Avenue Property in Indiana;

$200,000 for Armstrong County, Pennsylvania for remediation and infrastructure development on a 14.2 acre of brownfield property in Apollo Borough;

$200,000 for Perry County, Pennsylvania to develop an industrial park in New Bloomfield;

$200,000 for People for People, Inc. for planning and project development efforts for the Triangle redevelopment project;

$200,000 for the Southwestern Pennsylvania Commission, to develop the Alta Vista Business Park, a mixed-use business park on a former strip mine site adjacent to I–70, in Washington County, Pennsylvania;

$300,000 for the Allegheny County Airport Authority in Allegheny County, Pennsylvania for site preparation and construction of its North Field Development project;

$200,000 for Gaudenzia, Inc. in Norristown, Pennsylvania to renovate and expand its residential facilities;

$200,000 for Our City Reading in Reading, Pennsylvania to rehabilitate abandoned houses and provide down payment assistance to home buyers;

$200,000 for the City of Lancaster, Pennsylvania for the revitalization and construction of Lancaster Square;

$200,000 for the Greater Wilkes-Barre Chamber of Business and Industry in Wilkes-Barre, Pennsylvania for acquisition, planning, and redevelopment of the historic Irem Temple;

$200,000 for the Greene County Department of Planning and Economic Development in Greene County, Pennsylvania for construction and site development of a multi-phased business park on the grounds of the Greene County Airport;

$200,000 for Impact Services Corporation in Philadelphia, Pennsylvania to renovate, redevelop, and convert an existing building into low-income housing units;

$200,000 for the Shippensburg University Foundation in Shippensburg, Pennsylvania for construction of Phase III of the Shippensburg Regional Conference Center;

$200,000 for the Partnership CDC in Philadelphia, Pennsylvania for acquisition, renovation and rehabilitation of affordable housing for moderate- and low-income families;

$200,000 for the Allentown Art Museum in Allentown, Pennsylvania to expand and modernize its facilities;

$200,000 for the Pittsburgh Zoo in Pittsburgh, Pennsylvania for the planning, site development, and construction of Phase I of its expansion project;

$200,000 for Universal Community Homes in Philadelphia, Pennsylvania for conversion of parcels of land into housing units for low- and moderate-income families;

$350,000 for the Cranston Public Library in Cranston, Rhode Island for building renovations;

$250,000 for Jamiel Park in Warren, Rhode Island for facility improvements;

$200,000 for the Town of West Warwick, Rhode Island for the development and construction of a river walk;

$200,000 for Meeting Street School in Providence, Rhode Island for the construction of the Bright Futures Early Learning Center;

$200,000 for Sexual Assault and Trauma Resource Center in Providence, Rhode Island for building acquisition and renovations;

$200,000 for the Pastime Theatre in Bristol, Rhode Island for building improvements;

$200,000 for Family Service of Rhode Island in Providence, Rhode Island for building purchase and renovations;

$200,000 for St. Mary's Home for Children in North Providence, Rhode Island for building renovations;

$200,000 for Stand Up for Animals in Westerly, Rhode Island for building construction;

$300,000 for the acquisition and renovation of the Seniors Helping Others volunteer center in South Kingstown, RI;

$300,000 for the expansion and renovation of the Pawtucket Day Child Development Center, Pawtucket, RI;

$300,000 for the renovation and expansion of the John E. Fogarty Center to provide services and programs for children and adults with disabilities, North Providence, RI;

$200,000 for the City of Woonsocket, RI for the redevelopment of the Hamlet Avenue Mill site;

$200,000 to provide for equipment and construction of the Arlington Branch of the Cranston Public Library, Cranston, RI;

$280,000 for the South Carolina School for the Deaf and Blind in Spartanburg, SC for dormitory renovation;

$220,000 for Crisis Ministries Homeless Shelter in Charleston, SC for facilities renovation;

$250,000 for the City of Aberdeen, South Dakota to construct a Recreation and Cultural Center;

$250,000 for the Children's Home Society in Sioux Falls to expand its at-risk youth facility;

$400,000 to the Boys and Girls Club of Brookings, SD for Facilities Expansion;

$200,000 to the Children's Home Society of Sioux Falls, SD for At-Risk Youth Facilities Expansion;

$200,000 to the City of North Sioux City, SD for Community Library Expansion;

$200,000 to the Mammoth Site of Hot Springs, SD for the Theater and Lecture Hall Project;

$200,000 to the Wakpa Sica Historical Society of Fort Pierre, SD for the Wakpa Sica Reconciliation Place;

$200,000 to the Rapid City Area Economic Development Partnership of Rapid City, SD for the Technology Transfer and Entrepreneur Center Project;

$200,000 to Miner County Revitalization of Howard, SD for the Rural Learning Center Project;

$750,000 for the City of Clinton, Tennessee to renovate the Green McAdoo Cultural Center;

$400,000 for the Second Harvest Food Bank of Middle Tennessee in Nashville, Tennessee for the expansion of its distribution center;

$300,000 for the Chattanooga African American Chamber of Commerce, Tennessee to construct the Martin Luther King Business Solutions Center;

$600,000 for the Carroll County Watershed Authority in Carroll County, Tennessee for land acquisition;

$200,000 for the Big South Fork Visitors Center in Cumberland County, Tennessee to develop new visitors facilities;

$500,000 for Technology 2020 in Oak Ridge, Tennessee to support the East Tennessee Nanotechnology Initiative;

$250,000 for Smith County, Tennessee for construction and infrastructure improvements to the Health, Senior, and Education complex;

$400,000 for the Dallas Women's Museum in Dallas, Texas to conduct renovations;

$200,000 for the Houston Hispanic Forum of Houston, Texas to provide the historic preservation and renovation of the Houston Light Guard Armory into the Hispanic Cultural and Educational Center;

$200,000 for Polk County, Texas to restore the Polk County Annex;

$200,000 to the Arlington Chamber of Commerce in Arlington, Texas to establish the Arlington Entrepreneur Center;

$200,000 to the City of Fort Worth, Texas for the Central City revitalization initiative;

$200,000 to the World Congress on Information Technology in Austin, Texas for convention center renovations;

$200,000 to the City of Commerce, Texas for a new city hall facility;

$200,000 to the City of Hillsboro, Texas for the district warehouse development project;

$200,000 to the City of Dallas, Texas for the Dallas Fair Park Commercial District;

$300,000 to the City of Lufkin, Texas for the convention center initiative;

$200,000 for the Los Fresnos Texas Boys and Girls Club, Los Fresnos, TX for planning, design and facility construction;

$600,000 for the City of Provo, Utah to build the Provo Community Arts Center in the City of Provo;

$200,000 for the City of Hyrum, Utah to build the Hyrum Library and Museum Complex in the City of Hyrum;

$1,000,000 for Sandy City, Utah, for the revitalization of the city's original historic district;

$1,200,000 for the City of Blanding's College of Eastern Utah—San Juan Campus, for the construction of a library community multipurpose building;

$800,000 for Summit County, Utah, for improvements to the Utah Olympic Park facilities;

$250,000 for the Woodrow Wilson Presidential Library in Staunton, Virginia to continue undertaking initial design of the Library;

$250,000 for the Radford University Business and Technology Park in Radford, Virginia to begin site preparation and schematic design of the Park;

$200,000 for the George L. Carter Home Regional Arts and Crafts Center in Hillville, Virginia to restore the historic home to serve as a regional Appalachian arts and crafts center;

$200,000 for the Suffolk Museum of African-American History in Suffolk, Virginia to renovate the former Phoenix Bank of Nansemond for the Museum of African-American History;

$500,000 for the Christopher Newport News University Real Estate Foundation for the Warwick Boulevard Commercial Corridor Redevelopment Project in Newport News, Virginia;

$200,000 for the Mariners' Museum for the USS Monitor Center in Newport News, Virginia;

$200,000 for the Total Action Against Poverty to restore and revitalize the Dumas Center for Artistic and Cultural Development in Roanoke, Virginia;

$200,000 for the Appalachia Service Project for its Home Repair Program in Jonesville, Virginia;

$750,000 for the Preservation Trust of Vermont, Burlington, VT for the Village Revitalization Initiative;

$750,000 for the Vermont Broadband Council, Waterbury, VT for high speed broadband deployment;

$450,000 for the Vermont Housing and Conservation Board, Montpelier, VT for development of affordable housing in Townsend, VT;

$300,000 for Project Independence, Bennington, VT for renovation of the Harwood Hill Farm Facility;

$250,000 for the Vermont Housing and Conservation Board to build low-income housing and reconstruct downtown Enosburg, VT;

$250,000 for the Vermont Housing and Conservation Board to construct senior housing in South Burlington, VT;

$250,000 for the Visiting Nurse Association of Chittenden and Grand Isle Counties, VT to construct a low-income parent and child center in Burlington, VT;

$200,000 for the Vermont Housing and Conservation Board to rehabilitate and construct affordable rental housing in Bradford, VT;

$300,000 for the City of Roslyn, WA, for the Old City Hall and Library Renovation Project;

$325,000 for the Wing Luke Asian Museum in Seattle, WA for an expansion project;

$500,000 for North Helpline in Seattle, WA for new facility site acquisition;

$500,000 for the Fremont Public Association in Seattle, WA for the Housing for the Homeless project;

$500,000 for the Asian Counseling and Referral Service in Seattle, WA for facility construction;

$325,000 for the Urban League in Seattle, WA for construction of the Northwest African American Museum;

$500,000 for the Seattle Art Museum in Seattle, WA for construction of the Olympic Sculpture Park;

$325,000 for the Seattle Aquarium Society in Seattle, WA for the renovation and expansion of the Seattle Aquarium;

$500,000 Northeast Community Center Association in Spokane, WA for a capital improvement project;

$400,000 for Easter Seals Washington in Seattle, WA for construction of a camp and respite lodging facility;

$500,000 for the Boys and Girls Club of King County, WA for renovations to the Greenbridge Community Center;

$325,000 for the Spokane Symphony in Spokane, WA for renovations to the Fox Theater;

$200,000 for the City of LaCrosse, WI to construct the Center for Manufacturing Excellence;

$300,000 for the City of Appleton, WI for construction of affordable housing units at the Appleton Wire Works factory site;

$270,000 for the Redevelopment Authority of the City of Racine, WI for to redevelop brownfields space for the Racine Industrial Park;

$200,000 for the Redevelopment Authority of the City of Milwaukee, WI to redevelop a vacant school and provide for the Bronzeville Cultural Center;

$200,000 for the City of Kenosha, WI for construction related to the Columbus Neighborhood Affordable Housing Project;

$200,000 for West End Development Corporation in Milwaukee, WI to rehabilitation a commercial building as part of the North 27th Street Project;

$230,000 for the City of Green Bay, WI, for the Green Bay Waterfront construction and revitalization project;

$200,000 for the City of Milwaukee, WI for construction of the Menominee Valley Partners Stormwater Park;

$200,000 for City of Necedah, WI to construct a facility for the Juneau County Business Incubator;

$250,000 for the City of Milwaukee, WI for rehabilitation associated with the 30th Street Industrial Corridor-Esser Paint site;

$1,000,000 for construction, related activities, and programs at the Scarborough Library at Shepherd University, WV;

$1,000,000 for the Wheeling Park Commission for the development of training facilities at Oglebay Park, West Virginia;

$2,000,000 for West Virginia University for the development of a facility to house forensic science research and academic programs;

$1,000,000 for the Kanawha Institute for Social Research and Action, West Virginia, for renovations to the Empowerment Center in West Dunbar, which will house an array of self-sufficiency programs for low- to moderate-income individuals;

$900,000 for the Sustainable Agriculture Research & Extension Center [SAREC] in Goshen County Wyoming for construction of a community center building;

$1,100,000 for the Wyoming Substance Abuse Treatment and Recovery Center [WYSTAR] in Sheridan, Wyoming to expand its substance abuse treatment facility for women with children; and

$1,000,000 for the Central Wyoming College Foundation in Riverton, Wyoming to construct the Intertribal Education & Community Center.

The Neighborhood Initiative programs awards are as follows:

$3,000,000 for 21st Century Parks Inc. in Louisville, Kentucky, to develop the "City of Parks" Project;

$100,000 for the Technical Exploration Center [TEC] of Husson College: Expand the Service Capacity of TEC;

$5,000,000 for planning, development and acquisition for the Detroit Riverfront Conservancy, for the West Riverfront Redevelopment project, Detroit, Michigan;

$200,000 for the Minnesota Housing Finance Agency in St. Paul, Minnesota to provide supportive housing for homeless youth;

$5,000,000 for the Grace Hill Neighborhood Health Centers, Inc. Shall be spent on primary prevention activities with no less than $4,000,00 spent on remediation and abatement activities of housing in St. Louis, Missouri;

$500,000 for Mississippi State University costs for facility restoration and development;

$300,000 for the Stennis Institute of Government capacity development initiative in Starkville, Mississippi, for the enhancement of economic development capabilities;

$200,000 for the Housing Education and Economic Development Center in Jackson, Mississippi, for the enhancement of housing and economic development programs;

$200,000 for the Historical Preservation at Alcorn State University, Alcorn State, Mississippi, for the restoration project of existing historic buildings;

$800,000 for Mississippi School of the Arts in Brookhaven, Mississippi for construction, renovation and operations of activities;

$220,000 for Rural Enterprises Institute of Oklahoma to continue the HUD Employer Assisted Housing Project;

$200,000 for Union County, Oregon to support economic development and tourism activities for the Wallowa Union Railroad;

$200,000 for Umatilla County, Oregon to support economic development and infrastructure improvements;

$200,000 to the City of Scranton, Pennsylvania for the North Main Avenue redevelopment project;

$200,000 for Oxford Mainstreet, Inc, Oxford, PA to revitalize the downtown commercial district;

$200,000 to Camp Fire USA Lone Star Council in Dallas, Texas for their Texas pubic housing initiative;

$200,000 for the City of Eagle Mountain, Utah for community development and park facilities improvements in the City of Eagle Mountain;

$1,500,000 for the Washington State Farmworker Housing Trust in Seattle, WA for the Washington Farmworker and Housing Homeownership;

$500,000 for the Enterprise Foundation in Seattle, WA for the Washington Greenbuilding Initiative; and

$1,000,000 for construction, related activities, and programs at the Scarborough Library at Shepherd University, WV.

COMMUNITY DEVELOPMENT LOAN GUARANTEES PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

	Limitation on guaranteed loans	Program costs
Appropriations, 2005	$275,000,000	$5,952,000
Budget estimate, 2006	....	....
House allowance	....	....
Committee recommendation	275,000,000	6,000,000

PROGRAM DESCRIPTION

Section 108 of the Housing and Community Development Act of 1974, as amended, authorizes the Secretary to issue Federal loan guarantees of private market loans used by entitlement and nonentitlement communities to cover the costs of acquiring real property, rehabilitation of publicly owned real property, housing rehabilitation, and other economic development activities.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $6,000,000 for program costs associated with the section 108 loan guarantee program. This amount is $48,000 above the fiscal year 2005 enacted level and $6,000,000 more than the budget request. The administration recommended no funding for this program. While the program has had an uneven history, it does afford some communities the ability to leverage private capital for large projects through a pledge of future CDBG funds.

Of the funds provided, $6,000,000 is for credit subsidy costs to guarantee $275,000,000 in section 108 loan commitments in fiscal year 2006, and $1,000,000 is for administrative expenses to be transferred to the salaries and expenses account.

BROWNFIELDS REDEVELOPMENT

Appropriations, 2005	$23,808,000
Budget estimate, 2006	....
House allowance	....
Committee recommendation	15,000,000

PROGRAM DESCRIPTION

Section 108(q) of the Housing and Community Development Act of 1974, as amended, authorizes the Brownfields Redevelopment program. This program provides competitive economic development grants in conjunction with section 108 loan guarantees for qualified brownfields projects. Grants are made in accordance with Section 108(q) selection criteria. The program supports the cleanup and economic redevelopment of contaminated sites.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $15,000,000 for this program. This amount is $8,808,000 less than the fiscal year 2005 enacted level and $15,000,000 above the budget request. The administration requested no funding for this program. This program has been instrumental in the redevelopment of many communities and the administration has not provided an adequate justification for its elimination.

HOME INVESTMENT PARTNERSHIPS PROGRAM

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2005	$1,899,680,000
Budget estimate, 2006	1,941,000,000
House allowance	1,900,000,000
Committee recommendation	1,900,000,000

PROGRAM DESCRIPTION

Title II of the National Affordable Housing Act, as amended, authorizes the HOME Investment Partnerships Program. This program provides assistance to States and units of local government for the purpose of expanding the supply and affordability of housing to low- and very low-income people. Eligible activities include tenant-based rental assistance, acquisition, and rehabilitation of affordable rental and ownership housing and, also, construction of housing. To participate in the HOME program, State and local governments must develop a comprehensive housing affordability strategy. There is a 25 percent matching requirement for participating jurisdictions which can be reduced or eliminated if they are experiencing fiscal distress. Funding for the American Dream Downpayment Assistance initiative is also provided through the HOME program. This initiative provides downpayment assistance to low income families to help them achieve homeownership.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $1,900,000,000 for the HOME Investment Partnerships Program, including $50,000,000 for the American Dream Downpyment Fund. This amount is $320,000 more than the fiscal year 2005 enacted level and $41,000,000 less than the budget request.

The Committee includes $10,000,000 for technical assistance, the same amount as provided in fiscal year 2005. Of this amount, $7,000,000 is for qualified non-profit intermediaries to provide technical assistance to Community Housing and Development Organizations [CHDOs]. The remaining $3,000,000 is for intermediaries to provide technical assistance to HOME participating jurisdictions. The Committee includes another $5,000,000 transfer for the Affordable Housing and Economic Development Technical Assistance Board. It is expected that the Board will assist nonprofits in developing uniform and, model approaches to housing economic development. The Committee objects to any proposal by the Department that ties the use of HOME funds for homeownership to the allocation of funds under the American Dream Downpayment Fund.

The Committee includes $50,000,000 for the administration's American Dream Downpayment Fund. The Committee supports expanding homeownership opportunities, but is concerned that this program may be helping families with excessive credit risk and who may not be the best candidates for homeownership. The Committee requests that HUD report to the House and Senate Committees on Appropriations on the rate of default by those in the program as well as the numbers of participants who have missed their mortgage payments by 30 days, by 60 days and by 90 days and/or who have received some form of relief to keep their mortgages current. This report is due no later than July 31, 2006. The Committee supports efforts the Department may undertake to educate communities on how to use HOME funds to expand homeownership, and encourages the Department to use its technical assistance funds towards this end. The Committee also is concerned about HUD's ability to obligate these downpayment funds and directs the Department to report to the House and Senate Committees on Appropriations in the obligation rate as well as program status by June 30, 2006.

Of the amount provided for the HOME program, $42,000,000 is for housing counseling assistance. The Committee does not fund housing assistance counseling in a new account, as proposed by the administration. The Committee views homeownership counseling, including pre- and post-purchase counseling, as an essential part of successful homeownership. The Committee expects that this program will remain available to those participating in all HUD's homeownership programs. The Committee continues to urge HUD to utilize this program as a means of educating homebuyers on the dangers of predatory lending, in addition to the administration's stated purpose of expanding homeownership opportunities.

HOMELESS ASSISTANCE GRANTS

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2005	$1,240,511,000
Budget estimate, 2006	1,440,000,000
House allowance	1,340,000,000
Committee recommendation	1,415,000,000

PROGRAM DESCRIPTION

The Homeless Assistance Grants Program provides funding to break the cycle of homelessness and to move homeless persons and families to permanent housing. This is done by providing rental assistance, emergency shelter, transitional and permanent housing, and supportive services to homeless persons and families. The emergency grant is a formula funded grant program, while the supportive housing, section 8 moderate rehabilitation single-room occupancy program and the shelter plus care programs are competitive grants. Homeless assistance grants provide Federal support to one of the Nation's most vulnerable populations. These grants assist localities in addressing the housing and service needs of a wide variety of homeless populations while developing coordinated Continuum of Care [CoC] systems that ensure the support necessary to help those who are homeless to attain housing and move toward self-sufficiency.

COMMITTEE RECOMMENDATION

The Committee recommends $1,415,000,000 for homeless assistance grants. This amount is $174,489,000 above the fiscal year 2005 enacted level and $25,000,000 below the budget request. Of the amount provided, $238,000,000 is to fund fully Shelter Plus Care renewals on an annual basis, $11,674,000 is for technical assistance and data analysis, $1,000,000 is for the Department's working capital fund, and $5,000,000 is for the Affordable Housing and Economic Development Technical Assistance Board. Bill language also is included that (1) requires not less than 30 percent of the funds appropriated, excluding renewal costs, for permanent housing; (2) requires the renewal of all expiring Shelter Plus Care contracts on an annual basis if the contract meets certain requirements; (3) requires a 25 percent match for social services; and (4) requires all homeless funding recipients to coordinate and integrate their programs with other mainstream and targeted social programs. No funding is provided for the Prisoner Re-Entry initiative.

The Committee continues to be committed to ending chronic homelessness over 10 years and supports the President's stated goal of achieving this goal by 2012. To that end, the Committee supports Federal, State, and local efforts to increase the supply of permanent housing until the need is met at an estimated 150,000 units. Accordingly, the Committee again includes bill language that requires the Department to spend a minimum of 30 percent of funds appropriated under this account for permanent housing. The Department is now meeting the 30 percent requirement and in the fiscal year 2003 competition, almost 53 percent of homeless funds were spent on housing.

The Committee supports the efforts of the U.S. Interagency Council on Homelessness [ICH] to assist State and local communities develop 10-year plans to end homelessness. The Committee, however, is concerned about the coordination between these 10-year plans and HUD's continuum of care [CoC] system. Specifically, it is unclear how these two efforts complement each other in addressing the goal of ending chronic homelessness. Accordingly, the Committee directs the Department to provide a report on how it is coordinating the CoC system with the 10-year plans. This report should be developed in consultation with the ICH and submitted to the Committee by no later than February 28, 2006.

In order to improve efforts in addressing homelessness, it is critical for providers and government officials to have reliable data. To address this matter, the Committee began an effort in 2001 that charged the Department to collect homeless data through the implementation of a new Homeless Management Information System [HMIS]. The implementation of this new system would allow the Department to obtain meaningful data on the Nation's homeless population and develop annual reports through an Annual Homeless Assessment Report [AHAR]. While this initiative has been delayed through a variety of factors, including participation resistance from some CoC communities, HUD recently reported that a majority of communities are now implementing or operating an HMIS. The Department has encouraged the participation of HMIS through financing and incentives through the annual, competitive CoC Notice of Funding Availability [NOFA] process. Nevertheless, the Committee strongly urges the Department to ensure full participation by all CoCs in the HMIS effort and consider future CoC funding to be contingent upon participation in HMIS and AHAR. Due to the Committee's continued interest in the Department's data collection and analysis efforts, the Committee again directs HUD to report on its progress by no later than March 10, 2006.

The Committee also reiterates the directive included in the conference report for the Consolidated Appropriations Act, 2005 (House Report 108–792) regarding out-year costs of renewing HUD's permanent housing programs. Therefore, the Department should include 5-year projects, on an annual basis, for the cost of renewing the permanent housing component of the Supportive Housing Program and the Shelter Plus Care program in its fiscal year 2007 budget justifications.

The Committee appreciates the Department's sustained commitment to meeting the needs of homeless families. Although one-third of homeless people are members of homeless families, about half of the persons served by HUD homeless programs are members of homeless families.

Nevertheless, the Committee encourages HUD to explore further ways in which it might improve its assistance to homeless families, with the goal of ending family homelessness. Accordingly, the Committee directs the Department to (1) develop a typology of homeless families' use of the homelessness system, including an assessment as to the extent there are chronically homeless families, their characteristics, and the strategies effective in meeting their needs; (2) explore new outcome measures for programs serving homeless families, including measuring length of stay in the homeless system and recidivism to the homeless system (both of which should be declining if programs are becoming more effective in serving families); and (3) undertake research to ascertain the impact of various service and housing interventions in ending homelessness for families.

The Committee commends the Department's efforts in coordinating its homeless programs with the Department of Education to ensure homeless children receive the assistance and resources to escape poverty. The Committee especially commends and supports the Department for its recent efforts to ensure HUD-funded shelters protect the education rights of homeless children. Specifically, the Committee supports HUD's recent directive that required each Continuum of Care to provide a list of homeless shelters serving children to the State Coordinator for the Education of Homeless Children and Youth. The Committee believes that this action will allow for the dissemination of information on children's education rights according to all applicable Department of Education requirements to families with children in these facilities.

The Committee notes the value of collecting data related to beneficiaries of the HUD Homeless programs and activities to create sound policy and financial decisions with limited Federal resources. The Committee also notes that there was confusion about whether HUD, in its Homeless Management Information Systems [HMIS] Data and Technical standards notice (68 FR 43430–1), included an exemption for domestic violence shelters from participating in HMIS. The Committee is aware that concerns remain about the HMIS process and safeguards for the personally identifying information of victims of domestic violence and encourages the Secretary to continue to work with domestic violence groups as well as the Continuums of Care [CoC] to address this issue.

Housing Programs

HOUSING FOR THE ELDERLY

(INCLUDING TRANSFERS OF FUNDS)

Appropriations, 2005	$741,024,000
Budget estimate, 2006	741,000,000
House allowance	741,000,000
Committee recommendation	742,000,000

PROGRAM DESCRIPTION

This account provides funding for housing for the elderly under section 202. Under this program, the Department provides capital grants to eligible entities for the acquisition, rehabilitation, or construction of housing for seniors.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $742,000,000 for the Section 202 program, an increase of $976,000 over the fiscal year 2005 level and an increase of $1,000,000 over the budget request. Of these funds, $53,000,000 is for service coordinators and for the continuation of existing congregate service grants; up to $30,000,000 for the conversion of projects to assisted living housing for substantial rehabilitation an for emergency capital repairs; $20,000,000 for grants to nonprofits for architectural and engineering work, site control and planning activities. The Committee also includes $2,500,000 for the Affordable Housing and Economic Development Technical Assistance Board and $2,500,000 for the Working Capital Fund.

According to a 2003 GAO report, section 202 has reached only 8 percent of very low income elderly households. The Committee believes that greater resources should be devoted to the section 202 program and continues to encourage the Department to make this program more of a priority, including better targeting to extremely low-income elderly households. Further, the Department needs to facilitate the construction of section 202 projects. Finally, many of the existing 202 units have serious repair needs that are not being adequately addressed by the Department.

HOUSING FOR PERSONS WITH DISABILITIES

(INCLUDING TRANSFERS OF FUNDS)

Appropriations, 2005	$238,080,000
Budget estimate, 2006	119,900,000
House allowance	238,100,000
Committee recommendation	240,000,000

PROGRAM DESCRIPTION

This account provides funding for housing for the persons with disabilities under section 811. Under this program, the Department provides capital grants to eligible entities for the acquisition, rehabilitation, or construction of housing for persons with disabilities. Up to 25 percent of the funding may be made available for tenant-based assistance under section 8.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $240,000,000 for the Section 811 program, an increase of $1,920,000 over the fiscal year 2005 level and $120,100,000 over the budget request. HUD is directed to ensure that all tenant-based assistance made available under this account shall remain available for persons with disabilities upon turnover. The Committee has limited the amount of funds that may be used for incremental section 8 vouchers to $5,000,000. The Committee includes a transfer of $2,500,000 for the Affordable Housing and Economic Development Technical Assistance Board. In addition, Section 811 funds may be used for inspections by HUD's Real Estate Assessment Center [REAC] and for related inspection activities. HUD is directed to submit a budget to the House and Senate Committees on Appropriations before funding any REAC inspections.

