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7/14/76

APPROVED
JUL 14 1976

ACTION

THE WHITE HOUSE
WASHINGTON
July 12, 1976

Last Day: July 14

*Posted
7/14
archives
7/15*

MEMORANDUM FOR

THE PRESIDENT

FROM:

JIM CANNON

SUBJECT:

H.R. 14261 - Treasury, Postal Service, and General Government Appropriation Act, 1977

Attached for your consideration is H.R. 14261, sponsored by Representative Steed.

The enrolled bill appropriates for FY 77 a total of \$8,313,119,000 in budget authority for activities of the Treasury Department, the Postal Service, the General Services Administration, the Civil Service Commission, the Executive Office of the President (except the Council on Environmental Quality and the Special Representative for Trade Negotiations), and certain other agencies and activities.

The enrolled bill provides \$308.2 million more in 1977 budget authority than your total requests. The effect of Congressional changes is to increase estimated outlays by \$303 million in 1977 and \$4 million in 1978.

A detailed discussion of the funds appropriated is provided in Jim Lynn's memorandum at Tab A.

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

RECOMMENDATION

That you sign H.R. 14261 at Tab B.



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

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 14261 - Treasury, Postal Service,
and General Government Appropriation Act, 1977
Sponsor - Representative Steed (D), Oklahoma

Last Day for Action

July 14, 1976 - Wednesday

Purpose

Appropriates for fiscal year 1977 a total of \$8,313,119,000 in budget authority for activities of the Treasury Department, the Postal Service, the General Services Administration, the Civil Service Commission, the Executive Office of the President (except the Council on Environmental Quality and the Special Representative for Trade Negotiations), and certain other agencies and activities.

Agency Recommendations

Office of Management and Budget	Approval
Other affected agencies	Approval (informally)

Discussion

The enrolled bill provides \$308.2 million more in 1977 budget authority than your total requests of \$8,004.9 million. The effect of Congressional changes to your requests is to increase estimated outlays by \$303 million in 1977 and by \$4 million in 1978.

The table below shows the effect of Congressional action on your 1977 budget requests for major agencies in the enrolled bill:

	1977 Budget Authority (in millions of dollars)		
	<u>Request considered</u>	<u>Amount provided in bill</u>	<u>Differ- ence</u>
Treasury Department.....	2,580	2,579	-1
U.S. Postal Service.....	1,459	1,766	+307
Executive Office of the President.....	67	66	-1
Civil Service Commission.....	3,441	3,446	+5
General Services Administration...	343	333	-11
Defense Civil Preparedness Agency.....	71	83	+12
Other related agencies.....	<u>44</u>	<u>41</u>	<u>-3</u>
Total.....	8,005	8,313	+308

The following compares the enrolled bill with House and Senate appropriations subcommittee allocations under the first concurrent resolution on the budget:

1977 BUDGET AUTHORITY
(in millions of dollars)

<u>House target</u>	<u>Senate target</u>	<u>Enrolled bill</u>
8,530	8,500	8,313

Major Changes to Requested Amounts

The remainder of this analysis discusses the changes made in the bill to your requests for the Treasury Department, the Postal Service, the General Services Administration, and the Defense Civil Preparedness Agency. Changes to other agencies and activities in the bill were no more than \$5 million each and amount to a net increase of \$1 million.

Department of the Treasury

Requests for the Treasury Department were decreased by a net \$1.1 million. Increases of \$19.6 million were offset by decreases totaling \$20.7 million.

Two changes are worth noting:

- The largest single increase--\$13.9 million--is for the U.S. Customs Service. The Senate report on the bill indicates that these additional funds are for restoration of 322 positions your budget proposed to drop in 1977 and establishment of 300 new positions designed to reduce workload backlogs. While workload indicators are up in the second half of 1976, we do not believe they suggest the need for a 5 percent increase in direct permanent employment above your 1977 budget request.
- Your \$125.3 million request for the Bureau of Alcohol, Tobacco, and Firearms is reduced \$10.8 million. This decrease reflects the Congress' rejection of your proposal to expand Operation Concentrated Urban Enforcement (CUE) beyond the three cities where it is now operational.

U.S. Postal Service

The Congress increased your request of \$1.5 billion for the Postal Service by \$307.4 million. This increase provides funds to extend the time during which second class, third class bulk (non-profit), and fourth class mail will be subsidized by the Federal Government as mailers adjust to full cost recovery rates. You have opposed extension of the adjustment period on the basis that these mailers do not need the additional time which has been authorized and that funding the authorization shifts a cost--which should be borne by these mailers--to the taxpayer. Despite your objections, the Congress has previously added funds for this purpose in both 1975 and 1976.

General Services Administration (GSA)

The Congress denied your \$10.5 million request to pay the Treasury Department interest on the value of Defense Production Act inventories. The payment is essentially a bookkeeping transaction. Consequently, its denial will have no programmatic effect.

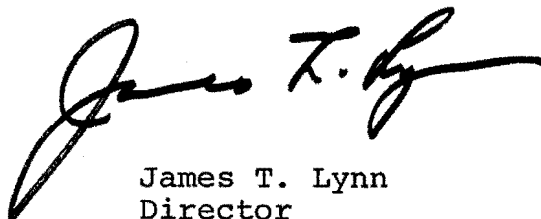
Other increases and decreases for GSA are relatively minor in nature, reflect organizational realignments that have occurred within the agency, and result in no significant change to your requests.

Defense Civil Preparedness Agency

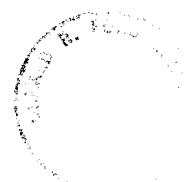
The Congress has added a net \$11.5 million to your request for the Defense Civil Preparedness Agency. The bill does not earmark these increased funds for a specific purpose, and the House and Senate reports on the bill provide no precise information regarding the Congress' intent in effecting this increase.

Recommendation

I recommend that you sign the enrolled bill. While the \$307.4 million increase for the Postal Service is objectionable, a veto on that basis would in all probability not be sustainable. Furthermore, such action might jeopardize current efforts to resolve the general Postal Service financial situation by increasing pressures for direct operating subsidies.



James T. Lynn
Director



THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: July 10

Time: 345pm

FOR ACTION:

Paul Leach *ml*
Dick Parsons *ak*
Max Friedersdorf
Bill Seddman *ak*
Ken Lazarus *ml*

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

FROM THE STAFF SECRETARY

DUE: Date: July 12

Time: noon

SUBJECT:

H.R. 14261-Treasury, Postal Service, and GSA
Government Appropriation Act, 1977

ACTION REQUESTED:

- For Necessary Action
- For Your Recommendations
- Prepare Agenda and Brief
- Draft Reply
- For Your Comments
- Draft Remarks

REMARKS:

please return to jddy johnston, ground floor west wing



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

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: July 10

Time: 345pm

FOR ACTION: Paul Leach
Dick Parsons
Max Friedersdorf
Bill Seidman
Ken Lazarus

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

FROM THE STAFF SECRETARY

DUE: Date: July 12

Time: noon

SUBJECT:

H.R. 14261-Treasury, Postal Service, and General
Government Appropriation Act, 1977

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 7/12/76



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James M. Cannon
For the President

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: July 10

Time: 345pm

FOR ACTION:

Paul Leach
 Dick Parsons
 Max Friedersdorf
 Bill Seidman ✓
 Ken Lazarus

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

FROM THE STAFF SECRETARY

DUE: Date: July 12

Time: noon

SUBJECT:

H.R. 14261-Treasury, Postal Service, and General
 Government Appropriation Act, 1977

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

Approve
LWS

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

THE WHITE HOUSE

ADMINISTRATIVE MEMORANDUM

WASHINGTON

LOG NO.:

Date: July 10

Time: 345pm

FOR ACTION: Paul Leach
Dick Parsons
Max Friedersdorf
Bill Seidman
Ken Lazarus

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

M.B.

