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8/21/76

**APPROVED**  
APR 21 1976

THE WHITE HOUSE  
WASHINGTON  
April 20, 1976

ACTION

Last Day: April 23

*Posted  
4/22/76  
to Archives  
4/22/76*

MEMORANDUM FOR

THE PRESIDENT

FROM:

JIM CANNON 

SUBJECT:

S.2444 - Fiscal Year Transition Act  
S.2445 - Fiscal Year Adjustment Act

Attached for your consideration are S.2444 and S.2445, sponsored by Senator Percy and two others, which make necessary adjustments and technical changes in current law required as a result of the shift to the new October-September fiscal year, effective October 1, 1976.

A discussion of the provisions of the enrolled bills is provided in OMB's enrolled bill report at Tab A.

OMB, Max Friedersdorf, Counsel's Office (Lazarus), Bill Seidman and I recommend approval of the enrolled bill.

RECOMMENDATION

That you sign S.2444 at Tab B.

That you sign S.2445 at Tab C.





EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

APR 16 1976

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bills: S. 2444 - Fiscal Year Transition  
Act  
S. 2445 - Fiscal Year Adjustment  
Act  
Sponsor - Sen. Percy (R) Illinois and 2 others

Last Day for Action

April 23, 1976 - Friday

Purpose

Makes necessary adjustments and technical changes in current law required as a result of the shift to the new October-September fiscal year, effective October 1, 1976.

Agency Recommendations

Office of Management and Budget

Approval

Discussion

S. 2444 and S. 2445, as originally introduced, were submitted to the Congress by the Director of OMB pursuant to section 502(b) of the Congressional Budget Act of 1974 which directed him to propose legislation which he considered necessary for the orderly transition of the Federal Government from the old July 1-June 30 fiscal year to the new October 1-September 30 fiscal year.

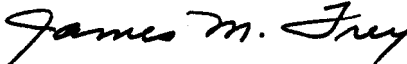
Subsequent amendments to the original submission were made during consideration in both Houses of Congress as Executive branch agencies and committee staffs reviewed their statutes and uncovered further needed changes.

Both OMB and the Congress have carefully attempted to assure that these bills contain no changes in substantive law, and provide only those adjustments necessary for an orderly transition to the new fiscal year.

S. 2444, the Fiscal Year Transition Act, deals only with the July-September 1976 Transition Quarter, and addresses programs which have statutory limitations, levels of funding, or other operational provisions of law tied to the 12-month fiscal year. For these programs, it would make necessary adjustments to allow for continued operation during the 3-month Transition Quarter. It would not continue any program or activity beyond the date on which it is scheduled to terminate.

The purpose of S. 2445, the Fiscal Year Adjustment Act, is to make needed permanent technical changes in those provisions of current law which will become either inconsistent with the new fiscal year dates or out of phase for reporting requirements or other actions mandated for dates specified by statute. Accordingly, most of the provisions of this enrolled bill are for date changes, including the dates of submission of statutorily required reports, from June to September, or from July to October.

If any additional adjustments in statute become necessary for the Transition Quarter or because of the new fiscal cycle, they can be addressed through separate legislation.

  
Assistant Director for  
Legislative Reference

Attachments

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: April 16

Time: 600pm

FOR ACTION:

Bill Seidman *ok*  
Max Friedersdorf  
Ken Lazarus *ok*

*rec* (for information):

Jack Marsh  
Jim Cavanaugh  
Ed Schmults

FROM THE STAFF SECRETARY

DUE: Date: April 16

Time: noon

SUBJECT:

S. 244-FY transition Act  
S. 245-FY Adjustment Act

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

*cannot 4/20 900 am*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

K. R. COLE, JR.  
For the President

Date: April 16

600pm

Time:

FOR ACTION: Bill Seidman  
Max Friedersdorf  
Ken Lazarus

cc (for information): Jack Marsh  
Jim Cavanaugh  
Ed Schmults

FROM THE STAFF SECRETARY

DUE: Date: April 19

Time: noon

SUBJECT:

S. 244-FY transition Act  
S. 245-FY Adjustment Act

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

No objection -- Ken Lazarus 4/19/76

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

James M. Cannon  
For the President

April 16

600pm

Bill Scidman  
Max Friedersdorf  
Ken Lazarus

Jack Marsh  
Jim Cavanaugh  
Ed Schulte

CONFIDENTIAL - SECURITY INFORMATION

DATE: Date April 19

Time: noon

SUBJECT:

S. 244-FY transition Act  
S. 245-FY Adjustment Act

ACTION REQUESTED:

- |   |   |
|---|---|
| <input type="checkbox"/> For Necessary Action         | <input type="checkbox"/> For Your Recommendations |
| <input type="checkbox"/> Prepare Agenda and Brief     | <input type="checkbox"/> Draft Reply              |
| <input checked="" type="checkbox"/> For Your Comments | <input type="checkbox"/> Draft Remarks            |

REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

*approval  
JWS*


PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you wish to make a  
change or addition to the agenda and brief, please  
contact the Staff Secretary immediately.

James H. Gurnea  
For the President

THE WHITE HOUSE  
WASHINGTON

April 19, 1976

MEMORANDUM FOR: JIM CAVANAUGH  
FROM: MAX L. FRIEDERSDORF   
SUBJECT: S. 244- FY transition Act/S. 245-FY adjustment act

The Office of Legislative Affairs concurs with the agencies  
that the bills be signed.

Attachments



FISCAL YEAR TRANSITION ACT

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REPORT  
OF THE  
COMMITTEE ON GOVERNMENT OPERATIONS  
UNITED STATES SENATE

TO ACCOMPANY

S. 2444

TO PROVIDE FOR THE ORDERLY TRANSITION TO THE NEW  
OCTOBER 1 TO SEPTEMBER 30 FISCAL YEAR



NOVEMBER 20 (legislative day, NOVEMBER 18), 1975.—Ordered to be printed

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U.S. GOVERNMENT PRINTING OFFICE

## FISCAL YEAR TRANSITION ACT

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 NOVEMBER 19 (legislative day, November 18), 1975.—Ordered to be printed
 

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Mr. PERCY, from the Committee on Government Operations,  
submitted the following

## REPORT

[To accompany S. 2444]

The Committee on Government Operations, to which was referred the bill (S. 2444) to provide for the orderly transition to the new October 1 to September 30 fiscal year, having considered the same, reports favorably therein with amendments and recommends that the bill as amended do pass.

The amendments are as follows:

On p. 19, following line 19, add the following:

SEC. 121. For the purposes of section 32 of the Act of August 24, 1935, 7 U.S.C. 612c, the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, and the amount to be transferred to the Secretary of Agriculture pursuant to the section and for the period is 7.5 per centum of the gross receipts collected under the customs laws on fishery products during calendar year 1975.

SEC. 122. For the purposes of section 2(a) of the Saltonstall-Kennedy Act 15 U.S.C. 713c-3, the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, and the amount to be transferred to the Secretary of Commerce pursuant to that section and for that period is 7.5 per centum of the gross receipts collected under the customs laws on fishery products during calendar year 1975.

SEC. 123. For the purposes of section 2005(a) of Title 39, United States Code, the period of July 1, 1975, through September 30, 1976 shall be considered a fiscal year and the maximum net increase in the amount of United States Postal Service obligations outstanding imposed by that section for such period shall be deemed to be \$1,875,000,000 for obligations issued for the purpose of capital improvements and \$625,000,-

## COMMITTEE ON GOVERNMENT OPERATIONS

ABRAHAM RIBICOFF, Connecticut, *Chairman*

JOHN L. McCLELLAN, Arkansas	CHARLES H. PERCY, Illinois
HENRY M. JACKSON, Washington	JACOB K. JAVITS, New York
EDMUND S. MUSKIE, Maine	WILLIAM V. ROTH, Jr., Delaware
LEE METCALF, Montana	BILL BROCK, Tennessee
JAMES B. ALLEN, Alabama	LOWELL P. WEICKER, Jr., Connecticut
LAWTON CHILES, Florida	
SAM NUNN, Georgia	
JOHN GLENN, Ohio	

RICHARD A. WEGMAN, *Chief Counsel and Staff Director*PAUL HOFF, *Counsel*PAUL L. LEVENTHAL, *Counsel*ELI E. NOBLEMAN, *Counsel*DAVID R. SCHAEFER, *Counsel*MATTHEW SCHNEIDER, *Counsel*JOHN B. CHILDERS, *Chief Counsel to the Minority*BRIAN CONBOY, *Special Counsel to the Minority*MARILYN A. HARRIS, *Chief Clerk*ELIZABETH A. PREAST, *Assistant Chief Clerk*HAROLD C. ANDERSON, *Staff Editor*

(II)

(1)

000 for obligations issued for the purpose of defraying operating expenses of the Postal Service.

To correct a printing error, on p. 2, after line 9, insert the following:

in the first quarter of the fiscal year beginning July 1, 1975, and the amount authorized to be transferred from the Trust Fund in the fiscal year beginning October 1, 1976, may not exceed 1.5 per centum of the total of the benefits certified for payment.

On p. 3, delete the "period" at the end of line 17, and insert a "comma" in lieu thereof.

On p. 4, at line 22, insert "a" after the number "1397".

On p. 6, at line 8, delete "Feederal" and insert "Federal" in lieu thereof.

On p. 8, at line 16, delete "(c)" and insert "(C)" in lieu thereof.

On p. 15, at line 1, delete "2510" and insert "2501a" in lieu thereof, and, at line 10, delete "8311" and insert "831" in lieu thereof.

On p. 21, at line 3, insert "631," after "624,".

On p. 27, at line 10, delete "1395a" and insert "1395u" in lieu thereof.

#### PURPOSE

Section 501 of the Congressional Budget and Impoundment Act of 1974 (Public Law 93-344) changed the fiscal year of the Government from a July 1-June 30 cycle to an October 1-September 30 cycle, to take effect as of October 1, 1976. The effect of this change was to create a 3-month transition period from July 1 through September 30, 1976 which is part of neither fiscal year 1976 (old cycle) nor fiscal year 1977 (new cycle).

The purpose of S. 2444 is to insure the continuation of Federal programs and activities which are based, by statute, on the fiscal year. It would prescribe the transitional operation of such programs and is designed to continue operations during the summer of 1976 without disruption or uncertainty because of this fiscal year change. It is not intended to continue any program or activity beyond the date on which it was scheduled to terminate.

#### BACKGROUND

There are numerous Federal programs and activities which, by statutes, have limitations, technical financial provisions or other operational provisions based upon the fiscal year.

In recognition of the fact that various amendments to existing law, as well as other actions, would be necessary to insure continuation of existing programs during the transition period, the Congress, in section 502(b) of the Congressional Budget Act, directed the Director of the Office of Management and Budget to provide "by regulation, order or otherwise for the orderly transition" to the new fiscal year, and to submit proposed legislation which he considers necessary to accomplish this purpose. S. 2444 was prepared and submitted by the Office of Management and Budget in response to this requirement.

#### HEARING

The Committee held a hearing on S. 2444 on November 12, 1975. Testimony in support of the measure was presented by Mr. William M. Nichols, Acting General Counsel, Office of Management and Budget, accompanied by Mrs. Jane Finn, Assistant General Counsel. Mr. Nichols reviewed the bill briefly, emphasizing that each of the provisions of the bill is necessitated by the fiscal year change, and stating unequivocally that "no unnecessary or controversial changes are included."

Responding to Chairman Ribicoff's inquiry concerning changes in substantive law, Mr. Nichols stated "We have sought very carefully to avoid suggesting or recommending any changes in substantive law. Some provisions which were submitted to us by the agencies were rejected by us for inclusion in these bills with instructions to the agencies to submit their proposals to their oversight committees."

#### COMMITTEE ACTION AND CONCLUSION

Following the introduction of S. 2444, the Committee requested comments from the chairmen of all of the Senate standing committees. Several amendments, which were proposed affecting programs and activities within their legislative jurisdiction, have been incorporated in amendments submitted by the Office of Management and Budget and approved by the Committee. Additional amendments submitted by the Office of Management and Budget, reflecting further input by departments and agencies, have also been approved.

In view of the necessity for insuring the continuation of programs and activities which are based, by statute, on the fiscal year, and the uncertainties created by the change in the fiscal year period, the Committee concluded that enactment of this legislation is necessary to insure the orderly transition to the new fiscal year.

#### COST ESTIMATE

The Committee has been advised by the Office of Management and Budget that enactment of this legislation will not involve any costs other than those involved in the performance of the staff work required to carry out the transition.

#### CHANGES IN EXISTING LAW

In the opinion of the Committee, it is necessary to dispense with the requirements of subsection 4 of Rule XXIX of the Standing Rules of the Senate, in order to expedite the business of the Senate.

○

## FISCAL YEAR TRANSITION ACT

APRIL 1, 1976.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. BROOKS, from the Committee on Government Operations, submitted the following

### REPORT

[To accompany H.R. 12606]

The Committee on Government Operations, to whom was referred the bill (H.R. 12606) to provide for the orderly transition to the new October 1 to September 30 fiscal year, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

1. Page 2, line 6, delete "trust fund", and, in line 12, delete "Trust Fund", and insert in lieu thereof "trust funds" and "Trust Funds", respectively.
2. Page 3, line 23, delete "three thirty-seconds or", and in line 24, insert "or three thirty-seconds" after "\$37,500,000".
3. Page 5, line 8, delete "(B)" and insert in lieu thereof "(D)".
4. Page 17, strike lines 23 to 24 and page 18, strike lines 1 to 3 and insert in lieu thereof the following:  
except that such period shall not be included in such fiscal year in applying the percentages specified in sections 103(a)(4) and 103(f) of that Act.
5. Page 18, delete line 23 and everything that follows through page 20, line 8.
6. Page 20, after line 8, insert the following new section:

SEC. 119. In the case of any applicable program within the meaning of the General Education Provisions Act, except as otherwise specifically provided by this Act, for the purpose of comparison of activities between fiscal years, amounts applicable to the period July 1, 1975, through September 30, 1976, and the statistical measurements pertaining to those amounts, shall be reduced by 20 percent where such period is to be by the terms of this Act made or considered to be a part of the fiscal year 1976 or the fiscal year ending September 30, 1977. Notwithstanding any other provision of this Act, where

the period July 1, 1976, through September 30, 1976, is to be by the terms of this Act made or considered to be a separate fiscal year, it shall not be considered a fiscal year for the purpose of such comparison of activities between fiscal years and such measurements in the case of any such program.

7. Page 21, line 16, delete "toms laws on fishery products during calendar year 1975.", and insert in lieu thereof "toms laws during calendar year 1975."

8. Page 23, line 16, delete "(2) section 6(b) of the Act of July 22, 1963 (7 U.S.C. 390e(b));" and renumber the following paragraphs accordingly.

9. Page 26, delete lines 17 and 18.

10. Page 27, after line 21, add "(37) section 102(a)(11) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(11))."

11. Page 31, lines 3, 8, 9, 10, 11 through 20, delete "(2)" each place it appears.

12. Page 32, after line 4, add "(14) section 207(b) of the National Productivity and Quality of Working Life Act of 1975 (15 U.S.C. 2417(b))."

13. Page 32 after line 8, add "(15) section 6(b) of the Act of July 22, 1963 (7 U.S.C. 390e(b))."

14. Page 34, after line 20, insert the following new paragraphs:

(25) sections 3 and 4(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1772, 1773(b));

(26) sections 2, 3, and 4 of the Act of September 30, 1950 (20 U.S.C. 237, 238, 239).

#### EXPLANATION OF AMENDMENTS

The chairman of each committee of the House was asked to review a draft of H.R. 12606 and comment on provisions affecting matters coming within the legislative jurisdiction of his or her committee. The recommendations received prior to introduction of the bill were incorporated. Some recommendations, mostly technical in nature, were received subsequent to the time this bill was introduced. The foregoing amendments incorporate those recommendations.

Committee amendments numbered 1, 2, 3, 5 and 11 reflect the recommendations of the Committee on Ways and Means of the House of Representatives. Committee amendments numbered 4, 6, 9, and 14 reflect the recommendations of the Committee on Education and Labor of the House of Representatives. Amendments numbered 7, 8, and 13 reflect the recommendations of the Committee on Agriculture of the House of Representatives. Amendments numbered 10 and 12 reflect the recommendations of the Committee on Banking and Currency of the House of Representatives. These amendments seek to prevent any interruptions or changes in the administration of authorized programs during the transition period.

#### PURPOSE

For more than one hundred and thirty years the business of the Federal Government has been conducted on a July-June fiscal year cycle. Section 501 of the Congressional Budget and Impoundment

Control Act of 1974 (Public Law 93-344) changed the fiscal year of the Federal Government from this July-June cycle to an October-September cycle, to take effect as of October 1, 1976.

This change created a three month transition period, from July 1, 1976 to September 30, 1976, which is not a part of either fiscal year 1976 or fiscal year 1977.

The purpose of H.R. 12606 is to insure the continuation during this transition period of Federal programs and activities which are based, by statute, on the fiscal year. It addresses programs which, by statute, have limitations, levels of funding, or other operational provisions based upon the fiscal year. It would prescribe the operations of such programs during this period. It is designed to continue operations during the period without disruption or uncertainty because of the fiscal year change. It is not intended to continue any program or activity beyond the date on which it is scheduled to terminate nor in any way to substantively alter the operation of any Federal program.