AFFORDABLE HOUSING AND ECONOMIC DEVELOPMENT TECHNICAL ASSISTANCE BOARD

Appropriations, 2005	....
Budget estimate, 2006	....
House allowance	....
Committee recommendation	$45,000,000

PROGRAM DESCRIPTION

The Affordable Housing and Economic Development Technical Assistance Board was created to provide technical assistance through a board of qualified and respected national nonprofits to local nonprofits across the Nation that participate in programs administered by the Department of Housing and Urban Development [HUD]. Most HUD programs are governed by rules and regulations that are often overly complex for small local nonprofits. This program provides funding for a board of national nonprofits to use their expertise to assist local nonprofits in making HUD's affordable housing and economic development programs a success.

COMMITTEE RECOMENDATION

The Committee recommends $45,000,000 in funding for a new Affordable Housing and Economic Development Technical Assistance Board that is designed to provide funding for a board of qualified and respected national nonprofits to assist local nonprofits in the management of programs and activities funded through the Department of Housing and Urban Development. These funds are transferred from the Section 8 Tenant-Based Rental Assistance program, the Section 8 Project-Based Rental Assistance program, the Native American Housing Block Grant program, the Community Development Block Grant program, the HOME program, the Homeless Assistance program, the Section 202 Housing for the Elderly program and the Section 811 Housing for Persons with Disabilities program. The Board shall consist of LISC, the Enterprise Foundation, and the Centre for Management and Technology. The Board shall be assisted by an advisory board including groups such as the Housing Assistance Council, the Corporation for Supportive Housing, the National Alliance to End Homelessness, the National Council of La Raza, the National Urban League, the National American Indian Housing Council, the National Association for the Mentally Ill, and the American Association of Homes and Services for the Aging. The Committee expects the board to assist local nonprofits in developing local affordable housing and economic development programs, especially with regard to the programs from which the funds are transferred. In particular, the Committee expects the board to develop uniform policies and best practices with regard to these programs and activities.

OTHER ASSISTED HOUSING PROGRAMS

RENTAL HOUSING ASSISTANCE

(RESCISSION)

PROGRAM DESCRIPTION

This account provides amendment funding for housing assisted under a variety of HUD housing programs.

COMMITTEE RECOMMENDATION

The Committee recommends $26,400,000 for HUD-assisted, State-aided, non-insured rental housing projects.

FLEXIBLE SUBSIDY FUND

PROGRAM DESCRIPTION

The Housing and Urban Development Act of 1968 authorized HUD to establish a revolving fund for the collection of rents in excess of the established basic rents for section 236 projects. Subject to appropriations, HUD is authorized to transfer excess rent collection received after 1978 to the Flexible Subsidy Fund.

COMMITTEE RCOMMENDATION

The Committee recommends that the account continue to serve as the repository for the excess rental charges appropriated from the Rental Housing Assistance Fund; these funds will continue to offset flexible subsidy outlays and other discretionary expenditures to support affordable housing projects. The language is designed to allow surplus funds in excess of allowable rent levels to be returned to project owners only for purposes of the rehabilitation and renovation of projects.

MANUFACTURED HOUSING FEES TRUST FUND

Appropriations, 2005	$12,896,000
Budget request, 2006	13,000,000
House allowance	12,896,000
Committee recommendation	13,000,000

PROGRAM DESCRIPTION

The National Manufactured Housing Construction and Safety Standards Act of 1974, as amended by the Manufactured Housing Improvement Act of 2000, authorizes the Secretary to establish Federal manufactured home construction and safety standards for the construction, design, and performance of manufactured homes. All manufactured homes are required to meet the Federal standards, and fees are charged to producers to cover the costs of administering the Act.

COMMITTEE RECOMMENDATION

The Committee recommends $13,000,000 to support the manufactured housing standards programs to be derived from fees collected and deposited in the Manufactured Housing Fees Trust Fund account. The amount recommended is the same as the budget request and $104,000 more than the fiscal year 2005 enacted level.

The Committee thanks the Department for submitting line-item expenses for the manufactured housing program in its proposed fiscal year 2006 budget request, and encourages the HUD to continue doing so in its future budgets. In addition, the Committee encourages HUD to continue to prioritize its expenditures for this program in accordance with the appropriate sections of the Manufactured Housing Improvement Act of 2000.

FEDERAL HOUSING ADMINISTRATION

MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

	Limitation on direct loans	Limitation on guaranteed loans	Administrative expenses
Appropriations, 2005	$50,000,000	$185,000,000,000	$354,051,000
Budget estimate, 2006	50,000,000	185,000,000,000	355,000,000
House allowance	50,000,000	185,000,000,000	355,000,000
Committee recommendation	50,000,000	185,000,000,000	355,000,000

GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

	Limitation on direct loans	Limitation on guaranteed loans	Administrative expenses	Program costs
Appropriations, 2005	$50,000,000	$35,000,000,000	$225,945,000	$9,920,000
Budget estimate, 2006	50,000,000	35,000,000,000	231,400,000	8,800,000
House allowance	50,000,000	35,000,000,000	231,400,000	8,800,000
Committee recommendation	50,000,000	35,000,000,000	231,400,000	8,800,000

PROGRAM DESCRIPTION

The Federal Housing Administration [FHA] fund covers the mortgage and loan insurance activity of about 40 HUD mortgage/loan insurance programs which are grouped into the mutual mortgage insurance [MMI] fund, cooperative management housing insurance [CMHI] fund, general insurance fund [GI] fund, and the special risk insurance [SRI] fund. For presentation and accounting control purposes, these are divided into two sets of accounts based on shared characteristics. The unsubsidized insurance programs of the mutual mortgage insurance fund and the cooperative management housing insurance fund constitute one set; and the general risk insurance and special risk insurance funds, which are partially composed of subsidized programs, make up the other.

The amounts for administrative expenses are to be transferred from appropriations made in the FHA program accounts to the HUD "Salaries and expenses" accounts. Additionally, funds are also appropriated for administrative contract expenses for FHA activities.

COMMITTEE RECOMMENDATION

The Committee has included the following amounts for the "Mutual Mortgage Insurance Program" account: a limitation on guaranteed loans of $185,000,000,000 a limitation on direct loans of $50,000,000, and an appropriation of $355,000,000 for administrative expenses. For the GI/SRI account, the Committee recommends $35,000,000,000 as a limitation on guaranteed loans, a limitation on direct loans of $50,000,000, and $355,000,000,000 for administrative expenses, of which $351,000,000 shall be transferred to HUD "Salaries and Expenses", up to $4,000,000 shall be transferred to the Office of the Inspector General.

In addition, the Committee directs HUD to continue direct loan programs in 2006 for multifamily bridge loans and single family purchase money mortgages to finance the sale of certain properties owned by the Department. Temporary financing shall be provided for the acquisition and rehabilitation of multifamily projects by purchasers who have obtained commitments for permanent financing from another lender. Purchase money mortgages will enable governmental and nonprofit intermediaries to acquire properties for resale to owner-occupants in areas undergoing revitalization.

The Committee has not included the administer's proposed FHA Zero Downpayment program where all fees and costs would be rolled into the mortgage as opposed to the current requirement that a homebuyer provide a downpayment equal to 3 percent of the mortgage principal. The Committee believes that this proposal poses substantial financial risks to the FHA Single Family Mortgage Insurance program by assisting high-risk families in purchasing homes where the new homeowners have no stake in these houses and also have no financial cushion to pay for any big ticket costs such as a failed furnace or leaky roof. From a historical perspective, FHA was almost bankrupt in the late 1980's due to defaults from housing families with high loan-to-value ratios. Not only did this practice hurt the credit worthiness of these families but, equally troubling, the large number of defaults helped to tip marginal neighborhoods into becoming distressed areas where the FHA foreclosures helped to drive down the value of other housing in these neighborhoods.

From a historical perspective, the substantially same policy almost bankrupted FHA in the late 1980's and economically hurt neighborhoods because large numbers of defaults in marginal neighborhoods often result in diminished property values for the entire neighborhood. Recent audits of the FHA Mutual Mortgage Insurance Fund have indicated that these policies likely would undermine the long-term financial soundness of the fund. For example, the HUD IG audit of FHA's financial statements for fiscal years 2004 and 2003 demonstrate a substantial increase in the default rate over the last 5 years from 2.99 percent in fiscal year 2000 to 6.9 percent in fiscal year 2004. Moreover claims have increased from some $5,500,000,000 in fiscal year 2000 to some $8,500,000,000 in fiscal year 2004, a 54 percent increase while insurance-in-force decreased 13 percent to $430,000,000 during the same period. FHA is clearly becoming a lender of last resort, taking on the most risky mortgages, especially those likely to default. HUD's other initiative is to provide payment incentives to assist persons with bad credit to obtain housing (these persons would pay higher rates of interest at the beginning which would decline as a homeowner demonstrates an ability to pay the mortgage). This policy would also undermine the FHA MMIF.

The Committee also is concerned that HUD should assist in the education of potential homebuyers who plan to use FHA mortgage insurance as part of the purchase process. While the requirements for an appraisal are clear, HUD needs to educate homebuyers regarding the value of requiring a home inspection before a purchase is complete. In too many cases, homebuyers waive this option, thus exposing them to unforeseen and unexpected physical deficiencies in the purchased home. This especially is troubling with moderate- and low-income homebuyers who barely have enough funds to close on the house. Without a home inspection, these purchasers may find themselves responsible for such high-cost items as a new roof, furnace or other significant structural liabilities. In these cases, the cost to repair the home and pay for the mortgage may far exceed the financial ability of the homebuyer, thus putting the home at risk of foreclosure.

Government National Mortgage Association

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2005:	
Limitation on guaranteed loans	$200,000,000,000
Administrative expenses	10,609,000
Budget estimate, 2006:	
Limitation on guaranteed loans	200,000,000,000
Administrative expenses	11,360,000
House allowance:	
Limitation on guaranteed loans	200,000,000,000
Administrative expenses	10,700,000
Committee recommendation:	
Limitation on guaranteed loans	200,000,000,000
Administrative expenses	11,360,000

PROGRAM DESCRIPTION

The Government National Mortgage Association [GNMA], through the mortgage-backed securities program, guarantees privately issued securities backed by pools of mortgages. GNMA is a wholly owned corporate instrumentality of the United States within the Department. Its powers are prescribed generally by title III of the National Housing Act, as amended. GNMA is authorized by section 306(g) of the act to guarantee the timely payment of principal and interest on securities that are based on and backed by a trust, or pool, composed of mortgages that are guaranteed and insured by the Federal Housing Administration, the Rural Housing Service, or the Department of Veterans Affairs. GNMA's guarantee of mortgage-backed securities is backed by the full faith and credit of the United States.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation on new commitments of mortgage-backed securities of $200,000,000,000. This amount is the same level as proposed by the budget request. The Committee also has included $11,360,000 for administrative expenses, the same as the budget request and an increase of $751,000 above the fiscal year 2005 enacted level.

Policy Development and Research

RESEARCH AND TECHNOLOGY

Appropriations, 2005	$45,136,000
Budget estimate, 2006	69,738,000
House allowance	60,600,000
Committee recommendation	48,000,000

PROGRAM DESCRIPTION

Title V of the Housing and Urban Development Act of 1970, as amended, directs the Secretary of the Department of Housing and Urban Development to undertake programs of research, evaluation, and reports relating to the Department's mission and programs. These functions are carried out internally and through grants and contracts with industry, nonprofit research organizations, educational institutions, and through agreements with State and local governments and other Federal agencies. The research programs seek ways to improve the efficiency, effectiveness, and equity of HUD programs and to identify methods to achieve cost reductions. Additionally, this appropriation is used to support HUD evaluation and monitoring activities and to conduct housing surveys.

COMMITTEE RECOMMENDATION

The Committee recommends $48,000,000 for research and technology activities in fiscal year 2006. This amount is $2,864,000 more than the fiscal year 2005 enacted level and $21,738,000 below the budget request. Of this funding, $5,000,000 is for the Partnership for Advancing Technologies in Housing [PATH] program. Language is included to ensure the funding of existing cooperative agreements in fiscal year 2006. The Committee expects the PATH program to continue its cold climate housing research with the Cold Climate Housing Research Center in Fairbanks, Alaska. The Committee also supports the continuing research on promising technologies for the manufactured housing industry.

In addition, because in the past HUD has used this office's broad authority to administer new and unauthorized programs, the Office of Policy Development and Research is denied demonstration authority except where approval is provided by Congress in response to a reprogramming request.

FAIR HOUSING AND EQUAL OPPORTUNITY

FAIR HOUSING ACTIVITIES

Appropriations, 2005	$46,128,000
Budget estimate, 2006	38,800,000
House allowance	46,500,000
Committee recommendation	46,000,000

PROGRAM DESCRIPTION

The fair housing activities appropriation includes funding for both the Fair Housing Assistance Program [FHAP] and the Fair Housing Initiatives Program [FHIP].

The Fair Housing Assistance Program helps State and local agencies to implement title VIII of the Civil Rights Act of 1968, as amended, which prohibits discrimination in the sale, rental, and financing of housing and in the provision of brokerage services. The major objective of the program is to assure prompt and effective processing of title VIII complaints with appropriate remedies for complaints by State and local fair housing agencies.

The Fair Housing Initiatives Program is authorized by section 561 of the Housing and Community Development Act of 1987, as amended, and by section 905 of the Housing and Community Development Act of 1992. This initiative is designed to alleviate housing discrimination by increasing support to public and private organizations for the purpose of eliminating or preventing discrimination in housing, and to enhance fair housing opportunities.

COMMITTEE RECOMMENDATION

The Committee recommendation provides $46,000,000, of which $25,000,000 is for the fair housing assistance program [FHAP] and no more than $21,000,000 is for the fair housing initiatives program [FHIP].

The Committee emphasizes that State and local agencies under FHAP should have the primary responsibility for identifying and addressing discrimination in the sale, rental, and financing of housing and in the provision of brokerage services. It is critical that consistent fair housing policies be identified and implemented to insure continuity and fairness, and that States and localities continue to increase their understanding, expertise, and implementation of the law.

OFFICE OF LEAD HAZARD CONTROL

LEAD HAZARD REDUCTION

Appropriations, 2005	$166,656,000
Budget estimate, 2006	119,000,000
House allowance	166,656,000
Committee recommendation	167,000,000

PROGRAM DESCRIPTION

Title X of the Housing and Community Development Act of 1992 established the Residential Lead-Based Paint Hazard Reduction Act under which HUD is authorized to make grants to States, localities and native American tribes to conduct lead-based paint hazard reduction and abatement activities in private low-income housing. This has become a significant health hazard, especially for children. According to the Centers for Disease Control and Prevention [CDC], some 434,000 children have elevated blood levels, down from 1.7 million in the late 1980's. Despite this improvement, lead poisoning remains a serious childhood environmental condition, with some 2.2 percent of all children aged 1 to 5 years having elevated blood lead levels. This percentage is much higher for low-income children living in older housing.

COMMITTEE RECOMMENDATION

The Committee recommends $167,000,000 for lead-based paint hazard reduction and abatement activities for fiscal year 2006. This amount is $48,000,000 more than the budget request and $344,000 more than the fiscal year 2005 enacted level. Of this amount, HUD may use up to $9,000,000 for the Healthy Homes Initiative under which HUD conducts a number of activities designed to identify and address housing-related illnesses.

The Committee recommends $48,000,000 for the lead hazard reduction demonstration program which was established in fiscal year 2003 to focus on major urban areas where children are disproportionately at risk for lead poisoning.

As previously discussed, there remains significant lead risks in privately-owned housing, particularly in unsubsidized low-income units. For that reason, approximately 1 million children under the age of 6 in the United States suffer from lead poisoning. While lead poisoning crosses all socioeconomic, geographic, and racial boundaries, the burden of this disease falls disproportionately on low-income and minority families. In the United States, children from poor families are eight times more likely to be poisoned than those from higher income families. Nevertheless, the risks associated with lead-based paint hazards can be addressed fully over the next decade.

As noted last year, the urban lead hazard reduction program is designed to target funding to major urban areas where the lead hazard risk for low-income children under the age of 6 is greatest. Qualified applicants are identified by the Secretary as having the highest number of pre-1940 units of rental housing and a disproportionately high number of documented cases of lead-poisoned children. At least 90 percent of funds must be used for abatement and interim control of lead-based paint hazards. Further, the program targets abatement to units that serve low-income families. As a condition of assistance, each applicant shall submit a detailed plan for use of funds that demonstrates sufficient capacity acceptable to the Secretary of Housing and Urban Development. The plans should identify units with the most significant risk, and should include strategies to reduce the risk of lead hazards and to mobilize public and private resources. The Committee fully expects that this program will be administered in a manner consistent with the guidelines and criteria used in the fiscal year 2003 and 2004 funding cycles.

The Committee also encourages HUD to work with grantees on its lead-based paint abatement hazards programs so that information is disclosed to the public on lead hazard abatements, risk assessment data and blood lead levels through publications and internet sites such as Lead-SafeHomes.info.

The Committee also includes $5,000,000 in the Neighborhood Initiative program to continue a lead-based paint abatement pilot program in St. Louis to be coordinated by the Grace Hill Neighborhood Health Centers to eliminate the source of lead paint poisoning within the city's large, aging housing stock. This is the last year of funding for this program.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

[In thousands of dollars]

	Appropriation	FHA funds	GNMA funds	CDBG funds	Title VI transfer	Indian housing block grant	Native Hawaiian loan	Total
Appropriations, 2005	542,819	560,673	10,695	1,000	250	150	35	1,115,622
Budget estimate, 2006	579,000	562,400	10,695	....	244	146	34	1,152,519
House allowance	579,000	562,400	10,700	....	250	150	35	1,152,535
Committee recommendation	570,000	562,400	11,360	1,000	250	150	35	1,145,000

PROGRAM DESCRIPTION

The "Salaries and expenses" account finances all salaries and related expenses associated with administering the programs of the

Department of Housing and Urban Development. These include the following activities:

Housing and Mortgage Credit Programs.—This activity includes staff salaries and related expenses associated with administering housing programs, the implementation of consumer protection activities in the areas of interstate land sales, mobile home construction and safety, and real estate settlement procedures.

Community Planning and Development Programs.—Funds in this activity are for staff salaries and expenses necessary to administer community planning and development programs.

Equal Opportunity and Research Programs.—This activity includes salaries and related expenses associated with implementing equal opportunity programs in housing and employment as required by law and Executive orders and the administration of research programs and demonstrations.

Departmental Management, Legal, and Audit Services.—This activity includes a variety of general functions required for the Department's overall administration and management. These include the Office of the Secretary, Office of General Counsel, Office of Chief Financial Officer, as well as administrative support in such areas as accounting, personnel management, contracting and procurement, and office services.

Field Direction and Administration.—This activity includes salaries and expenses for the regional administrators, area office managers, and their staff who are responsible for the direction, supervision, and performance of the Department's field offices, as well as administrative support in areas such as accounting, personnel management, contracting and procurement, and office services.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $1,145,195,000 for salaries and expenses. This amount is $29,573,000 more than the fiscal year 2005 enacted level and $7,324,000 less than the budget request. The appropriation includes the requested amount of $575,195,000 transferred from various funds from the Federal Housing Administration, $11,360,000 transferred from the Government National Mortgage Association, $250,000 from the Indian Housing Loan Guarantee Fund Program, $150,000 from the Native American Housing Block Grant, and $35,000 from the Native Hawaiian Housing Program as well as $1,000,000 from the Community Development Loan Guarantee program, which the administration sought to eliminate.

The Committee remains concerned about HUD's ability to administer its programs and place staff where most needed. Therefore, the Committee directs HUD to report quarterly to the House and Senate Committees on Appropriations on all hiring within the Department, including justifications for any significant increase in FTEs for any particular office or activity.

In addition, the Department is prohibited from employing more than 77 schedule C and 20 noncareer senior executive service employees. The Committee understands that the Department is staffed largely by personnel who are close to retirement and at the top of the civil service pay schedule. The Committee encourages

HUD to implement hiring practices that result in the hiring of young professionals who can gain experience and advancement.

The Committee directs the Department to issue quarterly reports on HUD travel to the Senate Committee on Appropriations. These reports shall include a list of all HUD-related trips, the names of all staff on each trip, and all costs, including the individual costs of lodging, food, transportation and any other costs.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

	Appropriation	FHA funds by transfer	Total
Appropriations, 2005	$79,360,000	$24,000,000	$103,360,000
Budget estimate, 2006	79,000,000	24,000,000	103,000,000
House allowance	79,000,000	24,000,000	103,000,000
Committee recommendation	82,000,000	24,000,000	106,000,000

PROGRAM DESCRIPTION

This appropriation will finance all salaries and related expenses associated with the operation of the Office of the Inspector General [OIG].

COMMITTEE RECOMMENDATIONS

The Committee recommends an overall funding level of $106,000,000 for the Office of Inspector General [OIG]. This amount is $2,640,000 above the fiscal year 2005 enacted level and $3,000,000 above the budget request. This funding level includes $24,000,000 by transfer from various FHA funds. The Committee commends OIG for its commitment and its efforts in reducing waste, fraud and abuse in HUD programs.

WORKING CAPITAL FUND

Appropriations, 2005	$267,840,000
Budget estimate, 2006	265,000,000
House allowance	62,000,000
Committee recommendation	265,000,000

PROGRAM DESCRIPTION

The working capital fund, authorized by the Department of Housing and Urban Development Act of 1965, finances information technology and office automation initiatives on a centralized basis.

COMMITTEE RECOMMENDATION

The Committee recommends $265,000,000 for the working capital fund for fiscal year 2006. These funds are the same as the budget request and $2,840,000 below the fiscal year 2005 level. This fund is needed to enhance efficient use of appropriated funds and improve budget projections and needs for submission of the Committees on Appropriations.

Office of Federal Housing Enterprise Oversight

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2005	$58,735,000
Budget estimate, 2006	60,000,000
House allowance	60,000,000
Committee recommendation	60,000,000

PROGRAM DESCRIPTION

This appropriation funds the Office of Federal Housing Enterprise Oversight [OFHEO], which was established in 1992 to regulate the financial safety and soundness of the two housing Government sponsored enterprises [GSE's], the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation. The Office was authorized in the Federal Housing Enterprise Safety and Soundness Act of 1992, which also instituted a three-part capital standard for the GSE's, and gave the regulator enhanced authority to enforce those standards.

COMMITTEE RECOMMENDATION

The Committee recommends $60,000,000 for the Office of Federal Housing Enterprise Oversight, which is the same as the budget request and $1,265,000 more than the fiscal year 2005 enacted level.

Administrative Provisions

The Committee recommends administrative provisions. A brief description follows.

SEC. 301. This section promotes the refinancing of certain housing bonds.

SEC. 302. This section clarifies a limitation on use of funds under the Fair Housing Act.

SEC. 303. This section clarifies the allocation of HOPWA funding for fiscal year 2006.

SEC. 304. This section clarifies housing issue in Michigan.

SEC. 305. This section requires HUD to award funds on a competitive basis unless otherwise provided.

SEC. 306. This section allows funds to be used to reimburse GSEs and other Federal entities for various administrative expenses.

SEC. 307. This section limits HUD spending to amounts set out in the budget justification.

SEC. 308. This section clarifies expenditure authority for entities subject to the Government Corporation Control Act.

SEC. 309. This section requires HUD to submit certain additional information as part of its annual budget justifications.

SEC. 310. This section requires quarterly reports on all uncommitted, unobligated and excess funds associated with HUD programs.

SEC. 311. This section requires HUD to maintain section 8 assistance on HUD-held or owned multifamily housing that is occupied primarily by the elderly or disabled.

SEC. 312. This section corrects the award of HOPWA funding for New Jersey and Delaware.

SEC. 313. This section requires HUD to submit its fiscal year 2006 budget justifications according to congressional requirements.

SEC. 314. This section requires vouchers for non-elderly disabled families to be renewed, to the extent practicable, to non-elderly disabled families.

SEC. 315. This section exempts Alaska, Iowa, and Mississippi from the requirement of having a PHA resident on the board of directors for fiscal year 2006. Instead, the public housing agencies in these States are required to establish advisory boards that include public housing tenants and section 8 recipients.

SEC. 316. This section reforms certain section 8 rent calculations as to athletic scholarships.

SEC. 317. This section provides allocation requirements for Native Alaskans under the Native American Indian Housing Block Grant program.

SEC. 318. This section allows HUD to authorize the transfer of existing project-based subsidies and liabilities from obsolete housing to housing that better meets the needs of the assisted tenants.

SEC. 319. This section provides a 3-year extension of the Moving to Work Demonstration Agreements that would expire on or before September 30, 2006.

SEC. 320. This section requires vouchers for family unification to be renewed, to the extent practicable, for the family unification.

TITLE IV—THE JUDICIARY

PROGRAM DESCRIPTION

Established under article three of the Constitution, the Judicial Branch of government is a separate but equal branch. The Federal Judiciary consists of the Supreme Court, United States Courts of Appeals, District Courts, Bankruptcy Courts, Court of International Trade, Court of Federal Claims and several other entities and programs. The organization of the Judiciary, the district and circuit boundaries, the places of holding court, and the number of Federal judges are passed by the Congress and signed by the President.

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

The Judiciary has made commendable steps toward greater efficiency and automation which will continue to benefit all who are dependent upon the third branch of government for timely and effective hearings and trials. The Committee supports the Judiciary in this effort.

The Judicial Branch is reminded that it, too, is subject to the same funding constraints facing the Executive and Legislative Branches and continues to urge the Federal Judiciary to devote its resources primarily to the retention of current staff. Further, the Judiciary is encouraged to contain controllable costs such as travel, construction, and other non-essential expenses.

In addition, the Judiciary is reminded that Section 705 of the accompanying Act applies to the Judicial as well as the Executive Branch.

SUPREME COURT OF THE UNITED STATES

SALARIES AND EXPENSES

Appropriations, 2005	$57,370,000
Budget estimate, 2006	60,730,000
House allowance	60,730,000
Committee recommendation	60,730,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $60,730,000 for the Justices, their supporting personnel, and the costs of operating the Supreme Court, excluding the care of the building and grounds. The recommendation is $3,360,000 above the fiscal year 2005 funding level and identical to the budget request.

CARE OF THE BUILDING AND GROUNDS

Appropriations, 2005	$9,846,000
Budget estimate, 2006	5,624,000
House allowance	5,624,000
Committee recommendation	5,624,000

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $5,624,000 for personnel and other services related to the Supreme Court building and grounds, which is supervised by the Architect of the Capitol. The recommendation is $4,222,000 below the fiscal year 2005 funding level and identical to the budget request.