FROM THE STAFF SECRETARY

DUE: Date: July 12

Time: noon

SUBJECT:

H.R. 14261-Treasury, Postal Service, and General
Government Appropriation Act, 1977

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

Recommend sign

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James M. Cannon
For the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: July 10

Time: 345pm

FOR ACTION: Paul Leach
Dick Parsons
Max Friedersdorf
Bill Seidman
Ken Lazarus

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

FROM THE STAFF SECRETARY

DUE: Date: July 12

Time: noon

SUBJECT:

H.R. 14261-Treasury, Postal Service, and General
Government Appropriation Act, 1977

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

X

For Your Comments

Draft Remarks

REMARKS:

I recommend approval. RR
please return to judy johnston, ground floor west wing

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

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

J. Pollock
7/10/76
10:30 A

JUL 10 1976

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 14261 - Treasury, Postal Service,
and General Government Appropriation Act, 1977
Sponsor - Representative Steed (D), Oklahoma

Last Day for Action

July 14, 1976 - Wednesday

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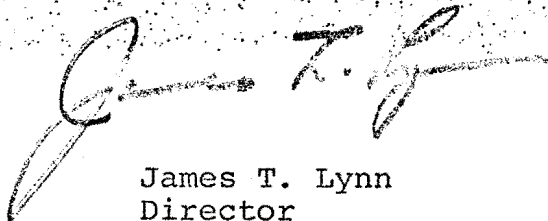
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Recommendation

I recommend that you sign the enrolled bill. While the \$307.4 million increase for the Postal Service is objectionable, a veto on that basis would in all probability not be sustainable. Furthermore, such action might jeopardize current efforts to resolve the general Postal Service financial situation by increasing pressures for direct operating subsidies.

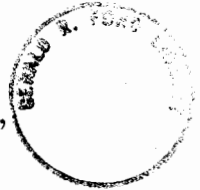


James T. Lynn
Director

TREASURY DEPARTMENT, POSTAL SERVICE, THE EXECUTIVE OFFICE
OF THE PRESIDENT, AND CERTAIN INDEPENDENT AGENCIES, FOR
THE FISCAL YEAR ENDING SEPTEMBER 30, 1977

—————
JUNE 25, 1976.—Ordered to be printed
—————

Mr. STEED, from the committee of conference,
submitted the following



CONFERENCE REPORT

[To accompany H.R. 14261]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14261) "making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1977, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 18, 21, and 22.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 6, 7, 8, 14, 16, 24, 26, 27, 28, 29, 31, 32, 34, and 37, and agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$793,400,000; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$836,900,000; and the Senate agree to the same.

Amendment numbered 17:

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$1,301,000; and the Senate agree to the same.

Amendment numbered 19:

That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$1,130,755,000; and the Senate agree to the same.

Amendment numbered 20:

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$28,400,000; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$3,500,000; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$1,500,000; and the Senate agree to the same.

Amendment numbered 30:

That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$2,750,000; and the Senate agree to the same.

Amendment numbered 33:

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$17,500,000; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 9, 10, 11, 12, 13, 15, 35, and 36.

TOM STEED,
JOSEPH P. ADDABBO,
EDWARD R. ROYBAL,
ROBERT L. F. SIKES,
EDWARD P. BOLAND,
JOHN J. FLYNT, JR.,
EDWARD J. PATTEN,
CLARENCE D. LONG,
GEORGE MAHON,
ROBERT C. McEWEN,
ELFORD A. CEDERBERG,

Managers on the Part of the House.

JOSEPH M. MONTOYA,
BIRCH BAYH,
THOMAS F. EAGLETON,
JOHN L. McCLELLAN,
GALE W. MCGEE,
HENRY BELLMON,
MARK O. HATFIELD,
MILTON R. YOUNG,
TED STEVENS,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14261) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies for the fiscal year ending September 30, 1977, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I—TREASURY DEPARTMENT

FEDERAL LAW ENFORCEMENT TRAINING CENTER

Amendment No. 1: Appropriates \$8,650,000 for salaries and expenses as proposed by the Senate instead of \$9,000,000 as proposed by the House.

BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS

Amendment No. 2: Appropriates \$114,500,000 for salaries and expenses as proposed by the Senate instead of \$112,000,000 as proposed by the House.

U.S. CUSTOMS SERVICE

Amendment No. 3: Appropriates \$340,000,000 for salaries and expenses as proposed by the Senate instead of \$334,000,000 as proposed by the House.

INTERNAL REVENUE SERVICE

Amendment No. 4: Appropriates \$793,400,000 for accounts, collection and taxpayer service instead of \$795,900,000 as proposed by the House and \$790,900,000 as proposed by the Senate.

The Conferees are concerned with the proposed reduction in the budget estimate for the taxpayer service activity. The Committee of Conference directs that the level of effort for taxpayer service be maintained during FY-1977 at the FY-1976 level. The Committee of Conference has included funding to support 4,218 permanent personnel positions for the taxpayer service activity.

Amendment No. 5: Appropriates \$836,900,000 for compliance instead of \$838,900,000 as proposed by the House and \$834,900,000 as proposed by the Senate.

U.S. SECRET SERVICE

Amendment No. 6: Inserts language for salaries and expenses as proposed by the Senate to conform the appropriation language to existing law.

TITLE CITATION

Amendment No. 7: Inserts title citation for the Department of the Treasury as proposed by the Senate.

TITLE II—U.S. POSTAL SERVICE

TITLE CITATION

Amendment No. 8: Inserts title citation for the U.S. Postal Service as proposed by the Senate.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT

THE WHITE HOUSE OFFICE

Amendment No. 9: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating \$16,530,000 for salaries and expenses of the White House Office.

EXECUTIVE RESIDENCE

Amendment No. 10: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating \$2,095,000 for operating expenses of the Executive Residence.

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

Amendment No. 11: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating \$61,000 for operating expenses of the Official Residence of the Vice President.

SPECIAL ASSISTANCE TO THE PRESIDENT

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating \$1,246,000 for salaries and expenses for Special Assistance to the President.

DOMESTIC COUNCIL

Amendment No. 13: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating \$1,700,000 for salaries and expenses of the Domestic Council.

OFFICE OF MANAGEMENT AND BUDGET

Amendment No. 14: Appropriates \$25,300,000 for salaries and expenses as proposed by the Senate instead of \$25,500,000 as proposed by the House.

UNANTICIPATED NEEDS

Amendment No. 15: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating \$1,000,000 for Unanticipated Needs.

TITLE CITATION

Amendment No. 16: Inserts title citation for the Executive Office of the President as proposed by the Senate.

TITLE IV—INDEPENDENT AGENCIES

ADVISORY COMMITTEE ON INTERGOVERNMENTAL RELATIONS

Amendment No. 17: Appropriates \$1,301,000 for salaries and expenses instead of \$1,200,000 as proposed by the House and \$1,402,000 as proposed by the Senate.

CIVIL SERVICE COMMISSION

Amendment No. 18: Appropriates \$15,000,000 for Intergovernmental Personnel Assistance as proposed by the House instead of \$10,000,000 as proposed by the Senate.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

Amendment No. 19: Establishes a limitation on the availability of revenue in the Federal Buildings Fund of \$1,130,755,000 instead of \$1,124,955,000 as proposed by the House and \$1,141,755,000 as proposed by the Senate.

Amendment No. 20: Establishes a limitation of \$28,400,000 for construction of certain buildings instead of \$22,600,000 as proposed by the House and \$39,400,000 as proposed by the Senate.

Amendment No. 21: Deletes language proposed by the Senate concerning funding of buildings previously specified in annual Appropriation Acts.

Amendment No. 22: Deletes language proposed by the Senate concerning construction of projects.

Amendment No. 23: Makes available \$3,500,000 for continuation of the construction of the Prince J. K. Kalaniana'ole Federal Building Courthouse in Honolulu, Hawaii, instead of \$7,500,000 as proposed by the Senate.

Amendment No. 24: Makes available \$800,000 for completion of construction of the Patrick V. McNamara Federal Office Building in Detroit, Michigan, as proposed by the Senate.

Amendment No. 25: Makes available \$1,500,000 for continuation of the construction of the Customs Courthouse Federal Office Building Annex in New York City instead of \$3,000,000 as proposed by the Senate.

Amendment No. 26: Establishes a limitation on the amount of funds which may be accumulated from revenues paid into the Federal Build-

ings Fund of \$1,156,018,000 as proposed by the Senate instead of \$1,150,518,000 as proposed by the House.

NATIONAL ARCHIVES AND RECORDS SERVICE

OPERATING EXPENSES

Amendment No. 27: Establishes a limitation on the amount of funds which may be used for allocations and grants for historical publications and records of \$3,000,000 as proposed by the Senate instead of \$4,000,000 as proposed by the House.

HARRY S TRUMAN SCHOLARSHIP FOUNDATION

Amendment No. 28: Appropriates \$20,000,000 for payment to the Harry S Truman Memorial Scholarship Trust Fund as proposed by the Senate.

