OFFICE OF MANAGEMENT AND BUDGET
Discount Rates for Cost-Effectiveness Analysis of Federal Programs

AGENCY: Office of Management and Budget.

ACTION: Revisions to Appendix C of OMB Circular A–94.

SUMMARY: The Office of Management and Budget revised Circular A–94 in 1992. The revised Circular specified certain discount rates to be updated annually when the interest rate and inflation assumptions used to prepare the budget of the United States Government were changed. These discount rates are found in Appendix C of the revised Circular. The updated discount rates are shown below. The discount rates in Appendix C are to be used for cost-effectiveness analysis, including lease-purchase analysis, as specified in the revised Circular. They do not apply to regulatory analysis.

DATES: The revised discount rates are effective immediately and will be in effect through December 2011.


Alexandre Mas, Associate Director for Economic Policy, Office of Management and Budget.

Attachment

APPENDIX C
(Revised December 2010)

DISCOUNT RATES FOR COST-EFFECTIVENESS, LEASE PURCHASE, AND RELATED ANALYSES

Effective Dates: This appendix is updated annually. This version of the appendix is valid for calendar year 2011. A copy of the updated appendix can be obtained in electronic form through the OMB home page at http://www.whitehouse.gov/omb/circulars/a094/a094_appx-c/, the text of the main body of the Circular is found at http://www.whitehouse.gov/omb/circulars/a094/, and a table of past years’ rates is located at http://www.whitehouse.gov/sites/default/files/omb/assets/a94/dischist.pdf. Updates of the appendix are also available upon request from OMB’s Office of Economic Policy (202–395–3381).

Nominal Discount Rates. A forecast of nominal or market interest rates for 2011 based on the economic assumptions for the Fiscal Year 2012 Budget are presented below. These nominal rates are to be used for discounting constant-dollar flows, which are often encountered in lease-purchase analysis.

### Nominal Interest Rates on Treasury Notes and Bonds of Specified Maturities (in percent)

<table>
<thead>
<tr>
<th></th>
<th>3-Year</th>
<th>5-Year</th>
<th>7-Year</th>
<th>10-Year</th>
<th>20-Year</th>
<th>30-Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.4</td>
<td>1.9</td>
<td>2.4</td>
<td>3.0</td>
<td>3.9</td>
<td>4.2</td>
<td></td>
</tr>
</tbody>
</table>

**Real Discount Rates:** A forecast of real interest rates from which the inflation premium has been removed and based on the economic assumptions from the 2012 Budget is presented below. These real rates are to be used for discounting constant-dollar flows, as is often required in cost-effectiveness analysis.

### Real Interest Rates on Treasury Notes and Bonds of Specified Maturities (in percent)

<table>
<thead>
<tr>
<th></th>
<th>3-Year</th>
<th>5-Year</th>
<th>7-Year</th>
<th>10-Year</th>
<th>20-Year</th>
<th>30-Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.0</td>
<td>0.4</td>
<td>0.8</td>
<td>1.3</td>
<td>2.1</td>
<td>2.3</td>
<td></td>
</tr>
</tbody>
</table>

### National Science Foundation
Advisory Committee for Environmental Research and Education; Notice of Meeting

In accordance with the Federal Advisory Committee Act (Pub. L. 92–463, as amended), the National Science Foundation announces the following meeting:

**Name:** Advisory Committee for Environmental Research and Education, #947.

**Dates:** March 16, 2011, 8:30 a.m.–5 p.m. and March 17, 2011, 8:30 a.m.–2 p.m.

**Place:** Stafford I, Room 1235, National Science Foundation, 4201 Wilson Blvd., Arlington, Virginia 22230.

**Type of Meeting:** Open.

**Contact Person:** Beth Zelenski, National Science Foundation, Suite 705, 4201 Wilson Blvd., Arlington, Virginia 22230. Phone 703–292–8500.

**Minutes:** May be obtained from the contact person listed above.

**Purpose of Meeting:** To provide advice, recommendations, and oversight concerning support for environmental research and education.

**Agenda**

**March 16**
- Update on recent NSF environmental activities.
- Update on national and international environmental collaborations.
- Meeting with the NSF Director.

**March 17**
- Update on NSF’s Science, Engineering and Education for Sustainability portfolio (SEES).

Dated: February 8, 2011.

Susanne Bolton,
Committee Management Officer.

[FR Doc. 2011–3058 Filed 2–10–11; 8:45 am]