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

SALARIES AND EXPENSES

Appropriations, 2005	$21,520,000
Budget estimate, 2006	26,462,000
House allowance	24,613,000
Committee recommendation	23,489,000

PROGRAM DESCRIPTION

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

The Federal Circuit has nationwide jurisdiction in a variety of subject matter, including international trade, government contracts, patents, certain claims for money from the United States Government, Federal personnel, and veterans' benefits. Appeals to the court come from all Federal district courts, the United States Court of Federal Claims, the United States Court of International Trade, and the United States Court of Veterans Appeals. The court also takes appeals of certain administrative agencies' decisions, including the Merit Systems Protection Board, the Board of Contract Appeals, the Board of Patent Appeals and Interferences, and the Trademark Trial and Appeals Board. Decisions of the United States International Trade Commission, the Office of Compliance of the United States Congress and the Government Accounting Office Personnel Appeals Board are also reviewed by the court.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $23,489,000. The recommendation is $1,969,000 above the fiscal year 2005 funding level and $2,973,000 below the budget request.

The Committee does not support the court's request for $576,000 to enhance technology in the courtrooms and directs the court to focus their resources on hiring and retaining highly qualified staff. In addition, the Committee is not providing additional resources for perimeter security barriers or to implement an information recovery plan. The Committee believes that these efforts, if necessary, should be funded within available resources.

U.S. Court of International Trade

SALARIES AND EXPENSES

Appropriations, 2005	$14,713,000
Budget estimate, 2006	15,480,000
House allowance	15,480,000
Committee recommendation	15,480,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $15,480,000. The recommendation is $767,000 above the fiscal year 2005 funding level and the same as the budget request.

Courts of Appeals, District Courts, and Other Judicial Services

SALARIES AND EXPENSES

Appropriations, 2005	$4,125,321,000
Budget estimate, 2006	4,478,744,000
House allowance	4,348,780,000
Committee recommendation	4,374,959,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $4,374,959,000. The recommendation is $254,638,000 above the fiscal year 2005 funding level and $103,785,000 below the budget request.

The Committee is aware of the growing workload facing our Federal courts and has adequately funded this account to enable the courts to meet their rising workload demands. As already stated, the Committee urges the Judicial Conference to make the retention of personnel its top priority.

Rent.—The Committee is concerned about the rising costs associated with the Judiciary's rent bill. The Committee is aware and is supportive of the Judiciary's efforts to work with the General Services Administration to find ways to reduce rising rent costs.

To reduce this rapidly-growing burden, the Committee urges the Judicial Conference to continue to carefully consider the size and scope of future construction projects and to consider other remedies, such as courtroom sharing, that will lessen the space needs required by the Judiciary.

To assist the Committee in better understanding this complex issue, the Administrative Office will report to the Committee no more than 120 days after the enactment of this Act on the financial savings that could be accomplished through courtroom sharing. As the Judiciary's rent needs continue to rise, the Committee believes the Judiciary must examine whether greater efficiencies and savings could be achieved through revisions to its one courtroom per judge policy. While the Committee agrees with the Judiciary's aim to provide adequate access to our justice system and timely trials, the Committee is concerned that such a blanket policy inevitably leads to greater costs and inefficiencies for the Nation's Federal courts. This report should include, at a minimum, analysis detailing the number of courtrooms as compared to the number of Federal judges, the number of senior judges that continue to maintain sole use of a courtroom, the districts in which enough space is available that courtroom sharing could realistically occur and the financial savings this would achieve for the Federal Judiciary.

Judiciary Information Technology Fund.—The Committee does not support the full request for the Judiciary Information Technology Fund [JITF]. The Committee does not support the request for $595,000 for additional court automation support personnel or the program increase of $5,457,000 for new automated systems and infrastructure improvements. In addition, the Committee continues to deny the request for increased funds to provide broadband remote access for court personnel. While funds for such requests will inevitably enhance the Federal court's operating abilities, they are a lower priority at this time.

In addition to submitting a separate financial plan for JITF, the Committee directs the Administrative Office to submit an additional annual report detailing expenditures for each ongoing JITF project as compared to its operations and maintenance costs.

Booker/Fanfan.—The Committee is concerned about increased workload projections resulting from the twin Supreme Court decisions *United States* v. *Booker* and *United States* v. *Fanfan*. In the fiscal year 2005 Emergency Supplemental Appropriations Act for

Defense, the Global War on Terror, and Tsunami Relief (Public Law 109–13), the Judiciary requested $91,300,000 to handle the unexpected increase in Federal habeas corpus petitions, criminal appeals and other motions that were predicted to result from this decision.

To assist the Committee in understanding the tangible effects of these cases, the Administrative Office is directed to report to the Committee no later than June 1, 2006, on the actual increases in workload that have resulted from these decisions. This analysis should include statistical data demonstrating the relevant post-Booker/Fanfan increases in appeals, remands, habeas cases and other motions as compared to similar time periods pre-Booker/Fanfan. The report should also include analysis detailing the expenditure of funds directly related to these decisions.

VACCINE INJURY TRUST FUND

Appropriations, 2005	$3,254,000
Budget estimate, 2006	3,833,000
House allowance	3,833,000
Committee recommendation	3,833,000

PROGRAM DESCRIPTION

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

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $3,833,000. The recommendation is $579,000 above the fiscal year 2005 funding level and consistent with the budget request.

DEFENDER SERVICES

Appropriations, 2005	$667,351,000
Budget estimate, 2006	768,064,000
House allowance	721,919,000
Committee recommendation	710,785,000

PROGRAM DESCRIPTION

The Defender Services program ensures the right to counsel guaranteed by the Sixth Amendment, the Criminal Justice Act (18

U.S.C. 3006A(e)) and other congressional mandates for those who cannot afford to retain counsel and other necessary defense services. The Criminal Justice Act provides that courts appoint counsel from Federal public and community defender organizations or from a panel of private attorneys established by the court. The Defender Services program helps to maintain public confidence in the Nation's commitment to equal justice under the law and ensures the successful operation of the constitutionally-based adversary system of justice by which Federal criminal laws and federally guaranteed rights are enforced.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $710,785,000. The recommendation is $43,434,000 above the fiscal year 2005 funding level and $57,279,000 below the budget request.

The Committee recognizes the important work provided by the Defender Services program and has provided sufficient funds to enable it to meet is mission of providing timely counsel services that are consistent with the best practices of the legal profession.

Criminal Justice Act Panel Attorney Rates.—Criminal Justice Act [CJA] attorneys serve on a panel of private attorneys maintained by the district court and are assigned to represent a financially eligible defendant. The Committee has provided sufficient funds to annualize the pay raise enacted in fiscal year 2005 for CJA attorneys but denies the request for an additional rate increase through a cost-of-living adjustment for these attorneys.

FEES OF JURORS AND COMMISSIONERS

Appropriations, 2005	$60,713,000
Budget estimate, 2006	71,318,000
House allowance	60,053,000
Committee recommendation	61,318,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $61,318,000. The recommendation is $605,000 above the fiscal year 2005 funding level and reflects the Judiciary's reestimate of fiscal year 2006 requirements.

COURT SECURITY

Appropriations, 2005	$327,565,000
Budget estimate, 2006	390,316,000
House allowance	379,461,000
Committee recommendation	372,426,000

PROGRAM DESCRIPTION

The Court Security appropriation was established in 1983 and funds the necessary expenses incident to the provision of protective guard services, and the procurement, installation, and maintenance of security systems and equipment for United States courthouses and other facilities housing Federal court operations, including building access control, inspection of mail and packages, directed security patrols, perimeter security provided by the Federal Protective Service, and other similar activities as authorized by section 1010 of the Judicial Improvement and Access to Justice Act (Public Law 100–702).

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $372,426,000. The recommendation is $44,861,000 above the fiscal year 2005 funding level and $17,890,000 below the budget request.

The Committee is concerned about the security of the United States Courthouses and the safety of all Judicial employees and urges the Administrative Office to continue to work closely with the United States Marshals Service to forge an effective and lasting accommodation to achieve this common goal.

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SALARIES AND EXPENSES

Appropriations, 2005	$67,289,000
Budget estimate, 2006	72,198,000
House allowance	70,262,000
Committee recommendation	72,198,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $72,198,000. This recommendation is $4,909,000 above the fiscal year 2005 funding level and the same as the budget request.

The Committee recognizes and lauds the efforts of the AO and the Executive Committee to implement cost-savings measures during this time of limited resources. The Committee urges the AO to continue to work with the local courts to ensure the hiring and retention of court staff remains the top priority.

Edwin L. Nelson Local Initiative Program.—As established in the fiscal year 2005 Appropriations Act, the Edwin L. Nelson Local Initiative Program made grants available to local courts to develop and implement information technology solutions for the unique problems they face. Such grants ensure greater flexibility, access to funds, information sharing and input into the various obstacles that must be overcome to produce a more automated and efficient Federal Judiciary. The Committee urges the AO to continue to work with and provide adequate resources to the local courts for this purpose.

NAPA.—Over the past several years, the Federal Judiciary has experienced a variety of resource and management issues including rising rent costs, rising court caseloads in some districts of the country as well as other challenges that have resulted in budget shortfalls. These shortfalls have forced the Judiciary to seek supplemental appropriations and implement cost containment and cost reduction actions across the country. The Committee believes that an independent review of the overall budget formulation and execution processes, the work measurement formula and the organizational, programmatic and management structures is appropriate. The Committee believes that such a review would benefit both the Federal Judiciary and the Congress because it would provide insight as to what improvements and changes to the financial and management processes could be made to lessen budgetary problems in the future. Therefore, the Committee has allocated $1,000,000 to the Administrative Office of the Court's appropriation for the purpose of contracting with the National Academy of Public Administration for such a review. The review is to begin within 2 months of the passage of this legislation.

FEDERAL JUDICIAL CENTER

SALARIES AND EXPENSES

Appropriations, 2005	$21,447,000
Budget estimate, 2006	22,876,000
House allowance	22,249,000
Committee recommendation	22,350,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $22,350,000. The recommendation is $903,000 above the fiscal year 2005 funding level and $526,000 below the budget request.

JUDICIAL RETIREMENT FUNDS

PAYMENT TO JUDICIARY TRUST FUNDS

Appropriations, 2005	$36,700,000
Budget estimate, 2006	40,600,000
House allowance	40,600,000
Committee recommendation	40,600,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $40,600,000 for payments to the Judicial Officers' Retirement Fund and the Claims Court Judges Retirement Fund. The recommendation is $3,900,000 above the fiscal year 2005 funding level and identical to the budget request.

UNITED STATES SENTENCING COMMISSION

SALARIES AND EXPENSES

Appropriations, 2005	$13,126,000
Budget estimate, 2006	14,700,000
House allowance	14,046,000
Committee recommendation	14,700,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $14,700,000. The recommendation is $1,574,000 above the fiscal year 2005 funding level and consistent with the budget request.

Booker/Fanfan.—The Committee is aware of the impact the twin Supreme Court decisions *United States* v. *Booker* and *United States* v. *Fanfan* have had on Federal sentencing. The Committee commends the Sentencing Commission for its efforts to statistically track the actual affects this decision has had on the Federal Judiciary.

As such, the Committee directs the Commission, in cooperation with the Administrative Office, to provide a comprehensive report to the Committee on Appropriations no later than June 1, 2006, on the affects these decisions have had on Federal sentencing. The report should present analysis showing the number of downward departures from the previously enacted mandatory minimums and the major reasons cited for such departures.

ADMINISTRATIVE PROVISIONS—THE JUDICIARY

The Committee recommends the following general provisions for the Judiciary.

Section 401 allows the Judiciary to expend funds for the employment of experts and consultant services.

Section 402 allows the Judiciary, subject to the Committee's reprogramming procedures, to transfer up to 5 percent between appropriations, but limits to 10 percent the amount that can be transferred into any one appropriation.

Section 403 limits official reception and representation expenses incurred by the Judicial Conference of the United States to no more than $11,000.

Section 404 requires the Administrative Office to submit an annual financial plan for the Judiciary.

Section 405 allows for a salary adjustment for Justices and judges.

Section 406 preserves a temporary judgeship in Missouri.

Section 407 directs GAO to report on the potential impact of Homeland Security funding increases to enhance border security and immigration laws.

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

COMPENSATION OF THE PRESIDENT

Appropriations, 2005	$450,000
Budget estimate, 2006[1]	....
House allowance	450,000
Committee recommendation	450,000

[1] The budget proposes a consolidation of most accounts for the White House of $183,271,000.

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $450,000 for Compensation of the President, including an expense allowance of $50,000. This is the same as the fiscal year 2005 enacted level and the same as the budget estimate. The expense account is for official use as authorized by Title 3 of U.S. Code and is not considered taxable to the President. The bill specifies that any unused amount shall revert to the Treasury consistent with 31 U.S.C. 1552.

WHITE HOUSE OFFICE

SALARIES AND EXPENSES

Appropriations, 2005	$61,504,000
Budget estimate, 2006[1]	....
House allowance	53,080,000
Committee recommendation	58,081,000

[1] The budget proposes a consolidation of most accounts for the White House of $183,271,000.

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $58,081,000 for White House Office Salaries and Expenses. The recommendation is $3,423,000 less than the fiscal year 2005 enacted level.

The Committee has rejected the administration's request to include many of the offices under the Executive Office of the President under a single, consolidated account. The Committee objects to the overall proposal since it would undermine the ability of the

Congress to exercise adequate oversight regarding how these funds are expended. Nevertheless, the Committee has incorporated the responsibilities of the Office of Policy Development [OPD] into the "Salaries and Expenses" account of the White House Office. This represents some $3,501,000 of funding for OPD. The Committee agrees with the administration that this consolidation is a logical approach that will allow the White House to better manage its resources. The Committee includes $1,500,000 for the Privacy and Civil Liberties Oversight Board. The Committee also supports transferring the funds to the White House Communications Agency to the Department of Defense's Defense Information Agency.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

Appropriations, 2005	$12,658,000
Budget estimate, 2006 [1]	
House allowance	12,436,000
Committee recommendation	12,436,000

[1] The budget proposes a consolidation of most accounts for the White House of $183,271,000, including this account.

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $12,436,000 for the Executive Residence at the White House. The Committee recommendation is $222,000 less than the fiscal year 2005 enacted level and is equal to certain assumptions in the budget estimate. In particular, the administration's request includes many of the accounts under the Executive Office of the President under a single, consolidated account, including this account. The Committee objects to the overall proposal since it would undermine the ability of the Congress to exercise adequate oversight regarding how these funds are expended. The accompanying bill also continues certain restrictions on reimbursable expenses for use of the Executive Residence that were enacted for fiscal year 2004.

WHITE HOUSE REPAIR AND RESTORATION

Appropriations, 2005	$1,885,000
Budget estimate, 2006 [1]	
House allowance	1,700,000
Committee recommendation	1,700,000

[1] The budget proposes a consolidation of most accounts for the White House of $183,271,000, including this account.

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $1,700,000 for White House Repair and Restoration, the same amount as assumed in the overall budget request and a reduction of $185,000 from the fiscal year 2005 enacted level.

Council of Economic Advisers

SALARIES AND EXPENSES

Appropriations, 2005	$4,008,000
Budget estimate, 2006 [1]	4,040,000
House allowance	4,040,000
Committee recommendation	4,040,000

[1] The budget proposes a consolidation of most accounts for the White House of $183,271,000, including this account.

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $4,040,000 for salaries and expenses of the Council of Economic Advisers. This amount is the same as the amount assumed in the overall budget request and is $32,000 more than the fiscal year 2005 enacted level.

Office of Policy Development

SALARIES AND EXPENSES

Appropriations, 2005	$2,282,000
Budget estimate, 2006 [1]	....
House allowance	3,500,000
Committee recommendation	....

[1] This budget proposes a consolidation of most accounts of the White House of $183,271,000, including this account.

PROGRAM DESCRIPTION

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.

COMMITTEE RECOMMENDATION

The Committee does not recommend funds for the Office of Policy Development as an independent office and has merged the office and funds into the White House Office. In particular, the administration's request includes many of the accounts under the Executive Office of the President under a single, consolidated account, including this account. While the Committee objects to the overall proposal since it would undermine the ability of the Congress to exercise adequate oversight regarding how these funds are expended, the Committee believes this merger will facilitate a better use of these funds while preserving adequate oversight of their use.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

Appropriations, 2005	$8,860,000
Budget estimate, 2006 [1]	....
House allowance	8,705,000
Committee recommendation	8,705,000

[1] The budget proposes a consolidation of most accounts of the White House of $183,271,000, including this account.

PROGRAM DESCRIPTION

The National Security Council advises the President in integrating domestic, foreign, and military policies relating to the national security.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $8,705,000 for the salaries and expenses of the National Security Council [NSC]. This amount is the same as assumed in the budget request and $156,000 less than the fiscal year 2005 enacted level. In particular, the administration's request includes many of the accounts under the Executive Office of the President under a single, consolidated account, including this account. The Committee objects to the overall proposal since it would undermine the ability of the Congress to exercise adequate oversight regarding how these funds are expended.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

Appropriations, 2005	$91,530,000
Budget estimate, 2006 [1]	....
House allowance	89,322,000
Committee recommendation	98,609,000

[1] This budget proposes a consolidation of most accounts of the White House of $183,271,000 including this account.

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee has provided $98,609,000 to the Office of Administration for fiscal year 2006 an increase of $7,078,000 over the enacted level and the same amount assumed in the overall budget request. As previously noted, the administration's request includes many of the accounts under the Executive Office of the President under a single, consolidated account, including this account. The Committee objects to the overall proposal since it would undermine the ability of the Congress to exercise adequate oversight regarding how these funds are expended.

The Committee includes the funding levels for the Office of Administration activities at the proposed levels included in its budget justifications. In addition to the recommended level of funding, the Office of Administration receives reimbursements for information management support and general office services.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

Appropriations, 2005[1]	$67,864,000
Budget estimate, 2006	68,411,000
House allowance	76,930,000
Committee recommendation	68,411,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $68,411,000 for the Office of Management and Budget which is $547,000 more than the fiscal year 2005 enacted level and the same as the budget request.

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

Appropriations, 2005	$26,784,000
Budget estimate, 2006	24,224,000
House allowance	26,908,000
Committee recommendation	24,224,000

PROGRAM DESCRIPTION

The Office of National Drug Control Policy [ONDCP], established by the Anti-Drug Abuse Act of 1988, and reauthorized by Public Law 105–277, is charged with developing policies, objectives and priorities for the National Drug Control Program. In addition, ONDCP administers the Counterdrug Technology Assessment Center, the High Intensity Drug Trafficking Areas program, the National Youth Anti-Drug Media Campaign, the Drug Free Communities Program and several other related initiatives.

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $24,224,000 for ONDCP's salaries and expenses. This amount is the same as the budget request and $2,560,000 below the fiscal year 2005 enacted level. This funding decrease is the result of including the rental funds in the Office of Administration as part of the effort to centrally administer common enterprise services for the Executive Office of the President [EOP]. This funding would include $5,000,000 for health services. Within the overall funding level, $22,908,000 is for Operations and 123 FTEs as requested and $1,316,000 for Policy and Research.

COUNTERDRUG TECHNOLOGY ASSESSMENT CENTER

Appropriations, 2005	$41,664,000
Budget estimate, 2006	30,000,000
House allowance	30,000,000
Committee recommendation	30,000,000

PROGRAM DESCRIPTION

The Counterdrug Technology Assessment Center [CTAC] was established by the Counter-Narcotics Technology Act of 1990 (Public Law 101–510) and reauthorized in 1998 (Public Law 105–277) to serve as the central counterdrug technology research and development organization for the United States Government. CTAC encompasses two separate functions: (1) the Research and Development program [R&D], which supports improvements to counterdrug capabilities that transcend the need of any single Federal agency; and (2) the Technology Transfer Program [TTP], which provides state-of-the-art, affordable, easily integrated and maintainable tools to enhance the capabilities of State and local law enforcement agencies for counterdrug missions.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $30,000,000 for the Counterdrug Technology Assessment Center, a decrease of $11,664,000 from the fiscal year 2005 enacted levels and the same as the President's request. Included in the appropriation is $12,000,000 for demand reduction R&D and $18,000,000 for the Technology Transfer Program. The Committee continues to support the mandate that CTAC's authority "shall not extend to contracts, management of individual projects, or other operational activities," but rather must continue to transfer its appropriated funds to Contracting and Technical Agents at other Federal and military departments and agencies.

The Committee agrees that it is time to review and assess the future of this program and determine where to emphasize future funding; "The Director, acting through the Director of Technology," is instructed to prepare an analysis of options and recommendations for the future course of counter drug technology research and submit the report with the fiscal year 2007 budget submission to the Committee.

Demand Reduction R&D.—Although it is time to review and assess the CTAC Federal law enforcement component of the R&D program, the Committee fully supports continuing the CTAC demand reduction program. The Committee directs ONDCP to continue the imaging system instrumentation validation efforts that are enabling advanced research at our Nation's prestigious substance abuse academic institutions. The peer-reviewed research publication from these institutions clearly demonstrate that prior CTAC investments in instrumentation are achieving their objective of enabling research that could not be accomplished before and that these prestigious institutions should continue their substance abuse research and education efforts. Considering the quality of the substance abuse peer-reviewed publications made possible by the instrumentation program, the Committee directs that CTAC reinstitute a demand instrumentation infrastructure development program.

Technology Transfer Program.—The Committee believes that this program demonstrates the best direct assistance the Federal Government has to offer to State and local law enforcement. The Committee is encouraged by the positive reception this program continues to receive by State and local law enforcement agencies. This positive reception prompts the Committee to request that the fiscal year 2007 budget request include a specific accounting of the total number of TTP applications received and the number awarded in the previous year so that the Committee may have a true understanding of CTAC's ability to meet demand.

FUNDS APPROPRIATED TO THE PRESIDENT

FEDERAL DRUG CONTROL PROGRAMS

HIGH-INTENSITY DRUG TRAFFICKING AREAS

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2005	$226,523,000
Budget estimate, 2006	100,000,000
House allowance	227,000,000
Committee recommendation	227,000,000

PROGRAM DESCRIPTION

The High Intensity Drug Trafficking Areas [HIDTA] program was established by the Anti-Drug Abuse Act of 1988, as amended, and the Office of National Drug Control Policy's reauthorization (Public Law 105–277) to provide assistance to Federal, State and local law enforcement entities operating in those areas most adversely affected by drug trafficking.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $227,000,000 for the HIDTA program an increase of $477,000 over the fiscal year 2005 level, and $127,000,000 over the budget request which also transferred the program to the Department of Justice. This program is an important function of ONDCP and should not be transferred. The Committee directs that funding shall be provided for the existing HIDTAs at no less than the fiscal year 2005 initial allocation level, unless the Director submits to the House and Senate Committees on Appropriations, and the Committees approve, a request for reprogramming of the funds based on clearly articulated priorities for the HIDTA program, as well as published ONDCP performance measures of effectiveness. Furthermore, the Committee directs the Director to take appropriate steps to ensure that the HIDTA funds are transferred to the appropriate drug control agencies expeditiously.

In allocating HIDTA funds, the Committee expects the Director of ONDCP to ensure that the entities receiving these limited resources make use of them strictly for implementing the strategy for each HIDTA, taking into consideration local conditions and resource requirements. In this regard, methamphetamine is a primary illicit drug threat across the country. Its widespread use and resulting addiction, combined with the overwhelming availability of high purity, low cost methamphetamine is cause for serious concern. Cocaine and heroin also represent significant threats and Ecstasy is an increasing danger. Marijuana is readily available and widely abused across the United States. Canada-produced marijuana, commonly known as BC Bud, and potent marijuana from the Appalachian States are two examples that demonstrate the value of marijuana eradication programs.

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

Allocation of Additional Funds.—The Committee is disappointed that ONDCP continues to seek to distribute those limited HIDTA funds available beyond the initial allocation in support of pursuing drug trafficking organizations [DTOs] included on the Federal consolidated priority organizational target [CPOT] list. Such efforts, which target a small number of the largest international DTOs, already receive a substantial commitment of resources from Federal counterdrug enforcement agencies. While there may be some correlation between the methods and goals of the HIDTA program and Federal CPOT efforts, the Committee remains unconvinced that use of HIDTA resources in support of CPOT enforcement is an appropriate expenditure of these funds. HIDTAs are designated to address regional and local problems with illegal drug trafficking and use. Most HIDTAs face drug threats that are, at most, tangentially international in nature. Accordingly, the Committee has included a provision in the bill prohibiting the expenditure of HIDTA funds in support of CPOT activities.

New Counties.—Funds added above the budget request that would have been used on CPOT should be directed to the Regional Drug Trafficking Organization investigations, and focused specifically at curbing Methamphetamine. In addition, the Committee directs ONDCP in submission of its budget materials and related documentation and communications to refer to new counties only as those counties that have not previously received funding, not counties that have received funding and are expanding.

The Committee directs ONDCP to refocus its distribution of HIDTA funding in excess of the initial allocation on enhancing the domestic interdiction of illegal drugs by launching additional investigations, by disrupting and dismantling local mid-level drug trafficking organizations through a systematic and coordinated effort and by supporting the various HIDTA Intelligence Support Centers throughout the country.

OTHER FEDERAL DRUG CONTROL PROGRAMS

Appropriations, 2005	$211,990,000
Budget estimate, 2006	213,300,000
House allowance	213,292,000
Committee recommendation	191,400,000

PROGRAM DESCRIPTION

The Anti-Drug Abuse Act of 1988 (Public Law 100–690), as amended, and the Office of National Drug Control Policy's reauthorization (Public Law 105–277) established the Special Forfeiture Fund to be administered by the Director of the Office of National Drug Control Policy in support of high priority drug control programs. The account's name was changed to Other Federal Drug Control Programs in fiscal year 2004 to reflect the fact that it is now wholly funded by direct appropriations.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $191,400,000 for Other Federal Drug Control Programs, which is $21,900,000 less than the requested amount and $20,590,000 less than the fiscal year 2005 enacted level. Within this amount, the Committee provides the following funding levels:

	Amount
National Youth Anti-Drug Media Campaign	$95,000,000
Drug Free Communities Support Program	80,000,000
U.S. Anti-Doping Agency	9,500,000
National Drug Court Institute	1,000,000
National Alliance for Model State Drug Laws	1,000,000
Performance Measure Development	2,000,000
World Anti-Doping Agency [WADA]	2,900,000

National Youth Anti-Drug Media Campaign.—The Committee has provided consistent monetary support for the National Youth Anti-Drug Media Campaign since it was initially funded by Congress in fiscal year 1998. The Committee continues to be concerned about the direction and efficacy of the Media Campaign as it is currently structured, the Committee provides $95,000,000 for its continuation.

The Committee remains concerned with the large proportion of Media Campaign resources devoted to administrative costs. The accompanying bill therefore directs that no more than 10 percent of the funding provided for the Media Campaign be used for administrative costs.