NATIONAL COMMISSION ON ELECTRONIC FUND TRANSFERS

Amendment No. 29: Appropriates \$1,300,000 for salaries and expenses as proposed by the Senate.

NATIONAL CENTER FOR PRODUCTIVITY AND QUALITY OF WORKING LIFE

Amendment No. 30: Appropriates \$2,750,000 for salaries and expenses instead of \$2,500,000 as proposed by the House and \$3,000,000 as proposed by the Senate.

NATIONAL STUDY COMMISSION ON RECORDS AND DOCUMENTS OF FEDERAL OFFICIALS

Amendment No. 31: Appropriates \$350,000 for salaries and expenses as proposed by the Senate.

U.S. TAX COURT

Amendment No. 32: Appropriates \$7,222,000 for salaries and expenses as proposed by the Senate instead of \$7,322,000 as proposed by the House.

DEFENSE CIVIL PREPAREDNESS AGENCY

Amendment No. 33: Appropriates \$17,500,000 for research, shelter survey, and marking instead of \$20,000,000 as proposed by the House and \$15,000,000 as proposed by the Senate.

TITLE CITATION

Amendment No. 34: Inserts title citation for Independent Agencies as proposed by the Senate.

TITLE V—GENERAL PROVISIONS

Amendment No. 35: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which inserts language requiring that

acceptance by the United States of any exchange of federal property for certain privately-owned property located adjacent to the Dulles International Airport be contingent upon review by the appropriate Committees of the Congress.

Amendment No. 36: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which would restrict the purchase of foreign manufactured stainless steel flatware.

TITLE CITATION

Amendment No. 37: Inserts title citation for the Act as proposed by the Senate.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1977 recommended by the Committee of Conference, with comparisons to the fiscal year 1976 amount, the 1977 budget estimates, and the House and Senate bills for 1977 follows:

New budget (obligational) authority, fiscal year 1976.....	\$6, 810, 141, 500
Budget estimates of new (obligational) authority, fiscal year 1977.....	¹ 8, 004, 892, 000
House bill, fiscal year 1977.....	8, 267, 636, 000
Senate bill, fiscal year 1977.....	8, 301, 470, 000
Conference agreement.....	8, 313, 119, 000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1976.....	+1, 502, 077, 500
Budget estimates of new (obligational) authority, fiscal year 1977.....	+308, 227, 000
House bill, fiscal year 1977.....	+45, 483, 000
Senate bill, fiscal year 1977.....	+11, 649, 000

¹ Includes \$21,745,000 of budget estimates not considered by the House, contained in Sen. Doc. 94-193, 94-211, and 94-218.

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[FULL COMMITTEE PRINT]

NOTICE.—This report is subject to change pending action by the full committee.

94TH CONGRESS } HOUSE OF REPRESENTATIVES } REPORT
2d Session } } No. 94

TREASURY, POSTAL SERVICE, AND GENERAL
GOVERNMENT APPROPRIATION BILL, 1977

MAY 24, 1976.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

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

REPORT

[To accompany H.R. 1

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies, for fiscal year 1977, and for other purposes.



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SUMMARY OF THE BILL

The accompanying bill contains recommendations for new budget (obligational) authority for fiscal year 1977 for the Department of the Treasury, the United States Postal Service, various offices in the Executive Office of the President, and certain independent agencies. The following table summarizes these recommendations and reflects comparisons with the budget, as amended, and with amounts appropriated for fiscal year 1976, including amounts contained in the Supplemental Appropriations Act, 1976 (Public Law 94-157), and the Second Supplemental Appropriations Act, 1976.

Agency	New budget (obligational) authority, fiscal year 1976	Budget estimates, fiscal year 1977	Bill compared with—		
			Recommended in the bill	New budget (obligational) authority, fiscal year 1976	Budget estimates, fiscal year 1977
Title I, Treasury Department.....	\$2,575,601,000	\$2,580,197,000	\$2,575,150,000	—\$451,000	—\$5,047,000
Title II, U.S. Postal Service.....	1,708,416,000	1,458,804,000	1,766,170,000	+57,754,000	+307,366,000
Title III, Executive Office of the President.....	64,502,000	66,516,000	66,200,000	+11,698,000	—316,000
Title IV, independent agencies.....	2,461,622,500	3,877,630,000	3,865,438,000	+1,403,815,500	—12,192,000
Grand total, all titles, New budget (obligational) authority.....	6,810,141,500	7,983,147,000	8,272,958,000	+1,462,816,500	+289,811,000

TOTAL FUNDING FOR TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT PROGRAMS

In addition to the new obligational authority recommended in the accompanying bill, additional significant sums are made available each year for these same agencies under permanent authority which do not require consideration by the Congress during the annual appropriations process. The details of these items are contained in the tables at the end of this report. The principal items in this category include payment of interest on the public debt which alone is anticipated to reach \$45,000,000,000 for fiscal year 1977; interest on Internal Revenue Service refunds of income tax payments; payment of claims and judgments; payments in connection with the Civil Service Retirement and Disability Fund; and payment to Puerto Rico and the Virgin Islands for internal revenue and customs collections. Also included is an item for the Presidential Election Campaign Fund. It is estimated that the fiscal year 1977 requirement for funds for these purposes will increase over fiscal year 1976 by approximately \$10,082,906,275 from \$58,707,953,397 to \$68,790,859,672.

The amounts recommended in the accompanying bill (in the form of new obligational authority) together with the funds provided under the permanent authority referred to above will provide approximately \$76,774,000,672 during fiscal year 1977 for the agencies and activities under the general heading of this bill. The following table reflects comparisons of the gross amounts for fiscal years 1976 and 1977 for these activities:

	Fiscal year—		Increase (+) or decrease (—)
	1976	1977	
Treasury, Postal Service, and general government appropriations bill.....	\$6,810,141,500	\$7,983,147,000	+1,462,816,500
Permanent new budget authority:			
Federal funds.....	46,008,993,397	52,961,102,672	+6,952,109,275
Trust funds.....	12,698,960,000	15,829,757,000	+3,130,797,000
Total, permanent new budget authority.....	58,707,953,397	68,790,859,672	+10,082,906,275
Grand total.....	65,518,094,897	76,774,000,672	+11,545,722,775

In addition to the agencies whose funds are derived from direct appropriations and from permanent authority as shown in the above table and discussed in the preceding paragraph, there are other agencies that operate under authorities which exempt them from congressional review, in whole or in part, during the annual appropriations process or, as a matter of fact, from any other regular oversight by the Congress. For example, the United States Postal Service, under the Postal Reorganization Act, is authorized to use all of its income from postage and services for its own purposes and to request an appropriation from the Congress for certain subsidies. Therefore, only the amount of the subsidy requirement is regularly reviewed by the Congress. In the Treasury Department, the Office of the Comptroller of the Currency, whose income is derived principally from assessments paid by national banks, is exempt from Congressional review, because such assessments are not construed under law to be government funds.

In addition, the Exchange Stabilization Fund derives its income principally from handling charges imposed on purchases and sales of gold for the account of the fund, profits on foreign exchange transactions, and interest on investments, and is also exempt from annual review by the Congress.

GENERAL STATEMENT

The accompanying bill recommends funds for the activities of the Treasury Department, the subsidy payments into the Postal Fund of the United States Postal Service, most of the agencies within the Executive Office of the President, and certain independent agencies for the fiscal year 1977.

The Committee considered budget estimates for fiscal year 1977 in the gross amount of \$7,983,147,000. Of that amount, the accompanying bill recommends new obligational authority for those agencies totaling \$8,272,958,000, an increase of \$289,811,000 above the budget estimates for new obligational authority. The Committee recommends full funding of P.L. 93-328, for which no funds were included in the President's Budget. P.L. 93-328 provides for the phasing of postal rates for second and fourth class mail users and is explained more fully under Title II of this report. It should be noted that full funding of P.L. 93-328 requires an appropriation of \$307,366,000 above the President's Budget. The Committee was able to make offsetting reductions of \$17,555,000 in other areas, so the Committee is recommending a net increase over the budget of \$289,811,000.

The amount recommended for fiscal year 1977 is \$1,462,816,500 over the \$6,810,141,500 appropriated for fiscal year 1976, including the amounts contained in the Supplemental Appropriations Act of December 18, 1975 (P.L. 94-157), and the Second Supplemental Appropriations Act, 1976.