#### HISTORY OF THE LEGISLATION

Congress recognized that various problems would arise from the fiscal year cycle change. It required, in Section 502(b) of the Budget and Impoundment Control Act of 1974, that the Director of the Office of Management and Budget ("OMB") provide "by regulation, order or otherwise for the orderly transition" to the new fiscal year and to submit "proposed legislation as he considers necessary to accomplish this objective."

The Director of OMB submitted three legislative proposals in response to the Budget Act. One of these, an act to authorize appropriations for the transition period between the old and the new fiscal years, was reported with amendments, by the House Government Operations Committee, passed the Congress, and has been signed into law as Public Law 94-144. H.R. 12606 is the second of these proposals and was introduced by the Chairman of the House Government Operations Committee on March 17, 1976. H.R. 12605, the Fiscal Year Adjustment Act, which has also been reported to the House of Representatives by the House Government Operations Committee is the third of the proposals.

The Senate Government Operations Committee held hearings on S. 2444, the counterpart to H.R. 12606 and passed S. 2444 on December 1, 1975.

On March 1, 1976, the chairman of the House Committee on Government Operations comments from the chairmen of the standing committees that had legislative jurisdiction over laws amended by H.R. 12606. The chairmen either considered H.R. 12606's treatment of laws within their jurisdiction as appropriate, registered no objection to such treatment, or suggested modifications. Nearly every suggested modification was incorporated either into the bill as introduced or as reported. These comments are a part of the record of the hearings held on H.R. 12606.<sup>1</sup>

#### HEARINGS

The Legislation and National Security Subcommittee of the Government Operations Committee held hearings on H.R. 12606 on March 23,

<sup>1</sup> "Fiscal Year Transition Act, H.R. 12606" Hearings before a subcommittee of the Committee on Government Operations, House of Representatives, 94th Cong. 2d sess., Mar. 23, 1976.

1976. Witnesses included representatives of the Office of Management and Budget ("OMB"), the Department of the Treasury ("Treasury") and the General Accounting Office ("GAO"). All witnesses urged the speedy enactment of H.R. 12606. OMB emphasized that H.R. 12606 contained no substantive changes in any Federal programs. The Acting General Counsel of that agency concluded "We want to assure you that we respected the intent of Congress in providing that adjustments made in this legislation be for transitional purposes only. We rejected any suggestions that activities be substantively altered in these measures."<sup>1</sup>

All witnesses assured the committee that their agencies would maintain accounting details on the transition period, separate from either fiscal year 1976 or 1977. The committee recommends that OMB, Treasury and the GAO staff continue to work toward providing accounting detail for the fiscal year ending June 30, 1976 that will assure accurate comparable detail for the fiscal year 1978 budget display of fiscal year 1976 actual data with the fiscal years 1977 and 1978 estimates.

#### COMMITTEE VOTE

At a meeting of the Committee on Government Operations on Thursday, March 25, 1976, a quorum being present, H.R. 12606, as amended, was approved by a unanimous vote of 43 ayes and ordered reported.

#### STATEMENT PURSUANT TO CLAUSE 7(a) OF RULE XIII

The Committee estimates that the enactment of H.R. 12606 will result in no additional costs.

#### STATEMENT PURSUANT TO CLAUSE 2(1)(4) OF RULE XI

The enactment of this bill into law is not expected to have any inflationary impact on prices or costs in the operation of the national economy.

#### STATEMENT PURSUANT TO CLAUSE 2(1) OF RULE XI

(A) No oversight findings or recommendations have been made with regard to this measure.

(B) This measure does not provide for additional budget authority.

(C) The Congressional Budget Office (CBO) provided a cost analysis report pursuant to Section 403 of the Congressional Budget and Impoundment Control Act of 1974. The CBO concluded that no additional costs to the government would be incurred as a result of the enactment of this bill.

#### SECTION-BY-SECTION ANALYSIS

The first sentence of the Act provides that it may be cited as the "Fiscal Year Transition Act".

#### TITLE I

*Section 101(a).* This section provides that, for the purposes of a number of sections of the Social Security Act, the term "fiscal year"

shall include the transition quarter, and adjustments are made to conditions contained in those sections to accommodate a three-month fiscal period, as follows:

(1) Section 222(d)(1), 42 U.S.C. 422(d)(1), provides that in each fiscal year, 1.5% of the total old-age and survivors insurance benefit payments in the preceding fiscal year, pursuant to sections 202(d), (e) and (f) and 223 of the Act, may be transferred from the Trust Funds for the costs of vocational rehabilitation services to beneficiaries. The first paragraph of Section 101 of the bill provides that, for the transition quarter, the amount to be transferred shall be 1.5% of the benefits paid in the first quarter of fiscal year 1976, and that the calculation for fiscal year 1977 transfers shall be based on the benefits in the period of October 1, 1975, through September 30, 1976.

(2) Section 421, 42 U.S.C. 621, provides that the allotment to each State for child-welfare services shall be \$70,000 in each fiscal year. Paragraph (2) reduces that allotment to \$17,500 for the transition quarter.

(3) Section 506(d), 42 U.S.C. 706(d), requires that, if expenditures from non-Federal sources for maternal and child health services and services for crippled children are not maintained at the level attained in fiscal year 1968 in any State, Federal payments shall be reduced accordingly. Paragraph (3) of the bill provides that the non-Federal level for the transition quarter shall be based on one-fourth the amount expended from non-Federal sources in fiscal year 1968.

(4) Section 516, 42 U.S.C. 716, provides that each fiscal year each State shall receive a supplemental allotment for maternal and child health and crippled children's services based, in part, upon allotments in fiscal year 1973. Paragraph (4) provides that supplemental allotments for the transition quarter, insofar as reference to fiscal year 1973 is concerned, shall be based upon one-fourth of the fiscal year 1973 level.

(5) Section 705(b), 42 U.S.C. 906(b), provides that not more than \$2,000,000 may be available, in any fiscal year, for grants and contracts for training personnel who are employed or preparing for employment in the administration of public assistance programs. Paragraph (5) reduces that limitation to \$500,000 for the purposes of funding in the transition quarter.

(6) Section 901(e)(2), 42 U.S.C. 1101(e)(2), directs the Secretary of the Treasury to advance, to the employment security administration account, amounts necessary to carry out the purposes of the section. However, if that account has a net balance, as of the beginning of any fiscal year, which equals forty percent of the total appropriation by the Congress out of the account for the preceding fiscal year, no advance may be made. Paragraph (6) provides that the forty percent level shall be reduced to ten percent for the purposes of advances during the transition quarter.

(7) Section 901(f)(3)(A), 42 U.S.C. 1101(f)(3)(A), provides that the excess in the employment security administration account at the close of any fiscal year shall be retained until the excess reaches forty percent of the appropriation out of the account for the fiscal year for which the excess is being determined, and three-eighths of the amount in the account at the beginning of a fiscal year, or \$150 million, whichever is less, may be made available for certain administrative costs. Since the transition quarter is treated as a fiscal year for

the purposes of this section, paragraph (7) provides that the forty percent limitation shall be increased to 160 percent for determining the excess to be retained for use in fiscal year 1977. Also, the three-eighths or \$150 million limitation on fiscal year availability for additional administrative costs is reduced to \$37,500,000, or three thirty-seconds for the transition quarter to accommodate the three-month cycle.

(8) & (9) Sections 902(a) and 905(b)(2)(B), 42 U.S.C. 1102(a) and 1105(b)(2)(B), provide for transfers of excess funds to the extended unemployment compensation account on the basis of contributions under State laws for the calendar year ending during the fiscal year for which the transfer is made. Since there will be no calendar year ending during the transition quarter, the basis for the calculation for that period pursuant to those sections is to be calendar year 1975.

(10) Section 1108, 42 U.S.C. 1308, provides a limitation on amounts which may be paid to Puerto Rico, the Virgin Islands, and Guam in each fiscal year. Paragraph (10) reduces that amount to one-fourth of the statutory limit for payment during the transition quarter.

(11) Section 1115, 42 U.S.C. 1315, limits, to \$4,000,000, payments which may be made to States in any fiscal year for experimental, pilot or demonstration projects. Paragraph (11) reduced that limitation to \$1,000,000 for the transition quarter.

(12) Section 2002(a)(2), 42 U.S.C. 1397a(a)(2), provides that payments to States for services pursuant to that section shall not exceed an amount which bears the same ratio to \$2,500,000,000, as the population of the recipient State bears to the population of the fifty States and the District of Columbia. Paragraph (12) provides that one-fourth of the limit provided for a full fiscal year shall apply for the transition quarter. Also, dollar amounts specified for payment to Puerto Rico, Guam, and the Virgin Islands are reduced by seventy-five percent for the transition quarter.

*Section 101(b).* Sections 503 and 504 of the Social Security Act, 42 U.S.C. 703 and 704, provide for a basic allotment of \$70,000 to each State, for each fiscal year. Section 503 funding is for maternal and child health services and section 504 funding is for crippled children's services. Section 101(b) provides that, for the transition quarter, the funding levels for these sections shall be reduced to \$17,500.

*Section 101(c).* Section 1101(a)(8)(B), of the Social Security Act, 42 U.S.C. 1301(a)(8)(B), provides that the Federal percentage of funding to States shall be promulgated between July 1 and August 31 of each even-numbered year and shall be conclusive for each of the eight quarters beginning with July 1 of the next year. Section 101(c) of the bill provides that the Federal percentage promulgated in 1974 shall be conclusive for nine quarters, to include the transition quarter.

*Section 101(d).* Section 2006(c) of the Social Security Act, 42 U.S.C. 1397e(c), requires the Secretary of Health, Education, and Welfare to report to the Congress, within six months of the close of the fiscal year, on the operation of the program under the Social Services amendments of 1974. Section 101(d) provides that the report for fiscal year 1976 shall include operations during the transition quarter and shall be submitted within six months after the close of that quarter.

*Section 102.* Section 401 of the Social Security amendments of 1972, 42 U.S.C. 1382e note, provides limitations on payments to States for supplemental security income in any fiscal year, and bases such payments upon the level of payments in effect in 1972. Section 102 provides that the transition quarter will be treated as a fiscal year, to permit payments for that period, but the 1972 level shall be reduced to one-fourth for purposes of determining such payments.

*Section 103.* Sections 110 and 120 of the Rehabilitation Act of 1973, 29 U.S.C. 730 and 740, provide for allotments to States for vocational rehabilitation services for each fiscal year. Section 103 provides that the transition quarter will be considered a fiscal year for the purposes of these sections, but reduces the minimum fiscal year allotment by seventy-five percent.

*Section 104.* The second sentence of Section 319(h)(2) of the Public Health Service Act, 42 U.S.C. 247d(h)(2), provides that in fiscal year 1976, 30 per centum of funds available or not more than 90 per centum of grants made under this section for the preceding fiscal year for programs specified shall be made available for such programs. Section 104 of the bill provides that the transition quarter shall be considered part of fiscal year 1976 for this purpose and the 90 per centum limitation shall be increased to 112.5 per centum for that period.

*Section 105(a).* Section 210(a) of the Older Americans Act of 1955, 42 U.S.C. 3020(a), provides for advance funding for programs under the Act by including appropriations in appropriation acts for the fiscal year prior to the year of availability of the funds. Section 105(a)(1) would permit advance funding for the transition quarter in appropriation acts for that quarter and for fiscal year 1976.

Section 305(a) of that Act, 42 U.S.C. 3025(a), provides that a State must submit a plan which meets established criteria in order to qualify for grants for a fiscal year from its allotments under Sections 303 and 306 of the Act, 42 U.S.C. 3023 and 3026, and, that assurances must be made that not less than 50 percent of the amount by which an allotment exceeds the allotment for the same purpose in fiscal year 1975 shall be used for the purposes in Section 305(b), except for States which assure the Commission that at least 33 $\frac{1}{3}$  percent of Section 303(b) allotments in any fiscal year will be used for the purposes of Section 305(b).

Section 307(c) of that Act, 42 U.S.C. 3027(c), provides that a State's allotment for area planning and social service programs shall be reduced by the percentage by which expenditures in any fiscal year from State sources are less than the preceding year. Section 105(a) provides that, for this purpose, the transition quarter shall be considered part of fiscal year 1976, and section 105(a)(2) requires that reductions be made if expenditures from State sources do not equal 125% of the preceding year. Therefore, the spending level required for fiscal year 1977 would be based on 80 percent of that of the five quarter period including the transition quarter.

*Section 105(b).* Section 303(b) of the Older Americans Act of 1965, 42 U.S.C. 3023(b), provides for allotments to States each fiscal year for planning and social service programs, based, in part, upon the amount allotted in 1973. Section 105(b) provides that the transition quarter shall be treated as a fiscal year for the purposes of this allocation, but that the 1973 allocation shall be decreased by 75 percent for calculation regarding that period.

Section 306(b) of that Act, 42 U.S.C. 3026(b), provides for allotments to States for planning, coordination, evaluation and administration of State plans. The minimum to each State is set at \$200,000 and at \$62,500 for Guam, American Samoa, the Virgin Islands and the Trust Territory of the Pacific Islands. Section 105(b) provides that the transition quarter shall be treated as a fiscal year for this purpose but the minimum allotments shall be reduced to \$50,000 and \$15,625 for States and territories, respectively, for the period.

*Section 106(a).* Section 845(b) of the Public Health Service Act, 42 U.S.C. 297j(b), provides for scholarships for schools of nursing and the amounts are determined by multiplying \$3,000 by one-tenth of the number of students in the school. This amount is reduced to \$750 for the transition quarter.

Section 845(c) (1) (A) of that Act, 42 U.S.C. 297j(c) (1) (A), provides that scholarships may be awarded in fiscal year 1976, and the next two fiscal years, only to individuals accepted for enrollment and those enrolled and in good standing as full or half-time students. These standards are made applicable to transition quarter scholarships, as well, by this section of the bill.

Section 1516(c) (2) of that Act, 42 U.S.C. 300l-5(c) (2), provides that a grant for a health systems agency in any fiscal year shall not be less than \$175,000, unless the level of appropriations is less than that required for this amount. Section 106(a) provides that the transition quarter shall be treated as a fiscal year for the purpose of these grants, but at (2), that the \$175,000 specified shall be reduced to \$43,750 for that period.

Section 1525(b) of that Act, 42 U.S.C. 300m-4(b), provides that a grant for State health planning and development for a fiscal year shall be based upon assurances that the State will provide non-Federal funds for that year in an amount not less than the average amount of non-Federal funds so provided in the three previous fiscal years. Section 106(a) provides that for the purpose of these grants, the transition quarter shall be treated as a fiscal year, but, in (3), that the non-Federal level required shall be reduced to 25 percent of the average of the previous three years. Also, the transition quarter grants would not be included when calculating non-Federal fund requirements in future years.

Section 1610(b) (1) of that Act, 42 U.S.C. 300p(b) (1), provides that fiscal year allotments to States for medical facilities shall not be less than \$1,000,000, and to Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands not less than \$500,000. Section 106(a) provides that, for the purpose of this section, the transition quarter shall be treated as a fiscal year, but, in (4), that the minimum allotments shall be \$250,000 and \$125,000, respectively, for that period.

Section 1640(b) (2) of that Act, 42 U.S.C. 300t(b) (2), provides that development grants for health systems agencies shall not, for any agency, exceed the product of \$1 and the population of the area for which the agency is designated. Sec. 106(a) provides that, for the purpose of this section, the transition quarter shall be treated as a fiscal year but, in (5), that the amount of \$1 shall be reduced to .25 for that period.

*Section 106(b).* Section 308(c) of the Public Health Service Act, 42 U.S.C. 242m(c), limits the number and amounts of grants and con-

tracts which may be awarded in any fiscal year pursuant to authority contained in Sections 304 and 305 of that Act, 42 U.S.C. 242b and 242c. Grants are limited to twenty, and amounts of grants or contracts to \$5,000,000. Section 106(b) of the bill provides that for the period of July 1, 1975, through September 30, 1976, the number of grants shall be limited to twenty-five, and the amount of grants or contracts shall be limited to \$6,250,000.

*Section 106(c).* Section 395 of the Public Health Service Act, 42 U.S.C. 280b-7, provides that grants to medical libraries pursuant to that section shall be limited to \$200,000 for any fiscal year. Section 106(c) of the bill provides that grants for the transition quarter shall be limited to \$50,000.

*Section 106(d).* Section 431(c) of the Public Health Service Act, P.L. 93-640, 42 U.S.C. 289a(c), provides that, of sums appropriated for any fiscal year for the National Institutes of Health, not less than \$500,000 shall be obligated for basic and clinical orthopedic research within the National Institute of Arthritis, Metabolism, and Digestive Disease and further specifies the subjects to be explored. Section 106(d) of the bill provides that, for the transition quarter, the amount specified shall be reduced to \$125,000.

*Section 106(e).* Section 1516(b) of the Public Health Service Act, 42 U.S.C. 300e-5(b), places a limitation on grants for health systems agency in each fiscal year. Section 106(e) of the bill provides that amounts specified for fiscal year grants shall be reduced by seventy-five percent for the transition quarter.