Drug-Free Communities Support Program.—ONDCP has directed the Drug-Free Communities Support Program [DFCSP] in partnership with the Office of Juvenile Justice and Delinquency Prevention since it was created by the Drug-Free Communities Act of 1997 (Public Law 105–20). DFCSP provides matching grants of up to 25 percent to local coalitions that mobilize their communities to prevent youth alcohol, tobacco, illicit drug, and inhalant abuse. Such grants support coalitions of youth; parents; media; law enforcement; school officials; faith-based organizations; fraternal organizations; State, local, and tribal government agencies; healthcare professionals; and other community representatives. The DCSP enables these coalitions to strengthen their coordination and prevention efforts, encourage citizen participation in substance abuse reduction efforts, and disseminate information about effective programs. The Committee provides $80,000,000 for the continuation of the DFCSP.

The Committee has also included a provision in the bill directing ONDCP to provide $2,000,000 of the DFSCP funding as a direct grant to the Community Anti-Drug Coalitions of America in order to sustain the National Community Anti-Drug Coalition Institute.

United States Anti-Doping Agency.—The United States Anti-Doping Agency [USADA] is the independent anti-doping agency for Olympic sports in the United States, and is responsible for managing the testing and adjudication process for U.S. Olympic, Pan Am and Paralympic athletes. As a non-profit corporation under the leadership of an independent Board of Directors, USADA has the authority to set forth guiding principles in anti-doping policy and to enforce any doping violations. In addition to managing collection and testing procedures, USADA is also responsible for enhancing research efforts and promoting educational programs to inform athletes of the rules governing the use of performance enhancing substances, the ethics of doping and its harmful health effects.

The Committee provides $9,500,000 for USADA, which is $2,100,000 more than the requested amount. In addition, the Committee has closely followed the progress of the United States Anti-Doping Agency [USADA] in its mission to preserve the integrity of Olympic sport and protect the health of America's athletes. USADA's recent efforts with respect to the Bay Area Laboratory Co-operative [BALCO] provide one example of the challenges facing USADA and of the sophisticated doping practices of those few athletes who wish to cheat their fellow athletes. USADA's role in uncovering the BALCO conspiracy, and holding those athletes involved accountable for their choice to cheat, is one example of why USADA is now considered to be the model for anti-doping agencies throughout the world. While the Committee applauds the administration for increasing their request from $1,500,000 for USADA in the fiscal year 2005 budget request to $7,400,000 for fiscal year 2006, the Committee has provided $9,500,000 because of the upcoming Winter Olympics in Torino, Italy in February 2006.

World Anti-Doping Agency.—ONDCP is a full participant in the World Anti-Doping Agency [WADA], which promotes and coordinates international activities against doping in all forms of sports. The Committee provides $2,900,000 for membership dues to the WADA, consistent with the commitment into which the United States has entered for support of WADA. In providing these funds, the Committee directs ONDCP to use its voice and vote as the United States' representative in this world body to ensure that all countries' athletes are subject to fair and equal standards and treatment so as to establish and maintain the objectivity and integrity of this fledgling international athletic regulatory organization.

National Drug Court Institute.—The National Drug Court Institute facilitates the growth of the drug court movement by promoting and disseminating education, research, and scholarship concerning drug court programs and providing a comprehensive drug court training series for practitioners. Drug courts provide an effective means to fight drug-related crime through the cooperative efforts of State and local law enforcement, the judicial system, and the public health treatment network. The Committee provides $1,000,000 for the National Drug Court Institute.

National Alliance For Model State Drug Laws.—The National Alliance for Model State Drug Laws [NAMSDL] is a national organization that drafts, researches, and analyzes model drug and alcohol laws and related State statutes, provides access to a national network of drug and alcohol experts, and facilitates working relationships among State and community leaders and drug and alcohol professionals. In doing so, NAMSDL encourages States to adopt and implement laws, policies, and regulations to reduce drug trafficking, drug use, and their related consequences. The Committee provides $1,000,000 NAMSDL and directs ONDCP to provide the entire amount directly to NAMSDL within 30 days after enactment of this Act.

Performance Measures Development.—Performance Measures Development [PMD] funding is used to conduct evaluation research for assessing the effectiveness of the National Drug Control Strategy. For this function, the Committee provides $2,000,000, which is the same as the requested amount.

Projects undertaken with these resources are to entail efforts to encourage and work with selected programs to develop and improve needed data sources. The Committee is concerned that most of the initiatives proposed for funding under PMD would be more appropriately funded via CTAC's R&D Program or ONDCP Policy Research.

Unanticipated Needs

Appropriations, 2005	$992,000
Budget estimate, 2006	1,000,000
House allowance	1,000,000
Committee recommendation	1,000,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends $1,000,000, which is $8,000 more than appropriated in fiscal year 2005 and the same as the budget request.

Special Assistance to the President

SALARIES AND EXPENSES

Appropriations, 2005	$4,534,000
Budget estimate, 2006	4,455,000
House allowance	4,455,000
Committee recommendation	4,455,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $4,455,000 for special assistance to the President. This amount is the same as the budget request and $75,000 below than the fiscal year 2005 enacted level.

Official Residence of the Vice President

OPERATING EXPENSES

Appropriations, 2005	$330,000
Budget estimate, 2006	325,000
House allowance	325,000
Committee recommendation	325,000

PROGRAM DESCRIPTION

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

Funds to renovate the residence are provided 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.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $325,000 for the official residence of the Vice President. This amount is the same as the budget request and $5,000 less than the fiscal year 2005 enacted level.

TITLE VI—INDEPENDENT AGENCIES

Architectural and Transportation Barriers Compliance Board

SALARIES AND EXPENSES

Appropriations, 2005	$5,641,000
Budget estimate, 2006	5,941,000
House allowance	5,941,000
Committee recommendation	5,941,000

PROGRAM DESCRIPTION

The Architectural and Transportation Barriers Compliance Board (Access Board) was established by section 502 of the Rehabilitation Act of 1973. The Access Board was reauthorized in the Rehabilitation Act Amendments of 1992, Public Law 102–569. Under this authorization, the Access Board's functions are to ensure compliance with the Architectural Barriers Act of 1968, the Telecommunication Act and to develop guidelines for and technical assistance to individuals and entities with rights or duties under titles II and III of the Americans with Disabilities Act. The Access Board establishes minimum accessibility guidelines and requirements for public accommodations and commercial facilities, transit facilities and vehicles, State and local government facilities, children's environments, and recreational facilities. The Access Board also provides technical assistance to Government agencies, public and private organizations, individuals, and businesses on the removal of accessibility barriers.

In 2002, the Access Board was given additional responsibilities under the Help America Vote Act. The Access Board serves on the Board of Advisors and the Technical Guidelines Development Committee, which helps Election Assistance Commission develop voluntary guidelines and guidance for voting systems, including accessibility for people with disabilities.

COMMITTEE RECOMMENDATION

The Committee recommends $5,941,000 for the operations of the Architectural and Transportation Barriers Compliance Board, the funding level requested by the administration and $300,000 over the fiscal year 2005 level.

Consumer Product Safety Commission

SALARIES AND EXPENSES

Appropriations, 2005	$62,149,000
Budget estimate, 2006	62,499,000
House allowance	62,449,000
Committee recommendation	63,000,000

PROGRAM DESCRIPTION

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

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

COMMITTEE RECOMMENDATION

The Committee recommends $63,000,000 for the Consumer Product Safety Commission, which is $500,000 over the budget request and an increase of $850,000 above the fiscal year 2005 enacted level. The Committee includes up to $500,000 for the Commission to coordinate with the Administrator of the Environmental Protection Agency in the technical study pursuant to H.R. 2361, as passed by the Senate in the first session of the 109th Congress, to examine safety issues, including the risk of fire and burn to consumers in use, associated with compliance with small engines emissions regulations required pursuant to Public Law 108–199. The Committee directs the CPSC, in coordination with the U.S. Environmental Protection Agency in the Agency's study, to ensure that the study examines real-world consumer use scenarios involving at a minimum: operator burn, fire due to contact with flammable items, and refueling.

ELECTION ASSISTANCE COMMISSION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2005	$13,888,000
Budget estimate, 2006	17,612,000
House allowance	15,877,000
Committee recommendation	13,888,000

PROGRAM DESCRIPTION

The Election Assistance Commission [EAC] was created by the Help America Vote Act of 2002 [HAVA]. Under HAVA, the EAC's role is to promulgate voluntary State guidelines for election systems, develop a national certification program for voting equipment, and provide related guidance. The EAC is also charged with awarding grants to improve election administration and enhancing election equipment.

COMMITTEE RECOMMENDATION

The Committee provides $13,888,000 for EAC's administrative expenses, which is the same as the fiscal year 2005 level. The accompanying bill provides $4,000,000 of these funds for transfer to the National Institute for Standards and Technology for technical assistance related to the development of voluntary State voting systems guidelines.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

Appropriations, 2005	$51,742,000
Budget estimate, 2006	54,600,000
House allowance	54,700,000
Committee recommendation	54,600,000

PROGRAM DESCRIPTION

The Federal Election Commission [FEC] was created through the 1974 Amendments to the Federal Election Campaign Act of 1971 [FECA]. Consistent with its duty of executing our Nation's Federal campaign finance laws, and in pursuit of its mission of maintaining public faith in the integrity of the Federal campaign finance system, FEC conducts three major regulatory programs: (1) providing public disclosure of funds raised and spent to influence Federal elections; (2) enforcing compliance with restrictions on contributions and expenditures made to influence Federal elections; and (3) administering public financing of Presidential campaigns.

COMMITTEE RECOMMENDATION

The Committee recommends $54,600,000 for the Federal Election Commission, which is the same as the budget request and $2,858,000 more than the fiscal year 2005 enacted level.

FEDERAL DEPOSIT INSURANCE CORPORATION

OFFICE OF INSPECTOR GENERAL

Appropriations, 2005	$29,884,000
Budget estimate, 2006	29,965,000
House allowance	29,965,000
Committee recommendation	31,000,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends $31,000,000 for the FDIC inspector general, an increase of $1,035,000 over the budget request and $1,116,000 over the fiscal year 2005 enacted level. Funds are to be derived by transfer from the bank insurance fund, the savings association insurance fund, and the FSLIC resolution fund.

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

Appropriations, 2005	$25,468,000
Budget estimate, 2006	25,468,000
House allowance	25,468,000
Committee recommendation	25,468,000

PROGRAM DESCRIPTION

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

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

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $25,468,000 for the Federal Labor Relations Authority. This amount is the same as the President's budget request and the same as the fiscal year 2005 enacted level.

FEDERAL MARITIME COMMISSION

SALARIES AND EXPENSES

Appropriations, 2005	$19,340,032
Budget estimate, 2006	20,499,000
House allowance	20,499,000
Committee recommendation	20,499,000

PROGRAM DESCRIPTION

The Federal Maritime Commission [FMC] is an independent regulatory agency which administers the Shipping Act of 1984 (Public Law 98–237) as amended by the Ocean Shipping Reform Act of 1998 (Public Law 105–258); section 19 of the Merchant Marine Act, 1920 (41 Stat. 998); the Foreign Shipping Practices Act of 1988 (Public Law 100–418); and Public Law 89–777.

FMC regulates the international waterborne commerce of the United States. In addition, the FMC has responsibility for licensing and bonding ocean transportation intermediaries and assuring that vessel owners or operators establish financial responsibility to pay judgments for death or injury to passengers, or nonperformance of a cruise, on voyages from U.S. ports. Major program areas for 2006 are: carrying out investigations of foreign trade practices under the Foreign Shipping Practices Act; maintaining equitable trading conditions in U.S. ocean commerce; ensuring compliance with applicable shipping statutes; pursuing an active enforcement program designed to identify and prosecute violators of the shipping statutes; and reviewing ocean carrier operational and pricing agreements to guard against excessively anticompetitive effects.

COMMITTEE RECOMMENDATION

The Committee includes $20,499,000 for the salaries and expenses of the Federal Maritime Commission for fiscal year 2006. This amount is the same as the budget request and $1,158,968 above the fiscal year 2005 enacted level.

GENERAL SERVICES ADMINISTRATION

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

FEDERAL BUILDINGS FUND—LIMITATIONS ON AVAILABILITY OF REVENUE

(INCLUDING TRANSFER OF FUNDS)

Limitation of availability of revenue:	
Limitation on availability, 2005	($7,217,043,000)
Limitation on availability, 2006	(7,768,795,000)
House allowance	(7,768,795,000)
Committee recommendation	(7,889,745,000)

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

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

Repairs and Alterations.—Repairs and alterations of public buildings as well as associated design and construction services are funded under this activity. Protection of the Government's investment, health and safety of building occupants, transfer of agencies from leased space, and cost effectiveness are the principal criteria used in establishing priorities. Primary consideration is given to repairs to prevent deterioration and damage to buildings, their support systems, and operating equipment. This activity also provides for conversion of existing facilities and non-prospectus extensions.

Installment Acquisition Payments.—Payments are made for liabilities incurred under purchase contract authority and lease purchase arrangements. The periodic payments cover principal, interest, and other requirements.

Rental of Space.—Space is acquired through the leasing of buildings including space occupied by Federal agencies in U.S. Postal Service facilities, 153 million rentable square feet in fiscal year 2003, and 157 million rentable square feet in fiscal year 2004.

Building Operations.—Services are provided for Government-owned and leased facilities, including cleaning, utilities and fuel, maintenance, miscellaneous services (such as moving, evaluation of new materials and equipment, and field supervision), and general management and administration of all real property related programs including salaries and benefits paid from the Federal Buildings Fund.

Other Programs.—When requested by Federal agencies, the Public Buildings Service provides building services, such as tenant alterations, cleaning and other operations, and protection services which are in excess of those services provided under the commercial rental charge. For presentation purposes, the balances of the Unconditional Gifts of Real, Personal, or Other Property trust fund have been combined with the Federal Buildings Fund.

CONSTRUCTION AND ACQUISITION

Limitation on availability, 2005	($708,542,000)
Limitation on availability, 2006	(708,106,000)
House allowance	(708,106,000)
Committee recommendation	(829,056,000)

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of $829,056,000 for the fund, an increase of $120,950,000 above the fiscal year 2005 enacted level.

The judicial branch has indicated that it is in a funding crisis, in part, precipitated by the deficit concerns facing the Federal Government and, from its perspective, an onerous financial burden caused by GSA rent bills for Federal courtroom space. In particular, the Federal Court system has lost some 1,350 employees in appellate, bankruptcy and district courts as well as probation and pretrial services offices between October 2003 and October 2004. While the Committee acknowledges the concerns of the judicial branch, it believes that these staff reductions reflect appropriate reductions in excess staffing and related requirements over the last few years. The Committee, nevertheless, is cognizant that a number of recent laws (bankruptcy reform, class action reform), Supreme Court decisions (Booker/FanFan on sentencing guidelines), as well as increased immigration and border requirements have increased the need for additional staff and judges to meet these new, existing requirements.

Nevertheless, the Committee does not believe that the GSA rent charges for courthouses are the appropriate focus for financial relief by the judicial branch, especially since the Committee believes that the Federal Building Fund [FBF] is critical to the preservation and development of Federal buildings, including increased requirements for the judicial branch. In general the GSA rent policies are appropriate and necessary. To the extent there are questions regarding implementation of rent charges, there is a process for challenging rent levels and related costs. Recently, the GSA concluded that certain courts in the State of New York may have been overcharged improperly. The GSA has indicated that it will make the appropriate adjustments.

Consequently, the Committee is disappointed that the judicial branch has sought to relieve its overall budget problems by challenging the overall rent and cost of its courthouses. The Judicial Branch has suggested that all the courthouses be transferred to the judicial branch with a forgiveness of debt. This is misplaced logic and any forgiveness would undermine the ability of the Federal Building Fund to meet its mission of supporting Federal buildings needs both currently and in the future. The Committee notes that it strongly supports the purpose and structure of the Federal Building Fund, of which the judicial branch is an important participant. More important, the Federal Building Fund works as a revolving fund that ensures that the building needs of Federal departments, agencies, and offices as well as the judicial branch are addressed. In addition, any reduction in rent will inhibit the ability of the GSA to address the comprehensive building needs of the Federal Government.

In addition, the judicial branch has received significantly more funds for courthouse construction than it has paid in rents. In fact since 1995, total costs from the Federal Buildings Fund for courts is some $3,500,000,000 out of $9,800,000,000. This represents some 35.3 percent of the total program. In contrast, the judicial branch has paid some $5,500,000,000 in rents as opposed to overall rents of $43,600,000,000.

RISK ASSESSMENT OF BUILDINGS

The Committee also remains concerned regarding the need to continue to perform specific risk assessments as to project specific needs that takes into account threat, vulnerability, consequences, and probability of an attack on the facility. These are key concerns and there needs to be a clear assessment of the risks. As discussed last year, the Committee remains concerned that existing risk methodology has not been specifically designed to support structural upgrades and hazard mitigation in new construction or major renovations. Therefore the GSA Office of the Chief Architect is directed to use $5,000,000 to continue to work with the private sector to enhance the Federal Security Risk Management methodology to facilitate the application of the process and the software throughout the GSA regions and in consultation with the Department of Homeland Security's Federal Protective Service.

REPAIRS AND ALTERATIONS

Limitation on availability, 2005	($980,222,000)
Limitation on availability, 2006	(961,376,000)
House allowance	(961,376,000)
Committee recommendation	(961,376,000)

PROGRAM DESCRIPTION

Under this activity, the General Services Administration [GSA] executes its responsibility for repairs and alterations [R&A] of both Government-owned and leased facilities under the control of GSA. The primary goal of this activity is to provide commercially equivalent space to tenant agencies. Safety, quality, and operating efficiency of facilities are given primary consideration in carrying out this responsibility.

R&A workload requirements originate with scheduled onsite inspections of buildings by qualified regional engineers and building managers. The work identified through these inspections is programmed in order of priority into the 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. Since fiscal year 1995, design and construction services activities associated with repair and alteration projects have been funded in this account.

COMMITTEE RECOMMENDATION

The Committee recommends new obligational authority of $961,376,000 for repairs and alterations in fiscal year 2006. This amount is the same as the President's request.

INSTALLMENT ACQUISITION PAYMENTS

Limitation on availability, 2005	($161,442,000)
Limitation on availability, 2006	(168,180,000)
House allowance	(168,180,000)
Committee recommendation	(168,180,000)

PROGRAM DESCRIPTION

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 Federal 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).

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of $168,180,000 for installment acquisition payments, the same as the budget request and $6,738,000 above the fiscal year 2005 funding level.

RENTAL OF SPACE

Limitation on availability, 2005	($3,657,315,000)
Limitation on availability, 2006	(4,046,031,000)
House allowance	(4,046,031,000)
Committee recommendation	(4,046,031,000)

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of $4,046,031,000 for rental of space. The Committee recommendation is the same as the President's budget request and $388,716,000 above the fiscal year 2005 enacted level.

BUILDING OPERATIONS

Limitation on availability, 2005	($1,709,522,000)
Limitation on availability, 2006	(1,885,102,000)
House allowance	(1,885,102,000)
Committee recommendation	(1,885,102,000)

PROGRAM DESCRIPTION

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

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

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of $1,885,102,000 for building operations. This amount is the same as the President's budget request and $175,580,000 above the fiscal year 2005 enacted level.

GOVERNMENT-WIDE POLICY

SALARIES AND EXPENSES

Appropriations, 2005	$61,603,000
Budget estimate, 2006	52,796,000
House allowance	52,796,000
Committee recommendation	52,796,000

PROGRAM DESCRIPTION

The Office of Government-wide Policy provides for Government-wide policy development, support, and evaluation functions associated with real and personal property, supplies, vehicles, aircraft, information technology, acquisition, transportation and travel management. This office also provides for the Federal Procurement Data Center, Workplace Initiatives, Regulatory Information Service Center, the Catalog of Federal Domestic Assistance, and the Committee Management Secretariat. The Office of Government-wide Policy, working cooperatively with other agencies, provides the leadership needed to develop and evaluate the implementation of policies designed to achieve the most cost-effective solutions for the delivery of administrative services and sound workplace practices, while reducing regulations and empowering employees.

The Office of Citizen Services provides leadership and support for electronic government initiatives and operates the official Federal portal through which citizens may access Federal information services electronically. The Federal Consumer Information Center is part of this office, though funded under a separate appropriation.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $52,796,000 for Government-wide Policy. This amount is the same as the President's budget request and is a reduction of $8,807,000 below the fiscal year 2005 level.

The Committee is concerned about a proposed reorganization of GSA which would establish five regional administrators while eliminating the current structure of 22 Assistant Regional Administrators [ARAs]. The current proposal could result in the over-centralization of authority in the GSA Headquarters while minimizing local decisionmaking and input. The Committee believes that local decisionmaking and input is critical to GSA's mission since all the regions have different and unique needs that require local knowledge and expertise. In addition, while a number of contract abuses were uncovered at the regional level in 2003, many of these problems were identified, not by Headquarters, but by the Regions themselves in conjunction with the GSA Inspector General. Since that time, new safeguards and oversight requirements have been implemented. Consequently, the Committee includes language prohibiting any reorganization with approval through an operating plan.

In addition, while some centralization of authority may be appropriate, the Committee believes that regional authority and decisionmaking ultimately is necessary to ensure that clients are adequately served through locally tailored acquisition support. The Committee believes GSA works best when it works collectively with a strong field staff; and that limiting the number of regional executives will limit GSA's flexibility and ability to meet local needs and requirements.

Environmental Training Program.—The Committee is pleased with the significant cost savings recently demonstrated in the environmental analysis efforts undertaken by GSA in the National Capitol Region. The Committee recommends that GSA extend this environmental training and analysis program currently underway to other GSA regions. The Committee urges GSA to work with its existing partner to preserve continuity when expanding this program to the eight other GSA regions. The Committee also encourages the utilization of leased employees to implement these cost savings programs in other GSA regions whenever possible.

OPERATING EXPENSES

SALARIES AND EXPENSES

Appropriations, 2005	$91,438,000
Budget estimate, 2006	99,890,000
House allowance	99,890,000
Committee recommendation	99,890,000

PROGRAM DESCRIPTION

Operating Expenses provides funding for Government-wide activities associated with the utilization and donation of surplus personal property; disposal of real property; telecommunications, information technology management, and related technology activities; agency-wide policy direction and management; ancillary accounting, records management, and other support services; services as authorized by 5 U.S.C. 3109; and other related operational expenses.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $99,890,000 for the Operating Expenses. This amount is the same as the administration's request and $8,452,000 above the fiscal year 2005 enacted level.

OFFICE OF INSPECTOR GENERAL

Appropriations, 2005	$42,012,000
Budget estimate, 2006	43,410,000
House allowance	43,410,000
Committee recommendation	43,410,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $43,410,000 for the Office of Inspector General. This amount is the same as the President's budget request and $1,398,000 above the fiscal year 2005 enacted level.

ELECTRONIC GOVERNMENT [E-GOV] FUND

Appropriations, 2005	$2,976,000
Budget estimate, 2006	5,000,000
House allowance	3,000,000
Committee recommendation	5,000,000

PROGRAM DESCRIPTION

This program supports interagency "electronic government" or "e-gov" initiatives, i.e., projects that use the Internet or other electronic methods to provide individuals, businesses, and other government agencies with simpler and more timely access to Federal information, benefits, services, and business opportunities.

Proposals for funding must meet capital planning guidelines and include adequate documentation to demonstrate a sound business case, attention to security and privacy, and a way to measure performance against planned results. In addition, a small portion of the money could be used for awards to those project management teams that delivered the best product to meet customer needs.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $5,000,000 for the Electronic Government Fund. This amount is the same as the President's request. The Committee supports the use of funding under this account for the continued development of an eTravel System, which is designed to centralize a travel system for the Federal Government through a self-service electronic system. The eTravel system when completed will eliminate the hardcopy travel documentation. This program will ultimately automate the entire travel process and is projected to save some $450,000,000 over 10 years. Nevertheless, the Committee believes that the eTravel system should be designed to ensure the participation of small business subcontracting and directs GSA to establish benchmarks to ensure the participation and growth of small business participation. These benchmarks shall be no less than 23 percent of all contracted dollars.

Additionally, GSA must explore opportunities for small business participation through prime contracting opportunities. A GAO report determining the utilization of small businesses in the eTravel program is due no later than 180 days after the enactment of this Act, with a focus on the impact on travel agents on the existing TSS schedule. The GAO report should also evaluate the overall savings to the Federal Government through the eTravel program.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

Appropriations, 2005	$3,081,000
Budget estimate, 2006	2,952,000
House allowance	2,952,000
Committee recommendation	2,952,000

PROGRAM DESCRIPTION

This appropriation provides support consisting of pensions, office staffs, and related expenses for former Presidents Gerald R. Ford, Jimmy Carter, George Bush, and Bill Clinton, a pension for the widow of former President Lyndon B. Johnson, and postal franking privileges for the widows of former Presidents Lyndon B. Johnson and Ronald Reagan. Also, this appropriation is authorized to provide funding for security and travel related expenses for each former President and the spouse of a former President pursuant to Section 531 of Public Law 103–329.

COMMITTEE RECOMMENDATION

The Committee recommends $2,952,000 for allowances and office staff for former Presidents.

Below is listed a detailed analysis of the Committee's recommendation for fiscal year 2005 funding:

FISCAL YEAR 2006 BUDGET ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

[In thousands of dollars]

	Ford	Carter	Bush	Clinton	Widows	Total
Personal Compensation	96	96	96	96	....	384
Personnel Benefits	22	2	51	64	....	139
Benefits for Former Presidents	184	184	184	192	20	764
Travel	45	2	54	63	....	164
Rental Payments to GSA	105	102	175	473	....	855
Communications, Utilities and Miscellaneous Charges:						
Telephone	15	10	15	75	....	115
Postage	9	15	13	15	8	60
Printing	5	5	14	9	....	33
Other Services	38	76	65	111	....	290
Supplies and Materials	17	5	14	16	....	52
Equipment	6	7	47	11	....	71
Total Obligations	542	504	728	1,125	28	2,927

FEDERAL CITIZEN INFORMATION CENTER FUND

Appropriations, 2005	$14,788,000
Budget estimate, 2006	15,030,000
House allowance	15,030,000
Committee recommendation	15,000,000

PROGRAM DESCRIPTION

The Federal Citizen Information Center [FCIC] successfully brings together an array of U.S. Government information and services and makes them easily accessible to the public. This information is made available on the web, via e-mail, in print, or over the telephone.

Originally established within the General Services Administration [GSA] by Executive order on October 26, 1970, to help Federal departments and agencies promote and distribute printed consumer information, FCIC has evolved and consolidated a variety of complementary functions to augment the original print and media channels through which it informed the public.

On January 28, 2000, the FCIC assumed responsibility for the operations of the Federal Information Center [FIC] program. The FIC program was established within the General Services Administration in 1966, and was formalized by Public Law 95–491 in 1980. The program's purpose is to provide the public with direct information about all aspects of Federal programs, regulations, and services. To accomplish this mission, contractual services are used to respond to public inquiries via the nationwide toll-free National Contact Center.

On June 30, 2002, FCIC assumed operational control of the FirstGov.gov website, the official portal of the U.S. Government, and became a critical part of GSA's newly established Office of Citizen Services and Communications. This Office brings together all of GSA's citizen-centered programs. The new Office serves as a central Federal gateway for citizens, businesses, other governments, and the media to easily obtain information and services from the Government. On March 31, 2003, FCIC began accepting e-mail and fax inquiries from the public through the FirstGov.gov website and responds to them at its National Contact Center.