The actual increases recommended in the accompanying bill over fiscal year 1976 are required in most instances to provide for mandatory and workload increases over which the concerned agencies have very limited administrative control. Such additional workload nearly always requires additional personnel, equipment, space, and facilities.

The Committee has endeavored to limit the increases over last year to mandatory requirements and a very few well documented program increases which are authorized by law and which are detailed under the appropriate sections of this report.

STANDARD LEVEL USER CHARGE (SLUC)

Pursuant to the Public Buildings Amendments of 1972, the General Services Administration is authorized to set rates and charges for space and services provided to other government agencies. These rates are to "approximate commercial charges for comparable space and services." The primary purpose of establishing and charging this rate is to make managers in government more conscious of space costs so that agencies would use space more economically. This very worthwhile goal is more difficult to attain in practice than it is in theory. The Committee has found it extremely difficult to analyze space costs and space requirements because of the many cost variables (location of space, classification of space, quality level of space, etc.) involved.

This is further complicated by trying to determine specifically how much space each employee in each of the many different job classifications needs. As a practical matter, this Committee believes that most agencies take the SLUC charge received from GSA and put it in the budget request as a mandatory increase or else combine it with other increases which make individual identification of SLUC charges very difficult to determine.

This SLUC concept has been in operation for two years. It is a very expensive system to operate and another bureaucracy has been set up to essentially take money out of one government pocket (all government agencies that occupy space controlled by GSA) and put it in another (the Federal Buildings Fund operated by GSA). The Committee requests that GSA and OMB make a study to determine whether or not any real savings have resulted, or are likely to result from the SLUC concept and report to the Committee by December 31, 1976.

The Committee is also concerned because many agencies have reported that GSA assigns a specific cost to the agency for the Standard Level User Charge for inclusion in their budget, and subsequently increases the charge after the budget has been submitted. The consequences of this action are that often the agencies do not have adequate funds in the budget to pay the Standard Level User Charge and are forced to divert funds from programmed activities. The Committee has added appropriation language in the government-wide General Provisions which would prohibit this action by GSA. It is discussed in more detail under the General Provisions Title of this report.

PROBABLE EFFECT OF COMMITTEE ACTION ON PROJECTED BUDGET EXPENDITURES (OUTLAYS) IN FISCAL YEAR 1977

The Committee estimates that the net recommended increase of \$289,811,000 above the budget request in the accompanying bill for proposed new budget (obligational) authority and the effect of limitations on expenditures imposed on the Federal Buildings Fund in fiscal year 1977 would have the impact of increasing budget expenditures (outlays) by approximately that amount.

In view of the fact that most of the agencies covered by this bill deal in programs whose expenses are largely for personnel compensation, benefits, and related costs, the majority of the funds appropriated for such agencies will actually result in expenditures before the end of the fiscal year or very shortly thereafter. There are some exceptions, of course, and those exceptions will be noted in the appropriate paragraphs appearing in this report.

PERSONNEL

In view of the widespread interest in the numbers of Federal employees, the Committee has attempted to provide information concerning personnel employed by the agencies covered by the accompanying bill under two broad categories: those funded by direct annual appropriations, and those paid from funds derived from all other sources.

FUNDED BY DIRECT APPROPRIATIONS

The fiscal year 1977 budget proposed a net reduction of 1,940 permanent positions below fiscal year 1976 for the agencies covered by the accompanying bill exclusive, of course, of the United States Postal Service whose personnel are funded from postal revenues. The Committee allowed 126,282 permanent positions for fiscal year 1977, a net reduction of 326 from fiscal year 1976 and an increase of 1,614 positions above the budget request. The explanation of the allowances will be found in the appropriate sections which follow in this report.

The following table sets forth the details of the personnel funded by direct appropriations for the agencies covered by the accompanying bill.

PERMANENT POSITIONS—DIRECT APPROPRIATION

Item	1976 actual	1977 budget request	Increase (+) or decrease (-)	Recommended in the bill	Bill compared with—	
					1976 actual	1977 budget request
Title I—Treasury Dept.	107,709	105,344	-2,365	106,834	-875	+1,490
Title II—U.S. Postal Service	(1)	(1)	(1)	(1)	(1)	(1)
Title III—Executive Office of the President	1,599	1,535	-64	1,535	-64	
Title IV—Independent agencies:						
Civil Service Commission	4,263	4,329	+66	4,329	+66	
General Services Administration	11,903	12,464	+561	12,464	+561	
All other	1,134	996	-138	1,120	-14	+124
Total, title IV	17,300	17,789	+489	17,913	+613	+124
Grand total, titles I, II, III, and IV	126,608	124,668	-1,940	126,282	-326	+1,614

¹ Positions in Postal Service funded by Postal Revenues pursuant to Public Law 91-375.

FUNDED BY OTHER THAN DIRECT APPROPRIATIONS

A number of the agencies covered by the bill employ personnel who are paid from funds provided by permanent appropriations, revolving funds, working capital funds, trust funds, and receipts from the public and generally do not come under the scrutiny of the Congress during the annual appropriations process.

The following table sets forth the numbers of such personnel employed in the agencies under the general heading of this bill.

PERMANENT POSITIONS—OTHER THAN DIRECT APPROPRIATION¹

Item	1975 actual	1976 budget request	Increase (+) or decrease (-)
Title I—Treasury Department	2,766	2,918	+152
Title II—U.S. Postal Service	² 542,510	² 543,499	+989
Title III—Executive Office of the President			
Title IV—Independent agencies:			
Civil Service Commission	1,598	1,668	+70
General Services Administration	26,298	24,908	-1,390
All other			
Total, title IV	27,896	26,576	-1,320
Grand total, titles I, II, III, and IV	573,172	572,993	-179

¹ Not subject to the annual appropriation process.

² Excludes part time positions.

TITLE I—DEPARTMENT OF THE TREASURY

SUMMARY

Appropriation, fiscal year 1976	\$2,575,601,000
Budget estimate, fiscal year 1977	² 2,580,197,000
Recommended in the bill	2,575,150,000
Bill compared with:	
Appropriation, fiscal year 1976	-451,000
Budget estimate, fiscal year 1977	-5,047,000

¹ Includes \$91,738,000 contained in the Second Supplemental Appropriations Act, 1976.

² Includes budget amendment of \$4,600,000 contained in H. Doc. 94-460.

The Committee recommends an appropriation of \$2,575,150,000, a reduction of \$5,047,000 below the fiscal year 1977 budget request.

The budget proposed a reduction of 2,365 permanent positions, of which the Committee has made a net restoration of 1,490 positions. The Committee is extremely concerned about the reduction of personnel in the Customs Service and the Internal Revenue Service. More detailed comments about this concern are included under the appropriate headings in this report.

The Committee has allowed 106,834 permanent positions, an increase of 1,490 above the fiscal year 1977 budget request, but a decrease of 875 positions below the 1976 authorized level.

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

Appropriation, fiscal year 1976	\$28,183,000
Budget estimate, fiscal year 1977	26,972,000
Recommended in the bill	26,000,000
Bill compared with:	
Appropriation, fiscal year 1976	-2,183,000
Budget estimate, fiscal year 1977	-972,000

¹ Includes \$683,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$26,000,000, a reduction of \$972,000 below the fiscal year 1977 budget request.

The functions of the Office of the Secretary are directly related to the responsibilities of the Secretary of the Treasury as a major policy advisor to the President and as the executive director of the Department. The Secretary has primary responsibility for: formulating and recommending domestic and international financial policy and tax policy, participating in the formulation of broad fiscal policies that have general significance for the economy, and managing the public debt. The Secretary also oversees the activities of the Department in carrying out its major law enforcement responsibilities, in serving as the financial agent for the U.S. Government, in the manufacturing of coins and currency, and in managing the operations and maintenance of the Main Treasury Building and the Annex.

The Committee is concerned about the growth in the size of the Office of the Secretary over the past several years. The staff has increased significantly and a significant part of the request for increases cannot be justified by specific increases in workload.

The Committee allows an increase of 10 of the 21 permanent positions requested, increasing the authorized level for fiscal year 1977 to 865 permanent positions.

OFFICE OF REVENUE SHARING

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	¹ \$2,569,000
Budget estimate, fiscal year 1977.....	3,810,000
Recommended in the bill.....	3,500,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+931,000
Budget estimate, fiscal year 1977.....	-310,000

¹ Includes \$79,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$3,500,000, a reduction of \$310,000 below the fiscal year 1977 budget request.