*Section 106(f).* Section 1305(b) (1) of the Public Health Service Act, 42 U.S.C. 300e-4(b) (1), provides that the amount disbursed under a loan or loans made or guaranteed for a health maintenance organization may not exceed \$1,000,000 in any fiscal year. Section 106(f) of the bill provides that, for the purpose of that limitation, the transition quarter shall be considered part of fiscal year 1975, and the limitation shall be increased to \$1,250,000 for that period.

*Section 107.* This section provides (1) that the transition quarter is generally to be deemed a fiscal year for purposes of the Developmental Disabilities Services and Facilities Act, 42 U.S.C. 6001, (2) that for purposes of section 132(a) (3) and (4) (relating to availability of funds and certain deinstitutionalization provisions), the transition quarter is to be deemed a part of fiscal year 1976, and (3) that the minimum allotments for the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands for the transition quarter are appropriately adjusted.

*Section 108.* Sections 302 and 304 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, 42 U.S.C. 4572 and 4574, provide for funding State alcohol abuse and alcoholism prevention and treatment programs on a fiscal year basis.

*Section 108(a).* Section 302(c) 42 U.S.C. 4572(c), provides that not more than \$50,000 of a State's allotment for each fiscal year may be used for administrative expenses. Section 108(a) of the bill provides that the transition quarter will be treated as part of fiscal year 1976 for the purpose of this section, and the limitation shall be increased to \$62,500 for that period.

*Section 108(b).* Section 302(a) of the Act, 42 U.S.C. 4572(a), provides a minimum allocation to each State of \$200,000 each fiscal year.



Section 108(b) of the bill provides that the transition quarter shall be treated as a fiscal year for the purpose of this allocation, but the minimum amount specified shall be reduced to \$50,000 for that period.

*Section 108(c).* Section 304 of the Act, 42 U.S.C. 4574, provides for special grants for implementation of the Uniform Alcoholism and Intoxication Treatment Act and, at 304(a), limits such grants in any fiscal year to \$100,000 per State and 10 percent of the State's allotment under Section 302, 42 U.S.C. 4572. Section 108(c) of the bill provides that the transition quarter shall be considered part of fiscal year 1976 for the purpose of this limitation and the percentage of the Section 302 allotment to be provided during that period would be increased to 40 percent. This percentage adjustment is necessary because of the treatment of the transition quarter as a fiscal year for the purpose of Section 302 allocations.

*Section 109.* This section provides that for the purpose of Sections 227(a) and 237(d) of the Community Mental Health Centers Act, the transition period shall be considered a fiscal year, with adjustments to limitations contained in those provisions, as follows:

(1) Section 227(a) of the Community Mental Health Centers Act, 42 U.S.C. 2689o(a) provides that, in each fiscal year, the minimum allotment pursuant to that section shall be \$100,000, and provides for availability of allotments on a fiscal year basis. The amount of \$100,000 is reduced to \$25,000 for the transition quarter.

(2) Section 237(d)(1) of the Community Mental Health Centers Act, 42 U.S.C. 2689t(d)(1), provides that not more than 5 percent of a State's fiscal year allotment, or \$50,000, whichever is less, shall be used for certain administrative costs. The amount of \$50,000 is reduced to \$12,500 for the transition quarter.

That subsection also provides that allotments shall be available for the fiscal year of the allotment and the following fiscal year. The bill provides that the transition quarter will not be considered a fiscal year in determining the period of availability of fiscal year 1976 allotments.

Section 237(d)(2) of that Act, 42 U.S.C. 2689t(d)(2), provides that amounts from allotments paid for administration shall be paid on condition that the States expend an amount equal to that expended from State sources for this purpose in fiscal year 1968. The bill provides that State expenditures must be 25% of fiscal year 1968 amounts for the transition quarter.

*Section 110.* Sections 1079 and 1086 of Title 10, United States Code, provide for contracts for medical care for the members of the uniformed services, their families and dependents with payment provisions based on the fiscal year. Section 110 of the bill provides that the transition quarter will be treated as a fiscal year for the purposes of these sections, except for the computation of minimum amounts which are charged to patients. For that purpose the transition quarter would be treated as part of fiscal year 1976.

*Section 111.* Section 3, 4, 6(a), 7, 8, 10, and 11 of the National School Lunch Act, as amended, 42 U.S.C. 1752, 1753, 1755(a), 1756, 1757, 1759, and 1759a, provide for funding and expenditures for the school lunch program on a fiscal year basis. Except as noted below, Section 111(a) of the bill would provide that the transition quarter shall be treated as a fiscal year for these purposes.

Section 4 provides that the aggregate amount of food assistance payments to States for any fiscal year shall not be less than the

amount received for this purpose in fiscal year 1972. Section 111(b)(1) of the bill provides that assistance during the period July 1, 1971, through September 30, 1971, shall be the basis for computation of minimum assistance for any State during the transition quarter.

Section 7 provides that State revenues appropriated specifically for this program shall constitute not less than 4 percent of the matching requirements for the preceding fiscal year beginning in fiscal year 1972. The percentage requirement is escalated to require 8% of the 1976 State match in 1977 and 10 percent of the 1977 match in 1978, and each year thereafter. Section 111(b)(2) of the bill provides that the State appropriation requirement for the transition quarter funds shall be at least 8% of the State match for July 1, 1975, through September 30, 1975.

*Section 112(a).* Section 15(d) of the Peace Corps Act, 22 U.S.C. 2514(a), limits expenditures for entertainment and for unforeseen emergencies to \$5,000, each in any fiscal year. Section 112(a) of the bill provides that these limitations shall be \$1,500 for the transition quarter.

*Section 112(b).* Section 301(b)(2) of the Peace Corps Act, 22 U.S.C. 2501a(b)(2), provides that not more than \$350,000 may be used in any fiscal year for the purpose of Section 301a(a)(3) of that Act, 22 U.S.C. 2501a(a)(3), related to the encouragement of international voluntary programs.

Section 112(b) of the bill provides that limitation shall be reduced to \$100,000 for the transition quarter.

*Section 113.* Section 3(d) of the Act of March 2, 1887, as amended, 7 U.S.C. 361a(d), provides that any allotment in excess of \$90,000 for State agricultural experiment stations, except for the Regional research fund, State agricultural experiment stations, shall be matched by State funds. Section 113 of the bill provides that allotments for the transition quarter shall be matched by the States.

*Section 114(a).* Section 13 of the Tennessee Valley Authority Act of 1933, 16 U.S.C. 831l, provides for the corporation to provide financial assistance to States and local governments, in each fiscal year, where the corporation has acquired property previously subject to State and local taxation. Payments are based upon fiscal year activities such as proceeds of power sales within a State or jurisdiction, the book value of the property, and other factors.

Section 114(a) of the bill provides that the corporation shall make payments during the transition quarter on such bases and in a manner consistent with the payments for fiscal year 1976 and 1977.

*Section 114(b).* Section 15c of the Tennessee Valley Authority Act of 1933, 16 U.S.C. 831n-4, provides that the Corporation shall make a payment each fiscal year of \$40,000,000 in the treasury as repayment of the Authority's appropriation investment until a total of \$1,000,000,000 has been repaid. Section 114(b) of the bill provides that a repayment of \$5,000,000 shall be made on September 30, 1976, for the transition quarter.

*Section 115.* Section 409 of the Drug Abuse Office and Treatment Act of 1972, 21 U.S.C. 1176, provides for formula grants to States for drug abuse prevention. Section 115 provides that the transition quarter shall be considered a fiscal year for the purposes of subsections (b) and (c)(1) of that section, but subject to adjustments in specifications.

Section 409(b), 21 U.S.C. 1176(b), limits the use of grants for administrative expenses to \$50,000 or 10 percent of the year's allotment, whichever is less. Section 115 of the bill reduces that limitation to \$12,500 for the transition quarter.

Section 409(c)(1), 21 U.S.C. 1176(c)(1), provides that no allotment to any State for a fiscal year shall be less than \$100,000 multiplied by a fraction whose numerator is the appropriation for the program for that fiscal year, and whose denominator is the amount authorized to be appropriated. Section 115 of the bill reduces the amount to \$25,000 for the transition quarter.

*Section 116:* Section 406(d) of the General Education Provisions Act, 20 U.S.C. 1221e-1(d) provides that the Assistant Secretary for Education shall report to Congress by March 1 each year on the current fiscal year operations of the National Center for Education Statistics, including estimates and projections for the succeeding fiscal year. Section 116 of the bill provides that the report required in 1976 shall include a description of activities for the center during the transition quarter.

*Section 117.* This section provides that the transition quarter is to be treated as a separate fiscal year for purposes of the Comprehensive Employment and Training Act, Public Law 93-203, except that it excludes the amounts received in the transition quarter from the calculation of the hold harmless and maximum increase provisions of the Title I distribution formula as these provisions are designed to apply to a 12-month period only.

*Section 118(a).* Sections 201(a) and 202(a) of the Immigration and Nationality Act of 1952, 8 U.S.C. 1151(a) and 1152(a), specify the number of aliens who may enter the country in any fiscal year. Section 118(a) of the bill provides that the transition quarter shall be treated as part of fiscal year 1976 for the purposes of those sections and the number specified in section 201(a), 8 U.S.C. 1151(a), shall be increased from 170,000 to 212,500, and the number specified in section 202(a), 8 U.S.C. 1152(a), shall be increased from 20,000 to 25,000 for that fifteen-month period.

*Section 118(b).* The Act of October 3, 1965, 79 Stat. 911, amended the Immigration and Nationality Act and, among other provisions, established that not more than 120,000 special immigrants, except immediate relatives of United States citizens as specified elsewhere, would be permitted entry in any fiscal year (section 21(e), 79 Stat. 921). Section 118(b) of the bill provides that the transition quarter shall be treated as part of fiscal year 1976 for the purpose of that provision and the limitation shall be increased to 150,000 for that fifteen-month period.

*Section 119.* This section is designed to assure that statistical measurements utilized for any administrative purpose, including those necessary for the allocation of funds, will be carried out as intended by authorizing legislation subject to the General Education Provisions Act, without the distortions that the transitional quarter may otherwise interpose. Maintenance of effort requirements, per pupil expenditure calculations, student enrollments, and local and State fiscal effort are examples of the many factors for which determinations are made on a fiscal year basis in the administration of programs within the Education Division of the Department of Health, Educa-

tion, and Welfare to which this amendment is addressed. This section provides that data for the transition quarter is to be appropriately adjusted or excluded prior to making such determinations with respect to the quarter or with respect to future fiscal years.

*Section 120.* Pursuant to section 8147(b) of Title 5, United States Code, each agency and instrumentality dependent upon an annual appropriation must pay to the Employees' Compensation Fund in the Treasury the amount it has been assessed within 30 days after the time the annual appropriation is made available. Such appropriations are supposed to be available at the start of the fiscal year; however, in the past most agencies' funds have become available later than this. For fiscal year 1977, funds will be available no earlier than October 1, rather than the traditional July 1, since the fiscal year's starting date has been changed.

In order to insure financing for the period July 1, 1976 to September 30, 1976, Section 120 of the bill would provide that 25 percent of the amount billed in the August 15, 1975, statement is to be paid between July 1 and July 15, 1976. The remaining 75 percent would be due within 30 days after receipt of the annual appropriation for fiscal year 1977.

*Section 121.* The Act of August 24, 1935, 7 U.S.C. 612c, appropriated for each fiscal year 30 percent of duties collected under the customs laws in the preceding calendar year for use by the Secretary of Agriculture for the encouragement of exportation and domestic consumption of agricultural commodities. Section 121 of the bill provides that the transition quarter shall be considered a fiscal year for the purpose of this provision, but the amount to be appropriated is reduced to 7.5 percentum of the receipts of duties collected during calendar year 1975.

*Section 122.* Section 2(a) of the Act of August 11, 1939, 15 U.S.C. 713c-3, provides that the Secretary of Agriculture shall transfer to the Secretary of the Interior, each fiscal year, 30 percent of the duties collected on fishery products during the preceding calendar year. Section 122 of the bill provides that the transition quarter shall be treated as a fiscal year for the purpose of this section, but that the amount to be transferred shall be 7.5 percent of such duties.

*Section 123.* Section 2005(a) of Title 39, United States Code, provides that the net increase in the amount of obligations outstanding issued by the Postal Service in any fiscal year shall not exceed \$1,500,000,000 for the purpose of capital improvements, and \$500,000,000 for the purpose of operating expenses. Section 123 of the bill provides that the transition quarter shall be considered part of fiscal year 1977 for the purpose of this section, but the amounts of \$1,500,000,000 and \$500,000,000 shall be increased to \$1,875,000,000 and \$625,000,000, respectively, for that period.

*Section 124.* The Older Americans Community Service Employment Act, 42 U.S.C. 3056 *et seq.*, provides a new assistance program for the employment of the elderly and, in Section 906(a)(2), 42 U.S.C. 3056d, that the minimum allotment to each State, in each fiscal year, shall be \$100,000, and for each territory, \$50,000. Section 124 of the bill provides that the transition quarter shall be treated as a fiscal year for the purposes of this Act, but that the minimum allotments shall be reduced by 75% for that period.

*Section 125.* Section 810(c) (1) of the Public Health Service Act, 42 U.S.C. 296e(c) (1), provides for grants to schools of nursing in each fiscal year, and in subsection 810(c) (1) (B) it is required that a recipient school must spend an amount at least as great as the average of non-Federal sources spent in the three preceding fiscal years. Section 125 of the bill provides that the transition quarter shall be considered part of fiscal year 1977 for these grants, but that that period shall not be considered in calculating the average expenditures for subsequent fiscal years, and the amount which the school must expend during the fifteen-month period is increased to 125 per centum of the average of non-Federal expenditures in the preceding three fiscal years.

*Section 126.* Section 815 of the Public Health Service Act, 42 U.S.C. 296j(b) (2), provides for grants for nursing schools in serious financial straits, and in Section 815(b) (2) recipient schools are required to give assurances that funds will be expended from non-Federal sources in an amount at least as great as the average amount expended from such sources in the three preceding fiscal years. Section 126 of the bill provides that the transition quarter shall be treated as part of fiscal year 1976 for the purpose of this subsection, but that that period shall not be considered in calculating average expenditures for the subsequent years, and that the non-Federal expenditures for the fifteen-month period shall be increased to 125 per centum of the average of the preceding three years.

## TITLE II

*Section 201.* This section provides that, for the programs, activities or provisions of law specified, the transition quarter shall be treated as a fiscal year.

(1) Section 3(b) (2) of the Act of March 2, 1887, as amended, 7 U.S.C. 361c(b) (2), provides that amounts paid to the Virgin Islands and Guam during any fiscal year for agricultural experiment stations pursuant to that section shall not exceed the amount available and budgeted by the Virgin Islands and Guam for such purposes.

(2) Section 204(b) of the Agricultural Marketing Act of 1946, 7 U.S.C. 1623(b), provides that no allotments or payments to any State agency for research and service work in connection with the preparation for market and other treatment of agricultural products pursuant to that section shall be in excess of amounts which such State agency makes available out of its own funds for such research.

(3) Section 16(b) of the Food Stamp Act of 1964, 7 U.S.C. 2025(b), provides that, in any fiscal year, the Secretary of Agriculture shall limit the value of those food coupons issued which is in excess of the value of coupons for which households are charged to an amount which is not in excess of appropriations for that purpose.

(4) The Act of June 30, 1932, 16 U.S.C. 557a, authorizes the Secretary of Agriculture to enter into contracts for administration of national forests in advance of appropriation, provided that the contracts aliquot the cost by fiscal year and make the obligation of the United States contingent upon appropriations for such purpose.

(5) Section 1 of the Act of June 29, 1966, 31 U.S.C. 628a, provides for accounting adjustments between appropriations on a fiscal year basis.

(6) Section 2 of the Act of December 23, 1944, as amended, 31 U.S.C. 492b, authorizes, on a fiscal year basis, heads of agencies having jurisdiction over disbursing officers to apply gains to offset deficiencies in the amounts of disbursing officers.

(7) Section 3(a) of the Act of July 15, 1957, 31 U.S.C. 581d, authorizes the charge of net unpaid or overpaid balances in individual pay accounts against the appropriations for the fiscal year in which the balances occurred, and from which the amount was payable, and the net amount is to be credited to and paid from the corresponding account in the next succeeding fiscal year.

(8) Section 10(c) of the Act of June 29, 1935, as amended, 7 U.S.C. 427i(c), provides that the Secretary of Agriculture may increase administrative expenses to not more than 3 percent of the amount appropriated in any fiscal year for carrying out the purposes of that section.

(9) Section 208(d) of the District of Columbia Public Post Secondary Education Reorganization Act, Public Law 93-471, provides that four percent of sums appropriated for each fiscal year for cooperative agricultural extension work in the District of Columbia shall be allotted to the Federal Extension Service of the Department of Agriculture for administrative, technical and other services provided by the Service.

(10) Section 2209 of Title 10, United States Code, provides for the operation of the Army Management Fund, the Navy Management Fund, and the Air Force Management Fund for the conduct of operations which are financed by more than one appropriation. It is required that final adjustment be made with the appropriate funds for the fiscal year in which the advancements or reimbursements to the funds are made, and that amounts advanced are available only during the fiscal year in which they are advanced.