Public Law 98–63, enacted July 30, 1983, established a revolving fund for the FCIC. Under this fund, FCIC activities are financed from the following: annual appropriations from the general funds of the Treasury, reimbursements from agencies for distribution of publications and contact center services, user fees collected from the public, and any other income incident to FCIC activities. All are available as authorized in appropriation acts without regard to fiscal year limitations.

COMMITTEE RECOMMENDATION

The Committee recommends $15,000,000 for the Federal Citizen Information Center, an increase of $212,000 above the fiscal year 2005 enacted level and $30,000 less than the budget request.

The appropriation will be augmented by reimbursements from Federal agencies for distribution of consumer publications, user fees from the public, and other income.

ADMINISTRATIVE PROVISIONS—GENERAL SERVICES ADMINISTRATION

Section 601 authorizes GSA to credit accounts with certain funds received from Government corporations.

Section 602 authorizes GSA to use funds for the hire of passenger motor vehicles.

Section 603 authorizes GSA to transfer funds within the Federal buildings fund for meeting program requirements.

Section 604 limits funding for courthouse construction which does not meet certain standards of a capital improvement plan.

Section 605 provides that no funds may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided, to any agency which does not pay the requested rate.

Section 606 authorizes GSA to pay claims up to $250,000 from construction projects and acquisition of buildings.

Section 607 makes permanent a provision in the fiscal year 2005 bill for GSA to convey property and retain the proceeds.

Section 608 directs GSA to conduct a program promoting the use of stairs rather than elevators that will include signage, reducing barriers to the use of stairs as well as educational efforts on the health and efficiency benefits of using stairs.

Section 609 prohibits the use of funds by GSA to reorganize its organizational structure except through an operating plan change.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2005	$37,005,000
Budget estimate, 2006	37,005,000
House allowance	38,205,000
Committee recommendation	38,205,000

PROGRAM DESCRIPTION

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

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $38,205,000 for the Merit Systems Protection Board, this is an increase of $1,200,000 above the fiscal year 2005 enacted level and the President's request. The Committee makes available no more than $2,605,000 for adjudicated appeals through an appropriation from the trust fund consistent with past practice. The increase of $1,200,000 above the fiscal year 2006 budget request is to allow for appropriate funding for MSPB to continue as arbitrator for the additional appeals cases from the Department of Defense and the Department of Homeland Security.

MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY FOUNDATION

FEDERAL PAYMENT TO MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY FOUNDATION

Appropriations, 2005	$1,980,000
Budget estimate, 2006	....
House allowance	2,000,000
Committee recommendation	2,000,000

PROGRAM DESCRIPTION

Public Law 106–568 authorized the Morris K. Udall Foundation to establish training programs for professionals in health care policy and public policy, such as the Native Nations Institute [NNI]. NNI, based at the University of Arizona, will provide Native Americans with leadership and management training and analyze policies relevant to tribes.

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $2,000,000 for the Morris K. Udall Foundation. The Committee includes language to allow up to 60 percent of the appropriation to be used for the expenses of the Native Nations Institute. The Committee also includes language requiring the Foundation to report to the House and Senate Committees on Appropriations on the amount of funding, if any, transferred from the Trust Fund for the Native Nations Institute and justification for such transfers. Future budget justifications submitted to Congress regarding this effort are to contain detailed information on the actual expenditures in past years as well as detailed information on planned expenditures relating to the Native Nations Institute for the current and future budget years.

MORRIS K. UDALL ENVIRONMENTAL DISPUTE RESOLUTION FUND

Appropriations, 2005	$1,299,000
Budget estimate, 2006	700,000
House allowance	1,900,000
Committee recommendation	1,000,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $1,000,000 for the Morris K. Udall Environmental Dispute Resolution Fund. This amount is $299,000 below the fiscal year 2005 enacted level and $300,000 above the administration's request.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

Appropriations, 2005	$264,809,000
Budget estimate, 2006	280,975,000
House allowance	283,975,000
Committee recommendation	280,975,000

PROGRAM DESCRIPTION

The National Archives and Records Administration [NARA] is the national recordkeeper. NARA is an independent agency created by statute in 1934 to safeguard the records of all three branches of the Federal Government. NARA administers the Information Security Oversight Office [ISOO], is the publisher of the Federal Register and makes grants for historical documentation through the National Historical Publications and Records Commission [NHPRC]. NARA provides for basic operations dealing with management of the Federal Government's archives and records, operation of Presidential Libraries, and for the review for declassification of classified security information.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request level of $280,975,000 for operating expenses of the National Archives and Records Administration. This amount is an increase of $16,166,000 above the fiscal year 2005 enacted level.

ELECTRONIC RECORDS ARCHIVES

Appropriations, 2005	$35,627,000
Budget estimate, 2006	35,914,000
House allowance	35,914,000
Committee recommendation	38,914,000

PROGRAM DESCRIPTION

National Archives and Records Administration [NARA] is developing an Electronic Records Archives [ERA] that will ensure the preservation of and access to Government electronic records. With the rapid changes in technology today, the formats in which records are stored become obsolete within a few years, making records inaccessible even if they are preserved intact with the most modern technology. ERA will preserve electronic records generated in a manner that enables requesters to access them on computer systems now and in the future.

COMMITTEE RECOMMENDATION

The Committee recommends $38,914,000 for the Electronics Records Archives project. This amount is an increase of $3,000,000 above the budget request and $3,287,000 above the fiscal year 2005 enacted level. Bill language is included requiring NARA to submit a spend plan for these funds. The Committee has included an additional $3,000,000 to allow NARA to begin work with the Naval Oceanographic Office at the National Center for Critical Information Processing and Storage at the Stennis Space Center in Mississippi.

The Committee plans to continue monitoring the development of ERA due to its scope, magnitude, and complexity. Accordingly, the Committee has included bill language requiring NARA to submit, and for the Committees on Appropriations to approve, a plan that outlines the expenditure of ERA funds. The Committee believes that a formal methodology to prioritize, approve, fund, and evaluate the components of ERA will provide greater accountability in the project. The spend plan requires NARA to comply with and conform to Federal acquisition standards and rules and requires a review by the Government Accountability Office on a regular basis. The expenditure or spend plan process has been well-established by the Committee for oversight purposes of other large information technology initiatives such as the Internal Revenue Service's Business Systems Modernization project.

ARCHIVES FACILITIES REPAIRS AND RESTORATION

Appropriations, 2005	$13,325,000
Budget estimate, 2006	6,182,000
House allowance	6,182,000
Committee recommendation	11,682,000

PROGRAM DESCRIPTION

This account provides for the repair, alteration, and improvement of Archives facilities and Presidential Libraries nationwide, and provides adequate storage for holdings. It will better enable NARA to maintain its facilities in proper condition for public visitors, researchers, and NARA employees, and also maintain the structural integrity of the buildings. These funds will determine appropriate options for preserving and providing access to 20th century military service records. These funds will allow NARA to complete preliminary design studies and analysis, including workflow and cost estimates, for housing and access options for these massive and valuable records. Technology and facility approaches will also be examined.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $11,682,000. This amount is $1,643,000 below the fiscal year 2005 enacted level and $5,500,000 above the budget request.

The Committee has included additional funds for the following projects: (1) new regional archives and records center in Anchorage, Alaska; (2) renovation and expansion of the John F. Kennedy Presidential Library; and (3) repair and restoration of the Lyndon Baines Johnson Presidential Library.

For the new Alaska archives and records center, the Committee is providing $2,500,000. The Congress has already provided some $10,775,000 for this project since fiscal year 1999. These funds have been used for design and to purchase land for the new center. The Committee has provided additional funds to allow NARA to proceed with construction of the new center. NARA may solicit and award a contract for such construction on the basis of this appropriation and subject to the availability of future appropriations to complete construction.

For the JFK Presidential Library, the Committee is providing $1,000,000 for the final installment for the design and construction management for the renovation and expansion of the library. The Congress appropriated the first installment of these funds in the fiscal year 2005 appropriations act (Public Law 108–447).

For the LBJ Presidential Library, the project has received $10,250,000 since fiscal year 2003. While the Committee has added $2,000,000 to support this project, the Committee remains extremely troubled by the cost and management of this project. To date, none of the funds appropriated to this project have been spent due to management problems at the University of Texas where the library is located. The Committee understands that an architectural and engineering firm has been recently hired but the lack of progress on this project is troubling. Therefore, the Committee bars the expenditure of funds provided by the Federal Government for costs outside the scope and cost estimates outlined in the December 21, 2004 agreement between the Archivist and the President of the University of Texas and submitted to the House and Senate Committees on Appropriations on March 14, 2005.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

GRANTS PROGRAM

Appropriations, 2005	$4,960,000
Budget estimate, 2006	....
House allowance	7,500,000
Committee recommendation	5,000,000

PROGRAM DESCRIPTION

The National Historical Publications and Records Commission [NHPRC] provides grants nationwide to preserve and publish records that document American history. Administered within the National Archives, which preserves Federal records, NHPRC helps State, local, and private institutions preserve non-Federal records, helps publish the papers of major figures in American history, and helps archivists and records managers improve their techniques, training, and ability to serve a range of information users.

COMMITTEE RECOMMENDATION

The Committee recommendation includes $5,000,000 for the National Historical Publications and Records Commission [NHPRC]. This amount is $5,000,000 above the budget request and $40,000 above the fiscal year 2005 enacted level.

The Committee strongly supports the NHPRC program and has provided funding to continue this important program. This program has played a central role in the preservation and dissemination of the Nation's documentary heritage. Further, the program has been successful in leveraging private sector contributions.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

	Direct loan limitation	Administrative expenses
Appropriations, 2005	$1,500,000,000	$310,000
Budget estimate, 2006	1,500,000,000	323,000
House allowance	1,500,000,000	323,000
Committee recommendation	1,500,000,000	323,000

PROGRAM DESCRIPTION

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

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

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

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

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of limiting administrative expenses for the Central Liquidity Fund [CLF] to $323,000 in fiscal year 2006. The Committee recommends a limitation of $1,500,000,000 for the principal amount of new direct loans to member credit unions. These amounts are the same as the budget request.

The Committee directs the National Credit Union Administration [NCUA] to continue to provide reports on the lending activities under CLF. This information should be provided to the Committee on a quarterly basis through September 2006.

COMMUNITY DEVELOPMENT REVOLVING LOAN FUND

Appropriations, 2005	$992,000
Budget estimate, 2006	950,000
House allowance	950,000
Committee recommendation	950,000

PROGRAM DESCRIPTION

The Community Development Revolving Loan Fund Program [CDRLF] was established in 1979 to assist officially designated "low-income" credit unions in providing basic financial services to low-income communities. Low-interest loans and deposits are made available to assist these credit unions. Loans or deposits are normally repaid in 5 years, although shorter repayment periods may be considered. Technical assistance grants [TAGs] are also available to low-income credit unions. Until fiscal year 2001, only earnings generated from the CDRLF were available to fund TAGs. Grants are available for improving operations as well as addressing safety and soundness issues. In fiscal year 2004, NCUA designated funds for specific programs, including taxpayer assistance, financial education, home ownership initiatives, remittance services, individual development accounts [IDAs], and training assistance.

COMMITTEE RECOMMENDATION

The Committee recommends $950,000 for technical assistance grants to community development credit unions. This funding level is equal to the budget request and $42,000 below the fiscal year 2005 enacted level. The Committee expects the CDRLF to continue making loans from their available funds derived from repaid loans and interest earned on previous loans to designated credit unions.

The Committee supports NCUA's outreach efforts to undeserved rural and urban communities across America through technical assistance grants provided within CDRLF. The Committee encourages NCUA to continue their efforts in providing an alternative to predatory lending services through their targeted technical assistance grants and support.

National Transportation Safety Board

SALARIES AND EXPENSES

Appropriations, 2005	$76,086,000
Budget estimate, 2006	76,700,000
House allowance	76,700,000
Committee recommendation	76,700,000

PROGRAM DESCRIPTION

Initially established along with the Department of Transportation [DOT], the National Transportation Safety Board [NTSB] commenced operations on April 1, 1967, as an independent Federal agency charged by Congress with investigating every civil aviation accident in the United States as well as significant accidents in the other modes of transportation—railroad, highway, marine and pipeline—and issuing safety recommendations aimed at preventing future accidents. Although it has always operated independently, NTSB relied on DOT for funding and administrative support until the Independent Safety Board Act of 1974 (Public Law 93–633) severed all ties between the two organizations starting in 1975.

In addition to its investigatory duties, NTSB is responsible for maintaining the Government's database of civil aviation accidents and also conducts special studies of transportation safety issues of national significance. Furthermore, in accordance with the provisions of international treaties, NTSB supplies investigators to serve as U.S. Accredited Representatives for aviation accidents overseas involving U.S-registered aircraft, or involving aircraft or major components of U.S. manufacture. NTSB also serves as the "court of appeals" for any airman, mechanic or mariner whenever certificate action is taken by the Federal Aviation Administration [FAA] or the U.S. Coast Guard Commandant, or when civil penalties are assessed by FAA.

COMMITTEE RECOMMENDATION

The Committee recommends $76,700,000 for the National Transportation Safety Board, which is the same as the budget request and is $614,000 more than the fiscal year 2005 enacted level.

The Committee strongly believes that the core mission of the NTSB is to investigate and identify the probable causes of transportation crashes and incidents. The budget estimate reduces the number of FTE from 416 to 401. Despite fully funding the budget request, the Committee regrets that this will necessitate a reduction in staff that may further limit the Board's ability to launch investigations into all significant transportation incidents. However, the Committee notes that the investigatory staff is utilized at the NTSB Academy to instruct classes.

While the Committee acknowledges the Academy's benefit in sharing accident investigation best practices with the broader transportation community, the Committee believes that the functions of the Academy should be secondary to the NTSB's core mission of accident investigation. With the reduction in FTE, the Committee directs the Board to reduce the workforce hours at the Academy so that the Board's key investigatory responsibilities will in no way be negatively impacted by the impending loss of FTE's. In addition, the Committee reminds the NTSB of the Agency's authority to impose and collect fees for the Academy's services and urges the Board to be more aggressive in covering the Academy's costs. As such, the Committee directs the NTSB to submit a report no later than 90 days after enactment of this Act to the House and Senate Committees on Appropriations detailing the Academy's use of NTSB investigators in terms of hours and resources and the offsetting collections that the Academy produces. This report should provide specific FTE data in auditable fashion citing how the Board will comply with the Committee's directive regarding investigative resources and instructional hours at the Academy.

SALARIES AND EXPENSES

(RESCISSION)

Rescission, 2005	−$8,000,000
Budget estimate, 2006	−1,000,000
House allowance	−1,000,000
Committee recommendation	−1,000,000

The fiscal year 2004 Supplemental Appropriations bill (Public Law 106–246) provided NTSB with emergency expenses associated with its investigation of the Egypt Air Flight 990 and Alaska Air Flight 261 accidents. These funds were used for wreckage location and recovery facilities, technical support, testing, and wreckage mock-up. All of these activities have been completed and an unobligated balance of $1,000,000 remains. The Committee recommends the requested rescission of this amount.

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

Appropriations, 2005	$114,080,000
Budget estimate, 2006	118,000,000
House allowance	118,000,000
Committee recommendation	115,000,000

PROGRAM DESCRIPTION

The Neighborhood Reinvestment Corporation was created by the Neighborhood Reinvestment Corporation Act (title VI of the Housing and Community Development Amendments of 1978, Public Law 95–557, October 31, 1978). Neighborhood Reinvestment Corporation now operates under the trade name "NeighborWorks America." NeighborWorks America helps local communities establish efficient and effective partnerships between residents and representatives of the public and private sectors. These partnership-based organizations are independent, tax-exempt, nonprofit entities and are frequently known as Neighborhood Housing Services [NHS] or mutual housing associations.

Collectively, these organizations are known as the NeighborWorks® network. Nationally, 235 NeighborWorks® organizations serve nearly 3,000 urban, suburban and rural communities in 49 States, the District of Columbia, and Puerto Rico.

In fiscal year 2004, the NeighborWorks® network assisted nearly 90,000 families to obtain and maintain safe and affordable rental and homeownership units, where 70 percent of the people served are in the very low and low-income brackets. Neighborhood Reinvestment also provides grants to Neighborhood Housing Services of America [NHSA], the NeighborWorks® network's national secondary market. The mission of NHSA is to utilize private sector support to replenish local NeighborWorks® organizations' revolving loan funds. These loans are used to back securities that are placed with private sector social investors.

COMMITTEE RECOMMENDATION

The Committee recommends $115,000,000 for the Neighborhood Reinvestment Corporation for fiscal year 2006. This amount is $3,000,000 below the budget request and $920,000 above the fiscal year 2005 enacted level.

The Committee has included a set-aside of $5,000,000 for the multifamily rental housing initiative. This program has been successful in developing innovative approaches to producing mixed-income affordable housing throughout the Nation. The Committee strongly supports this initiative and commends Neighborhood Reinvestment for their efforts in attracting additional private sector investments for this initiative. The Committee directs NRC to provide a status report on this initiative in its fiscal year 2007 budget justifications.

The Committee continues its support of Neighborhood Reinvestment efforts in building capacity in rural areas. The Committee urges the Corporation to continue its efforts in addressing the needs of rural communities.

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

Appropriations, 2005	$11,148,000
Budget estimate, 2006	11,148,000
House allowance	11,148,000
Committee recommendation	11,148,000

PROGRAM DESCRIPTION

The Office of Government Ethics [OGE], a small agency within the executive branch, was established by the Ethics in Government Act of 1978. Originally part of the Office of Personnel Management, OGE became a separate agency on October 1, 1989 as part of the Office of Government Ethics Reauthorization Act of 1988.

OGE is charged by law to provide overall direction of executive branch policies designed to prevent conflicts of interest and ensure high ethical standards. OGE carries out these responsibilities by developing rules and regulations pertaining to conflicts of interest, post employment restrictions, standards of conduct, and public and confidential financial disclosure in the executive branch; by monitoring compliance with the public and confidential disclosure requirements of the Ethics Reform Act of 1978 and the Ethics Reform Act of 1989 to determine possible violations of applicable laws or regulations and recommending appropriate corrective action; by consulting with and assisting various officials in evaluating the effectiveness of applicable laws and the resolution of individual problems; and by preparing formal advisory opinions, informal letter opinions, policy memoranda, and Federal Register entries on how to interpret and comply with the requirements on conflicts of interest, post employment, standards of conduct, and financial disclosure.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $11,148,000 for salaries and expenses of the Office of Government Ethics in fiscal year 2006. This amount is the same as the President's budget request and the fiscal year 2005 level.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

Appropriations, 2005	$124,496,000
Budget estimate, 2006	124,521,000
House allowance	119,952,000
Committee recommendation	124,521,000

PROGRAM DESCRIPTION

The Office of Personnel Management [OPM] was established by Public Law 95–454, the Civil Service Reform Act of 1978, enacted on October 13, 1978. In that Act, the Office of Personnel Management was established in section 1101 of title 5, United States Code. Subsequent sections of Chapter 11 provide for the principal officials of the agency and the functions of the Director, which are really the functions of the Agency, as well as providing for the delegation of authority for personnel management from the President and, subsequently, by the Director.

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $124,521,000 for the salaries and expenses of the Office of Personnel Management which is the same as the budget request and $25,000 over the fiscal year 2005 level. Of the amount provided no more than $10,345,000 is to be used for e-Government projects. This amount is the same as the President's request.

Child Care.—In fiscal year 2003, the Senate report directed OPM to conduct a study of child care needs for Federal employees. The resulting report provided some valuable information but further examination is necessary for a more accurate assessment of Federal employee child care needs. The Committee directs OPM to continue to work with the Government Accountability Office [GAO] and the General Service Administration [GSA] in a timely manner on the study of child care needs for Federal employees.

In recent years, GSA and OPM have implemented programs that agencies can use to subsidize a substantial portion of child care expenses for lower income employees. While these supplemental programs are available, the Committee notes that only one in five agencies is offering the subsidy at this time. The Committee directs OPM to reevaluate its efforts to provide information and education to agencies on promoting this valuable program.

Retirement Systems Modernization.—The Committee is aware that the Office of Personnel Management initiated a Retirement Systems Modernization Program in 1997 to automate and streamline the manual and paper-intensive business processes used to administer the Federal employee retirement program. The Committee recognizes that the Retirement Systems Modernization project has benefited from the involvement and expertise of the Government Accountability Office. The Committee also notes the importance of the recommendations made by GAO and urges OPM to give these recommendations careful consideration and continue to consult with GAO in the future.

LIMITATION

(TRANSFER OF TRUST FUNDS)

Limitation, 2005	$127,434,000
Budget estimate, 2006	100,017,000
House allowance	102,679,000
Committee recommendation	100,017,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of $100,017,000, which is the same as the budget request and $27,417,000 less than the fiscal year 2005 level. This amount is the same as the President's request.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

Appropriations, 2005	$1,614,000
Budget estimate, 2006	1,614,000
House allowance	1,614,000
Committee recommendation	1,614,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $1,614,000 for salaries and expenses of the Office of Inspector General in fiscal year 2006. This amount is the same as the President's request and the same as the fiscal year 2005 enacted level.

(LIMITATION ON TRANSFER FROM TRUST FUNDS)

Limitation, 2005	$16,329,000
Budget estimate, 2006	16,329,000
House allowance	16,786,000
Committee recommendation	16,329,000

COMMITTEE RECOMMENDATION

The Committee recommends a limitation on transfers from the trust funds in support of the Office of Inspector General activities totaling $16,329,000 for fiscal year 2006 and $171,000 above the fiscal year 2005 enacted level.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

Appropriations, 2005	$8,135,000,000
Budget estimate, 2006	8,401,000,000
House allowance	8,135,000,000
Committee recommendation	8,393,000,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $8,393,000,000 for Government payments for annuitants, employees health benefits.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

Appropriations, 2005	$35,000,000
Budget estimate, 2006	36,000,000
House allowance	35,000,000
Committee recommendation	36,000,000

PROGRAM DESCRIPTION

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $36,000,000 for the Government payment for annuitants, employee life insurance. This amount equals the budget request.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Appropriations, 2005	$9,772,000,000
Budget estimate, 2006	10,072,000,000
House allowance	9,772,000,000
Committee recommendation	10,072,000,000

PROGRAM DESCRIPTION

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

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

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $10,072,000,000 for payment to the civil service retirement and disability fund. The Committee recommendation equals the budget estimate.

Office of Special Counsel

SALARIES AND EXPENSES

Appropriations, 2005	$15,325,000
Budget estimate, 2006	15,325,000
House allowance	15,325,000
Committee recommendation	15,325,000

PROGRAM DESCRIPTION

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

OSC investigates Federal employee allegations of prohibited personnel practices and, when appropriate, prosecutes cases before the Merit Systems Protection Board and enforces the Hatch Act. OSC also provides a channel for whistleblowing by Federal employees, and may transmit whistleblowing allegations to the agency head concerned and require an agency investigation and a report to Congress and the President when appropriate.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $15,325,000 for the Office of Special Counsel. This amount is the same as the President's budget request and fiscal year 2005 enacted level. Funding shall be allocated to each office for personnel and related costs as follows:

	Amount
Headquarters	$9,882,000
Detroit	930,100
Dallas	1,342,200
Bay Area	1,499,100
D.C. Field Office	1,671,600

The Committee is disappointed with the lack of promptness and the poor quality of OSC's budget submission for fiscal year 2006. The Committee directs the Office of Special Counsel to submit its fiscal year 2007 budget justifications on the first Monday in February, concurrent with the official submission of the President's budget to Congress. The justification should include highly detailed data and explanatory statements to support the appropriations requests, including tables that detail OSC's programs, activities and staffing levels for fiscal years 2006 and 2007. The Committee expects that OSC will coordinate with the Committee on Appropriations well in advance on its planned budget submission in support of the fiscal year 2007 budget request.

The Committee reiterates the recommendation that the Government Accountability Office [GAO] made in its March 2004 report (GAO–04–36) that OSC submit to Congress a comprehensive strategy addressing capital needs and case processing in order to prevent any future backlog of cases when submitting their fiscal year 2007 budget request. The Committee further directs OSC to provide quarterly staffing reports from the Special Counsel to Congress.

Selective Service System

SALARIES AND EXPENSES

Appropriations, 2005	$26,090,000
Budget estimate, 2006	25,650,000
House allowance	24,000,000
Committee recommendation	25,650,000

PROGRAM DESCRIPTION

The Selective Service System [SSS] was reestablished by the Selective Service Act of 1948. The basic mission of the System is to be prepared to supply manpower to the Armed Forces adequate to ensure the security of the United States during a time of national emergency. Since 1973, the Armed Forces have relied on volunteers to fill military manpower requirements. However, the Selective Service System remains the primary vehicle by which personnel will be brought into the military if Congress and the President should authorize a return to the draft.

In December 1987, Selective Service was tasked by law (Public Law 100–180, sec. 715) to develop plans for a postmobilization-health-care-personnel-delivery system capable of providing the necessary critically skilled health-care personnel to the Armed Forces in time of emergency. An automated system capable of handling mass registration and inductions is now complete, together with necessary draft legislation, a draft Presidential proclamation, prototype forms and letters, et cetera. These products will be available should the need arise. The development of supplemental standby products, such as a compliance system for health care personnel, continues using very limited existing resources.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $25,650,000 for the Selective Service System. This amount is the same as the budget request and $440,000 below the fiscal year 2005 enacted level. The Committee also prohibits the use of any funds to support the Corporation for National and Community Service.

United States Interagency Council on Homelessness

OPERATING EXPENSES

Appropriations, 2005	$1,499,000
Budget estimate, 2006	1,800,000
House allowance	1,499,000
Committee recommendation	1,800,000

PROGRAM DESCRIPTION

The United States Interagency Council on Homelessness is an independent agency created by the McKinney-Vento Homeless Assistance Act of 1987 to coordinate and direct the multiple efforts of Federal agencies and other designated groups. The Council was authorized to review Federal programs that assist homeless persons and to take necessary actions to reduce duplication. The Council can recommend improvements in programs and activities conducted by Federal, State and local government as well as local volunteer organizations. The Council consists of the heads of 18 Federal agencies such as the Departments of Housing and Urban Development, Health and Human Services, Veterans Affairs, Agriculture, Commerce, Defense, Education, Labor, and Transportation; and other entities as deemed appropriate.

COMMITTEE RECOMMENDATION

The Committee recommends $1,800,000 for the United States Interagency Council on Homelessness [ICH], the same level as the budget request and $301,000 more than the fiscal year 2005 enacted level. These funds are for carrying out the functions authorized under section 203 of the McKinney-Vento Homeless Assistance Act.

The Committee continues to strongly support the mission of ICH and its efforts in ending homelessness. The Committee continues to believe that a comprehensive and coordinated strategy must be made by the Federal Government to end and prevent homelessness in this Nation. ICH has been successful in developing 10-year plans with 48 States and 193 communities. The Committee supports these efforts and continues to urge ICH to assist these entities in developing clear and detailed business plans that address the sources of public and non-public funds in achieving their performance goals.

The Committee is extremely disappointed that a member of the ICH has passed on chairing the ICH this year. The Committee strongly believes that the participation of all ICH members is critical in meeting the President's stated goal of ending chronic homelessness over 10 years.