Title I of the State and Local Fiscal Assistance Act of 1972 as amended (general revenue sharing) provides for the distribution of \$30.2 billion to more than 39,000 units of state and local governments over a five-year period. Allocations are made each year using updated data and entitlement payments are made quarterly to each government unit.

Few restrictions are imposed by the Fiscal Assistance Act on the expenditure of funds received, for it was the intent of both the Administration and the Congress that revenue sharing be a "no-strings attached" program. However, the Act does require that each government comply with a number of significant provisions, requirements, and limitations which govern the uses of funds, financial and accounting practices, non-discrimination, public reporting, and non-matching in applying for other federal funds.

The Committee allows an increase of 10 of the 21 additional positions requested in the compliance activity. This will bring the total number of positions for the compliance activity to 51 in fiscal year 1977. The Committee requests that the Office initiate discussions with other federal agencies that are concerned with the same type of compliance activities so that the overall compliance effort can be better coordinated and more effectively and efficiently operated.

The authorized level of permanent positions for fiscal year 1977 is 118, an increase of 10 over fiscal year 1976, and a reduction of 11 from the budget request.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	\$12,000,000
Budget estimate, fiscal year 1977.....	8,450,000
Recommended in the bill.....	9,000,000
Bill compared with:	
Appropriation, fiscal year 1976.....	-3,000,000
Budget estimate, fiscal year 1977.....	+550,000

The Committee recommends an appropriation of \$9,000,000, an increase of \$550,000 above the fiscal year 1977 budget request.

The Federal Law Enforcement Training Center provides the necessary facilities, equipment and administrative support for conducting basic, advanced, specialized and refresher training for law enforcement personnel of the participating agencies, plus the instructors who teach the basic and some of the advanced courses. In addition, the

Center furnishes training on a space-available basis to personnel from several Federal organizations which are not participating agencies.

In prior years, funds were budgeted in this account for student travel for those selected for training. In fiscal year 1977, OMB directed all agencies to budget for this cost in their own budgets. In many cases, however, these training and transportation costs were cut out of the agencies' budgets by OMB. This could have the effect of greatly reducing the number of students attending the Training Center, and inhibiting the orderly curricula planning.

The Committee, therefore, recommends that \$550,000 be added to the appropriation of this agency for student travel to and from the Center.

The Committee allows the 321 permanent positions requested for fiscal year 1977.

BUREAU OF GOVERNMENT FINANCIAL OPERATIONS

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	¹ \$131,725,000
Budget estimate, fiscal year 1977.....	147,229,000
Recommended in the bill.....	144,000,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+12,275,000
Budget estimate, fiscal year 1977.....	-3,229,000

¹ Includes \$11,725,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$144,000,000, a reduction of \$3,229,000 below the fiscal year 1977 budget request.

The Bureau of Government Financial Operations makes payments for all civilian executive agencies, except the U.S. Postal Service, U.S. Marshals and certain Government corporations; processes claims on lost, stolen and forged checks; provides accounting services for the Government—including maintenance of the central accounts concerning appropriations, receipts and expenditures for the Government as a whole; provides checking account facilities to Government disbursing officers for the purpose of drawing checks on the United States Treasury; compiles and publishes financial reports, and performs other unique central fiscal operations. The Bureau's financial requirements to carry out these programs are subject almost entirely to program increases generated by other agencies and the Congress.

The Committee knows that a large proportion of the increase for fiscal year 1977 is for the increase in Postal rates and is therefore beyond the control of the agency. However, the committee notes that there is a significant increase in the amount being requested which does not relate to increased Postal costs.

The Committee allows an additional 39 permanent positions, increasing the authorized level to 2,515 positions, a reduction of 50 below the budget request for fiscal year 1977.

PAYMENT OF GOVERNMENT LOSSES IN SHIPMENT

Appropriation, fiscal year 1976.....	\$700,000
Budget estimate, fiscal year 1977.....	500,000
Recommended in the bill.....	500,000
Bill compared with:	
Appropriation, fiscal year 1976.....	-200,000
Budget estimate, fiscal year 1977.....	

The Committee recommends the full budget request of \$500,000 for fiscal year 1977.

This account was created as self-insurance to cover losses in shipment of Government property such as coins, currency, securities, certain losses incurred by the Postal Service, and losses in connection with the redemption of savings bonds.

This is a revolving fund and any recoveries from losses are reimbursed to the fund. The purpose of the fund is to provide coverage for the losses and at the same time avoid the payment of commercial insurance premiums, which would have amounted to over \$150 million since the establishment of this fund. In contrast the appropriations into this fund (which reflect the actual costs incurred) have amounted to about \$6 million.

No positions are funded from this account.

BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS

SALARIES AND EXPENSES

Appropriation, fiscal year 1976	\$109,697,000
Budget estimate, fiscal year 1977	125,315,000
Recommended in the bill	112,000,000
Bill compared with:	
Appropriation, fiscal year 1976	+2,303,000
Budget estimate, fiscal year 1977	-13,315,000

¹ Includes \$2,858,000 contained in the Second Supplemental Appropriations Act of 1976.

The Committee recommends an appropriation of \$112,000,000, a reduction of \$13,315,000 below the fiscal year 1977 budget request.

The Bureau of Alcohol, Tobacco and Firearms (ATF) is responsible for the administration and enforcement, both regulatory and criminal, of laws and regulations pertaining to distilled spirits, beer, wine, non-beverage products with alcohol content, tobacco, wagering, firearms and explosives. The objectives of the Bureau are to (1) achieve maximum voluntary compliance with laws and regulations under ATF jurisdiction; (2) assure full collection of revenue due from legal industries and illegal wagering activities; (3) detect and neutralize traffic in illicit non-taxpaid distilled spirits; (4) prevent illegal possession and use of firearms, destructive devices and explosives; (5) assist state, local and other Federal law enforcement agencies in the reduction of crime and violence; and (6) assist state, local, and other Federal government agencies in respect to consumer protection, ecology, and industrial development.

The Bureau requested \$13,273,000 for an increase in the Concentrated Urban Enforcement (CUE) program. This program deals with a concentrated program of firearms control in major cities throughout the country. Funds were appropriated for this purpose in the Supplemental Appropriations Act of 1976. At that time, the Bureau was directed to concentrate their activities in three major cities and report the results of the program to the Appropriations Committee by December 31, 1976. The Committee believes that it is important that this test be conducted on a limited scale and the results carefully studied before the program is expanded. Therefore, the \$13,273,000 increase in CUE and the additional 504 positions are denied at this time.

The Committee, of course, strongly supports and encourages the control of firearms used in the commission of crimes as well as all actions necessary to deny weapons to criminals. But the Committee is also very concerned about the role that the Bureau should have in our federal system of government. For example in the budget justifications, the bureau states "In an attempt to close the gap left by the Gun Control Act, the Bureau in September, 1973, initiated the Firearms Theft program." In this program the Bureau obtains "the voluntary cooperation" of interstate carriers. While this program appears to have a great deal of merit, it seems that the Bureau may be taking over a legislative function. If there are "gaps" in the law, the Congress, not the Bureau, ought to close them. The whole subject of gun control is controversial and the Committee feels that the Bureau may, in good faith, be attempting to fill in other "gaps" in the law. The question of federal jurisdiction in law enforcement is a very important one and the Bureau ought to exercise it only when it has clear and explicit authority to do so. We are all anxious to stop the criminal use of firearms, but the Bureau must keep in mind its place in the federal system, and its function as an enforcer of the law, not the maker of it.

The Committee requests that the Bureau review its programs to ensure that it is not expanding its authority beyond its specific statutory jurisdiction. We do not need, nor does the Constitution envision, a Federal police force enforcing state and local laws.

The Committee allows 4,282 permanent positions, a reduction of 504 below the budget request.

U.S. CUSTOMS SERVICE

SALARIES AND EXPENSES

Appropriation, fiscal year 1976	\$328,677,000
Budget estimate, fiscal year 1977	328,059,000
Recommended in the bill	334,000,000
Bill compared with:	
Appropriation, fiscal year 1976	+5,323,000
Budget estimate, fiscal year 1977	+7,941,000

¹ Includes \$18,667,000 contained in the Second Supplemental Appropriations Act, 1976.

² Includes \$2,000,000 budget amendment contained in H. Doc. 94-460.

The Committee recommends an appropriation of \$334,000,000, an increase of \$7,941,000 above the fiscal year 1977 budget request.