Section 2210 of Title 10, United States Code, provides that obligations may be incurred against anticipated reimbursements as determined by the Secretary of Defense, with the approval of the Director of the Office of Management and Budget, to be necessary to maintain stock levels consistently with planned operations for the next fiscal year.

Section 3201 of Title 10, United States Code, authorizes the daily average strength of the Army in members on active duty during the fiscal year at 837,000, exclusive of specified members.

Section 3202 of Title 10, United States Code, specifies the number of commissioned Army officers authorized for grade levels in any fiscal year.

Section 5401 of Title 10, United States Code, provides that the authorized strength of the Regular Navy may be temporarily exceeded at any time in a fiscal year if the daily average number in that year does not exceed it.

Section 5402 of Title 10, United States Code, provides that the authorized strength of the Regular Marine Corps may be temporarily exceeded in any fiscal year if the daily average number in that year does not exceed it.

Section 7581 of Title 10, United States Code, provides that, at the end of the fiscal year, money received for laundry work performed by Marine Corps post laundries, which is not necessary to pay the cost of maintenance and operations, shall be deposited in the Treasury to the credit of the appropriation from which the cost of operations is paid.

Section 8201 of Title 10, United States Code, authorizes the daily average strength of the Air Force in members on active duty during the fiscal year at 502,000, exclusive of specified members.

Section 8202 of Title 10, United States Code, authorizes by grades the strength of the Air Force in officers on active duty on the last day of each fiscal year.

(11) Section 305(b) of the Social Security Amendments of 1972, Public Law 92-603, 42 U.S.C. 401 note, provides that funds appropriated in any fiscal year pursuant to Section 1601, 42 U.S.C. 1381, shall be utilized to repay the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Medical Insurance Trust Fund for expenditures made to pay the administrative costs of Title XVI of the Social Security Act, providing supplemental security income for the aged, blind and disabled.

(12) Sections 201(a), (b) and (g) (1) of the Social Security Act, 42 U.S.C. 401(a), (b) and (g) (1), provide for the operations of the Federal Old-Age and Survivors Insurance Trust Fund and Federal Disability Insurance Trust Fund during each fiscal year.

Section 302(a) of the Social Security Act, 42 U.S.C. 502(a), provides for payments for the administration of State unemployment compensation laws during the fiscal year for which payment is made.

Section 403(g) of the Social Security Act, 42 U.S.C. 603(g), provides that payments to States for aid to needy families with children for quarters in a fiscal year shall be reduced by one percent if the recipient State fails to take certain action regarding child health screening services.

Section 424 of the Social Security Act, 42 U.S.C. 624, provides for reallocations of funds provided for States for child-welfare services for any fiscal year.

Section 431 of the Social Security Act, 42 U.S.C. 631, provides for the transfer, to the Secretary of Labor, of funds appropriated for work incentive programs pursuant to that section. Appropriation authorization in that section is for each fiscal year.

Section 502 of the Social Security Act, 42 U.S.C. 702, provides how appropriations for maternal and child health services shall be allocated in each fiscal year.

Sections 901(b), (c) and (f) of the Social Security Act, 42 U.S.C. 1101(b), (c) and (f), provide for funding the employment security administration account, expenditures from that account, and determinations of excess in that account in each fiscal year.

Section 903(a) (1) and (b) (1) of the Social Security Act, 42 U.S.C. 1103(a) (1) and (b) (1), provide for transfer to the accounts of States in the Unemployment Trust Fund at the close of each fiscal year.

Section 1203 of the Social Security Act, 42 U.S.C. 1323, provides for transfer, at the close of any fiscal year, of any excess in the Federal Unemployment Account to the general fund of the Treasury to reduce the balance of advances.

Section 1817(a) of the Social Security Act, 42 U.S.C. 1395i(a), provides for the operation of the Federal Hospital Insurance Trust Fund on a fiscal year basis.

Sections 1841(h) and (i) of the Social Security Act, 42 U.S.C. 1395t(h) and (i), provide that the Managing Trustee of the Federal Supplementary Medical Insurance Trust Fund shall pay the Civil Service Commission, and the Railroad Retirement Board, during or

at the close of each fiscal year, amounts certified as costs incurred in making deductions for premiums on medical insurance.

(13) Part C of Title IV of the Higher Education Act of 1965, 42 U.S.C. 2751-56a, provides for allotments to States, on a fiscal year basis, for work-study programs.

(14) Section 7652(b) of the Internal Revenue Code of 1954, 26 U.S.C. 7652(b), provides that a determination shall be made annually as to the amount of all taxes imposed and collected during the fiscal year under the internal revenue laws of the United States on articles produced in the Virgin Islands and transported to the United States, and for the transfer and utilization of these funds.

(15) The second sentence of section 3(b) (2) of the Act of May 8, 1914, as amended, 7 U.S.C. 343(b) (2), requires that amounts paid to the Virgin Islands and Guam from agricultural extension work shall not exceed, during any fiscal year, the amount available and budgeted for expenditure for that purpose.

(16) Section 15(b) of the Peace Corps Act, 22 U.S.C. 2514(b), provides that funds made available to the Peace Corps may be used for expenses related to travel abroad by employees and volunteers when the travel orders are issued in a fiscal year and the transportation begins but is not completed in that fiscal year.

(17) Section 206(d) of the Public Health Service Act, 42 U.S.C. 207(d), provides for the determination each fiscal year of the number of officers authorized to be in each of the grades of the Public Health Service.

Section 209(c) of the Public Health Service Act, 42 U.S.C. 210b(c), provides that, within the limits set pursuant to section 206, above, the Surgeon General shall determine for each category in the Regular Corps the maximum number of officers authorized for each grade.

Section 311(c), of the Public Health Service Act, 42 U.S.C. 243(c), authorizes agreements providing for cooperative planning between Public Health Service medical facilities and community health facilities to cope with health problems resulting from disasters, and for assistance to States or localities. Reimbursement for such assistance is credited to the appropriation of the Public Health Service for the year in which it is received.

Section 313(b) of the Public Health Service Act, 42 U.S.C. 245a(b), provides that grants for graduate public health training projects for any fiscal year may include amounts for carrying out such projects during succeeding years.

Section 314(d) (4) of the Public Health Service Act, 42 U.S.C. 246(d) (4), provides that each State shall be paid the Federal share of expenditures incurred during each fiscal year from the State's allotment pursuant to that section.

Section 314(d) (5) of the Public Health Service Act, 42 U.S.C. 246(d) (5), provides that amounts of grants in any fiscal year to public and mental health authorities of any State may not exceed a State's allotment for that year.

Sections 317(b), (d) (4) and (f) of the Public Health Service Act, 42 U.S.C. 247b(b), (d) (4) and (f), relate to Federal grants for communicable and other disease control programs and provide for grant applications, percentages of appropriation funds available for grants, and limitations on the use of funds, on a fiscal year basis.

Sections 318(f) and (g) of the Public Health Service Act, 42 U.S.C. 247c(f) and (g), relate to grants for the diagnosis and treatment of venereal disease. Section 318(f) provides that funding in any fiscal year for venereal disease programs may be made only under Section 317 grants (see above), or this section if all appropriations authorized for that fiscal year have not been appropriated and obligated in that fiscal year. Section 318(g) provides that 50% of funds appropriated under section 318 may be used for section 317 grants.

Section 324(b) of the Public Health Service Act, 42 U.S.C. 251(b), provides that payment for medical treatment of Federal employees pursuant to that section shall be credited to the appropriation to the Public Health Service for the year in which payment is received.

Section 328(b) of the Public Health Service Act, 42 U.S.C. 254a(b), provides for the Public Health Service to enter into agreements or arrangements with schools of medicine, hospitals or other institutions for cooperative use of facilities and services for the improvement of the quality of medical services. Any proceeds are credited to the appropriation to the Public Health Service for the year in which payment is received.

Section 331 of the Public Health Service Act, 42 U.S.C. 255, authorizes the Surgeon General to make payments to the Board of Health of Hawaii for the care of lepers when so provided in appropriations available for any fiscal year.

Section 820(d) of the Act, 42 U.S.C. 296k(d), provides that not less than 10 per centum of funds for any fiscal year shall be used for payments of specified grants and contracts.

Section 838(a) of the Act, 42 U.S.C. 297d(a), provides for fiscal year allotments to schools of nursing.

Section 838(b)(2) of the Act, 42 U.S.C. 297d(b)(2), provides for funding adjustments, on a fiscal year basis, in regard to allotments for nursing schools.

Sections 841 and 846 of the Act, 42 U.S.C. 297h and 297k, provide that up to 20 per centum of an amount paid to a school in a fiscal year may be transferred for designated purposes.

Section 1206(e) of the Public Health Service Act, 42 U.S.C. 300d-5(e), provides that no funds appropriated under the Act, except those appropriated pursuant to Section 1207 or Title VII, may be used for a new grant or contract in any fiscal year for a purpose for which a grant or contract is authorized by Title XII of the Act unless all the funds authorized by Section 1207 have been appropriated and made available for obligation in such fiscal year and the grant or contract meets the requirement for those under Title XII.

Section 1516(a) of the Public Health Service Act, 42 U.S.C. 3001-5(a), provides for planning grants to health systems agencies on a fiscal year basis. Section 106(e) of the bill adjusts the formula for these grants for the three-month period.

Section 1610(a) of the Public Health Service Act, 42 U.S.C. 300p(a), provides for allotments to States on a fiscal year basis.

Section 1611(c) of the Public Health Service Act, 42 U.S.C. 300p-1(c), provides that approved amendments to a State plan reflecting increased costs for projects may be funded from the applicable allotment of the State for the fiscal year in which the revision is approved.

Section 1640(a) of the Public Health Service Act, 42 U.S.C. 3001

(a), provides for development grants for health systems agencies in each fiscal year.

(18) Section 303(c) of the Older Americans Act of 1965, 42 U.S.C. 3023(c), provides that State allotments for State and community programs on aging for a fiscal year and not used by a State may be made available to other States and the funds so reallocated shall be regarded as part of the recipient State's allotment for that year.

Section 303(e) of the Older Americans Act of 1965, 42 U.S.C. 3023(e), provides for utilization by the States of allotments pursuant to section 303(b) of the Act, 42 U.S.C. 3023(b), on a fiscal year basis.

Section 306(c) of the Older Americans Act of 1965, 42 U.S.C. 3026(c), provides for the reallocation, for any fiscal year, of funds which are not required by any State for such year. The amounts reallocated is considered part of the allotment for the recipient State for that year.

Section 307(a) of the Older Americans Act of 1965, 42 U.S.C. 3027(a), authorizes the use of a State's fiscal year allotment for the development of a plan and for activities approved under a prior plan.

Section 501(b) of the Older Americans Act of 1965, 42 U.S.C. 3041(b), limits the total payments pursuant to grants and contract for senior centers which can be made to any State for any fiscal year.

Section 703 of the Older Americans Act of 1965, 42 U.S.C. 3045b, provides a formula for allotments and reallocations to States, from sums appropriated in any fiscal year, for nutritional programs for the elderly.

Section 705(a)(2)(B) of the Older Americans Act of 1965, 42 U.S.C. 3045d(a)(2)(B), provides that funds allotted to a State for a fiscal year pursuant to Section 306, 42 U.S.C. 3026, may be used for the Administration of a State plan submitted pursuant to Section 705, as prescribed therein.

Section 706 of the Older Americans Act of 1965, 42 U.S.C. 3045e, provides for the disbursement of funds allotted to a State in a fiscal year pursuant to Section 703, 42 U.S.C. 3045b.

(19) See section 207 of this bill analysis for a discussion of continuation grants under the Community Mental Health Centers Act.

(20) Section 513(a) of the Headstart-Follow Through Act, 42 U.S.C. 2928b(a), provides that, of sums appropriated for Headstart programs pursuant to Section 512, 42 U.S.C. 2928a, for any fiscal year, certain percentages may be utilized for specified purposes. That section also provides that no State shall receive less than that amount provided in fiscal year 1975. The bill states that this requirement shall not apply to transition quarter appropriations.

(21) Section 4(b) of the Act of July 22, 1963, 7 U.S.C. 390c(b), provides a distribution formula, based upon percentages of total appropriations, for funds for State agricultural experiment stations.

(22) Section 3(c) of the Act of May 8, 1914, 7 U.S.C. 343(c), provides a formula for the distribution of funds made available in each fiscal year for agricultural extension work.

(23) The last sentence of Section 520(a) of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, 42 U.S.C. 3768(a), provides that the amount allocated each fiscal year for administration shall be no less than 20 percent of the amount allocated for Grants for Law Enforcement Purposes (42 U.S.C. 3731 *et seq.*).



(24) Section 401 of the Act of June 15, 1935, as amended, 16 U.S.C. 751s, provides that revenues received each fiscal year by the Secretary of the Interior in connection with the National Wildlife Refuge Systems shall be placed in a fund and be utilized and distributed as provided in that Act on a fiscal year basis.

(25) Section 203(d) of the Act of June 26, 1934, as amended, 12 U.S.C. 1783(d), provides that interest on loans to the National Credit Union Share Insurance Fund on the basis of the average daily amount of outstanding loans be determined at the close of each fiscal year.

(26) Section 4 of the Act of July 18, 1958, as amended, 15 U.S.C. 633, provides, in addition to establishing the Small Business Administration, that the Administrator shall pay into miscellaneous receipts of the Treasury, at the close of each fiscal year, interest on the outstanding cash disbursements from the disaster loan fund and the business loan and investing fund.

(27) Section 316 of the Act of August 10, 1965, 15 U.S.C. 694, provides for payment by the Administrator of the Small Business Administration, into miscellaneous receipts of the Treasury, at the close of each fiscal year, interest on the net outstanding disbursements of the initial capital from the lease guarantee and surety bond guarantee fund.

(28) Section 2(e) of the Act of August 3, 1950, 31 U.S.C. 181a(e), provides that any surplus accruing to the Bureau of Engraving and Printing Fund, in any fiscal year, shall be paid into the general fund of the Treasury as miscellaneous receipts, after restoration of the fund of any impairment because of variations between prices charged and the amount determined to be the actual cost of work or services.

(29) Section 7 of the Act of February 22, 1921, 32 U.S.C. 491, provides for the crediting of fines, fees and other miscellaneous items of revenue for each fiscal year to the United States and the District of Columbia in the same proportions as appropriations for the expenses of the District for that fiscal year are paid from the Treasury of the United States and the revenues of the District of Columbia.

(30) Section 4 of the Act of June 26, 1934, 31 U.S.C. 725c, provides that if the receipts, for any fiscal year, which are authorized to be appropriated for designated purposes exceed such appropriations, the excess is authorized to be appropriated for the following fiscal year.

(31) Section 102 of the Act of December 6, 1945, 31 U.S.C. 847, requires each wholly owned Government corporation to prepare a business-type budget annually and to include data on a fiscal year basis.

Section 103 of that Act, 31 U.S.C. 848, provides that the budget programs of each wholly owned Government corporation shall cover operations for each fiscal year.

(32) Section 257 of the Revised Statutes, 31 U.S.C. 1027, provides that the Secretary of the Treasury shall include in his annual report to Congress estimates of the public revenue and public expenditures for the current fiscal year.

(33) Section 15 of the Act of July 31, 1894, 31 U.S.C. 1029, provides that the Secretary of the Treasury shall provide to Congress, on the first day of each regular session, a combined statement of the receipts and expenditures during the last fiscal year.

(34) Section 1 of the Act of February 26, 1907, 31 U.S.C. 1030, provides that the Secretary of the Treasury shall include in his

annual report to Congress estimates of the public revenue and the public expenditures for the current and the next fiscal year, together with a statement of the receipts and expenditures for the preceding fiscal year.

(35) Section 401 of the Act of December 31, 1970, 31 U.S.C. 1033, provides that there shall be transferred into the Treasury, at the close of each fiscal year, earnings in excess of the needs of the working capital fund for the Department of the Treasury.

(36) Section 103(c) of the Social Security Amendments of 1965, 42 U.S.C. 426a(c), provides for the restoration of the Federal Hospital Insurance Trust Fund, at the end of each fiscal year, to the position in which it would have been had payments not been made pursuant to other provisions of that section.

(37) Section 102(a)(1) of the Housing and Community Development Act of 1974, 42 U.S.C. 5302(a)(11) contains a definition of fiscal year for purposes of that Act.

*Section 202.* This section of the bill provides that the transition quarter shall be treated as a fiscal year for the purposes of the following provisions of law, but only insofar as they relate to matching requirements.

(1) Section 2 of the Act of March 1, 1911, 16 U.S.C. 563, authorizes the Secretary of Agriculture to cooperate with a State, or a group of States, for the organization and maintenance of a system of fire protection on forest lands and situated on the watershed of a navigable river. No amount may be expended in any State in a fiscal year in excess of the amount appropriated by the State for that purpose in the fiscal year.

(2) Section 2 of the Act of June 7, 1924, as amended, 16 U.S.C. 565, authorizes the Secretary of Agriculture to cooperate with States in the protection of timbered and forest-producing lands from fire. Except for preliminary investigations, Federal expenditures in any fiscal year for this purpose are limited to the amount expended by the State for the same purpose for the fiscal year.