The Committee has included bill language that extends the reauthorization for the ICH till October 1, 2012.

UNITED STATES POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

Appropriations, 2005	$593,477,000
Budget estimate, 2006	87,350,000
House allowance	116,350,000
Committee recommendation	116,350,000

PROGRAM DESCRIPTION

The Post Office dates back to 1775. It became the Postal Service in 1971 as an independent establishment of the executive branch of the United States Government. The Postal Service basic function and obligation is to provide postal services to bind the Nation together through the personal, educational, literary, and business correspondence of the people. It shall provide prompt, reliable and efficient services to patrons in all areas and shall render postal services to all communities.

COMMITTEE RECOMMENDATION

The Committee recommends a total of $116,350,000 in fiscal year 2006 funding and advanced appropriations for payments to the Postal Service Fund. The increase of $29,000,000 above the President's request is to provide funds for overseas voting for prior years' liability under the Revenue Forgone Reform Act of 1993.

This amount includes: $58,767,000 requested for free mail for the blind and overseas voting; $28,583,000 as a reconciliation adjustment for 2002 actual mail volume of free mail for the blind and overseas voting; and $29,000,000 for prior years' liability under the Revenue Forgone Reform Act of 1993. In addition to these funds, $73,000,000 (an advance appropriation from 2005 for the 2005 costs and the 2002 reconciliation adjustment for free mail for the blind and overseas voting) will become available to the U.S. Postal Service in fiscal year 2006.

Revenue forgone on free and reduced-rate mail enables postage rates to be set at levels below the unsubsidized rates for certain categories of 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 Committee includes 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 without reduction; and that none of the funds provided be used to consolidate or close small rural and other small post offices in fiscal year 2006. These are services that must be maintained in fiscal year 2006 and beyond.

The Committee believes that 6-day mail delivery is one of the most important services provided by the Federal Government to its citizens. Especially in rural and small town America, this critical postal service is the linchpin that serves to bind the Nation together.

Emergency Preparedness.—The Committee continues to be sympathetic to the needs of the Postal Service to provide protection to the employees of the Postal Service. Due to budget constraints, funds cannot be provided to complete the biohazardous detection system [BDS] nationwide. The Committee directs the Postal Service to provide to the Committees on Appropriations no later than 90 days after enactment of this Act a report updating how far along the Postal Service is in installing the BDS; how many facilities are complete with the BDS; what plans the Postal Service has to complete all of the BDS installation without the appropriated funds; whether the BDS system has been equipped to detect more than one foreign agent, and how far along the Postal Service is in that regard; what the future needs are for the Postal Service to provide protection for the employees; and when the construction of the Washington, DC mail irradiation facility will be complete.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

Appropriations, 2005	$40,851,000
Budget estimate, 2006	48,998,000
House allowance	48,998,000
Committee recommendation	47,998,000

PROGRAM DESCRIPTION

The U.S. Tax Court is an independent judicial body in the legislative branch established 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 matters over which the Court has jurisdiction are set forth in various sections of title 26 of the United States Code.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $47,998,000 for the U.S. Tax Court.

STATEMENT CONCERNING GENERAL PROVISIONS

The Transportation, Treasury, the Judiciary, Housing and Urban Development, and Related Agencies appropriation bill includes general provisions which govern both the activities of the agencies covered by the bill, and, in some cases, activities of agencies, programs, and general government activities that are not covered by the bill. General provisions that are governmentwide in scope are contained in title VIII 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 provisions that address activities or directives affecting all of the agencies covered in this bill are contained in title VII.

TITLE VII—GENERAL PROVISIONS THIS ACT

Section 701 requires pay raises to be absorbed within appropriated levels in this Act or previous appropriations Acts.

Section 702 prohibits pay and other expenses for non-Federal parties in regulatory or adjudicatory proceedings funded in this Act.

Section 703 prohibits obligations beyond the current fiscal year and prohibits transfers of funds unless expressly so provided herein.

Section 704 limits expenditures for consulting service through procurement contracts where such expenditures are a matter of public record and available for public inspection.

Section 705 prohibits funds in this Act to be transferred without express authority.

Section 706 prohibits the use of funds to engage in activities that would prohibit the enforcement of section 307 of the 1930 Tariff Act (46 Stat. 590).

Section 707 protects employment rights of Federal employees who return to their civilian jobs after assignment with the Armed Forces.

Section 708 prohibits the use of funds in compliance with the Buy American Act.

Section 709 prohibits funding for any person or entity convicted of violating the Buy American Act.

Section 710 authorizes the reprogramming of funds and specifies the reprogramming procedures for agencies funded by this Act.

Section 711 ensures that 50 percent of unobligated balances may remain available for certain purposes.

Section 712 restricts the use of funds for the White House to request official background reports without the written consent of the individual who is the subject of the report.

Section 713 ensures that the cost accounting standard shall not apply with respect to a contract under the Federal Employees Health Benefits Program.

Section 714 references non-foreign area cost of living allowances.

Section 715 waives restrictions on the purchase of non-domestic articles, materials, and supplies in the case of acquisition by the Federal Government of information technology.

Section 716 prohibits a cost-share demonstration for the Essential Air Services program.

Section 717 provides flexibility in the use of funds in accounts under the Executive Office of the President.

Section 718 requires departments and agencies under this Act to disclose information regarding all sole source contracts.

Section 719 creates the same rights for the leadership PAC to transfer funds to a national campaign committee as a principle campaign committee. All funds are still subject to the limitations, prohibitions and reporting requirements of the Federal Election Campaign Act and this provision does not change the contribution limit to the leadership PAC or the contribution amount that may be made from a leadership PAC.

Section 720 authorizes the Secretary of the Treasury to establish offices in locations of strategic interest throughout the world to be managed by non-career and career SES positions. The purpose of these offices is to promote U.S. economic policy as well as to provide an opportunity for these Treasury employees to develop relationships and understand first-hand the economic priorities of other nations. These offices would be funded through funds transferred from the Exchange Stabilization Fund.

Section 721 prohibits the use of funds to enforce a provision of the Cuban Assets Control Regulations that impedes sales to Cuba.

Section 722 prohibits the use of funds for a proposed rule related to the determination that real estate brokerage activities are financial activities.

Section 723 prohibits the Treasury from implementing a reimbursable agreement pursuant to section 517 of H.R. 2360.

TITLE VIII—GENERAL PROVISIONS, DEPARTMENTS, AGENCIES, AND CORPORATIONS

Section 801 authorizes 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 an employee.

Section 802 requires agencies to administer a policy designed to ensure that all of its workplaces are free from the illegal use of controlled substances.

Section 803 allows funds made available to agencies for travel to also be used for quarters allowances and cost-of-living allowances.

Section 804 prohibits the Government, with certain specified exceptions, from employing non-U.S. citizens whose posts of duty would be in the continental United States.

Section 805 ensures that agencies will have authority to pay the General Services Administration bills for space renovation and other services.

Section 806 allows agencies to finance the costs of recycling and waste prevention programs with proceeds from the sale of materials recovered through such programs.

Section 807 provides that funds may be used to pay rent and other service costs in the District of Columbia.

Section 808 prohibits the use of appropriated funds to pay the salary of any nominee after the Senate voted not to approve the nomination.

Section 809 precludes interagency financing of groups absent prior statutory approval.

Section 810 authorizes the Postal Service to employ guards.

Section 811 prohibits the use of appropriated funds for enforcing regulations disapproved in accordance with the applicable law of the United States.

Section 812 limits the pay increases of certain prevailing rate employees.

Section 813 limits the amount that can be used for redecoration of offices under certain circumstances.

Section 814 permits interagency funding of national security and emergency preparedness telecommunications initiatives, which benefit multiple Federal departments, agencies, and entities.

Section 815 requires agencies to certify that a schedule C appointment was not created solely or primarily to detail the employee to the White House.

Section 816 requires agencies to administer a policy designed to ensure that all of its workplaces are free from discrimination and sexual harassment.

Section 817 prohibits the use of funds to prevent Federal employees from communicating with Congress or to take disciplinary or personnel actions against employees for such communication.

Section 818 prohibits training not directly related to the performance of official duties.

Section 819 prohibits the expenditure of funds for the implementation of agreements in certain nondisclosure policies unless certain provisions are included in the policies.

Section 820 prohibits use of appropriated funds for publicity or propaganda designed to support or defeat legislation pending before Congress.

Section 821 prohibits use of appropriated funds by an agency to provide Federal employees home address to labor organizations.

Section 822 prohibits the use of appropriated funds to provide nonpublic information such as mailing or telephone lists to any person or organization outside of the Government.

Section 823 prohibits the use of appropriated funds for publicity or propaganda purposes within the United States not authorized by Congress.

Section 824 directs agencies employees to use official time in an honest effort to perform official duties.

Section 825 authorizes the use of current fiscal year funds to finance an appropriate share of the Joint Financial Management Improvement Program.

Section 826 authorizes agencies to transfer funds to or reimburse the Policy and Operations account of GSA to finance an appropriate share of the Joint Financial Management Improvement Program.

Section 827 authorizes breastfeeding at any location in a Federal building or on Federal property.

Section 828 permits interagency funding of the National Science and Technology Council.

Section 829 requires identification of the Federal agencies providing Federal funds and the amount provided for all proposals, solicitations, grant applications, forms, notifications, press releases, or other publications related to the distribution of funding to a State.

Section 830 continues a provision which extends the authorization for franchise fund pilots for 1 year with modification.

Section 831 continues a provision prohibiting the use of funds to monitor personal information relating to the use of Federal internet sites.

Section 832 continues a provision regarding contraceptive coverage under the Federal Employees Health Benefits Plan.

Section 833 recognizes the U.S. Anti-Doping Agency as the official anti-doping agency for Olympic, Pan American, and Paralympic sports in the United States.

Section 834 allows departments and agencies to participate in the fractional aircraft ownership pilot programs.

Section 835 places certain limitations on the Coast Guard Congressional Fellowship program.

Section 836 requires each Department and Agency to evaluate the creditworthiness of an individual before issuing the individual a Government purchase charge card or travel card.

Section 837 provides for a 3.1 percent increase in the basic pay of Federal civilian employees.

Section 838 continues a provision requiring the head of each Federal Agency to submit a report to Congress on the amount of acquisitions made by the Agency from entities that manufacture the articles, materials, or supplies outside of the United States.

Sections 839 prohibits the expenditure of funds for the acquisition of certain additional Federal Law Enforcement Training facilities.

Section 840 provides funding for Midway atoll Airfield.

Section 841 provides certain requirements for public-private competition for the performance of certain activities for offices with less than 100 FTEs.

Section 842 provides requirements for prepackaged news stories that are prepared or funded by that executive branch agency.

Section 843 establishes a set of outsourcing contracting requirements that provide an even playing field for the private and public sector.

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 TRANSPORTATION

Office of the Secretary of Transportation: Payments to air carriers

Federal Highway Administration:
- Federal-aid highways

Motor Carrier Safety Administration:
- Motor carrier safety
- National motor carrier safety program
- Border enforcement program

National Highway Traffic Safety Administration:
- Operations and research
- Highway traffic safety grants
- National driver register

Federal Railroad Administration:
- Safety and operations
- Alaska railroad rehabilitation
- Grants to the National Railroad Passenger Corporation

Federal Transit Administration:
- Administrative expenses
- Formula grants
- University transportation centers
- Transit planning and research
- Capitol investment grants
- Job access and reverse commute grants

Research and Special Programs Administration:
- Research and Special Programs (Hazardous Materials Safety)
- Emergency Preparedness Grants

Bureau of Transportation Statistics (drawdown from Federal-aid highways)

Surface Transportation Board

DEPARTMENT OF THE TREASURY

Departmental Offices:
- Salaries and expenses
- Department-wide Systems and Capital Investments Program
- Air Transportation Stabilization Program

Treasury Building and annex, repair and restoration

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Rural Housing and Economic Development Brownfields

EXECUTIVE OFFICE OF THE PRESIDENT

The White House Office, salaries and expenses
Executive Residence at the White House, operating expenses
Special Assistance to the President, salaries and expenses
Council of Economic Advisers
National Security Council
Office of Administration
Office of Management and Budget
Office of National Drug Control Policy:
- Salaries and expenses
- Counterdrug Technology Assessment Center
- High-intensity drug trafficking areas
- Other Federal Drug Control (except Drug-Free Communities)

INDEPENDENT AGENCIES

Federal Election Commission, salaries and expenses
General Services Administration:
- Federal buildings fund
- Repairs and Alterations Construction and Acquisition of Facilities

National Transportation Safety Board
Office of Government Ethics, salaries and expenses
Office of Personnel Management, Human Capital Performance Fund

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

Pursuant to paragraph 7(c) of rule XXVI, on July 21, 2005, the Committee ordered reported, en bloc S. 1446, an original bill making appropriations for the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 2006, and for other purposes, H.R. 2528, making appropriations for Military Construction and Veterans Affairs, and related agencies for the fiscal year ending September 30, 2006, and for other purposes with an amendment in the nature of a substitute and an amendment to the title; and H.R.3058, making appropriations for the Departments of Transportation, Treasury, the Judiciary, Housing and Urban Development, and related agencies for the fiscal year ending September 30, 2006, and for other purposes, with an amendment in the nature of a substitute, provided that the bill be subject to further amendment and the bill be consistent with its budget allocation, by a recorded vote of 28–0, a quorum being present. The vote was as follows:

Yeas	Nays
Chairman Cochran	
Mr. Stevens	

Mr. Specter
Mr. Domenici
Mr. Bond
Mr. McConnell
Mr. Burns
Mr. Shelby
Mr. Gregg
Mr. Bennett
Mr. Craig
Mrs. Hutchison
Mr. DeWine
Mr. Brownback
Mr. Allard
Mr. Byrd
Mr. Inouye
Mr. Leahy
Mr. Harkin
Ms. Mikulski
Mr. Reid
Mr. Kohl
Mrs. Murray
Mr. Dorgan
Mrs. Feinstein
Mr. Durbin
Mr. Johnson
Ms. Landrieu

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 2—THE CONGRESS

* * * * * * *

CHAPTER 14—FEDERAL ELECTION CAMPAIGNS

SUBCHAPTER I—DISCLOSURE OF FEDERAL CAMPAIGN FUNDS

§ 441a. Limitations on contributions and expenditures

(a) * * *

* * * * * * *

(1) * * *

* * * * * * *

[(4)] *(4)(A)* The limitations on contributions contained in paragraphs (1) and (2) do not apply to transfers between and among political committees which are national, State, district, or local committees (including any subordinate committee thereof) of the same political party. For purposes of paragraph (2), the term "multicandidate political committee" means a political committee which has been registered under section 433 of this title for a period of not less than 6 months, which has received contributions from more than 50 persons, and, except for any State political party organization, has made contributions to 5 or more candidates for Federal office.

(B) The limitation on contributions contained in paragraphs (1) and (2) do not apply to transfers between a leadership committee of an individual holding Federal office and political committees established and maintained by a national political party. For purposes of the previous sentence, the term "leadership committee" means, with respect to an individual holding Federal office, an unauthorized political committee which is associated with such individual but which is not affiliated with any authorized committee of such individual.

* * * * * * *

TITLE 23—HIGHWAYS

CHAPTER 1—FEDERAL-AID HIGHWAYS

SUBCHAPTER I—GENERAL PROVISIONS

§ 127. Vehicle weight limitations—Interstate System

(a) * * *

* * * * * * *

[(h) WAIVER FOR A ROUTE IN STATE OF MAINE DURING PERIODS OF NATIONAL EMERGENCY.—

[(1) IN GENERAL.—Notwithstanding any other provision of this section, the Secretary, in consultation with the Secretary of Defense, may waive or limit the application of any vehicle weight limit established under this section with respect to the portion of Interstate Route 95 in the State of Maine between Augusta and Bangor for the purpose of making bulk shipments of jet fuel to the Air National Guard Base at Bangor International Airport during a period of national emergency in order to respond to the effects of the national emergency.

【(2) APPLICABILITY.—Emergency limits established under paragraph (1) shall preempt any inconsistent State vehicle weight limits.】

(h) OVER-THE-ROAD BUS AND PUBLIC TRANSIT VEHICLE EXEMPTION.—

(1) IN GENERAL.—The second sentence of section 127 of title 23, United States Code (relating to axle weight limitations for vehicles using the Dwight D. Eisenhower System of Interstate and Defense Highways), shall not apply to—

(A) any over-the-road bus (as defined in section 301 of the Americans With Disabilities Act of 1990 (42 U.S.C. 12181)); or

(B) any vehicle that is regularly and exclusively used as an intrastate public agency transit passenger bus.

(2) STATE ACTION.—No State or political subdivision of a State, or any political authority of 2 or more States, shall impose any axle weight limitation on any vehicle described in paragraph (1) in any case in which such a vehicle is using the Dwight D. Eisenhower System of Interstate and Defense Highways..

* * * * * * *

TITLE 42—THE PUBLIC HEALTH AND WELFARE

* * * * * * *

CHAPTER 119—HOMELESS ASSISTANCE

* * * * * * *

SUBCHAPTER II—INTERAGENCY COUNCIL ON THE HOMELESS

* * * * * * *

§ 11319. Termination

The Council shall cease to exist, and the requirements of this subchapter shall terminate, on October 1, 【2005】 *2012*.

* * * * * * *

TITLE 49—TRANSPORTATION

* * * * * * *

CHAPTER 443—INSURANCE

* * * * * * *

§ 44302. General authority

(a) * * *

* * * * * * *

(f) EXTENSION OF POLICIES.—

(1) IN GENERAL.—The Secretary shall extend through August 31, 【2005,】 *2006,* and may extend through December 31, 【2005,】 *2006,* the termination date of any insurance policy that the Department of Transportation issued to an air carrier

under subsection (a) and that is in effect on the date of enactment of this subsection on no less favorable terms to the air carrier than existed on June 19, 2002; except that the Secretary shall amend the insurance policy, subject to such terms and conditions as the Secretary may prescribe, to add coverage for losses or injuries to aircraft hulls, passengers, and crew at the limits carried by air carriers for such losses and injuries as of such date of enactment and at an additional premium comparable to the premium charged for third-party casualty coverage under such policy.

* * * * * * *

§ 44303. Coverage

(a) * * *

(b) AIR CARRIER LIABILITY FOR THIRD PARTY CLAIMS ARISING OUT OF ACTS OF TERRORISM.—For acts of terrorism committed on or to an air carrier during the period beginning on September 22, 2001, and ending on December 31, ⟦2005,⟧ *2006,* the Secretary may certify that the air carrier was a victim of an act of terrorism and in the Secretary's judgment, based on the Secretary's analysis and conclusions regarding the facts and circumstances of each case, shall not be responsible for losses suffered by third parties (as referred to in section 205.5(b)(1) of title 14, Code of Federal Regulations) that exceed $100,000,000, in the aggregate, for all claims by such parties arising out of such act. If the Secretary so certifies, the air carrier shall not be liable for an amount that exceeds $100,000,000, in the aggregate, for all claims by such parties arising out of such act, and the Government shall be responsible for any liability above such amount. No punitive damages may be awarded against an air carrier (or the Government taking responsibility for an air carrier under this subsection) under a cause of action arising out of such act. The Secretary may extend the provisions of this subsection to an aircraft manufacturer (as defined in section 44301) of the aircraft of the air carrier involved.

* * * * * * *

SUBTITLE VII—AVIATION PROGRAMS

* * * * * * *

PART B—AIRPORT DEVELOPMENT AND NOISE

* * * * * * *

CHAPTER 471—AIRPORT DEVELOPMENT

SUBCHAPTER I—AIRPORT IMPROVEMENT

* * * * * * *

§ 47108. Project grant agreements

(a) * * *

* * * * * * *

(e) CHANGE IN AIRPORT STATUS.—

(1) CHANGES TO NONPRIMARY AIRPORT STATUS.—If the status of a primary airport changes to a nonprimary airport at a time when a development project under a multiyear agreement under subsection (a) is not yet completed, the project shall remain eligible for funding from discretionary funds under section 47115 at the funding level and under the terms provided by the agreement, subject to the availability of funds.

(2) CHANGES TO NONCOMMERCIAL SERVICE AIRPORT STATUS.—If the status of a commercial service airport changes to a noncommercial service airport at a time when a terminal development project under a phased-funding arrangement is not yet completed, the project shall remain eligible for funding from discretionary funds under section 47115 at the funding level and under the terms provided by the arrangement subject to the availability of funds.

(3) CHANGES TO NONHUB PRIMARY STATUS.—If the status of a nonhub primary airport changes to a small hub primary airport at a time when the airport has received discretionary funds under this chapter for a terminal development project in accordance with section 47110(d)(2), and the project is not yet completed, the project shall remain eligible for funding from the discretionary fund and the small airport fund to pay costs allowable under section 47110(d). Such project shall remain eligible for such funds for three fiscal years after the start of construction of the project, or if the Secretary determines that a further extension of eligibility is justified, until the project is completed.

* * * * * * *

§ 47110. Allowable project costs

(a) * * *

* * * * * * *

(d) * * *

* * * * * * *

(2) In making a decision under paragraph (1) of this subsection, the Secretary may approve as allowable costs the expenses of terminal development in a revenue-producing area and construction, reconstruction, repair, and improvement in a nonrevenue-producing parking lot if—

[(A) the] *(A) except as provided in section 47108(e)(3), the* airport does not have more than .05 percent of the total annual passenger boardings in the United States; and

* * * * * * *

TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1995, PUBLIC LAW 103–329

* * * * * * *

TITLE I—DEPARTMENT OF THE TREASURY

* * * * * * *

INTERNAL REVENUE SERVICE

* * * * * * *

ADMINISTRATIVE PROVISIONS--INTERNAL REVENUE SERVICE

SECTION 1. * * *

* * * * * * *

SEC. 3. The Secretary of the Treasury may establish new fees or raise existing fees for services provided by the Internal Revenue Service to increase receipts, where such fees are authorized by another law. The Secretary of the Treasury may spend the new or increased fee receipts to supplement appropriations made available to the Internal Revenue Service appropriations accounts in fiscal years 1995 and thereafter: *Provided,* That the Secretary shall base such fees on the costs of providing specified services to persons paying such fees: *Provided further* That the Secretary shall provide quarterly reports to the Congress on the collection of such fees and how they are being expended by the Service【: *Provided further,* That the total expenditures from such fees shall not exceed $119,000,000】.

* * * * * * *

GOVERNMENT MANAGEMENT REFORM ACT OF 1994, PUBLIC LAW 103–356

SEC. 403. FRANCHISE FUND PILOT PROGRAMS.

(a) * * *

* * * * * * *

(f) TERMINATION.—The provisions of this section shall expire on October 1, 【2005】 *2006*.

* * * * * * *

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1998, PUBLIC LAW 105–119

SEC. 122. (a) * * *

* * * * * * *

(g)(1) Notwithstanding any other provision of law and subject to paragraph (2), the Secretary of the Treasury is authorized to establish, for a period of 【7 years】 *8 years* from date of enactment of this provision, a personnel management demonstration project providing for the compensation and performance management of not more than a combined total of 950 employees who fill critical scientific, technical, engineering, intelligence analyst, language translator, and medical positions in the Bureau of Alcohol, Tobacco and Firearms.

* * * * * * *

FEDERAL ACTIVITIES INVENTORY REFORM ACT OF 1998

SEC. 4. APPLICABILITY.

(a) * * *

(b) EXCEPTIONS.—This Act does not apply to or with respect to the following:

(1) * * *

*   *   *   *   *   *   *

(5) Executive agencies with fewer than 100 full-time employees as of the first day of the fiscal year. However, such an agency shall be subject to section 2 to the extent it plans to conduct a public-private competition for the performance of an activity that is not inherently governmental.

*   *   *   *   *   *   *

DIVISION H—TRANSPORTATION, TREASURY, INDEPENDENT AGENCIES, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2005, PUBLIC LAW 108–447

*   *   *   *   *   *   *

GENERAL SERVICES ADMINISTRATION

*   *   *   *   *   *   *

GENERAL PROVISIONS—GENERAL SERVICES ADMINISTRATION

*   *   *   *   *   *   *

SEC. 412. Notwithstanding any other provision of law, *beginning in fiscal year 2006 and thereafter,* the Administrator of General Services may convey, by sale, lease, exchange or otherwise, including through leaseback arrangements, real and related personal property, *under the custody and control of the Administrator of General Services* or interests therein, and retain the net proceeds of such dispositions in an account within the Federal Buildings Fund to be used for the General Services Administration's real property capital needs: *Provided,* That all net proceeds realized under this section shall only be expended as authorized in annual appropriations Acts: *Provided further,* That for the purposes of this section, the term "net proceeds" means the rental and other sums received less the costs of the disposition, and the term "real property capital needs" means any expenses necessary and incident to the agency's real property capital acquisitions, improvements, and dispositions.

*   *   *   *   *   *   *

NOTE.—Consistent with the funding recommended in the bill for tax compliance and in accordance with section 404 of House Concurrent Resolution 95 (109th Congress), the Committee anticipates that the Budget Committee will file a revised section 302(a) allocation for the Committee on Appropriations reflecting an upward adjustment of $446,000,000 in budget authority and associated outlays.

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 Budget Resolution for 2006: Subcommittee on Transportation, Treasury, the Judiciary, Housing and Urban Development, and related agencies:				
Discretionary	65,373	65,819	121,872	[1] 122,064
Mandatory	18,987	18,987	18,973	[1] 18,973
Projection of outlays associated with the recommendation:				
2006				[2] 70,167
2007				37,646
2008				14,422
2009				6,595
2010 and future years				7,411
Financial assistance to State and local governments for 2006	NA	28,821	NA	25,250

[1] Includes outlays from prior-year budget authority.
[2] Excludes outlays from prior-year budget authority.

NA: Not applicable.