The United States Customs Service, as an enforcement arm of the Department of the Treasury, is vested with the authority to collect and protect the revenue on imports and enforce Customs and related laws. The authority for the activities of Customs is the Tariff Act of 1930, as amended (19 U.S.C. 1202 et. seq.). In addition, the Customs Service administers and enforces or assists other federal agencies in the administration and enforcement of numerous other laws.

The original budget request for 1977 proposed a cut of 322 positions below the 1976 level of operations. An amendment requesting an additional 73 positions was submitted by the President subsequent to the submission of the regular annual budget request. The Committee recommendation provides funds to restore these 322 positions and to fund the additional 73 positions requested in the budget amendment. There has been a great deal of legislation enacted which consumes both

financial and personnel resources of the Service, but for which no funds have been appropriated. The smuggling of narcotics, particularly on the Southern border, seems to be increasing. The Committee believes that the proposed reduction would result in more illicit drugs entering the country, and that the social, economic and personal problems which result from this drug-flow far outweigh the costs of stopping it at the border. There is also a more direct financial benefit in that the Customs Service will be able to collect additional revenues by a closer and more detailed inspection of goods being imported into the country.

The Committee recommendation also provides funds for the annualization of the costs of the increase of 300 additional positions allowed in the Second Supplemental Appropriations Act. The Supplemental provided funds for increased development and implementation of new contraband detection systems, development of expanded intelligence systems, personnel and equipment to intensify the anti-drug smuggling effort, and the opening of some new ports of entry.

The Committee allows 13,826 permanent positions, an increase of 622 positions above the amended budget request.

BUREAU OF THE MINT

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	\$41,230,000
Budget estimate, fiscal year 1977.....	43,215,000
Recommended in the bill.....	40,000,000
Bill compared with:	
Appropriation, fiscal year 1976.....	-1,230,000
Budget estimate, fiscal year 1977.....	-3,215,000

The Committee recommends an appropriation of \$40,000,000, a reduction of \$3,215,000 below the fiscal year 1977 budget request.

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

Production of coins is the major Mint activity. The fiscal year 1977 budget request provided for the production of approximately 15.8 billion coins. This is an increase from 13.9 billion in FY 1976.

The Committee has learned, however, that there is currently an excess of coins and that the Federal Reserve Banks are estimating that coinage requirements for fiscal year 1977 are significantly less than originally projected. Major reductions of personnel are currently being made. Inventories are so high that the storage of coins is becoming a problem.

The Committee directs that a study be made of estimated present and future coin requirements with particular emphasis on the effect these requirements will have on capabilities of the Mint and the impact on the plans for constructing a new Mint facility.

The Committee allows 1900 permanent positions, a reduction of 174 below the budget request of 2,074 for fiscal year 1977.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

Appropriation, fiscal year 1976.....	¹ \$103,000,000
Budget estimate, fiscal year 1977.....	114,497,000
Recommended in the bill.....	112,000,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+9,000,000
Budget estimate, fiscal year 1977.....	-2,497,000

¹ Includes \$5,000,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$112,000,000, a reduction of \$2,497,000 below the fiscal year 1977 budget request.

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

The appropriation provides, in addition to the operating costs of the Bureau, funds for the U.S. Savings Bonds Division, a separate organizational entity responsible for promoting the sale of savings bonds.

The Committee notes that the Bureau of the Public Debt had recalculated their requirements for fiscal year 1976 and reduced them by over \$2.6 million. The Committee believes that this reduction may carry over into fiscal year 1977.

The Committee allows 2,649 permanent positions, the full amount of the fiscal year 1977 request.

INTERNAL REVENUE SERVICE

SUMMARY

Appropriation, fiscal year 1976.....	¹ \$1,691,520,000
Budget estimate, fiscal year 1977.....	1,671,500,000
Recommended in the bill.....	1,681,500,000
Bill compared with:	
Appropriation, fiscal year 1976.....	-10,020,000
Budget estimate, fiscal year 1977.....	+10,000,000

¹ Includes \$45,520,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$1,681,500,000, an increase of \$10,000,000 above the fiscal year 1977 budget request.

The Committee is very concerned about the proposed reduction of 2,430 permanent positions from the Internal Revenue Service. The Committee has long been concerned with assuring the proper level of compliance with tax laws.

The Committee feels compelled to point out again that the country's self-assessment system of taxation depends for its success on voluntary compliance, the willingness of taxpayers to assess their own tax correctly. Noncompliance with tax laws takes several forms. Some taxpayers simply fail to file returns. Others file but do not report all their

income. Many taxpayers claim deductions, credits or exemptions to which they are not entitled. Noncompliance, willful or otherwise, means billions of dollars which should be but are not part of the Government's annual tax receipts. It also represents inequity, for the many who comply must shoulder the burden of the few who do not. Adequate, evenhanded IRS enforcement is vital to the public's confidence that the government is administering the tax laws fairly and equitably.

The Committee has increased the Internal Revenue Service budget request by \$10 million and considers that amount the absolute minimum necessary to administer the tax laws of the country fairly and equitably.

Tax Administration System (TAS):

The Committee was advised that the Internal Revenue Service is considering the procurement of a new computer system to replace the system now in use which has just been completed. It is the understanding of the Committee that the new system (called TAS-70) would essentially replace the equipment in all service centers as well as in the National Computer Center in Martinsburg, West Virginia. The total cost of the system would be somewhere between \$750 million and \$1 billion when fully installed.

The Service proposes to "go on the street" with requests for proposals (RFPs) sometime during the summer of 1976. A number of potential vendors of such equipment have indicated serious concern about responding to such proposals since each proposal would cost in the neighborhood of \$2 million to be fully responsive. The concern of the vendors seems to be that there is no assurance that the government will actually purchase such a system after the RFPs are developed.

The Committee is likewise very concerned about this proposal particularly in view of the serious fiscal restraint under which the government is now operating. This is highlighted by the fact that the FY 1977 budget proposes a reduction of 2,430 positions and \$20,020,000 below the FY 1976 level in Internal Revenue Service. Furthermore, the administration has not clearly and unequivocally endorsed the new system.

The Committee feels that the proposed new system should be delayed until further study can be made and the Administration is in position to provide the Congress with some concrete assurance of its advisability under the existing fiscal condition of the government.

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	¹ \$45,825,000
Budget estimate, fiscal year 1977.....	46,700,000
Recommended in the bill.....	46,700,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+875,000
Budget estimate, fiscal year 1977.....	

¹Includes \$1,325,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$46,700,000, the full amount of the fiscal year 1977 budget request.

The Salaries and Expenses Appropriation provides for the overall direction of the Internal Revenue Service, for program planning and determining resource needs, for managing its administrative support, and for the maintenance of employee integrity and internal controls. The appropriation consists of two activities, Executive Direction and Internal Audit and Security.

The Committee allows the requested reduction of 92 positions, decreasing the authorized level for fiscal year 1977 to 1,774 permanent positions.

ACCOUNTS, COLLECTION AND TAXPAYER SERVICE

Appropriation, fiscal year 1976.....	¹ \$791,740,000
Budget estimate, fiscal year 1977.....	789,900,000
Recommended in the bill.....	795,900,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+4,160,000
Budget estimate, fiscal year 1977.....	+6,000,000

¹Includes \$20,240,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$795,900,000, an increase of \$6 million above the fiscal year 1977 budget request.

The Accounts, Collection and Taxpayer Service (ACTS) Appropriation provides funding for four activities: Data Processing Operations, Statistical Reporting, Collection, and Taxpayer Service.

The Data Processing Operations Activity is responsible for receiving and processing tax returns, issuing refunds and notices, and accounting for revenues. Statistical Reporting includes preparation of statistical information on income and other aspects of the tax system. The Collection Activity is responsible for collecting unpaid taxes and securing unfiled returns. Taxpayer Service aids voluntary compliance with Federal tax laws on the part of all taxpayers by informing them of their responsibilities and by providing service which will assist them in meeting their obligations.

The Committee is very concerned about the proposed reduction of 1,577 permanent positions from this appropriation. Testimony of the Internal Revenue Service indicated that for every dollar spent in the collection and audit function, six dollars in increased revenues could be produced. While the Committee recognizes the need for economy in government, it feels that reducing the appropriation request for the Accounts, Collection and Taxpayer Service represents a false economy.

The Committee has restored 857 positions of the proposed reduction of 1,577 positions contained in the budget request. This provides an authorized level of 35,833 permanent positions.