Section 4 of that Act, 16 U.S.C. 567, authorizes the Secretary of Agriculture to cooperate with the States in the procurement, production, and distribution of forest-tree seeds and plants for timber production. Federal expenditures in cooperation with any State in any fiscal year are limited to the amount expended by the State for the same purpose for the fiscal year.

Section 5 of that Act, 16 U.S.C. 568, authorizes the Secretary of Agriculture to cooperate with land grant colleges and universities of the States, or other suitable State agencies, to aid farmers in establishing, renewing, protecting and managing wood lots, shelter belts, windbreaks, and other valuable forest growth, and in the harvesting, utilizing, and marketing the products. Federal expenditures in a fiscal year are limited except for preliminary investigation costs, to the amount expended by the State or other cooperating agency for the same purpose for the fiscal year.

(3) Section 4 of the Act of October 10, 1962, 16 U.S.C. 582a-3, provides that Federal expenditures to State-certified institutions for forestry research programs shall not exceed, during any fiscal year, the amount budgeted for expenditure by the college or university for the fiscal year for forestry research from non-Federal sources.

(4) Section 2 of the Cooperative Forest Management Act, as amended, 16 U.S.C. 568d, authorizes funding for cooperative efforts with States and territories to provide technical services to private forest landowners and operators with regard to forestry management. The amount paid by the Federal Government to any State, Territory, or possession for this purpose in any fiscal year shall not exceed the amount expended by the State, Territory or possession for the same purpose during the fiscal year.

(5) Section 402 of the Rural Development Act of 1972, 7 U.S.C. 2652, provides that cooperative agreements with State officials for training in the prevention, control and suppression of fires threatening life, livestock, wildlife, crops, and other values in rural property shall not provide for Federal assistance in any fiscal year in excess of 50 percent of the total budgeted for the undertaking of the agreement for the fiscal year by the non-Federal party to the agreement.

*Section 203.* The paragraph captioned "Commodity Credit Corporation", "Reimbursement for Net Realized Losses" of Title III of the Department of Agriculture and Related Agencies Appropriation Act, 1966, 15 U.S.C. 713a-11a, provides that "the portion of borrowings from Treasury equal to the unrealized losses recorded on the books of the Commodity Credit Corporation after June 30 of the fiscal year in which such losses are realized, shall not bear interest and interest shall not be accrued or paid thereon." Section 203 of the bill provides that, for the purposes of this provision, the transition quarter shall be considered a fiscal year, and the words "June 30 of the fiscal year" shall be construed to be September 30, 1976, for that period.

*Section 204.* This section of the bill provides that the transition quarter shall be treated as a part of fiscal year 1976 for the purpose of the following provisions of law.

(1) Section 207(b) of the Public Health Service Act, 42 U.S.C. 209(b), provides that not more than 10 percent of the original appointments to the Regular Corps of the Public Health Service, authorized to be made during any fiscal year, may be to grades above that of senior assistant, but none may be made to a grade above that of director. For such purpose, the number of original appointments authorized during a fiscal year is based upon the appropriation acts for the year and retirements during the year.

Section 301(c) of the Public Health Service Act, 42 U.S.C. 241(c), authorizes the Surgeon General to make grants-in-aid for research, and that not to exceed 15 percent of the amounts for grants for research projects in any fiscal year through appropriations for the National Institutes of Health may be transferred to a separate account for research grants-in-aid for that fiscal year.

Section 308(a) of the Public Health Service Act, 42 U.S.C. 242m(a) requires a report to the Congress, by September 1 of each year, on a number of health service, research and statistical programs. Section 308(i)(1) of that Act, 42 U.S.C. 242m(i)(1), in the second sentence, provides that not less than 25 percent of funds appropriated pursuant to that section for health service research, evaluation and demonstration activities shall be made available only for such activities directly undertaken by the Secretary under Sections 304 or 305 of the Act (42 U.S.C. 242b, 242c).

Section 314(d)(2)(C) of the Act, 42 U.S.C. 246(d)(2)(C), pro-

vides that State health authorities shall report on the comprehensive public health services provided in the State on a fiscal year basis.

Section 314(d)(6) of the Public Health Service Act, 42 U.S.C. 246(d)(6), provides that the Federal share of expenditures under an approved State plan for comprehensive public health services shall be determined between July 1 and September 1 of each year for the fiscal year beginning on the following July 1.

Section 398 of the Public Health Service Act, 42 U.S.C. 280b-10, provides that funds appropriated for assistance to medical libraries for any fiscal year shall remain available for the succeeding fiscal year.

Section 419B of the Public Health Service Act, 42 U.S.C. 287i, in the last sentence, provides that not less than 15 percent of sums appropriated for any fiscal year, pursuant to that section, shall be reserved for programs respecting diseases of the lungs, and not less than 15 percent for programs respecting diseases of the blood.

Section 434(f) of the Public Health Service Act, 42 U.S.C. 289c-1(f), provides that the Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases shall report to the President and the Congress, within sixty days of the close of each fiscal year, on activities during the preceding fiscal year.

Section 436 of the Public Health Service Act, 42 U.S.C. 289c-3, provides for the establishment of the Diabetes Mellitus Coordinating Committee and requires a report after the end of each fiscal year describing the work of the committee.

Section 437 of the Public Health Service Act, 42 U.S.C. 289c-4, provides for the establishment of the Arthritis Coordinating Committee and requires a report within sixty days of the end of each fiscal year on the work of the committee.

Section 439(f) of the Public Health Service Act, 42 U.S.C. 289c-6(e), require a report on the operations of comprehensive arthritis centers within four months after the close of each fiscal year.

Section 439(h) of the Public Health Service Act, 42 U.S.C. 289c-6(g) in the last sentence, provides that not less than 20 percent of funds appropriated under this section shall be used for the purpose of establishing new arthritis centers.

Section 513 of the Public Health Service Act, 42 U.S.C. 229b, provides that not more than 1 percent of appropriations under specified laws shall be available for evaluation of the programs funded.

Section 805(f)(2) of the Act, 42 U.S.C. 296d(f)(2), provides a fiscal year limitation on loan guarantees made pursuant to that section.

Section 1006(a) of that Act, 42 U.S.C. 300a-4(a), provides that no grant under that section for a fiscal year beginning after June 30, 1975 may be for less than 90 per centum of its costs unless the grant is for a program for which a grant was made in fiscal year 1975 for less than 90 per centum, in such event the percentage must not be less than that of the 1975 grant.

Section 1009 of that Act, 42 U.S.C. 300a-6a, requires a report, within seven months of the end of each fiscal year, setting forth the plan for the next five years relating to family planning services.

Section 1207(a)(2) of the Public Health Service Act, 42 U.S.C. 300d-6(a)(2), provides a formula for the use of fiscal year appropriations for emergency medical services systems.

Section 1303(i) of the Public Health Service Act, 42 U.S.C. 300e-2(i), provides that 20 percent of sums appropriated for any fiscal year for feasibility studies for health maintenance organizations shall be set aside and obligated in such fiscal year for designated purposes, and that amount set aside in fiscal years 1974 and 1975 shall remain available for the succeeding fiscal year for certain purposes, if the funds are not obligated because of a lack of applicants.

Section 1304(k) of the Public Health Service Act, 42 U.S.C. 300e-3(k), provides that 20 percent of sums appropriated for any fiscal year for planning projects for the establishment or expansion of health maintenance organizations shall be set aside and obligated in such fiscal year designated purposes, and that amount set aside in fiscal year 1974 and 1975 shall remain available for the succeeding fiscal year for certain purposes, if the funds are not obligated because of a lack of applicants.

Section 1305(e) of the Public Health Service Act, 42 U.S.C. 300e-4(e), provides that not less than 20 percent of sums used for loans for the initial operation of health maintenance organizations in any fiscal year shall be used for projects where 66 percent of the membership is drawn from residents of non-metropolitan areas and which meet requirements for approval pursuant to Title XIII of the Act.

Section 1610(c) of the Public Health Service Act, 42 U.S.C. 300p(c), provides that allotments to States for medical facilities projects for a fiscal year, and unobligated at the close of the year, shall remain available for the next two fiscal years for such purpose. The Secretary is authorized to reallocate at the end of the first succeeding fiscal year if he determines the amount will remain unobligated by the original recipient at the end of the second year of extended availability.

Section 1611(d) of the Public Health Service Act, 42 U.S.C. 300p-1(d), provides that, in any fiscal year, not more than 20 percent of a State's allotment for medical facilities projects may be obligated for new inpatient health care facilities in areas of recent rapid population growth, and not less than 25 percent shall be obligated for outpatient facilities to serve medically underserved populations.

Section 1621 of the Public Health Service Act, 42 U.S.C. 300q-1, provides that, for each fiscal year, the total amount of principals of loans for medical facilities shall be allotted among the States in accordance with regulations and on the basis of population, financial need and need for such facilities. Amounts allocated for a fiscal year, and unobligated at the close of such year, may remain available for the succeeding two fiscal years. At the end of the first succeeding fiscal year, the Secretary may reallocate the unobligated balance if he determines it will remain unobligated by the original recipient at the end of the second succeeding fiscal year.

Section 1625(d) of the Public Health Service Act, 42 U.S.C. 300r, provides that 22 percent of funds appropriated for a fiscal year pursuant to Section 1613, 42 U.S.C. 300p-3, for medical facilities projects shall be made available for construction or modernization grants pursuant to subsection (a) of Section 1625.

(2) Section 208 of the Older Americans Act of 1965, 42 U.S.C. 3018, provides that the Commissioner on Aging shall submit a report on activities within one hundred and twenty days after the close of each fiscal year.

Section 304(a) of the Older Americans Act of 1965, 42 U.S.C. 3024(a), provides that for a State to qualify for grants under Sections 303 and 306 of the Act, 42 U.S.C. 3023 and 3026, the State agency must make assurances that the agency will take into consideration, in connection with matters of general policy arising in the development and administration of the State plan for any fiscal year, the views of recipients of social services provided under the plan.

Section 307(b) of the Older Americans Act of 1965, 42 U.S.C. 3027(b), provides that, beginning with fiscal year 1975, not less than 25 percent of the non-Federal share of the total expenditures under a State plan shall be met from funds from State or local public sources.

Section 505(b) of the Older Americans Act of 1965, 42 U.S.C. 3041(b), provides that the total payments made in any State under grants or contracts for multipurpose senior centers pursuant to that section, for any fiscal year, shall not exceed ten percent of the total amount appropriated for the year for the purposes of Title V of the Act, 42 U.S.C. 3041-3041f.

Section 707(a)(4) of the Older Americans Act of 1965, 42 U.S.C. 3045f(a)(4), provides that, in donating commodities for nutrition programs for the elderly, the Secretary of Agriculture may maintain a level of assistance of not less than 15 cents per meal during fiscal year 1976, and 25 cents per meal during fiscal year 1977.

Section 708 of the Older Americans Act of 1965, 42 U.S.C. 3045g, in the last sentence, provides that funds appropriated for a fiscal year may remain available for the succeeding fiscal year.

(3) Section 503(d) of the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4843(d), provides that any amounts authorized for the purposes of the Act for a fiscal year but not appropriated may be appropriated for the succeeding fiscal year.

(4) See analysis of Section 207 of the bill for a discussion of Section 203(e)(1) of the Community Mental Health Centers Act, 42 U.S.C. 2689b(e)(1).

Section 206(e) of the Act, 42 U.S.C. 2689e(e), limits the amount to be used for certain technical assistance to 2 percent of the amount appropriated for any fiscal year.

Section 221(b)(2) of the Act, 42 U.S.C. 2689i(b)(2), provides for the Federal share for certain projects on a fiscal year basis.

Section 221(b)(4)(B) of the Act, 42 U.S.C. 2689i(4)(B), establishes dates for the promulgation of the Federal percentage for specified purposes and the time, by fiscal year, for which such calculations shall be conclusive.

(5) Section 417(a)(1) of the General Education Provisions Act, 20 U.S.C. 1226c(a), provides that an annual evaluation report of Federal education activities shall be submitted to Congress by November of each year.

Section 437(a) of the General Education Provision Act, 20 U.S.C. 1232f(a), provides that the Commissioner of Education shall require each State to submit, within sixty days after the end of the fiscal year, a report on the uses of Federal funds in that State under any applicable program, as indicated in that section.

(6) Section 2(c) of the Sudden Infant Death Syndrome Act of 1974, 42 U.S.C. 289g note, provides that the Secretary of Health, Education, and Welfare shall submit a report within ninety days fol-



lowing the close of each fiscal year on funding, applications and estimates of future needs for funds for research which related to sudden infant death syndrome.

(7) Section 201(c) of the Social Security Act, 42 U.S.C. 401(c), provides that a report shall be submitted to Congress, by April 1 each year, on the operations and the status of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, including expected operation and status during the next five fiscal years.

Section 403(c) of the Social Security Act, 42 U.S.C. 603(c), provides that the Federal share of assistance payments for aid to needy families shall be reduced, each fiscal year, by one percent for each percent by which registration for manpower services, training and employment is less than 15 percent of the number of individuals who are required to be registered in the State.

Section 403(f) of the Social Security Act, 42 U.S.C. 603(f), provides that payments to a State for assistance to needy families for quarters in each fiscal year shall be reduced by one percent if the State failed to comply with the requirement for family planning services contained in section 402(a)(15)(B), 42 U.S.C. 602(a)(15)(B).

Section 403(f) of the Social Security Act, 42 U.S.C. 603(f), provides for the promulgation of State allotments and the Federal share for Child Welfare services to be made between July 1 and August 31 of even-numbered years, and to be conclusive for two fiscal years following such promulgation.

Section 1118 of the Social Security Act, 42 U.S.C. 1318, provides that a State which has an approved plan for medical assistance pursuant to Section 1902, 42 U.S.C. 1396a, for any calendar quarter, shall, at the option of the State, have the payments to which the State is entitled for that quarter and each succeeding quarter in the fiscal year determined on the basis of Section 1905 of the Act, 42 U.S.C. 1396d, rather than on the basis of percentages provided under various other sections of the Act.

Section 1817(b) of the Social Security Act, 42 U.S.C. 1395i(b), provides that the Board of Trustees of the Federal Hospital Insurance Trust Fund shall report to Congress each year on the operations of this fund for the preceding fiscal year, and shall include estimates of operations for the current and the next two fiscal years.

Section 1841(b) of the Social Security Act, 42 U.S.C. 1395t(b), provides that the Board of Trustees of the Federal Supplementary Medical Insurance Trust Fund shall report to Congress each year on the operations of the fund for the preceding fiscal year, and shall include estimates of operation for the current and the next two fiscal years.

Section 1842(b)(3) of the Social Security Act, 42 U.S.C. 1395u(b)(3), contains provisions which must be included in contracts with carriers pertaining to the delivery of medical services, including a determination of reasonable charges. The section provides that no charge shall be found reasonable if it exceeds the prevailing charge found reasonable in the same locality on December 31, 1970, or the prevailing charge level in the area, based upon acceptable statistical data and methodology, during the last preceding calendar year elapsing prior

to the start of the fiscal year in which the bill is submitted, and that the charge level for physician services for any fiscal year may not exceed that for fiscal year 1973 unless justified by economic changes.

(8) Section 409(c)(2) of the Drug Abuse Office and Treatment Act of 1972, 21 U.S.C. 1176(c)(2), provides that amounts made available for drug abuse prevention under that section shall remain available for the fiscal year following for States, and for two additional fiscal years for territories, but may be reallocated in subsequent fiscal years under certain specified conditions.

Section 412(d)(2) of the Drug Abuse Office and Treatment Act of 1972, 21 U.S.C. 1179(d)(2), provides that appropriations under that section shall be available for the fiscal year for which appropriated and in the following fiscal year.

(9) Section 302(b) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, 42 U.S.C. 4572(b), provides that amounts made available for prevention, treatment and rehabilitation programs to deal with alcohol abuse and alcoholism pursuant to Section 301 of the Act, 42 U.S.C. 4571, shall remain available for the fiscal year following for States, and for two additional fiscal years for territories, but may be reallocated for subsequent fiscal years under certain specified conditions.

(10) Section 7 of the Act of September 30, 1950, 20 U.S.C. 241-1, provides that schools in areas having suffered a major disaster may receive disaster assistance if the school agency is utilizing all other financial assistance available and requires additional assistance of \$1,000 or one-half of one percent of the agency's operating expenditures during the preceding fiscal year, and has met other conditions. Assistance may be provided for not to exceed five fiscal years, with amounts decreasing for each fiscal year.

(11) Section 410 of the Act of November 19, 1969, 50 U.S.C. 1436, requires reports, based upon the fiscal year, by former military or civilian officials employed by defense contractors and by the Secretary of Defense, relative to such individual reports.

(12) Sections 1012, 1013 and 1014(e)(1) of the Impoundment Control Act of 1974, 31 U.S.C. 1402, 1403, and 1404(e)(1), require the President to submit special messages to the Congress containing proposals for the rescission of budget authority provided for only one fiscal year which is to be reserved from obligation for such fiscal year, and any deferrals of budget authority. Deferrals may not be proposed for a period of time beyond the fiscal year in which the special message is transmitted. Cumulative reports of these actions must be submitted not later than the 10th day of each month during the fiscal year.