NOTE.—Consistent with the funding recommended in the bill for tax compliance and in accordance with section 404 of House Concurrent Resolution 95 (109th Congress), the Committee anticipates that the Budget Committee will file a revised section 302(a) allocation for the Committee on Appropriations reflecting an upward adjustment of $446,000,000 in budget authority and associated outlays.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2005 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2006

[In thousands of dollars]

Item	2005 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2005 appropriation	Budget estimate	House allowance
TITLE I—DEPARTMENT OF TRANSPORTATION							
Office of the Secretary							
Salaries and expenses	86,536	87,046	67,824	86,000	−536	−1,046	+18,176
Immediate Office of the Secretary	(2,202)		(2,198)	(2,198)	(−4)	(+2,198)	
Immediate Office of the Deputy Secretary	(699)		(698)	(698)	(−1)	(+698)	
Immediate office of the Secretary and Deputy							
Office of the General Counsel	(15,272)		(15,433)	(15,183)	(−89)	(+15,183)	(−250)
Office of the Under Secretary of Transportation for Policy	(12,526)		(11,680)	(12,650)	(+124)	(+12,650)	(+970)
Office of the Assistant Secretary for Budget and Programs	(8,504)		(7,593)	(8,585)	(+81)	(+8,585)	(+992)
Office of the Assistant Secretary for Governmental Affairs	(2,297)			(2,293)	(−4)	(+2,293)	(+2,293)
Office of the Assistant Secretary for Administration	(23,249)		(23,139)	(22,031)	(−1,218)	(+22,031)	(−1,108)
Office of Public Affairs	(1,914)			(1,910)	(−4)	(+1,910)	(+1,910)
Executive Secretariat	(1,444)		(20)	(1,442)	(−2)	(+1,442)	(+1,422)
Board of Contract Appeals	(698)		(697)	(697)	(−1)	(+697)	
Office of Small and Disadvantaged Business Utilization	(1,268)		(1,265)	(1,265)	(−3)	(+1,265)	
Office of Intelligence and Security	(2,037)		(2,033)	(2,033)	(−4)	(+2,033)	
Office of the Chief Information Officer	(11,301)			(11,895)	(+594)	(+11,895)	(+11,895)
Office of emergency transportation	(3,125)		(3,128)	(3,120)	(−5)	(+3,120)	(−8)
Undesignated reduction			(−60)				(+60)
User fees	(−2,500)	(−2,500)	(−2,500)	(−2,500)			
Spending of user fees	(2,500)	(2,500)	(2,500)	(2,500)			
Subtotal	(86,536)	(87,046)	(67,824)	(86,000)	(−536)	(−1,046)	(+18,176)
Office of Civil Rights	8,630	8,550	8,550	8,550	−80		
Rescission of excess compensation for air carriers	−235,000				+235,000		
Transportation planning, research, and development	19,840	9,030	9,030	15,000	−4,840	+5,970	+5,970
Working capital fund	(151,054)		(120,014)	(120,014)	(−31,040)	(+120,014)	
Minority business resource center program	893	900	900	900	+7		
(Limitation on guaranteed loans)	(18,367)	(18,367)	(18,367)	(18,367)			
Minority business outreach	2,976	3,000	3,000	3,000	+24		

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2005 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2006—Continued

[In thousands of dollars]

Item	2005 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2005 appropriation	Budget estimate	House allowance
New headquarters building	67,456	100,000	55,000	50,000	−17,456	−50,000	−5,000
Payments to air carriers (Airport & Airway Trust Fund)	51,584	....	54,000	60,000	+8,416	+60,000	+6,000
Total, Office of the Secretary	237,915	208,526	198,304	223,450	−14,465	+14,924	+25,146
Federal Aviation Administration							
Operations	7,712,800	8,201,000	8,396,920	8,176,000	+463,200	−25,000	−220,920
Air traffic Organization	(6,136,598)	(6,647,305)	(6,424,229)	(6,627,010)	(+490,412)	(−20,295)	(+202,781)
Aviation Safety	(903,764)	(941,742)	(1,214,042)	(956,242)	(+52,478)	(+14,500)	(−257,800)
Research and Acquisitions	(221,100)	....	(222,171)	....	(−221,100)	....	(−222,171)
Commercial Space Transportation	(11,511)	(11,759)	(11,759)	(11,759)	(+248)	....	....
Financial Services	(50,408)	....	(50,583)	(50,983)	(+575)	(+50,983)	(+400)
Human Resource Management	(68,844)	....	(69,943)	(69,943)	(+1,099)	(+69,943)	....
Region and Center Operations	(147,476)	....	(150,744)	(150,744)	(+3,268)	(+150,744)	....
Staff Offices	(137,352)	(450,194)	(140,337)	(141,909)	(+4,557)	(−308,285)	(+1,572)
Information Services	(35,747)	....	(36,612)	(36,112)	(+365)	(+36,112)	(−500)
Flight Service Stations transition	....	(150,000)	(91,000)	(150,000)	(+150,000)	....	(+59,000)
Undistributed reduction	....	....	(−14,500)	(−18,702)	(−18,702)	(−18,702)	(−4,202)
Subtotal	7,712,800	8,201,000	8,396,920	8,176,000	+463,200	−25,000	−220,920
Facilities & equipment (Airport & Airway Trust Fund)	2,519,680	2,448,000	3,053,000	2,448,000	−71,680	....	−605,000
Emergency appropriations (Public Law 108–324)	5,100	....	....	....	−5,100	....	....
Research, engineering, and development (Airport and Airway Trust Fund)	129,880	130,000	130,000	134,500	+4,620	+4,500	+4,500
Grants-in-aid for airports (Airport and Airway Trust Fund) (Liquidation of contract authorization)	(2,800,000)	(3,300,000)	(3,600,000)	(3,390,000)	(+590,000)	(+90,000)	(−210,000)
(Limitation on obligations)	(3,472,000)	(3,000,000)	(3,600,000)	(3,500,000)	(+28,000)	(+500,000)	(−100,000)
Small community air service program	(19,840)	....	(20,000)	(20,000)	(+160)	(+20,000)	....
2006 F&E Pop-up contract authority	....	605,000	....	605,000	+605,000	....	+605,000
Rescission of contract authority (2006 F&E Pop-up)	....	−605,000	....	−1,174,000	−1,174,000	−569,000	−1,174,000

Rescission of contract authority (2006 AIP)	....	−600,000	....	....	....	+600,000	....
Rescission of contract authority (prior yr Pop-up)	−265,000	−469,000	−469,000	....	+265,000	+469,000	+469,000
Emergency assistance to airports (Airport and Airway Trust Fund) (Public Law 108–324)	25,000	....	....	....	−25,000	....	....
Subtotal	(3,232,000)	(1,931,000)	(3,131,000)	(2,931,000)	(−301,000)	(+1,000,000)	(−200,000)
War risk insurance program extension	−50,000	....	−80,000	−80,000	−30,000	−80,000	....
Total, Federal Aviation Administration	10,342,460	11,384,000	11,499,920	11,283,500	+941,040	−100,500	−216,420
(Limitations on obligations)	(3,472,000)	(3,000,000)	(3,600,000)	(3,500,000)	(+28,000)	(+500,000)	(−100,000)
Rescissions of contract authority	−265,000	−1,674,000	−469,000	−1,174,000	−909,000	+500,000	−705,000
Total budgetary resources	(13,549,460)	(12,710,000)	(14,630,920)	(13,609,500)	(+60,040)	(+899,500)	(−1,021,420)
Federal Highway Administration							
Limitation on administrative expenses	(343,728)	(367,638)	(359,529)	(364,638)	(+20,910)	(−3,000)	(+5,109)
Federal-aid highways (Highway Trust Fund):							
(Liquidation of contract authorization)	(35,000,000)	(35,000,000)	(36,000,000)	(40,194,259)	(+5,194,259)	(+5,194,259)	(+4,194,259)
(Limitation on obligations)	(34,422,400)	(34,700,000)	(36,287,100)	(40,194,259)	(+5,771,859)	(+5,494,259)	(+3,907,159)
(Exempt contract authority)	(739,000)	(739,000)	(739,000)	(739,000)	....	....	....
(Transfer to NHTSA)	(−156,127)	....	....	....	(+156,127)	....	....
Rescission of contract authority (Highway Trust Fund)	−520,277	....	....	....	+520,277	....	....
Appalachian development highway system	79,360	....	....	80,000	+640	+80,000	+80,000
Emergency relief programs (Highway Trust Fund)	735,072	....	....	....	−735,072	....	....
Emergency appropriations (Public Law 108–324)	1,202,000	....	....	....	−1,202,000	....	....
Rescission of contract authority (Hwy Trust Fund)	−741,000	....	....	−2,300,000	−1,559,000	−2,300,000	−2,300,000
TIFIA (rescission of contract authority)	−100,000	....	....	....	+100,000	....	....
Belleair causeway bridge	33,728	....	....	....	−33,728	....	....
Unobligated balances (rescission of contract authority)	−14,408	....	....	....	+14,408	....	....
Unobligated balances (rescission)	−2,000	....	....	....	+2,000	....	....
Total, Federal Highway Administration	2,050,160	....	....	80,000	−1,970,160	+80,000	+80,000
(Limitations on obligations)	(34,422,400)	(34,700,000)	(36,287,100)	(40,194,259)	(+5,771,859)	(+5,494,259)	(+3,907,159)
(Exempt contract authority)	(739,000)	(739,000)	(739,000)	(739,000)	....	....	....
Rescissions	−2,000	....	....	....	+2,000	....	....
Rescissions of contract authority	−1,375,685	....	....	−2,300,000	−924,315	−2,300,000	−2,300,000
Total budgetary resources	(35,833,875)	(35,439,000)	(37,026,100)	(38,713,259)	(+2,879,384)	(+3,274,259)	(+1,687,159)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2005 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2006—Continued

[In thousands of dollars]

Item	2005 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2005 appropriation	Budget estimate	House allowance
Federal Motor Carrier Safety Administration							
Motor carrier safety (limitation on administrative expenses) (liquidation of contract authorization)	(257,547)				(−257,547)		
(Limitation on obligations)	(255,487)				(−255,487)		
Motor carrier safety operations and programs (Highway Trust Fund) (Liquidation of contract authorization)		(233,000)	(215,000)	(211,400)	(+211,400)	(−21,600)	(−3,600)
(Limitation on obligations)		(233,000)	(215,000)	(211,400)	(+211,400)	(−21,600)	(−3,600)
National motor carrier safety program (Highway Trust Fund) (Liquidation of contract authorization)	(190,000)		(286,000)		(−190,000)		(−286,000)
(Limitation on obligations)	(188,480)		(286,000)		(−188,480)		(−286,000)
Motor carrier safety grants (Highway Trust Fund) (Liquidation of contract authorization)		(232,000)		(278,620)	(+278,620)	(+46,620)	(+278,620)
(Limitation on obligations)		(232,000)		(278,620)	(+278,620)	(+46,620)	(+278,620)
Total, Federal Motor Carrier Safety Admin							
(Limitations on obligations)	(701,514)	(465,000)	(501,000)	(490,020)	(−211,494)	(+25,020)	(−10,980)
Total budgetary resources	(701,514)	(465,000)	(501,000)	(490,020)	(−211,494)	(+25,020)	(−10,980)
National Highway Traffic Safety Administration							
Operations and research			152,367				−152,367
Operations and research (Highway trust fund) (Liquidation of contract authorization)	(72,000)	(227,367)	(75,000)	(226,688)	(+154,688)	(−679)	(+151,688)
(Limitation on obligations)	(71,424)	(227,367)	(75,000)	(226,688)	(+155,264)	(−679)	(+151,688)
(Transfer from FHWA)	(156,127)				(−156,127)		
National Driver Register (Highway trust fund) (Liquidation of contract authorization)	(3,600)	(4,000)	(4,000)	(4,000)	(+400)		
(Limitation on obligations)	(3,571)	(4,000)	(4,000)	(4,000)	(+429)		
Highway traffic safety grants (Highway Trust Fund) (Liquidation of contract authorization)	(225,000)	(465,000)	(551,000)	(548,182)	(+323,182)	(+83,182)	(−2,818)

(Limitation on obligations):							
Highway safety programs (Sec. 402)	(163,680)	(172,000)	(229,000)	(209,218)	(+45,538)	(+37,218)	(−19,782)
Formula grants (Sec. 402(k))	....	(183,000)	....	....	....	(−183,000)	....
Formula grants (Sec. 402(l))	....	(50,000)	....	....	....	(−50,000)	....
Occupant protection incentive grants (Sec. 405)	(19,840)	....	(136,000)	(149,667)	(+129,827)	(+149,667)	(+13,667)
Demonstration program grants (Sec. 406)	....	....	....	(7,400)	(+7,400)	(+7,400)	(+7,400)
Alcohol-impaired driving countermeasures grants (Sec. 410)	(39,680)	....	(129,000)	(115,721)	(+76,041)	(+115,721)	(−13,279)
Emergency medical services grants (Sec. 407)	....	(10,000)	....	(5,000)	(+5,000)	(−5,000)	(+5,000)
State traffic safety information system improvement grants (Sec. 412)	....	(50,000)	(30,000)	(45,000)	(+45,000)	(−5,000)	(+15,000)
High visibility enforcement	....	....	(15,000)	....	....	....	(−15,000)
Child safety and booster seat grants	....	....	(6,000)	....	....	....	(−6,000)
Motorcyclist safety	....	....	(6,000)	....	....	....	(−6,000)
Grant administration	....	....	....	(16,176)	(+16,176)	(+16,176)	(+16,176)
Subtotal	(223,200)	(465,000)	(551,000)	(548,182)	(+324,982)	(+83,182)	(−2,818)
Total, National Highway Traffic Safety Admin	....	....	152,367	....	....	....	−152,367
(Limitations on obligations)	(298,195)	(696,367)	(630,000)	(778,870)	(+480,675)	(+82,503)	(+148,870)
Total budgetary resources	(298,195)	(696,367)	(782,367)	(778,870)	(+480,675)	(+82,503)	(−3,497)
Federal Railroad Administration							
Safety and operations	138,651	145,949	145,949	146,000	+7,349	+51	+51
Railroad research and development	35,737	46,325	....	41,000	+5,263	−5,325	+41,000
Railroad rehabilitation and improvement program	6,000	....	....	....	−6,000	....	....
Next generation high-speed rail	19,493	....	10,165	11,500	−7,993	+11,500	+1,335
Alaska Railroad rehabilitation	24,800	....	....	20,000	−4,800	+20,000	+20,000
Grants to the National Railroad Passenger Corporation	1,207,264	360,000	1,176,248	1,450,000	+242,736	+1,090,000	+273,752
Total, Federal Railroad Administration	1,431,945	552,274	1,332,362	1,668,500	+236,555	+1,116,226	+336,138
Federal Transit Administration							
Administrative expenses, (general purpose NDD)	....	83,500	....	....	....	−83,500	....
Administrative expenses	9,672	....	12,000	13,411	+3,739	+13,411	+1,411
Administrative expenses (Highway Trust Fund, Mass Transit Account) (limitation on obligations)	(67,704)	....	(68,000)	(66,133)	(−1,571)	(+66,133)	(−1,867)
Office of the Administrator	(892)	....	(989)	(925)	(+33)	(+925)	(−64)
Office of Chief Counsel	(4,067)	....	(4,140)	(4,200)	(+133)	(+4,200)	(+60)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2005 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2006—Continued

[In thousands of dollars]

Item	2005 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2005 appropriation	Budget estimate	House allowance
Office of Civil Rights	(2,989)		(3,113)	(3,000)	(+11)	(+3,000)	(−113)
Office of Communications and Congressional Affairs	(1,233)		(1,276)	(1,300)	(+67)	(+1,300)	(+24)
Office of Budget and Policy	(6,874)		(7,123)	(7,200)	(+326)	(+7,200)	(+77)
Office of Planning	(4,138)		(4,155)	(4,200)	(+62)	(+4,200)	(+45)
Office of Program Management	(7,337)		(7,916)	(7,500)	(+163)	(+7,500)	(−416)
Office of Demonstration and Innovation	(4,608)		(4,712)	(4,700)	(+92)	(+4,700)	(−12)
Office of Administration	(6,468)		(7,284)	(6,800)	(+332)	(+6,800)	(−484)
Central Account	(16,302)		(17,884)	(16,219)	(−83)	(+16,219)	(−1,665)
Regional offices	(19,988)		(21,408)	(21,000)	(+1,012)	(+21,000)	(−408)
National Transit database	(2,480)			(2,500)	(+20)	(+2,500)	(+2,500)
Subtotal	(77,376)		(80,000)	(79,544)	(+2,168)	(+79,544)	(−456)
Formula grants	499,990		662,550	734,117	+234,127	+734,117	+71,567
Formula grants (Highway Trust Fund, Mass Transit Account) (limitation on obligations)	(3,499,928)		(3,754,450)	(3,620,074)	(+120,146)	(+3,620,074)	(−134,376)
Subtotal	(3,999,918)		(4,417,000)	(4,354,191)	(+354,273)	(+4,354,191)	(−62,809)
Formula grants and research (Highway Trust Fund, Mass Transit Account) (limitation on obligations)		(6,135,000)				(−6,135,000)	
Liquidation of contract authorization							
Subtotal	(3,999,918)	(6,135,000)	(4,417,000)	(4,354,191)	(+354,273)	(−1,780,809)	(−62,809)
University transportation research	744		1,200	981	+237	+981	−219
University transportation research (Highway Trust Fund Mass Transit Account) (limitation on obligations)	(5,208)		(6,800)	(4,837)	(−371)	(+4,837)	(−1,963)
Subtotal	(5,952)		(8,000)	(5,818)	(−134)	(+5,818)	(−2,182)
Transit planning and research	15,872		24,049	26,350	+10,478	+26,350	+2,301

Transit planning and research (Highway Trust Fund, Mass Transit Account) (limitation on obligations)	(111,104)		(136,276)	(129,937)	(+18,833)	(+129,937)	(−6,339)
Rural transportation assistance	(5,208)			(5,208)		(+5,208)	(+5,208)
National transit institute	(3,968)			(3,967)	(−1)	(+3,967)	(+3,967)
Transit cooperative research	(8,184)			(8,992)	(+808)	(+8,992)	(+8,992)
Planning			(103,325)	(104,004)	(+104,004)	(+104,004)	(+679)
Research (TEA–LU)			(57,000)				(−57,000)
Metropolitan planning	(59,903)				(−59,903)		
State planning	(12,513)				(−12,513)		
National planning and research	(37,200)			(34,116)	(−3,084)	(+34,116)	(+34,116)
Flexible funding							
Subtotal	(126,976)		(160,325)	(156,287)	(+29,311)	(+156,287)	(−4,038)
Trust fund share of expenses (Highway Trust Fund) (liquidation of contract authorization)	(6,744,500)	(690,000)	(7,209,700)	(6,824,667)	(+80,167)	(+6,134,667)	(−385,033)
Capital investment grants	414,014		546,251	588,578	+174,564	+588,578	+42,327
Capital investment grants (Highway Trust Fund, Mass Transit Account) (limitation on obligations)	(2,898,100)		(3,095,424)	(2,902,394)	(+4,294)	(+2,902,394)	(−193,030)
Major capital investment grants		872,800				−872,800	
Major capital investment grants (Highway Trust Fund, Mass Transit Account) (limitation on obligations)		(690,000)				(−690,000)	
Subtotal	(3,312,114)	(1,562,800)	(3,641,675)	(3,490,972)	(+178,858)	(+1,928,172)	(−150,703)
Fixed guideway modernization	(1,204,684)	(1,531,250)	(1,386,670)	(1,307,473)	(+102,789)	(−223,777)	(−79,197)
Buses and bus-related facilities	(669,600)		(693,335)	(796,977)	(+127,377)	(+796,977)	(+103,642)
New starts	(1,437,830)		(1,561,670)	(1,386,522)	(−51,308)	(+1,386,522)	(−175,148)
Metropolitan and statewide planning activities		(31,250)				(−31,250)	
Subtotal	(3,312,114)	(1,562,500)	(3,641,675)	(3,490,972)	(+178,858)	(+1,928,472)	(−150,703)
Job access and reverse commute grants	15,500		26,250	20,541	+5,041	+20,541	−5,709
Job access and reverse commute grants (Hwy Trust Fund, Mass Transit Account) (limitation on obligations)	(108,500)		(148,750)	(101,292)	(−7,208)	(+101,292)	(−47,458)
Subtotal	(124,000)		(175,000)	(121,833)	(−2,167)	(+121,833)	(−53,167)
Total, Federal Transit Administration	955,792	956,300	1,272,300	1,383,978	+428,186	+427,678	+111,678
(Limitations on obligations)	(6,690,544)	(6,825,000)	(7,209,700)	(6,824,667)	(+134,123)	(−333)	(−385,033)
Total budgetary resources	(7,646,336)	(7,781,300)	(8,482,000)	(8,208,645)	(+562,309)	(+427,345)	(−273,355)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2005 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2006—Continued

[In thousands of dollars]

Item	2005 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2005 appropriation	Budget estimate	House allowance
Saint Lawrence Seaway Development Corporation							
Operations and maintenance (Harbor Maintenance Trust Fund)	15,773	8,000	16,284	16,284	+511	+8,284	....
Spending from proposed mandatory user fee	....	8,284	....	....	....	−8,284	....
Total, Saint Lawrence Seaway Development Corp	15,773	16,284	16,284	16,284	+511	....	....
Maritime Administration							
Maritime security program	97,910	156,000	156,000	156,000	+58,090	....	....
Operations and training	108,602	113,650	112,336	118,649	+10,047	+4,999	+6,313
Ship disposal	21,443	21,000	21,000	21,000	−443	....	....
Vessel operations revolving fund	....	....	....	....	....	....	....
Maritime Guaranteed Loan (Title XI) Program Account:							
Administrative expenses	4,726	3,526	3,526	4,726	....	+1,200	+1,200
National defense tank vessel construction program	74,400	....	....	25,000	−49,400	+25,000	+25,000
Rescission	....	−74,400	....	....	....	+74,400	....
Ship construction (rescission)	−1,979	....	−2,071	−2,071	−92	−2,071	....
Total, Maritime Administration	305,102	219,776	290,791	323,304	+18,202	+103,528	+32,513
Pipeline and Hazardous Materials Safety Administration							
Hazardous materials safety	....	26,324	26,183	26,138	+26,138	−186	−45
Administrative expenses	....	16,382	16,382	16,232	+16,232	−150	−150
Pipeline Safety Fund	....	645	645	645	+645	....	....
Subtotal	....	17,027	17,027	16,877	+16,877	−150	−150
Pipeline safety:							
Pipeline Safety Fund	54,331	54,165	57,860	58,165	+3,834	+4,000	+305
Oil Spill Liability Trust Fund	14,880	19,000	15,000	15,000	+120	−4,000	....

Subtotal	69,211	73,165	72,860	73,165	+3,954	....	+305
Emergency preparedness grants:							
Emergency preparedness fund	198	200	200	200	+2	....	....
Limitation on emergency preparedness fund	(14,300)	....	(14,300)	(14,300)	....	(+14,300)	....
Total, Pipeline and Hazardous Materials Safety Administration	69,409	116,716	116,270	116,380	+46,971	−336	+110
Research and Innovative Technology Administration							
Research and development	....	6,274	4,326	4,326	+4,326	−1,948	....
Research and special programs	46,738	....	....	....	−46,738	....	....
(By transfer)	(645)	....	....	....	(−645)	....	....
Total, Research and Innovative Technology Admin	46,738	6,274	4,326	4,326	−42,412	−1,948	....
Office of Inspector General							
Salaries and expenses	58,528	62,499	62,499	62,499	+3,971	....	....
Surface Transportation Board							
Salaries and expenses	21,080	24,388	26,622	24,388	+3,308	....	−2,234
Offsetting collections	−1,050	−1,250	−1,250	−1,250	−200	....	....
Total, Surface Transportation Board	20,030	23,138	25,372	23,138	+3,108	....	−2,234
Total, title I, Department of Transportation	13,656,167	11,871,787	14,501,795	11,711,359	−1,944,808	−160,428	−2,790,436
Appropriations	(14,303,731)	(13,620,187)	(14,972,866)	(15,187,430)	(+883,699)	(+1,567,243)	(+214,564)
Rescissions	(−238,979)	(−74,400)	(−2,071)	(−2,071)	(+236,908)	(+72,329)	....
Rescission of contract authority	(−1,640,685)	(−1,674,000)	(−469,000)	(−3,474,000)	(−1,833,315)	(−1,800,000)	(−3,005,000)
Emergency appropriations	(1,232,100)	....	....	....	(−1,232,100)	....	....
Offsetting collections	....	....	....	....	....	....	....
(Limitations on obligations)	(45,584,653)	(45,686,367)	(48,227,800)	(51,787,816)	(+6,203,163)	(+6,101,449)	(+3,560,016)
(Exempt contract authority)	(739,000)	(739,000)	(739,000)	(739,000)	....	....	....
(By transfer)	(156,772)	....	....	....	(−156,772)	....	....
(Transfer out)	(−156,127)	....	....	....	(+156,127)	....	....
Net total budgetary resources	(59,979,820)	(58,297,154)	(63,468,595)	(64,238,175)	(+4,258,355)	(+5,941,021)	(+769,580)
Transportation discretionary total	13,656,167	11,871,787	14,501,795	11,711,359	−1,944,808	−160,428	−2,790,436

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2005 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2006—Continued

[In thousands of dollars]

Item	2005 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2005 appropriation	Budget estimate	House allowance
TITLE II—DEPARTMENT OF THE TREASURY							
Departmental Offices							
Salaries and expenses	156,299	195,253	157,452	197,591	+41,292	+2,338	+40,139
Executive direction	(7,216)	(16,656)	(7,216)	(8,642)	(+1,426)	(−8,014)	(+1,426)
General Counsel	(7,142)		(7,521)	(7,852)	(+710)	(+7,852)	(+331)
Economic policies and and programs	(31,405)	(32,011)	(32,011)	(32,011)	(+606)		
Financial policies and programs	(25,863)	(24,721)	(24,721)	(27,221)	(+1,358)	(+2,500)	(+2,500)
Financial crimes	(10,548)	(39,938)	(35,409)	(39,938)	(+29,390)		(+4,529)
Treasury wide management	(16,626)	(16,843)	(16,843)	(16,843)	(+217)		
Administration	(57,499)	(65,084)	(63,731)	(65,084)	(+7,585)		(+1,353)
Undesignated reduction			(−30,000)				(+30,000)
Subtotal	(156,299)	(195,253)	(157,452)	(197,591)	(+41,292)	(+2,338)	(+40,139)
Office of Foreign Assets Control	22,113				−22,113		
Department-wide systems and capital investments programs	32,002	24,412	21,412	24,412	−7,590		+3,000
Office of Inspector General	16,368	16,722	17,000	16,722	+354		−278
Treasury Inspector General for Tax Administration	128,093	133,286	133,286	133,286	+5,193		
Air transportation stabilization program account	1,984	2,942		2,942	+958		+2,942
Community development financial institutions fund program account	55,078	7,900	55,000	55,000	−78	+47,100	
Treasury building and annex repair and restoration	12,217	10,000	10,000	10,000	−2,217		
Expanded access to financial services (rescission)	−4,000				+4,000		
Violent crime reduction program (rescission)	−1,200				+1,200		
Financial Crimes Enforcement Network	71,922	73,630	73,630	73,630	+1,708		
Total, Departmental Offices	490,876	464,145	467,780	513,583	+22,707	+49,438	+45,803
Financial Management Service	229,083	236,243	236,243	236,243	+7,160		