COMPLIANCE

Appropriation, fiscal year 1976.....	¹ \$853,955,000
Budget estimate, fiscal year 1977.....	834,900,000
Recommended in the bill.....	838,900,000
Bill compared with:	
Appropriation, fiscal year 1976.....	-15,055,000
Budget estimate, fiscal year 1977.....	+4,000,000

¹Includes \$23,955,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$838,900,000, an increase of \$4 million above the fiscal year 1977 budget request.

This appropriation provides for detecting and correcting noncompliance with the tax laws and performs the following functions:

Audit of tax returns.—This activity provides for a selective examination of tax returns to see if taxpayers have properly complied with the internal revenue laws. It corrects errors and explains corrections to the taxpayers. It also makes determinations as to whether certain organizations or funds are exempt from taxation.

Tax fraud and special investigations.—This activity provides for enforcement of the criminal statutes relating to violations of tax laws. It investigates cases of suspected intent to defraud, recommends prosecution as warranted, and assists in the preparation and trial of criminal tax cases.

Taxpayer conferences and appeals.—This activity provides for administrative considerations and settlement of taxpayer appeals of audit findings.

Technical rulings and services.—This activity develops tax return forms, instructions, and guides; issues rulings and opinions as to application of tax laws; and meets with taxpayer groups to review and resolve special tax problems.

Legal Services.—This activity comprises the legal counsel and legal assistance needed by the Service to administer and enforce the internal revenue laws.

Employment plans.—This activity monitors private pension plans to ensure compliance with the Employee Retirement Income Security Act of 1974.

Exempt organizations.—This activity determines whether organizations seeking tax-exempt status meet certain tests to qualify, and examines tax returns of those organizations to ensure compliance with such an exemption. It also examines the returns of private foundations to ensure payment of proper excise taxes.

The Committee is very concerned about the proposed reduction of 761 permanent positions, most of which is in the tax audit and tax fraud and special investigations activities. Testimony from the Internal Revenue Service indicated that for every dollar spent in this activity, many additional dollars of revenue would be collected. In addition, these auditors and investigators contact many other people during the course of audits and investigations which serve to remind other taxpayers that failure to pay the proper amount of taxes owed results in positive action against the violator by the Service. The positive effect on voluntary compliance is difficult to measure but is probably very significant. The Service cannot allow the revenue collection process to become a lottery where dishonest taxpayers can take a chance on either not filing or filing incorrect returns with the knowledge that the chances are that they either won't be caught or that if they are caught that nothing will be done to them. If that situation is ever allowed to occur then the honest taxpayers will be the losers. The Committee cannot allow that to happen.

The Committee has restored 675 permanent positions of the proposed reduction of 761 positions contained in the budget request. This provides an authorized level of 39,084 permanent positions.

U.S. SECRET SERVICE

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	¹ \$114,950,000
Budget estimate, fiscal year 1977.....	² 112,650,000
Recommended in the bill.....	112,650,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+2,300,000
Budget estimate, fiscal year 1977.....	

¹Includes \$9,200,000 contained in the Second Supplemental Appropriations Act, 1976.

²Includes budget amendment of \$2,400,000 transmitted in H. Doc. 94-460.

The Committee recommends an appropriation of \$112,650,000, the full amount of the fiscal year 1977 amended budget request.

The Service must provide for the protection of the President of the United States, members of his immediate family, the President-elect, the Vice President and members of his immediate family, or other officer next in the order of succession to the Office of the President, and the Vice-President-elect; protection of the person of a visiting head of a foreign state or foreign government and, at the direction of the President, other distinguished foreign visitors to the United States and official representatives of the United States performing special missions abroad; the protection of persons who are determined to be major presidential or vice presidential candidates unless such protection is declined; the protection of the person of a former President and his wife during his lifetime, the protection of the person of the widow of a former President until her death or remarriage, and minor children of a former President until they reach 16 years of age, unless such protection is declined. The Service is also responsible for investigation of counterfeiting of currency, specie, and securities, forgery and altering of Government checks and bonds; and certain other criminal and noncriminal cases.

During Fiscal Year 1976 and the Transition Period extremely heavy demands are being and will be made on the Secret Service. The Service must protect the major presidential and vice presidential candidates. The Service must also protect the visiting heads of foreign countries and some other distinguished foreign visitors who are coming to this country for the Bicentennial celebration. These high visibility functions often overshadow the work being done on a day-to-day basis on counterfeiting and on check and bond forgery investigations. Also contained in this appropriation are funds for the Executive Protective Service.

P.L. 94-196 authorized the Secretary of the Treasury to utilize, with their consent, on a reimbursable basis, the services, personnel, equipment and facilities of state and local governments in certain situations for protection of foreign diplomatic missions. \$2 million of the budget request is for this purpose. The Committee has included the \$2 million in its recommended level.

The Committee authorizes 3,667 permanent positions for fiscal year 1977, the authorized level for fiscal year 1976, provided they can be funded within the funds made available.

TITLE II—UNITED STATES POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

Appropriation, fiscal year 1976.....	\$1,703,416,000
Budget estimate, fiscal year 1977.....	1,458,804,000
Recommended in the bill.....	1,766,170,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+63,754,000
Budget estimate, fiscal year 1977.....	+307,366,000

¹ Includes \$121,231,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$1,766,170,000, an increase of \$307,366,000 above the President's budget request. This \$307,366,000 increase is the total cost of funding P.L. 93-328 in fiscal year 1977.

The recommended appropriation consists of four major items. Three of these four items were included in the President's budget request but the \$307,366,000 for P.L. 93-328 was not. Below are listed the major items provided for in the recommended appropriation:

Public Service Costs.....	\$920,000,000
Revenue foregone from free and reduced rate mail.....	484,700,000
Previous nonfunded liabilities of the Post Office Department.....	54,104,000
Full funding of P.L. 93-328.....	307,366,000

Total 1,766,170,000

Appropriations for public service were authorized by Congress in the Postal Reorganization Act to provide for "a maximum degree of effective and regular postal services nationwide, in communities where post offices may not be deemed self-sustaining, as elsewhere." The act established the public service reimbursement as an amount equal to 10 percent of the actual appropriation for 1971. The amount requested and allowed is therefore \$920,000,000, which is 10 percent of the 1971 total appropriation.

Appropriations for revenue foregone are for that revenue lost by the Postal Service as a result of providing mail service to newspaper and magazine publishers; shippers of books, records, and other special fourth-class mail; and certain nonprofit organizations at a reduced rate. This revenue loss, which is the difference between the reduced rate and the full rate, is to be provided to the Postal Service by an annual appropriation by Congress, as specified in the Postal Reorganization Act. The request for this item is \$484,700,000.

Appropriations are authorized by the Postal Reorganization Act for certain transitional expenses including unfunded liabilities of the former Post Office Department. Those liabilities include amounts due the Employees' Compensation Fund in 1975 for injuries to postal employees which occurred prior to July 1, 1971, and one-twelfth of the earned and unused annual leave balance due postal employees on June 30, 1971. The amount requested for this item is \$54,104,000.

Appropriations made pursuant to P.L. 93-328 will finance the extended phasing of rates for certain mailers. This law extended the phasing period for certain regular rate mailers from 5 to 8 years, and for certain non-profit mailers from 10 to 16 years.

The President's budget excludes the amount of \$307,366,000 required in FY 1977 to finance the extended phasing authorized by P.L. 93-328. The President also excluded funds for this purpose from his budget last year. However, Congress appropriated the amounts required for the extended phasing; and the Service put the lower rates into effect.

Because Congress appropriated funds in FY 1976 to finance extended phasing, mailers have been given every reason to assume that they will continue to have the time provided by P.L. 93-328 to adjust their prices and business practices to compensate for the payment of full postage rates. If the Congress appropriates the full amount requested for this purpose in FY 1977, the Postal Service will continue with the extended phasing rate schedule. If the Postal Service does not receive this appropriation it will have to charge the affected mailers the full rates. The impact of a failure of this appropriation would be severe. For example, regular second-class rates could go up almost 70% and other subclasses would also face increases.

The Committee believes that full funding of P.L. 93-328 is required not only by the law itself, but is required by equitable considerations as well.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT

COMPENSATION OF THE PRESIDENT

Appropriation, fiscal year 1976.....	\$250,000
Budget estimate, fiscal year 1977.....	250,000
Recommended in the bill.....	250,000
Bill compared with:	
Appropriation, fiscal year 1976.....	-----
Budget estimate, fiscal year 1977.....	-----

The Committee recommends an appropriation of the statutory amount of \$250,000 for the salary and expense allowance of the President.