(13) The Library Services and Construction Act, 20 U.S.C. 351-364, provides for allotments to States, and on a fiscal year basis, for public library services and requires a State plan for each fiscal year which must be approved by the Commissioner of Education.

(14) Section 207(b) of the National Productivity and Quality of Working Life Act of 1975, 15 U.S.C. 2417(b) provides for the availability of previously allocated funds.

(15) Section 6(b) of the Act of July 22, 1963, 7 U.S.C. 390e(b), provides that allotments to States for agricultural experiment stations pursuant to section 4 of that Act shall remain available for payment to the States for no more than two fiscal years following the fiscal year

in which the allotment is first made available. (Since there were no appropriations for fiscal years 1975 and 1976, there will be no effect on availability of previous funding.)

*Section 205.* This section of the bill provides that the transition quarter shall be treated as part of fiscal year 1976 for the purposes of the following provisions of law:

(1) Section 5532(c)(ii) of Title 5, United States Code, provides for a reduction of retirement pay of retired officers of the uniformed services who are employed, but does not apply to those whose retirement was based on certain disabilities or temporary, part-time or intermittent employment for the first 30-day period of employment or the first period in which one receives pay under more than one appointment, in a fiscal year, "which consists in the aggregate of 30 days, from all positions in which he is employed, if he is serving under more than one appointment in that fiscal year."

(2) Sections 3, 4, and 5 of the Act of Sept. 2, 1937, 16 U.S.C. 669b, 669c, 669d, provides that up to 8 percent of the revenues covered into the wildlife restoration fund in each fiscal year may be deducted for the expenses of administration and is authorized to be made available through the succeeding fiscal year, and within 60 days after the close of that fiscal year the unexpended balance shall be apportioned to the States as provided in that section for the apportionment of the remainder of the revenue. The formula for this apportionment is based, among other things, on the number of paid hunting license holders in a fiscal year in the State.

(3) Sections 3, 4 and 5 of the Act of August 9, 1950, 16 U.S.C. 777b, 777c, and 777d, provides for an appropriation equal to the revenues from taxes imposed in each fiscal year or fishing equipment, to be available for the fiscal year of the appropriation, and the succeeding fiscal year. Amounts apportioned to States are also available for that period (Section 3).

After deductions for administrative expense, the remainder is apportioned for each fiscal year on the basis of the formula contained in Section 4.

The Secretary of the Interior is required to certify to the Secretary of the Treasury, and to each State fish and game department each fiscal year, the sum estimated for administration and that apportioned to each.

(4) Section 1 of the Act of August 12, 1955, 69 Stat. 698, 16 U.S.C. 669b-1, provides for the transfer to the Federal aid to wildlife restoration fund of revenues accruing during each fiscal year.

(5) Section 26 of the Tennessee Valley Authority Act of 1933, 16 U.S.C. 831y, provides that proceeds derived each fiscal year from the sale of power and other products, or from any other activities of the Tennessee Valley Corporation, shall be paid into the Treasury, except for amounts necessary for specified operations of the Corporation.

(6) Section 303 of the Act of September 30, 1950, 20 U.S.C. 241bb, provides the basis for the computation of amounts to which a local educational agency is entitled each fiscal year. The determination is based on attendance during the fiscal year and per pupil expenditure during a fiscal year.

(7) Title I of the Elementary and Secondary Education Act of 1965, 20 U.S.C. 241a-o, provides assistance to local educational agen-

cies for the education of children of low-income families. Amounts of grants are based on fiscal year data and awarded on a fiscal year basis.

Title II of that Act, 20 U.S.C. 821-27, provides for grants for school library resources, textbooks and other instructional materials. Allotments are made to States on a fiscal year basis.

Title III of the Act, 20 U.S.C. 841-847a, provides for grants for supplementary educational centers and services with allotments to each State for each fiscal year. The minimum allotment for each State is \$200,000, but since these programs are based on school-year requirements, there is no necessity for increasing the minimum for the fifteen month period. Grants are available for the fiscal year succeeding the year of allotment.

Title IV of the Act, 20 U.S.C. 861-69a, provides for State grants, on a fiscal year basis, to stimulate and assist States in strengthening the leadership resources and improve programs to meet the educational needs of the State. The grants are on a fiscal year basis.

Title V of the Act, 20 U.S.C. 1801-32, provides funding for libraries and learning resources, and educational innovation and support, on a fiscal year basis. The funding formulas are also based upon the fiscal year.

(8) Section 612 of the Education of the Handicapped Act, 20 U.S.C. 1412, provides for allotments to States each fiscal year for the education of handicapped children. Funds not needed for a fiscal year may be reallocated.

(9) Sections 704 and 705 of the Emergency School Aid Act, 20 U.S.C. 1603 and 1604, provide for funding, by fiscal year, to assist the States to meet the special needs incident to elimination of minority group segregation. Funds are allocated on a fiscal year basis and remain available for the fiscal year following that year for which they are appropriated.

(10) Section 713 of the Education Amendments of 1974, 20 U.S.C. 1943, provides for the allocation of financial assistance to States for reading improvement programs on a fiscal year basis.

(11) Section 404 of the Rehabilitation Act of 1973, 29 U.S.C. 784, requires a report within 120 days after the close of the fiscal year on the activities during the preceding fiscal year under the Act.

Section 501(d) of the Act, 29 U.S.C. 791(d), requires a report, at the end of each fiscal year, on the hiring of handicapped individuals during that fiscal year.

Section 502(g) of the Act, 29 U.S.C. 792(g), requires a report, at the end of each fiscal year, on investigations by the Architectural and Transportation Barriers Compliance Board during that fiscal year.

(12) Section 3646 of the Revised Statutes, 31 U.S.C. 528 (c), provides that original checks of the United States drawn on a depository not in this country, and which is lost or destroyed or mutilated, may be replaced until the end of the fiscal year succeeding the fiscal year in which the original check is issued.

(13) Section 40 of the Act of August 10, 1965, as amended, 31 U.S.C. 649c, provides that appropriations for research and development in the Department of Defense shall remain available for two fiscal years following the year of appropriation.

(14) Sections 3 and 5 of the Act of July 25, 1956, 31 U.S.C. 705 and 706, provide for the merger of obligated balance under discontinued

appropriation heads, and the withdrawal of balances where no disbursements are made during two fiscal years, at the end of the second full fiscal year.

(15) Section 103 of the Act of June 6, 1972, 31 U.S.C. 1203, provides that the Secretary of Treasury shall report on the operations of that Act, relating to Federal Personnel Surety Bonds, for fiscal years 1973 through 1978.

(16) Section 105(a)(2) of the Act of October 20, 1972, 31 U.S.C. 1224(a)(2), provides that the Secretary of the Treasury shall report to the Congress on the operations of the State and Local Government Fiscal Assistance Trust Fund for each fiscal year.

(17) Section 407(b) of Title 37, United States Code, provides that a member of the uniformed services shall not be entitled to more than one dislocation allowance in any fiscal year except under certain circumstances.

(18) Section 413 of the Domestic Volunteer Service Act of 1973, 42 U.S.C. 5053, provides for the operation of programs under that Act for fiscal years 1975, 1976, and 1977.

(19) Section 701(b) and (f) of Title 10, United States Code, limit the accumulation and use of leave by members of the armed forces on a fiscal year basis.

(20) Section 1 of the Act of July 11, 1947; as amended, 31 U.S.C. 132, requires withdrawal of the amounts of all checks drawn by officers of the United States which have not been paid prior to the close of the fiscal year following the fiscal year in which the checks were issued and deposit of such funds into a consolidated account.

(21) Sections 110 and 111(d) of the Federal Property and Administrative Services Act of 1949, as amended, 40 U.S.C. 757 and 759(d) provide that net income, after provision for prior year losses, in the Federal telecommunications fund and the automatic data processing fund, shall be transferred to the Treasury as miscellaneous receipts each fiscal year.

Section 210(f)(5) of that Act, as amended, 40 U.S.C. 490(f)(5), provides that money from the fund established pursuant to that section for real property management, may be deposited to miscellaneous receipts in any fiscal year as provided in appropriation Acts.

(22) The final paragraph under the heading "Public Building Administration" in the Act of May 3, 1945, 59 Stat. 115, 40 U.S.C. 293, provides that, at the close of each fiscal year, the excess of funds in the working capital fund for central blueprinting, photostating and duplicating services shall be covered into the Treasury as miscellaneous receipts.

(23) Public Law 90-469, 82 Stat. 666, provides that, after provision for prior year losses, the net income of the fund for the operation of the William Langer Jewel Bearing Plant shall be transferred to the Treasury, as miscellaneous receipts, at the close of each fiscal year.

(24) Section 802(a) of the Public Health Service Act, 42 U.S.C. 296a(a), provides that the Secretary may set dates by which grant applications must be filed, but not earlier than in the fiscal year preceding the year of application.

Section 810(b) of the Public Health Service Act, 42 U.S.C. 296e(b), provides for the adjustment of grants for schools of nursing, in any fiscal year if the amount appropriated necessitates adjustment.

Section 810(c)(2) of that Act, 42 U.S.C. 296e(c)(2), provides requirements for grants on a fiscal year basis and on fiscal year data.

Section 810(e) of that Act, 42 U.S.C. 296e(e), provides an adjustment in enrollment requirements for grants for new schools, on a fiscal year basis.

Section 811(a) of that Act, 42 U.S.C. 296f(a), provides that the Secretary may set dates by which grant applications must be filed, but not earlier than in the fiscal year preceding the year of application.

(25) Sections 3 and 4(b) of the Child Nutrition Act of 1966 provides for the disbursement of funds.

(26) Sections 2, 3 and 4 of the Act of September 30, 1950 provides assistance to local educational agencies in areas of high density of federal employees.

*Section 206.* This section provides that the transition quarter and fiscal year 1975 shall be considered as one year for certain provisions of law, as follows:

(1) Section 314(d)(2)(C)(ii) of the Public Health Service Act, 42 U.S.C. 246(d)(2)(C)(ii), provides that State health authorities shall report, annually, on the comprehensive public health services provided in the State.

Section 314(d)(3) of that Act, 42 U.S.C. 246(d)(3), provides for an annual review of State activities.

Section 435(b) of that Act, 42 U.S.C. 289c-2(b), provides for an evaluation, on an annual basis, of the activities of diabetes mellitus research centers.

Section 646 of that Act, 42 U.S.C. 2910-1, requires an annual financial statement by applicants for grants or loans under that subchapter.

Section 1210 of that Act, 42 U.S.C. 300d-9, provides for an annual report to Congress on the administration of that subchapter of the Act.

Section 1315 of that Act, 42 U.S.C. 300e-14, provides for an annual report to Congress on programs of assistance authorized by that subchapter of the Act.

(2) Section 409(e) of the Drug Abuse Office and Treatment Act of 1972, 21 U.S.C. 1176(e), requires a State plan, and evaluation, on an annual basis.

(3) Section 303 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, 42 U.S.C. 4573, requires annual review of State plans.

(4) See Section 207, below, analysis of Section 203(e)(1) of the Community Mental Health Centers Act, 42 U.S.C. 2689b(e)(1).

Section 237(a)(1)(C) of that Act, 42 U.S.C. 2689t(a)(1)(C), requires an annual review of State plans by the State agencies.

(5) Section 205(b)(1) of the Water Pollution Control Act, 33 U.S.C. 1285(b)(1), provides that funds for treatment works shall be available for one year after the close of the fiscal year in which they are authorized.

*Section 207.* Section 203(e)(1) of the Public Health Service Act, 42 U.S.C. 2689b(e)(1), provides for continuation grants for those entities which have been eligible for specified grants had the Act not been amended to repeal the section authorizing such grants. The con-

tinuation grants are based, in part, upon the provisions of Sections 264(a) and 221(c), 42 U.S.C. 2688a(c) and 2688r(a), of the Act prior to July 29, 1975.

The presently authorized continuation grant program references appropriations, fiscal years, and numbers of years. To achieve an orderly transition to the new fiscal year in the operation of this program, this bill treats the transition quarter in a different manner for each of these references. In paragraph (19) of Section 201 of the bill, the transition quarter is treated as a fiscal year for the purposes of these grants. In paragraph (4) of Section 206 of the bill, the period of July 1, 1975, through September 30, 1976, is treated as one year for the purposes of these grants, and in Section 207 of the bill it is provided that a grant from a transition quarter appropriation shall not be counted against the limitation of two grants to each entity.

The total effect of these provisions is to allow grants in the transition quarter without disrupting the statutory provisions for the program.

*Section 208.* Section 206(c)(4) of the Community Mental Health Centers Act, 42 U.S.C. 2689e(c)(4), provides that in each fiscal year for which a community mental health center receives a grant under specified sections, the center shall obligate an amount equal to 2 percent of the previous fiscal year's evaluation program. This amount is increased to 2.5 per centum of the previous year for the 15-month period, and reduced to 1.6 per centum for the succeeding year.

*Section 209.* This section provides for merger, on July 1, 1976, of funds provided to an account for the transition quarter with balances available from appropriations made for the fiscal year 1976 for such account. Funds provided to an account in the transition quarter can only be merged with balances from the same fiscal year 1976 account. Transition quarter appropriations can only be merged with balances from appropriations for 1976 and cannot be merged with balances of appropriations for earlier fiscal years that would lapse on June 30, 1976.



# Ninety-fourth Congress of the United States of America

## AT THE SECOND SESSION

*Begun and held at the City of Washington on Monday, the nineteenth day of January,  
one thousand nine hundred and seventy-six*

### An Act

To provide for the orderly transition to the new October 1 to  
September 30 fiscal year.

*Be it enacted by the Senate and House of Representatives of the  
United States of America in Congress assembled, That this Act may  
be cited as the "Fiscal Year Transition Act".*

#### TITLE I

SEC. 101. (a) For the purposes of sections 222(d)(1), 421, 506(d), 516, 705, 901(e)(2) and (f), 902, 905(b)(2), 1108, 1115, and 2002(a)(2) of the Social Security Act, the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, and the exercise of authority pursuant to these provisions for that period shall be subject to the conditions stated in the following paragraphs:

(1) notwithstanding the provisions of section 222(d)(1) (42 U.S.C. 422(d)(1)), the amount authorized to be transferred from the trust funds pursuant to that section in the period beginning July 1, 1976, and ending September 30, 1976, may not exceed 1.5 per centum of the total of the benefits certified for payment in the first quarter of the fiscal year beginning July 1, 1975, and the amount authorized to be transferred from the Trust Funds in the fiscal year beginning October 1, 1976, may not exceed 1.5 per centum of the total of the benefits certified for payment in the preceding twelve months;

(2) the fixed dollar allotment to each State under section 421 (42 U.S.C. 621) shall be \$17,500;

(3) the reduction required by section 506(d) (42 U.S.C. 706(d)) shall be the amount by which the sum expended from non-Federal sources for that period is less than one-fourth the sum expended from such sources for the fiscal year ending June 30, 1968;

(4) the amount allotted to each State under section 516 (42 U.S.C. 716) shall be the excess of one-fourth the amount of the allotment for the State under sections 503 and 504 of the Social Security Act (42 U.S.C. 703 and 704), for the fiscal year ending June 30, 1973, plus the amount of any grants to the State under sections 508, 509, and 510 of that Act (42 U.S.C. 708, 709, and 710), over the amount of the allotment of the State under sections 503 and 504 of that Act for the period;

(5) the limitation imposed by section 705(b) (42 U.S.C. 906(b)) on the amount that may be available for carrying out section 705(f) shall be \$500,000 for that period;

(6) the percentage referenced in the second sentence of section 901(e)(2) (42 U.S.C. 1101(e)(2)) shall be reduced to 10 per centum for the purpose of advances to be made in that period;

(7) notwithstanding the provisions of section 901(f)(3)(A) (42 U.S.C. 1101(f)(3)(A)), for the fiscal year beginning October 1, 1976, the excess in the employment administration account shall be retained until the amount in such account is equal to 160

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per centum of the amount of the total appropriation by the Congress out of the account for the period July 1, 1976, through September 30, 1976, and \$37,500,000 or three thirty-seconds of the amount in the employment security administration account, whichever is the lesser, is authorized to be made available for that period under the conditions provided therein;

(8) the determinative calendar year for the purpose of a transfer to the unemployment account pursuant to section 902(a) (42 U.S.C. 1102(a)), at the beginning of the fiscal year beginning October 1, 1976, shall be calendar year 1975;

(9) the determinative calendar year for the purposes of a transfer to the extended unemployment compensation account pursuant to section 905(b)(2)(B) (42 U.S.C. 1105(b)(2)(B)), at the beginning of the fiscal year beginning October 1, 1976, shall be calendar year 1975;

(10) the limitations imposed by section 1108 (42 U.S.C. 1308) on amounts certified by the Secretary shall be one-fourth of the limitations imposed by that section with respect to the fiscal year ending June 30, 1976;

(11) the dollar limitation imposed by section 1115 (42 U.S.C. 1315) on the amount available for payments to the States for the cost of projects under that section shall be \$1,000,000 of the aggregate amount appropriated for payments to the States for the period; and

(12) notwithstanding the provisions of subparagraph (A) of section 2002(a)(2) (42 U.S.C. 1397a(a)(2)), the limitation imposed by that subparagraph on payments with respect to expenditures by a State for the period shall be one-fourth of the limitation imposed on such payments with respect to expenditures by the State for the fiscal year beginning July 1, 1975; and notwithstanding the provisions of subparagraph (D) of section 2002(a)(2), the maximum allotments under that subparagraph for the period shall be \$3,750,000 for Puerto Rico, \$125,000 for Guam, and \$125,000 for the Virgin Islands, but nothing in this Act shall apply to the second sentence of section 2002(a)(2)(A).