Alcohol and Tobacco Tax and Trade Bureau:							
Salaries and expenses	82,336	62,486	91,126	91,126	+8,790	+28,640	
Spending from proposed mandatory user fees		28,640				−28,640	
Subtotal	82,336	91,126	91,126	91,126	+8,790		
Bureau of the Public Debt	173,765	176,923	176,923	176,923	+3,158		
Payment of government losses in shipment	1,000	1,000	1,000	1,000			
Total, Dept. of Treasury, non-IRS	977,060	969,437	973,072	1,018,875	+41,815	+49,438	+45,803
Internal Revenue Service							
Tax administration and operations		10,460,051				−10,460,051	
Adjusted appropriation		(446,496)		(446,496)	(+446,496)		(+446,496)
Processing, assistance, and management	4,056,857		4,181,520	4,136,578	+79,721	+4,136,578	−44,942
Tax law enforcement	4,363,539		4,580,216	4,725,756	+362,217	+4,725,756	+145,540
Information systems	1,577,768		1,575,146	1,597,717	+19,949	+1,597,717	+22,571
Subtotal	9,998,164	10,460,051	10,336,882	10,460,051	+461,887		+123,169
Business systems modernization	203,360	199,000	199,000	199,000	−4,360		
Health Insurance Tax Credit Administration	34,562	20,210	20,210	20,210	−14,352		
Total, Internal Revenue Service	10,236,086	10,679,261	10,556,092	10,679,261	+443,175		+123,169
Total, title II, Department of the Treasury	11,213,146	11,648,698	11,529,164	11,698,136	+484,990	+49,438	+168,972
Appropriations	11,218,346	11,648,698	11,529,164	11,698,136	+479,790	+49,438	+168,972
Rescissions	−5,200				+5,200		
TITLE III—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							
Public and Indian Housing							
Tenant-based Rental Assistance:							
Direct appropriation	10,599,520	11,645,194	11,431,400	11,436,064	+836,544	−209,130	+4,664
Renewals	(13,355,285)	(14,089,756)	(14,189,756)	(14,089,756)	(+734,471)		(−100,000)
Tenant protection vouchers	(161,696)	(354,081)	(165,700)	(192,000)	(+30,304)	(−162,081)	(+26,300)
Family self-sufficiency coordinators	(45,632)	(55,000)	(45,000)	(48,000)	(+2,368)	(−7,000)	(+3,000)
Administrative fees	(1,200,426)	(1,295,408)	(1,225,000)	(1,295,408)	(+94,982)		(+70,408)
Working capital fund	(2,881)	(5,949)	(5,900)	(5,900)	(+3,019)	(−49)	
Additional rental subsidy		(45,000)				(−45,000)	
Technical assistance fund				(5,000)	(+5,000)	(+5,000)	(+5,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2005 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2006—Continued

[In thousands of dollars]

Item	2005 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2005 appropriation	Budget estimate	House allowance
Advance appropriations provided in previous acts	4,166,400	4,200,000	4,200,000	4,200,000	+33,600		
Subtotal	14,765,920	15,845,194	15,631,356	15,636,064	+870,144	−209,130	+4,708
Advance appropriations provided in current year	4,200,000	4,200,000	4,200,000	4,200,000			
Total, Tenant-based rental assistance	18,965,920	20,045,194	19,831,400	19,836,064	+870,144	−209,130	+4,664
Project-based rental assistance	5,298,272	5,072,100	5,088,300	5,072,100	−226,172		−16,200
Renewals	(5,195,203)	(4,923,100)	(4,940,100)	(4,918,100)	(−277,103)	(−5,000)	(−22,000)
Contract administrators	(101,085)	(147,200)	(147,200)	(147,200)	(+46,115)		
Working capital fund	(1,984)	(1,800)	(1,000)	(1,800)	(−184)		(+800)
Public housing:							
Capital fund	2,579,200	2,327,200	2,600,000	2,327,200	−252,000		−272,800
Operating fund	2,438,336	3,407,300	3,600,000	3,557,300	+1,118,964	+150,000	−42,700
Revitalization of severely distressed public housing	142,848		60,000	150,000	+7,152	+150,000	+90,000
Native American housing block grants	621,984	582,600	600,000	622,000	+16	+39,400	+22,000
Indian housing loan guarantee fund program account	4,960	2,645	2,645	5,000	+40	+2,355	+2,355
(Limitation on guaranteed loans)	(145,345)	(98,967)	(98,967)	(145,345)		(+46,378)	(+46,378)
Native Hawaiian housing:							
Block grant		8,815	8,815			−8,815	−8,815
Loan guarantee fund	992	882	882	1,000	+8	+118	+118
(Limitation on guaranteed loans)	(37,403)	(35,000)	(35,000)	(37,403)		(+2,403)	(+2,403)
Total, Public and Indian Housing	30,052,512	31,446,736	31,792,042	31,570,664	+1,518,152	+123,928	−221,378
Current year advance appropriations	4,200,000	4,200,000	4,200,000	4,200,000			
Net Total (excluding current year advances)	25,852,512	27,246,736	27,592,042	27,370,664	+1,518,152	+123,928	−221,378
Community Planning and Development							
Housing opportunities for persons with AIDS	281,728	268,000	290,000	287,000	+5,272	+19,000	−3,000
Rural housing and economic development	23,808		10,000	24,000	+192	+24,000	+14,000

Empowerment zones/enterprise communities	9,920				−9,920		
Community development fund	4,671,328		4,243,000	4,323,610	−347,718	+4,323,610	+80,610
Community development fund (sec. 424)	30,752				−30,752		
Emergency appropriations (Public Law 108–324)	150,000				−150,000		
Section 108 loan guarantees:							
(Limitation on guaranteed loans)	(275,000)			(275,000)		(+275,000)	(+275,000)
Credit subsidy	5,952			6,000	+48	+6,000	+6,000
Administrative expenses	992			1,000	+8	+1,000	+1,000
Brownfields redevelopment	23,808			15,000	−8,808	+15,000	+15,000
HOME investment partnerships program	1,899,680	1,941,000	1,900,000	1,900,000	+320	−41,000	
Homeless assistance grants	1,240,511	1,440,000	1,340,000	1,415,000	+174,489	−25,000	+75,000
Self-help homeownership opportunity program		30,000	60,800			−30,000	−60,800
Total, Community Planning and Development	8,338,479	3,679,000	7,843,800	7,971,610	−366,869	+4,292,610	+127,810
Housing Programs							
Housing for the elderly	741,024	741,000	741,000	742,000	+976	+1,000	+1,000
Housing for persons with disabilities	238,080	119,900	238,100	240,000	+1,920	+120,100	+1,900
Housing counseling assistance		39,700				−39,700	
Technical assistance (by transfer)				(45,000)	(+45,000)	(+45,000)	(+45,000)
Manufactured housing fees trust fund	12,896	13,000	12,896	13,000	+104		+104
Offsetting collections	−12,896	−13,000	−12,896	−13,000	−104		−104
Rental housing assistance		26,400	26,400	26,400	+26,400		
Total, Housing Programs	979,104	927,000	1,005,500	1,008,400	+29,296	+81,400	+2,900
Federal Housing Administration							
FHA—Mutual mortgage insurance program account:							
(Limitation on guaranteed loans)	(185,000,000)	(185,000,000)	(185,000,000)	(185,000,000)			
(Limitation on direct loans)	(50,000)	(50,000)	(50,000)	(50,000)			
Administrative expenses	354,051	355,000	355,000	355,000	+949		
Offsetting receipts	−2,234,000	−1,309,000	−1,309,000	−1,309,000	+925,000		
Offsetting receipts (legislative proposal)		18,000				−18,000	
Administrative contract expenses	77,376	62,600	62,600	62,600	−14,776		
Additional contract expenses	992	1,000	1,000	1,000	+8		
FHA—General and special risk program account:							
(Limitation on guaranteed loans)	(35,000,000)	(35,000,000)	(35,000,000)	(35,000,000)			
(Limitation on direct loans)	(50,000)	(50,000)	(50,000)	(50,000)			
Administrative expenses	225,945	231,400	231,400	231,400	+5,455		

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2005 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2006—Continued

[In thousands of dollars]

Item	2005 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −): 2005 appropriation	Budget estimate	House allowance
Offsetting receipts	−248,000	−300,000	−339,000	−339,000	−91,000	−39,000	....
Credit subsidy	9,920	8,800	8,800	8,800	−1,120	....	....
Non-overhead administrative expenses	85,312	71,900	71,900	71,900	−13,412	....	....
Additional contract expenses	3,968	4,000	4,000	4,000	+32	....	....
Total, Federal Housing Administration	−1,724,436	−856,300	−913,300	−913,300	+811,136	−57,000	....
Government National Mortgage Association (GNMA)							
Guarantees of mortgage-backed securities loan guarantee program account:							
(Limitation on guaranteed loans)	(200,000,000)	(200,000,000)	(200,000,000)	(200,000,000)	....	....	....
Administrative expenses	10,609	11,360	10,700	11,360	+751	....	+660
Offsetting receipts	−368,000	−368,000	−368,000	−368,000	....	....	....
Total, Gov't National Mortgage Association	−357,391	−356,640	−357,300	−356,640	+751	....	+660
Policy Development and Research							
Research and technology	45,136	69,738	60,600	48,000	+2,864	−21,738	−12,600
Fair Housing and Equal Opportunity							
Fair housing activities	46,128	38,800	46,500	46,000	−128	+7,200	−500
Office of Lead Hazard Control							
Lead hazard reduction	166,656	119,000	166,656	167,000	+344	+48,000	+344
Management and Administration							
Salaries and expenses	542,819	579,000	579,000	570,000	+27,181	−9,000	−9,000
Transfer from:							
Limitation on FHA corporate funds	(560,673)	(562,400)	(562,400)	(562,400)	(+1,727)	....	....
GNMA	(10,695)	(10,695)	(10,700)	(11,360)	(+665)	(+665)	(+660)

Community Development Loan Guarantees Program	(1,000)			(1,000)		(+1,000)	(+1,000)
Native American Housing Block Grants	(150)	(146)	(150)	(150)		(+4)	
Indian Housing Loan Guarantee Fund Program	(250)	(244)	(250)	(250)		(+6)	
Native Hawaiian Housing Loan Guarantees	(35)	(34)	(35)	(35)		(+1)	
Subtotal	(1,115,622)	(1,152,519)	(1,152,535)	(1,145,195)	(+29,573)	(−7,324)	(−7,340)
Working capital fund	267,840	265,000	62,000	265,000	−2,840		+203,000
Office of Inspector General	79,360	79,000	79,000	82,000	+2,640	+3,000	+3,000
(By transfer, limitation on FHA corporate funds)	(24,000)	(24,000)	(24,000)	(24,000)			
Subtotal	(103,360)	(103,000)	(103,000)	(106,000)	(+2,640)	(+3,000)	(+3,000)
Office of Federal Housing Enterprise Oversight	58,735	60,000	60,000	60,000	+1,265		
Offsetting receipts	−58,735	−60,000	−60,000	−60,000	−1,265		
Total, Management and Administration	890,019	923,000	720,000	917,000	+26,981	−6,000	+197,000
Rescissions:							
Housing certificate fund	−1,557,000	−2,500,000	−2,493,600	−1,500,000	+57,000	+1,000,000	+993,600
Public housing elimination grants	−5,000				+5,000		
Revitalization of severely distressed public housing		−142,848				+142,848	
Title VI credit subsidy	−21,000				+21,000		
Indian housing credit subsidy	−33,000				+33,000		
Rental housing assistance	−675,000				+675,000		
GI/SRI credit subsidy	−30,000				+30,000		
Subtotal	−2,321,000	−2,642,848	−2,493,600	−1,500,000	+821,000	+1,142,848	+993,600
Total, title III, Department of Housing and Urban Development	36,115,207	33,347,486	37,870,898	38,958,734	+2,843,527	+5,611,248	+1,087,836
Current year advance appropriations	4,200,000	4,200,000	4,200,000	4,200,000			
Net total, excluding current year advance	31,915,207	29,147,486	33,670,898	34,758,734	+2,843,527	+5,611,248	+1,087,836
Appropriations	(32,841,438)	(29,622,334)	(34,053,394)	(34,147,734)	(+1,306,296)	(+4,525,400)	(+94,340)
Rescissions	(−2,321,000)	(−2,642,848)	(−2,493,600)	(−1,500,000)	(+821,000)	(+1,142,848)	(+993,600)
Emergency appropriations	(150,000)				(−150,000)		
Offsetting receipts							
Offsetting collections	(−2,850,000)	(−1,959,000)	(−2,016,000)	(−2,016,000)	(+834,000)	(−57,000)	
Previously enacted advances	(4,166,400)	(4,200,000)	(4,200,000)	(4,200,000)	(+33,600)		
(By transfer)				(45,000)	(+45,000)	(+45,000)	(+45,000)
(Limitation on direct loans)	(100,000)	(100,000)	(100,000)	(100,000)			

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2005 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2006—Continued

[In thousands of dollars]

Item	2005 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2005 appropriation	Budget estimate	House allowance
(Limitation on guaranteed loans)	(420,457,748)	(420,133,967)	(420,133,967)	(420,457,748)		(+323,781)	(+323,781)
(Limitation on corporate funds)	(596,803)	(597,519)	(597,535)	(599,195)	(+2,392)	(+1,676)	(+1,660)
TITLE IV—THE JUDICIARY							
Supreme Court of the United States							
Salaries and expenses:							
Salaries of justices	1,985	2,000	2,000	2,000	+15		
Other salaries and expenses	55,387	58,730	58,730	58,730	+3,343		
Subtotal	57,372	60,730	60,730	60,730	+3,358		
Care of the building and grounds	9,846	5,624	5,624	5,624	−4,222		
Total, Supreme Court of the United States	67,218	66,354	66,354	66,354	−864		
United States Court of Appeals for the Federal Circuit							
Salaries and expenses:							
Salaries of judges	2,257	2,000	2,000	2,000	−257		
Other salaries and expenses	19,263	24,462	22,613	21,489	+2,226	−2,973	−1,124
Total, U.S. Court of Appeals for the Fed Circuit	21,520	26,462	24,613	23,489	+1,969	−2,973	−1,124
United States Court of International Trade							
Salaries and expenses:							
Salaries of judges	1,757	2,000	2,000	2,000	+243		
Other salaries and expenses	12,956	13,480	13,480	13,480	+524		
Total, U.S. Court of International Trade	14,713	15,480	15,480	15,480	+767		

Courts of Appeals, District Courts, and Other Judicial Services							
Salaries and expenses:							
Salaries of judges and bankruptcy judges	289,877	305,145	301,000	301,000	+11,123	−4,145	....
Judges COLA	....	5,000	....	5,000	+5,000	....	+5,000
Other salaries and expenses	3,835,444	4,172,744	4,047,780	4,068,959	+233,515	−103,785	+21,179
Subtotal, Salaries and expenses	4,125,321	4,482,889	4,348,780	4,374,959	+249,638	−107,930	+26,179
Vaccine Injury Compensation Trust Fund	3,254	3,833	3,833	3,833	+579	....	....
Defender services	667,351	768,064	721,919	710,785	+43,434	−57,279	−11,134
Fees of jurors and commissioners	60,713	71,318	60,053	61,318	+605	−10,000	+1,265
Court security	327,565	390,316	379,461	372,426	+44,861	−17,890	−7,035
Total, Courts of Appeals, District Courts, and Other Judicial Services	5,184,204	5,716,420	5,514,046	5,523,321	+339,117	−193,099	+9,275
Administrative Office of the United States Courts							
Salaries and expenses	67,289	72,198	70,262	72,198	+4,909	....	+1,936
Federal Judicial Center							
Salaries and expenses	21,447	22,876	22,249	22,350	+903	−526	+101
Judicial Retirement Funds							
Payment to judiciary trust funds	36,700	40,600	40,600	40,600	+3,900	....	....
United States Sentencing Commission							
Salaries and expenses	13,126	14,700	14,046	14,700	+1,574	....	+654
Total, title IV, the Judiciary	5,426,217	5,975,090	5,767,650	5,778,492	+352,275	−196,598	+10,842
Mandatory appropriations	332,576	351,745	347,600	347,600	+15,024	−4,145	....
Discretionary appropriations	5,093,641	5,623,345	5,420,050	5,430,892	+337,251	−192,453	+10,842
TITLE V—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT							
The White House							
Salaries and expenses	....	183,271	....	....	....	−183,271	....
Compensation of the President and the White House Office:							
Compensation of the President	450	....	450	450	....	+450	....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2005 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2006—Continued

[In thousands of dollars]

Item	2005 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2005 appropriation	Budget estimate	House allowance
Salaries and expenses	61,504		52,330	56,581	−4,923	+56,581	+4,251
Executive Residence at the White House:							
Operating expenses	12,658		12,436	12,436	−222	+12,436	
White House repair and restoration	1,885		1,700	1,700	−185	+1,700	
Council of Economic Advisers	4,008		4,040	4,040	+32	+4,040	
Office of Policy Development	2,282		3,500		−2,282		−3,500
National Security Council	8,861		8,705	8,705	−156	+8,705	
Privacy and Civil Liberties Board			1,500	1,500	+1,500	+1,500	
Office of Administration	91,531		89,322	98,609	+7,078	+98,609	+9,287
Total, The White House	183,179	183,271	173,983	184,021	+842	+750	+10,038
Office of Management and Budget	67,864	68,411	67,930	68,411	+547		+481
Office of National Drug Control Policy:							
Salaries and expenses	26,784	24,224	26,908	24,224	−2,560		−2,684
Counterdrug Technology Assessment Center	41,664	30,000	30,000	30,000	−11,664		
Total, Office of National Drug Control Policy	68,448	54,224	56,908	54,224	−14,224		−2,684
High intensity drug trafficking areas program	226,523		236,000	227,000	+477	+227,000	−9,000
Other Federal drug control programs	211,990	213,300	238,292	191,400	−20,590	−21,900	−46,892
Unanticipated needs	992	1,000	1,000	1,000	+8		
Emergency appropriations (Public Law 108–324)	70,000				−70,000		
Special Assistance to the President	4,534	4,455	4,455	4,455	−79		
Official Residence of the Vice President: Operating expenses	330	325	325	325	−5		
Total, title V, Executive Office of the President and Funds Appropriated to the President	833,860	524,986	778,893	730,836	−103,024	+205,850	−48,057
Appropriations	(763,860)	(524,986)	(778,893)	(730,836)	(−33,024)	(+205,850)	(−48,057)
Emergency appropriations	(70,000)				(−70,000)		

TITLE VI—INDEPENDENT AGENCIES							
Architectural and Transportation Barriers Compliance Board	5,641	5,941	5,941	5,941	+300	....	....
Consumer Product Safety Commission	62,149	62,499	62,449	63,000	+851	+501	+551
Election Assistance Commission	13,888	17,612	15,877	13,888	....	−3,724	−1,989
Federal Deposit Insurance Corporation: Office of Inspector General (transfer)	(29,884)	(29,965)	(29,965)	(31,000)	(+1,116)	(+1,035)	(+1,035)
Federal Election Commission	51,742	54,600	54,700	54,600	+2,858	....	−100
Federal Labor Relations Authority	25,468	25,468	25,468	25,468	....	....	....
Rescission	−3,000	....	....	....	+3,000	....	....
Federal Maritime Commission	19,340	20,499	20,499	20,499	+1,159	....	....
General Services Administration							
Federal Buildings Fund:							
Limitations on availability of revenue:							
Construction and acquisition of facilities	(708,542)	(708,106)	(630,817)	(829,056)	(+120,514)	(+120,950)	(+198,239)
Repairs and alterations	(980,222)	(961,376)	(392,967)	(961,376)	(−18,846)	....	(+568,409)
Installment acquisition payments	(161,442)	(168,180)	(168,180)	(168,180)	(+6,738)	....	....
Rental of space	(3,657,315)	(4,046,031)	(4,033,531)	(4,046,031)	(+388,716)	....	(+12,500)
Building operations	(1,709,522)	(1,885,102)	(1,641,602)	(1,885,102)	(+175,580)	....	(+243,500)
Subtotal	7,217,043	7,768,795	6,867,097	7,889,745	+672,702	+120,950	+1,022,648
Repayment of debt	(41,000)	(40,000)	(40,000)	(40,000)	(−1,000)	....	....
Rental income to fund	....	....	....	....	....	....	....
Subtotal	....	....	....	....	....	....	....
Government-wide policy	61,603	52,796	52,796	52,796	−8,807	....	....
Operating expenses	91,438	99,890	82,179	99,890	+8,452	....	+17,711
Office of Inspector General	42,012	43,410	43,410	43,410	+1,398	....	....
Electronic Government Fund	2,976	5,000	3,000	5,000	+2,024	....	+2,000
Allowances and Office Staff for Former Presidents	3,081	2,952	2,952	2,952	−129	....	....
Middle River Depot sale	....	....	....	....	....	....	....
Federal Buildings Fund (rescission)	−106,000	....	....	....	+106,000	....	....
Federal Citizen Information Center Fund	14,788	15,030	15,030	15,000	+212	−30	−30
Total, General Services Administration	109,898	219,078	199,367	219,048	+109,150	−30	+19,681
Merit Systems Protection Board							
Salaries and expenses	34,400	34,400	35,600	35,600	+1,200	+1,200	....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2005 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2006—Continued

[In thousands of dollars]

Item	2005 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2005 appropriation	Budget estimate	House allowance
Limitation on administrative expenses	2,605	2,605	2,605	2,605	....	....	....
Total, Merit Systems Protection Board	37,005	37,005	38,205	38,205	+1,200	+1,200	....
Morris K. Udall Foundation							
Morris K. Udall Trust Fund	1,980	....	2,000	2,000	+20	+2,000	....
Environmental Dispute Resolution Fund	1,299	700	1,900	1,000	−299	+300	−900
Total, Morris K. Udall Foundation	3,279	700	3,900	3,000	−279	+2,300	−900
National Archives and Records Administration							
Operating expenses	264,809	280,975	283,975	280,975	+16,166	....	−3,000
Electronic records archive	35,627	35,914	35,914	38,914	+3,287	+3,000	+3,000
Reduction of debt	−7,810	−8,488	−8,488	−8,488	−678	....	....
Repairs and restoration	13,325	6,182	6,182	11,682	−1,643	+5,500	+5,500
National Historical Publications and Records Commission: Grants program	4,960	....	7,500	5,000	+40	+5,000	−2,500
Total, National Archives and Records Admin	310,911	314,583	325,083	328,083	+17,172	+13,500	+3,000
National Credit Union Administration:							
Central liquidity facility:							
(Limitation on direct loans)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	....	....	....
(Limitation on admin expenses, corporate funds)	(310)	(323)	(323)	(323)	(+13)	....	....
Community development revolving loan fund	992	950	950	950	−42	....	....
National Transportation Safety Board:							
Salaries and expenses	76,086	76,700	76,700	76,700	+614	....	....
Rescission of unobligated balances	−8,000	−1,000	−1,000	−1,000	+7,000	....	....
Neighborhood Reinvestment Corporation	114,080	118,000	118,000	115,000	+920	−3,000	−3,000
Office of Government Ethics	11,148	11,148	11,148	11,148	....	....	....

Office of Personnel Management							
Salaries and expenses	124,496	124,521	119,952	124,521	+25	....	+4,569
Limitation on administrative expenses	127,434	100,017	102,679	100,017	−27,417	....	−2,662
Office of Inspector General	1,614	1,614	1,614	1,614	....	....	....
Limitation on administrative expenses	16,329	16,329	16,786	16,329	....	....	−457
Govt Payment for Annuitants, Employees Health Benefits	8,135,000	8,393,000	8,393,000	8,393,000	+258,000	....	....
Govt Payment for Annuitants, Employee Life Insurance	35,000	36,000	36,000	36,000	+1,000	....	....
Payment to Civil Svc Retirement and Disability Fund	9,772,000	10,072,000	10,072,000	10,072,000	+300,000	....	....
Total, Office of Personnel Management	18,211,873	18,743,481	18,742,031	18,743,481	+531,608	....	+1,450
Office of Special Counsel	15,325	15,325	15,325	15,325	....	....	....
Selective Service System	26,090	25,650	24,000	25,650	−440	....	+1,650
United States Interagency Council on Homelessness	1,499	1,800	1,499	1,800	+301	....	+301
United States Postal Service							
Payment to the Postal Service Fund	28,768	....	43,350	29,000	+232	+29,000	−14,350
Advance appropriation provided in previous acts	36,229	61,709	61,709	61,709	+25,480	....	....
Subtotal, fiscal year 2006 funding	64,997	61,709	105,059	90,709	+25,712	+29,000	−14,350
Advance appropriation provided in current year	61,709	87,350	73,000	87,350	+25,641	....	+14,350
Emergency preparedness	496,000	....	....	....	−496,000	....	....
Mail irradiation facility (emergency)	6,944	....	....	....	−6,944	....	....
Total, United States Postal Service	629,650	149,059	178,059	178,059	−451,591	+29,000	....
United States Tax Court	40,851	48,998	48,998	47,998	+7,147	−1,000	−1,000
Total, title VI, Independent Agencies	19,755,915	19,948,096	19,967,199	19,986,843	+230,928	+38,747	+19,644
Appropriations	(19,768,033)	(19,800,037)	(19,833,490)	(19,838,784)	(+70,751)	(+38,747)	(+5,294)
Emergency appropriations	(6,944)	....	....	....	(−6,944)	....	....
Rescissions	(−117,000)	(−1,000)	(−1,000)	(−1,000)	(+116,000)	....	....
Advance appropriation provided in previous act	(36,229)	(61,709)	(61,709)	(61,709)	(+25,480)	....	....
Advance appropriation provided in current year	(61,709)	(87,350)	(73,000)	(87,350)	(+25,641)	....	(+14,350)
(By transfer)	(29,884)	(29,965)	(29,965)	(31,000)	(+1,116)	(+1,035)	(+1,035)
(Limitation on direct loans)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	....	....	....
(Limitation on corporate funds)	(310)	(323)	(323)	(323)	(+13)	....	....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2005 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2006—Continued

[In thousands of dollars]

Item	2005 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2005 appropriation	Budget estimate	House allowance
Title VII—General Provisions, This Bill							
HHS info match—new hires	−125,000				+125,000		
Total, title VII, General provisions, This Bill	−125,000				+125,000		
Grand total (net)	86,875,512	83,316,143	90,415,599	88,864,400	+1,988,888	+5,548,257	−1,551,199
Appropriations	(84,196,625)	(81,191,332)	(86,935,457)	(87,381,412)	(+3,184,787)	(+6,190,080)	(+445,955)
Emergency appropriations	(1,459,044)				(−1,459,044)		
Offsetting collections	(−71,631)	(−73,000)	(−72,896)	(−73,000)	(−1,369)		(−104)
Rescissions	(−2,682,179)	(−2,718,248)	(−2,496,671)	(−1,503,071)	(+1,179,108)	(+1,215,177)	(+993,600)
Rescission of contract authority	(−1,640,685)	(−1,674,000)	(−469,000)	(−3,474,000)	(−1,833,315)	(−1,800,000)	(−3,005,000)
Negative subsidy receipts	−2,850,000	−1,959,000	−2,016,000	−2,016,000	+834,000	−57,000	
Advance appropriation provided in previous act	(4,202,629)	(4,261,709)	(4,261,709)	(4,261,709)	(+59,080)		
Advance appropriation provided in current year	(4,261,709)	(4,287,350)	(4,273,000)	(4,287,350)	(+25,641)		(+14,350)
(Limitation on obligations)	(45,584,653)	(45,686,367)	(48,227,800)	(51,787,816)	(+6,203,163)	(+6,101,449)	(+3,560,016)
(Exempt contract authority)	(739,000)	(739,000)	(739,000)	(739,000)			
(By transfer)	(186,656)	(29,965)	(29,965)	(76,000)	(−110,656)	(+46,035)	(+46,035)
(Transfer out)	(−156,127)				(+156,127)		
Net total budgetary resources	(133,199,165)	(129,741,510)	(139,382,399)	(141,391,216)	(+8,192,051)	(+11,649,706)	(+2,008,817)

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