(b) Notwithstanding the provisions of sections 503 and 504 of the Social Security Act (42 U.S.C. 703 and 704), the fixed dollar allotment to each State under each of these sections for the period of July 1, 1976, through September 30, 1976, shall be \$17,500.

(c) Notwithstanding the provisions of section 1101(a)(8)(B) of the Social Security Act (42 U.S.C. 1301(a)(8)(B)), the Federal percentages promulgated under that subparagraph in 1974 shall be conclusive for each of the nine quarters in the period beginning on July 1, 1975, and ending on September 30, 1977.

(d) Notwithstanding the provisions of section 2006(c) of the Social Security Act (42 U.S.C. 1397e(c)), the report on the operation of the program established by title XX of that Act during the fiscal year ending June 30, 1976, shall include the operation of that program during the period of July 1, 1976, through September 30, 1976, and shall be submitted to the Congress prior to April 1, 1977.

Sec. 102. For the purposes of section 401 of the Social Security Amendments of 1972 (42 U.S.C. 1382e note), the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, and the limitations imposed by section 401(a) on the amount payable to the Secretary by a State shall be one-fourth of the non-Federal share of expenditures as aid or assistance for quarters in calendar year 1972, as determined under that section.

SEC. 103. For the purposes of the provisions of sections 110 and 120 of the Rehabilitation Act of 1973 (29 U.S.C. 730 and 740), the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, and the exercise of authority pursuant to those provisions for that period shall be subject to the conditions stated in the following paragraphs:

(1) the fixed dollar minimum allotment for any State (other than Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands) under section 110 shall be \$500,000, and

(2) the minimum allotment to any State under section 120 shall be \$12,500.

SEC. 104. For the purpose of the second sentence of section 319(h)(2) of the Public Health Service Act (42 U.S.C. 247d(h)(22)), the period of July 1, 1976, through September 30, 1976, shall be treated as part of fiscal year 1976, and the 90 per centum limitation specified in that sentence shall be increased to 112.5 per centum for that period.

SEC. 105. (a) For the purposes of sections 210(a), 305(a), and 307(c) of the Older Americans Act of 1965 (42 U.S.C. 3020(a), 3025(a), and 3027(c)), the period of July 1, 1976, through September 30, 1976, shall be considered part of the fiscal year beginning July 1, 1975, and the exercise of authority pursuant to those provisions shall be subject to the conditions stated in the following paragraphs:

(1) the term "appropriation Act" in section 210(a) (42 U.S.C. 3020(a)) shall be considered to include any appropriation Act for the period of July 1, 1975, through September 30, 1976;

(2) notwithstanding the provisions of section 307(c) (42 U.S.C. 3027(c)), a State's allotment under section 303 for the period of July 1, 1975, through September 30, 1976, shall be reduced by the percentage by which its expenditures for such period from State sources under its State plan approved under section 305 are less than 125 per centum of its expenditures from such sources of the preceding fiscal year, and, notwithstanding the provisions of section 307(c), a State's allotment under section 303 for the fiscal year ending September 30, 1977, shall be reduced by the percentage by which its expenditures for that year from State sources under its State plan, approved under section 305, are less than 80 per centum of its expenditures for the period of July 1, 1975, through September 30, 1976; and

(3) the assurances required by that portion of paragraph (10) of section 305(a) of the Act preceding the exception clause shall be that not less than 50 per centum of the amount by which the allotment for the period of July 1, 1976, through September 30, 1977, exceeds 125 per centum of the allotment for fiscal year 1975, shall be used for the purposes of section 305(b).

(b) For the purposes of sections 303(b) and 306(b) of the Older Americans Act of 1965 (42 U.S.C. 3023(b) and 3026(b)), the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year, and the exercise of authority pursuant to those provisions shall be subject to the conditions stated in the following paragraphs:

(1) the amount specified in section 303(b)(2)(C) shall be decreased by 75 per centum for that period;

(2) the amount of \$200,000 specified in section 306(b)(1)(A) shall be decreased to \$50,000 for that period; and

(3) the amount of \$62,500 specified in section 306(b)(1)(B) shall be decreased to \$15,625 for that period, and the amount

specified in section 306(b)(3) shall be decreased by 75 per centum for that period.

SEC. 106. (a) For the purposes of sections 845(b) and (c)(1)(A), 1516(c)(2), 1525(b), 1610(b), and 1640(b) of the Public Health Service Act, the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year and the exercise of authority pursuant to those provisions for the period shall be subject to the conditions stated in the following paragraphs:

(1) the amount of \$3,000 specified in section 845(b) (42 U.S.C. 297j(b)) shall be reduced to \$750 for that period, and the regulations regarding scholarships in section 845(c)(1)(A) (42 U.S.C. 297j(c)(1)(A)) for fiscal year 1977 shall apply to that period;

(2) notwithstanding the provisions in the exception clause in section 1516(c)(2) (42 U.S.C. 300l-5(c)(2)), the amount of \$175,000 specified shall be reduced to \$43,750 for that period;

(3) notwithstanding the provisions of the exception clause in section 1525(b) (42 U.S.C. 300m-4(b)), the amount concerning which assurances are required in respect to the period shall be 75 per centum less than the amount specified, and funds expended in previous years shall not, for the purposes of that clause, include funds expended during that period;

(4) notwithstanding the provisions in section 1610(b)(1) (42 U.S.C. 300p(b)(1)), the amounts of \$1,000,000 and \$500,000 specified shall be decreased to \$250,000 and \$125,000, respectively, for that period; and

(5) notwithstanding the provisions of section 1640(b)(2) (42 U.S.C. 300t(b)(2)), the amount of \$1 specified in section 1640(b)(2) shall be decreased to 25 cents for that period.

(b) Section 308(c) of the Public Health Service Act (42 U.S.C. 242m(c)) shall not apply to any funds obligated or grants or contracts made or entered into for the period of July 1, 1975, through September 30, 1976. The aggregate number of grants and contracts made or entered into under sections 304 and 305 of the Act (42 U.S.C. 242b and 242c), for the period of July 1, 1975, through September 30, 1976, respecting a particular means of delivery of health services, or another particular aspect of health services, may not exceed twenty-five, and the aggregate amount of funds obligated under grants and contracts for that period under those sections respecting a particular means a delivery of health services may not exceed \$6,250,000.

(c) No grant under section 395 of the Public Health Service Act (42 U.S.C. 280b-7) for the period of July 1, 1976, through September 30, 1976, shall exceed \$50,000.

(d) Of the sums appropriated under the Public Health Service Act for the National Institutes of Health for the period of July 1, 1976, through September 30, 1976, not less than \$125,000 shall be obligated for basic and clinical orthopedic research as prescribed under section 431(c) (42 U.S.C. 289a(c)).

(e) Notwithstanding the provisions of section 1516(b) of the Public Health Service Act (42 U.S.C. 300l-5(b)), the amounts specified in sections 1516(b)(1)(A), 1516(b)(1)(B), 1516(b)(2)(A)(i), 1516(b)(2)(A)(ii)(II), and 1516(b)(3) for purposes of grants made under section 1516 in the period of July 1, 1976, through September 30, 1976, shall be reduced by 75 per centum.

(f) For the purposes of section 1305(b)(1) of the Public Health Service Act (42 U.S.C. 300e-4(b)(1)), the period of July 1, 1976,



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through September 30, 1976, shall be considered part of the fiscal year beginning July 1, 1975, and the limitation specified in the second sentence of section 1305(b)(1) shall be \$1,250,000 for the period beginning July 1, 1975, and ending September 30, 1976.

SEC. 107. For the purposes of the Developmental Disabilities Services and Facilities Construction Act (42 U.S.C. 6001 et seq.) (1) the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, (2) for purposes of paragraphs (3) and (4) of section 132(a) of that Act (42 U.S.C. 6062(a)(3) and (4)) that period shall be considered part of the fiscal year beginning July 1, 1975; and (3) the minimum allotment of the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands for that period under section 132(a)(1) of that Act (42 U.S.C. 6062(a)(1)) shall be \$12,500 and the minimum allotment of each State for that period shall be \$37,500.

SEC. 108. (a) For the purposes of section 302(c) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (42 U.S.C. 4572(c)), the period of July 1, 1976, through September 30, 1976, shall be considered part of the fiscal year beginning July 1, 1975, and the limitation of \$50,000 specified in section 302(c) shall be increased to \$62,500 for that period.

(b) For the purposes of section 302(a) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (42 U.S.C. 4572(a)), the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year and the amount of \$200,000 specified in section 302(a) shall be decreased to \$50,000 for that period.

(c) For the purposes of section 304(c) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (42 U.S.C. 4574(c)), the period of July 1, 1975, through September 30, 1976, shall be considered a fiscal year, and the 10 per centum limitation specified in section 304(c) shall be increased to 40 per centum for that period.

SEC. 109. For the purposes of sections 227, and 237(d) of the Community Mental Health Centers Act, the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year and the exercise of authority pursuant to those provisions for that period shall be subject to the conditions stated in the following paragraphs:

(1) the \$100,000 minimum, specified in section 227(a) (42 U.S.C. 2689o(a)), shall be \$25,000 for that period, and the time limitation in that section respecting the availability of unobligated funds shall not take into consideration the period of July 1, 1976, through September 30, 1976; and

(2) the amount of \$50,000 specified in section 237(d)(1) (42 U.S.C. 2689t(d)(1)), shall be \$12,500 for that period, the time limitation specified in the second sentence shall not take that period into consideration, and the amount specified in section 237(d)(2) (42 U.S.C. 2689t(d)(2)), shall be reduced by 75 per centum for that period.

SEC. 110. For the purposes of sections 1079 and 1086 of title 10, United States Code, the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year, except that for the purposes of computing the minimum fixed dollar amounts prescribed by sections 1079(b) and 1086(b), that period shall be considered as part of the fiscal year ending June 30, 1976.

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SEC. 111. (a) Except where the context otherwise requires, or where otherwise provided in this section, the phrase "fiscal year" shall include the period of July 1, 1976, through September 30, 1976, wherever it appears in sections 3, 4, 6(a), 7, 8, 10, and 11 of the National School Lunch Act, as amended (42 U.S.C. 1752, 1753, 1755(a), 1756, 1757, 1759, and 1759a).

(b) (1) The phrase "fiscal year ending June 30, 1972", in section 4 of the National School Lunch Act (42 U.S.C. 1753) shall be construed to mean the period of July 1, 1971, through September 30, 1971, in computing the minimum aggregate amount of food assistance payments to be made by the Secretary to each State educational agency for the period of July 1, 1976, through September 30, 1976.

(2) For the purpose of the sixth sentence of section 7 of the National School Lunch Act, as amended (42 U.S.C. 1756), for the period of July 1, 1976, through September 30, 1976, State revenue shall constitute at least 8 per centum of the matching requirement for the same three-month period in the preceding fiscal year.

SEC. 112. (a) For the period of July 1, 1976, through September 30, 1976, the limitations on expenditures in sections 15(d)(5) and 15(d)(7) of the Peace Corps Act (22 U.S.C. 2514(d)(5) and 2514(d)(7)) shall be \$1,500.

(b) For the period of July 1, 1976, through September 30, 1976, the limitation on expenditures in section 301(b)(2) of the Peace Corps Act (22 U.S.C. 2501a(b)(2)) shall be \$100,000.

SEC. 113. For the purposes of section 3(d) of the Act of March 2, 1887, as amended (7 U.S.C. 361c(d)), the period of July 1, 1976, through September 30, 1976, shall be treated as a fiscal year and the figure \$90,000 in section 3(d) shall be construed to be \$22,500 for that period.

SEC. 114. (a) For the purposes of section 13 of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 8311), the Corporation shall, for the period of July 1, 1976, through September 30, 1976, make payments in lieu of taxes on such bases and in a manner which is consistent, to the fullest extent practicable, with the payments authorized and made for the immediately preceding fiscal year and to be made for the fiscal year immediately following, in accordance with the applicable provisions of that section.

(b) Pursuant to the provisions of section 15d of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 831n-4), the Corporation shall make a payment of \$5,000,000, on September 30, 1976, as repayment of the appropriation investment plus a payment as a return on the appropriation investment for the period of July 1, 1976, through September 30, 1976, computed at the average interest rate payable by the Treasury upon its total marketable public obligations as of July 1, 1976, applied to the balance of said appropriations as of July 1, 1976.

SEC. 115. For the purposes of sections 409(b) and 409(c)(1) of the Drug Abuse Office and Treatment Act of 1972 (21 U.S.C. 1176(b) and (c)(1)), the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year and the exercise of authority pursuant to these provisions for that period shall be subject to the conditions stated in the following paragraphs:

(1) notwithstanding the provision in section 409(b)(3), the limitation of \$50,000 specified in section 409(b)(3) shall be decreased to \$12,500 for that period; and

(2) notwithstanding the provision in section 409(c)(1), the amount of \$100,000 specified in section 409(c)(1) shall be decreased to \$25,000 for that period.

SEC. 116. Notwithstanding the provisions of section 406(d) of the General Education Provisions Act (20 U.S.C. 1221e-1(d)), the report of the Assistant Secretary for the Department of Health, Education, and Welfare required by section 406(d) to be submitted in 1976 shall include a description of the activities of the National Center for Education Statistics during the period of July 1, 1976, through September 30, 1976.

SEC. 117. For the purpose of the Comprehensive Employment and Training Act, Public Law 93-203, the period of July 1, 1976, through September 30, 1976, shall be treated as part of the fiscal year beginning on July 1, 1975, except that such period shall not be included in such fiscal year in applying the percentages specified in sections 103(a)(4) and 103(f) of that Act.

SEC. 118. (a) For the purposes of sections 201(a) and 202(a) of the Immigration and Nationality Act of 1952, as amended (8 U.S.C. 1151(a) and 1152(a)), the period of July 1, 1976, through September 30, 1976, shall be considered part of the fiscal year beginning July 1, 1975, and the limitations of 170,000 specified in section 201(a) and 20,000 specified in section 202(a), shall be increased to 212,500 and 25,000, respectively, for the period of July 1, 1975, through September 30, 1976.

(b) For the purposes of section 21(e) of the Act of October 3, 1965 (79 Stat. 921), the period of July 1, 1976, through September 30, 1976, shall be considered part of the fiscal year beginning July 1, 1975, and the limitation of 120,000 specified in section 21(e) shall be increased to 150,000 for the period of July 1, 1975, through September 30, 1976.

SEC. 119. In case of any applicable program within the meaning of the General Education Provisions Act, except as otherwise specifically provided by this Act, for the purpose of comparison of activities between fiscal years, amounts applicable to the period July 1, 1975, through September 30, 1976, and the statistical measurements pertaining to those amounts, shall be reduced by 20 per centum where such period is to be by the terms of this Act made or considered to be a part of the fiscal year 1976 or the fiscal year ending September 30, 1977. Notwithstanding any other provision of this Act, where the period July 1, 1976, through September 30, 1976, is to be by the terms of this Act made or considered to be a separate fiscal year, it shall not be considered a fiscal year for the purpose of such comparison of activities between fiscal years and such measurements in the case of any such program.

SEC. 120. For the purposes of section 8147(b) of title 5, United States Code, each agency and instrumentality of the United States dependent upon an annual appropriation and having an employee who is or may be entitled to compensation benefits under this subchapter or any extension or application thereof shall deposit in the Treasury to the credit of the Employees' Compensation Fund, no later than July 15, 1976, but no earlier than July 1, 1976, 25 per centum of the amount stated in the August 15, 1975, statement.

SEC. 121. For the purposes of section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, and the amount to be transferred to the Secretary of Agriculture pursuant to that section and for that period is 7.5 per centum of the gross receipts collected under the customs laws during calendar year 1975.

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SEC. 122. For the purposes of section 2(a) of the Act of August 11, 1939 (53 Stat. 1412), as amended (15 U.S.C. 713c-3), the term "fiscal year" includes the period of July 1, 1976, through September 30, 1976, and the amount to be transferred to the Secretary of Commerce pursuant to that section and for that period is 7.5 per centum of the gross receipts collected under the customs laws on fishery products during calendar year 1975.

SEC. 123. For the purposes of section 2005(a) of title 39, United States Code, the period of July 1, 1975, through September 30, 1976, shall be considered a fiscal year and the maximum net increase in the amount of United States Postal Service obligations outstanding imposed by that section for such period shall be deemed to be \$1,875,000,000 for obligations issued for the purpose of capital improvements and \$625,000,000 for obligations issued for the purpose of defraying operating expenses of the Postal Service.

SEC. 124. For the purposes of the Older American Community Service Employment Act (42 U.S.C. 3056 et seq.) the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year, and the amounts of \$100,000 and \$50,000 specified in section 906(a)(2) shall be reduced to \$25,000 and \$12,500, respectively, for that period.

SEC. 125. For the purposes of section 810(c)(1) of the Public Health Service Act (42 U.S.C. 296e(c)(1)) the period July 1, 1976, through September 30, 1976, shall be considered part of fiscal year 1977, but that period shall not be considered in the calculation of average expenditures for any fiscal year, and the amount which a school must expend during that fifteen-month period is increased 125 per centum of the average of non-Federal expenditures in the preceding three fiscal years.

SEC. 126. For the purposes of section 815 of the Public Health Service Act (42 U.S.C. 926j) the period of July 1, 1976, through September 30, 1976, shall be considered part of fiscal year 1976, but that period shall not be considered in the calculation of average expenditures for any fiscal year for assurances required by section 815(b)(2) (42 U.S.C. 296j(b)(2)), and the amount which a school must expend during that fifteen-month period is increased to 125 per centum of the average of non-Federal expenditures in the preceding three fiscal years.

## TITLE II

SEC. 201. The period of July 1, 1976, through September 30, 1976, shall be treated as a fiscal year for the purpose of the following provisions of law:

- (1) section 3(b)(2) of the Act of March 2, 1887, as amended (7 U.S.C. 361c(b)(2));
- (2) section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b));
- (3) section 16(b) of the Food Stamp Act of 1964 (7 U.S.C. 2025(b));
- (4) the Act of June 30, 1932 (16 U.S.C. 577a);
- (5) section 1 of the Act of June 29, 1966 (Public Law 89-473; 31 U.S.C. 628a);
- (6) section 2 of the Act of December 23, 1944 (chapter 716, as amended, 31 U.S.C. 492b);
- (7) section 3(a) of the Act of July 15, 1957 (chapter 509, 31 U.S.C. 581d);
- (8) section 10(c) of the Act of June 29, 1935, as added by the Act of August 14, 1946, as amended (7 U.S.C. 427i(c));

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(9) section 208(d) of the District of Columbia Public Post Secondary Education Reorganization Act (Public Law 93-471);

(10) sections 2209, 2210, 3201, 3202, 5401, 5402, 7581, 8201, and 8202 of title 10, United States Code;

(11) section 305(b) of the Social Security Amendments of 1972 (Public Law 92-603, 42 U.S.C. 401 note);

(12) sections 201 (a), (b), and (g) (1), 302(a), 403(g), 424, 431, 502, 901 (b), (c), and (f), 903 (a) (1) and (b) (1), 1203, 1817(a), and 1841 (h) and (i) of the Social Security Act (42 U.S.C. 401 (a), (b), and (g) (1), 502(a), 603(g), 624, 631, 702, 1101 (b), (c), and (f), 1103 (a) (1) and (b) (1), 1323, 1395i(a), and 1395t (h) and (i));

(13) part C of title IV of the Higher Education Act of 1965 (42 U.S.C. 2751-56a);

(14) section 7652(b) of the Internal Revenue Code of 1954 (26 U.S.C. 7652);

(15) the second sentence of section 3(b) (2) of the Act of May 8, 1914, as added by the Act of June 23, 1972 (7 U.S.C. 343(b) (2));

(16) section 15(b) of the Peace Corps Act (22 U.S.C. 2514 (b));

(17) sections 206(d), 209(c), 311(c), 313(b), 314(d) (4) and (5), 317 (b), (d) (4), and (f), 318 (f) and (g), 324(b), 328(b), 331, 820(d), 838(a), 838(b) (2), 841, 846, 1206(e), 1516(a), 1610 (a), 1611(c), and 1640(a) of the Public Health Service Act (42 U.S.C. 207(d), 210b(c), 243(c), 245a(b), 246(d) (4) and (5), 247b (b), (d) (4), and (f), 247c (f) and (g), 251(b), 254a(b), 255, 296k(d), 297d (a) and (b) (2), 297h, and 297k, 300d-5(e), 300l-5(a), 300p(a), 300p-1(c), and 300t(a));

(18) sections 303 (c) and (e), 306(c), 307(a), 501(b), 703, 705 (a) (2) (B), and 706 of the Older Americans Act of 1965 (42 U.S.C. 3023 (c) and (e), 3026(c), 3027(a), 3041(b), 3045b, 3045d (a) (2) (B), and 3045e);

(19) for purposes of continuation grants under the Community Mental Health Centers Act, section 264(a) and the first sentence of section 221(c) of that Act as in effect prior to July 29, 1975 (42 U.S.C. 2688a(c) and 2688r(a));

(20) section 513(a) of the Headstart-Follow Through Act (42 U.S.C. 2928b(a)), except the material following the semicolon in the third sentence of that section shall not apply to funds appropriated for the period of July 1, 1976, through September 30, 1976;

(21) section 4(b) of the Act of July 22, 1963 (7 U.S.C. 390c (b));

(22) section 3(c) of the Act of May 8, 1914, as amended (7 U.S.C. 343(c));

(23) the last sentence of section 520(a) of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (42 U.S.C. 3768(a));

(24) section 401 of the Act of June 15, 1935 (49 Stat. 383), as amended (16 U.S.C. 715s);

(25) section 203(d) of the Act of June 26, 1934, as amended (12 U.S.C. 1783(d));

(26) section 4 of the Act of July 18, 1958, as amended (15 U.S.C. 633);

(27) section 316 of the Act of August 10, 1965 (15 U.S.C. 694);

(28) section 2(e) of the Act of August 4, 1950 (31 U.S.C. 181a(e));

- (29) section 7 of the Act of February 22, 1921 (31 U.S.C. 491);
- (30) section 4 of the Act of June 26, 1934 (31 U.S.C. 725c);
- (31) sections 102 and 103 of the Act of December 6, 1946 (31 U.S.C. 847 and 848);
- (32) section 257 of the Revised Statutes (31 U.S.C. 1027);
- (33) section 15 of the Act of July 31, 1894 (31 U.S.C. 1029);
- (34) section 1 of the Act of February 26, 1907 (31 U.S.C. 1030);
- (35) section 401 of the Act of December 31, 1970 (31 U.S.C. 1033);
- (36) sections 103(e) and 111(d) of the Social Security Amendments of 1965 (42 U.S.C. 426a(c) and 1395i-1); and
- (37) section 102(a)(11) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(11)).

SEC. 202. The period of July 1, 1976, through September 30, 1976, shall be treated as a fiscal year for the purposes of the following provisions of law insofar as they relate to matching requirements:

- (1) section 2 of the Act of March 1, 1911 (16 U.S.C. 563);
- (2) sections 2, 4, and 5 of the Act of June 7, 1924, as amended (16 U.S.C. 565, 567, and 568);
- (3) section 4 of the Act of October 10, 1962 (16 U.S.C. 582a-3);
- (4) section 2 of the Cooperative Forest Management Act, as amended (16 U.S.C. 568d); and
- (5) section 402 of the Rural Development Act of 1972 (7 U.S.C. 2652).

SEC. 203. For the purposes of the paragraph captioned "Commodity Credit Corporation", "Reimbursement for Net Realized Losses" of title III of the Department of Agriculture and Related Agencies Appropriation Act, 1966 (15 U.S.C. 713a-11a), the period of July 1, 1976, through September 30, 1976, shall be considered a fiscal year and the words "June 30 of the fiscal year" shall be construed to mean September 30, 1976, for that period.

SEC. 204. The period of July 1, 1976, through September 30, 1976, shall be treated as part of the fiscal year beginning July 1, 1975, for the purposes of the following provisions of law:

- (1) the following provisions of the Public Health Service Act:
  - section 207(b) (42 U.S.C. 209(b));
  - section 301(c) (42 U.S.C. 241(c));
  - section 308(a), and the second sentence of section 308(i) (1) (42 U.S.C. 242m(a) and 242m(i)(1));
  - sections 314(d)(2)(C) and (d)(6) (42 U.S.C. 246(d)(2)(C) and (d)(6));
  - section 398 (42 U.S.C. 280b-10);
  - the last sentence of section 419B (42 U.S.C. 287i);
  - section 434(f) (42 U.S.C. 289c-1(f));
  - section 436 (42 U.S.C. 289c-3);
  - section 437 (42 U.S.C. 289c-4);
  - section 439(f) (42 U.S.C. 289c-6(e));
  - the last sentence of section 439(h) (42 U.S.C. 289c-6(g));
  - section 513 (42 U.S.C. 229b);
  - section 805(f)(2) (42 U.S.C. 296d(f)(2));
  - section 1006(a) (42 U.S.C. 300a-4);
  - section 1009 (42 U.S.C. 300a-6a);
  - section 1207(a)(2) (42 U.S.C. 300d-6(a)(2));
  - section 1303(i) (42 U.S.C. 300e-2(i));
  - section 1304(k) (42 U.S.C. 300e-3(k));
  - section 1305(e) (42 U.S.C. 300e-4(e));

- section 1610(c) (42 U.S.C. 300p(c));
  - section 1611(d) (42 U.S.C. 300p-1(d));
  - section 1621 (42 U.S.C. 300q-1);
  - section 1625 (42 U.S.C. 300r);
  - (2) sections 208, 304(a), 307(b), 505(b), 707(a)(4), and the last sentence of section 708 of the Older Americans Act of 1965 (42 U.S.C. 3018, 3024(a), 3027(b), 3041(b), 3045f(a)(4), and 3045g);
  - (3) section 503(d) of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4843(d));
  - (4) sections 203(d)(2), 204(e)(1), 206(e), 221(b)(2) and (b)(4)(B) of the Community Mental Health Centers Act (42 U.S.C. 2689b(d)(2), 2689c(e)(1), 2689e, 2689i (b)(2) and (b)(4)(B));
  - (5) section 417(a)(1) and 437(a) of the General Education Provisions Act (20 U.S.C. 1226c(a)(1) and 1232f(a));
  - (6) section 2(c) of the Sudden Infant Death Syndrome Act of 1974 (42 U.S.C. 289g note);
  - (7) the following provisions of the Social Security Act:
    - section 201(c) (42 U.S.C. 401(c));
    - sections 403(c) and (f) (42 U.S.C. 603(c) and (f));
    - section 423(c) (42 U.S.C. 623(c));
    - section 1118 (42 U.S.C. 1318);
    - section 1817(b) (42 U.S.C. 1395i(b));
    - section 1841(b) (42 U.S.C. 1395t(b));
    - section 1842(b)(3) (42 U.S.C. 1395u(b)(3));
  - (8) sections 409(c)(2) and 412(d)(2) of the Drug Abuse Office and Treatment Act of 1972 (21 U.S.C. 1176(c)(2) and 1179(d)(2));
  - (9) section 302(b) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (42 U.S.C. 4572(b));
  - (10) section 7 of the Act of September 30, 1950 (20 U.S.C. 241-1);
  - (11) section 410 of the Act of November 19, 1969 (Public Law 91-121, 50 U.S.C. 1436);
  - (12) sections 1012, 1013, and 1014(e)(1) of the Impoundment Control Act of 1974 (Public Law 93-344, 31 U.S.C. 1402, 1403, and 1404(e)(1));
  - (13) the Library Services and Construction Act (20 U.S.C. 351-364);
  - (14) section 207(b) of the National Productivity and Quality of Working Life Act of 1975 (15 U.S.C. 2417(b)); and
  - (15) section 6(b) of the Act of July 22, 1963 (7 U.S.C. 390e(b)).
- SEC. 205. The period of July 1, 1976, through September 30, 1976, shall be treated as part of the fiscal year beginning October 1, 1976, for the purposes of the following provisions of law:
- (1) section 5532(c)(ii) of title 5, United States Code;
  - (2) sections 3, 4, and 5 of the Act of September 2, 1937 (50 Stat. 917, 918), as amended (16 U.S.C. 669b, 669c, 669d);
  - (3) sections 3, 4, and 5 of the Act of August 9, 1950 (64 Stat. 432), as amended (16 U.S.C. 777b, 777c, 777d);
  - (4) section 1 of the Act of August 12, 1955 (69 Stat. 698; 16 U.S.C. 669b-1);
  - (5) section 26 of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 831y);

(6) section 303 of the Act of September 30, 1950 (20 U.S.C. 241bb);

(7) titles I, II, III, IV, and V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 241a-o, 821-27, 841a, 861-69a and 1801-32);

(8) section 612 of the Education of the Handicapped Act (20 U.S.C. 1412);

(9) sections 704 and 705 of the Emergency School Aid Act (20 U.S.C. 1603 and 1604);

(10) section 713 of the Education Amendments of 1974 (20 U.S.C. 1943);

(11) sections 404, 501(d), and 502(g) of the Rehabilitation Act of 1973 (29 U.S.C. 784, 791(d), and 792(g));

(12) section 3646 of the Revised Statutes (31 U.S.C. 528(c));

(13) section 40 of the Act of August 10, 1965, as amended (31 U.S.C. 649c);

(14) sections 3 and 5 of the Act of July 25, 1956 (31 U.S.C. 705 and 706);

(15) section 103 of the Act of June 6, 1972 (31 U.S.C. 1203);

(16) section 105(a)(2) of the Act of October 20, 1972 (31 U.S.C. 1224(a)(2));

(17) section 407(b) of title 37, United States Code;

(18) section 413 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5053);

(19) section 701(b) and (f) of title 10, United States Code;

(20) section 1 of the Act of July 11, 1947, as amended (31 U.S.C. 132);

(21) sections 110, 111(d), and 210(f)(5) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 757, 759, and 490(f)(5));

(22) the final paragraph under the heading "PUBLIC BUILDINGS ADMINISTRATION" in the Act of May 3, 1945 (59 Stat. 115; 40 U.S.C. 293);

(23) Public Law 90-469 (82 Stat. 666);

(24) sections 802(a), 810(b), 810(c)(2), 810(e), and 811(a) of the Public Health Service Act (42 U.S.C. 296a(a), 296e(b), 296e(c)(2), 296e(e) and 296f(a));

(25) sections 3 and 4(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1772, 1773(b)); and

(26) sections 2, 3, and 4 of the Act of September 30, 1950 (20 U.S.C. 237, 238, 239).

SEC. 206. The period of July 1, 1975, through September 30, 1976, shall be considered one year for the purposes of the following provisions of law—

(1) sections 314(d)(2)(C)(ii) and (d)(3), 435(b), 646, 1210, and 1315 of the Public Health Service Act (42 U.S.C. 246(d)(2)(C)(ii) and (d)(3), 289c-2(b), 291o-1, 300d-9, and 300e-14);

(2) section 409(e) of the Drug Abuse Office and Treatment Act of 1972 (21 U.S.C. 1176(e));

(3) section 303 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (42 U.S.C. 4573);

(4) sections 203(e)(1) and 237(a)(1)(C) of the Community Mental Health Centers Act (42 U.S.C. 2689b(e)(1) and 2689t(a)(1)(C)); and

(5) section 205(b)(1) of the Water Pollution Control Act (33 U.S.C. 1285(b)(1)).



SEC. 207. A grant received under section 203(e)(1) of the Community Mental Health Centers Act (42 U.S.C. 2689b(e)(1)) from appropriations for the period of July 1, 1976, through September 30, 1976, shall not be considered a grant for the purposes of section 203(e)(1)(A)(i) (42 U.S.C. 2689b(e)(1)(A)(i)).

SEC. 208. For the purposes of section 206(c)(4) of the Community Mental Health Centers Act (42 U.S.C. 2689(c)(4)), the period July 1, 1976, through September 30, 1976, shall be treated as part of fiscal year 1976 and the 2 per centum minimum specified in that section shall be 2.5 per centum in respect to grants received for that period, and 1.6 per centum in respect to grants received for fiscal year 1977.

SEC. 209. The funds appropriated to an account for the period July 1, 1976, through September 30, 1976, shall be merged on July 1, 1976, with the balances available from the appropriations made for the fiscal year 1976 for such account.

*Speaker of the House of Representatives.*

*Vice President of the United States and  
President of the Senate.*

April 12, 1976

Dear Mr. Director:

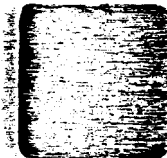
The following bills were received at the White House on April 12th:

- ✓ ✓ S.J. Res. 35
- ✓ ✓ S. 2444
- ✓ ✓ S. 2445
- ✓ ✓ H.J. Res. 491
- ✓ ✓ H.R. 1465
- ✓ ✓ H.R. 11598

Please let the President have reports and recommendations as to the approval of these bills as soon as possible.

Sincerely,

Robert D. Linder  
Chief Executive Clerk



The Honorable James T. Lynn  
Director  
Office of Management and Budget  
Washington, D.C.

Dear Mr. Director:

The following bills were received at the White House on April 12th:

- ✓ ✓ S.J. Res. 35
- ✓ ✓ S. 2444
- ✓ ✓ S. 2445
- ✓ ✓ H.J. Res. 491
- ✓ ✓ H.R. 1465
- ✓ ✓ H.R. 11598

Please let the President have reports and recommendations as to the approval of these bills as soon as possible.

The Honorable James T. Lynn  
Director  
Office of Management and Budget  
Washington, D.C.