As a matter of information, both the salary of \$200,000 and the annual expense allowance of \$50,000 for the President are fully taxable.

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	\$1,621,000
Budget estimate, fiscal year 1977.....	1,718,000
Recommended in the bill.....	1,718,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+97,000
Budget estimate, fiscal year 1977.....	-----

¹ Includes \$21,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$1,718,000 the full amount of the fiscal year 1977 budget request.

The Council of Economic Advisers analyzes the national economy and its various segments; advises the President on economic developments; recommends policies for economic growth and stability; appraises economic programs and policies of the Federal Government;

and assists in preparation of the annual Economic Report of the President to Congress.

The Committee allows the 40 permanent positions requested, a decrease of 6 positions from the 46 authorized for fiscal year 1976.

COUNCIL ON INTERNATIONAL ECONOMIC POLICY

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	\$1, 650, 000
Budget estimate, fiscal year 1977.....	1, 496, 000
Recommended in the bill.....	1, 450, 000
Bill compared with:	
Appropriation, fiscal year 1976.....	-200, 000
Budget estimate, fiscal year 1977.....	-16, 000

The Committee recommends an appropriation of \$1,450,000, a reduction of \$16,000 below the fiscal year 1977 budget request.

The Council provides advice to the President on international economic issues, assists him in achieving the consistency between international and domestic economic policy, and maintains close coordination of international economic policy with basic foreign policy objectives.

The Council is chaired by the Chairman of the Economic Policy Board and is composed of key Cabinet level and Executive Office officials; including the Secretaries of State, Treasury, Defense, Agriculture, Commerce, Labor, and Transportation, the Assistant to the President for Economic Affairs, the Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, the Special Representative for Trade Negotiations, and the Executive Director of the Council on International Economic Policy. The President designates additional members as he deems appropriate.

The Committee allows the 21 permanent positions requested, a decrease of 8 from the authorized level for fiscal year 1976.

COUNCIL ON WAGE AND PRICE STABILITY

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	¹ \$1, 589, 000
Budget estimate, fiscal year 1977.....	1, 607, 000
Recommended in the bill.....	1, 607, 000
Bill compared with:	
Appropriation, fiscal year 1976.....	+18, 000
Budget estimate, fiscal year 1977.....	

¹Includes \$39,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$1,607,000, the full amount of the fiscal year 1977 budget request.

The Council makes recommendations for increasing productivity and faking other actions to reduce inflationary pressures. It reports quarterly to the President and the Congress.

The Council monitors wage and price increases in the private sector, conducts special analyses and holds public hearings on the inflationary problems in various sectors of the economy.

The Council reviews and appraises various policies and practices of the Federal Government which may contribute to inflation. It intervenes and otherwise participates in rulemaking, ratemaking, and other

proceedings before the various Federal agencies in order to present views as to the inflationary impacts which might result from the possible outcomes of such proceedings.

The Committee allows the 44 permanent positions requested, the same number as authorized in fiscal year 1976.

DOMESTIC COUNCIL

SALARIES AND EXPENSES

Appropriations, fiscal year 1976.....	¹ \$1, 646, 000
Budget estimate, fiscal year 1977.....	1, 700, 000
Recommended in the bill.....	1, 700, 000
Bill compared with:	
Appropriation, fiscal year 1976.....	+54, 000
Budget estimate, fiscal year 1977.....	

¹Includes \$36,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$1,700,000, the full amount of the fiscal year 1977 budget request.

The Domestic Council advises and assists the President in the formulation and coordination of national domestic policy, and on intergovernmental relations between Federal, State, and local governments. This appropriation provides staff services for the Council's activities.

The staffing and budgetary level of this organization has fluctuated significantly over the past several years. The Committee believes that the current level is the maximum which can be effectively utilized to accomplish the Council's responsibilities.

The Committee allows the 40 permanent positions requested, the same number as authorized in fiscal year 1976.

UNANTICIPATED NEEDS

Appropriation, fiscal year 1976.....	\$1, 000, 000
Budget estimate, fiscal year 1977.....	1, 000, 000
Recommended in the bill.....	1, 000, 000
Bill compared with:	
Appropriation, fiscal year 1976.....	
Budget estimate, fiscal year 1977.....	

The Committee recommends an appropriation of \$1,000,000, the full amount of the fiscal year 1977 budget request.

An appropriation of \$1,000,000 is requested for Unanticipated Needs for the President for fiscal year 1977. Its purpose is to furnish the President with funds necessary to meet unanticipated needs for emergencies affecting the national interest, security, or defense, and to pay administrative expenses, including personnel, incurred with respect thereto.

No permanent positions are funded under this account.

EXECUTIVE RESIDENCE

OPERATING EXPENSES

Appropriation, fiscal year 1976.....	¹ \$1, 902, 000
Budget estimate, fiscal year 1977.....	2, 095, 000
Recommended in the bill.....	2, 095, 000
Bill compared with:	
Appropriation, fiscal year 1976.....	+193, 000
Budget estimate, fiscal year 1977.....	

¹Includes \$76,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$2,095,000, the full amount of the fiscal year 1977 budget request.

These funds provide for the care, maintenance, and operation of the Executive Residence. There are 86 positions funded from this account that include cooks, gardeners, and other personnel involved in the day-to-day operation of the Executive Residence.

The Committee allows the 86 permanent positions requested, the same number authorized for fiscal year 1976.

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

OPERATING EXPENSES

Appropriation, fiscal year 1976.....	\$274,000
Budget estimate, fiscal year 1977.....	61,000
Recommended in the bill.....	61,000
Bill compared with:	
Appropriation, fiscal year 1976.....	-213,000
Budget estimate, fiscal year 1977.....	

The Committee recommends an appropriation of \$61,000, the full amount of the fiscal year 1977 budget request.

These funds provide for purchase, lease, and operation of appropriate equipment, furnishings, improvements, alterations, maintenance, repairs, services, and other provisions as may be required under the supervision of the Vice President to enable him to perform and discharge appropriately the duties, functions, and obligations associated with his office.

The sharp drop in budget authority from 1976 to 1977 reflects completion of renovation and redecoration of the residence necessary to prepare it for use as the official residence of the Vice President.

No positions are funded by this appropriation. The personnel assigned to perform services at the Residence are funded by the Navy.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	¹ \$3,052,000
Budget estimate, fiscal year 1977.....	3,210,000
Recommended in the bill.....	3,210,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+158,000
Budget estimate, fiscal year 1977.....	

¹ Includes \$72,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$3,210,000, the full amount of the budget request for fiscal year 1977.

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

and to make such recommendations and such other reports to the President as it deems appropriate or as the President may require.

The Committee allows the 70 permanent positions requested, a decrease of 2 from the authorized level for fiscal year 1976.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	\$24,250,000
Budget estimate, fiscal year 1977.....	25,800,000
Recommended in the bill.....	25,500,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+1,250,000
Budget estimate, fiscal year 1977.....	-300,000

The Committee recommends an appropriation of \$25,500,000, a reduction of \$300,000 below the budget request for fiscal year 1977.

The Office of Management and Budget assists the President in the discharge of his budgetary management and other executive responsibilities. The Committee has allowed sufficient funding to enable OMB to operate in fiscal 1977 at the fiscal year 1976 level of operations.

The Committee allows the 650 permanent positions requested, a reduction of 31 below the authorized level for fiscal year 1976.

OFFICE OF FEDERAL PROCUREMENT POLICY

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	¹ \$754,000
Budget estimate, fiscal year 1977.....	1,627,000
Recommended in the bill.....	1,627,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+873,000
Budget estimate, fiscal year 1977.....	

¹ Includes \$24,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$1,627,000, the full amount of the fiscal year 1977 budget request.

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

The Office was established in the middle of Fiscal Year 1975 and operated at a low funding level in 1976. The increase is due to annualized operations at the full staffing level in FY 1977.

The Committee believes that this Office should be able to achieve great savings throughout the government through increased efficiency and effectiveness in Federal procurement regulations. The Committee requests that these savings be documented and reported to the Committee.

The Committee allows the 27 permanent positions requested, an increase of 5 over the number authorized for fiscal year 1976.

OFFICE OF TELECOMMUNICATIONS POLICY

SALARIES AND EXPENSES

Appropriation, fiscal year 1976	\$8,500,000
Budget estimate, fiscal year 1977	8,206,000
Recommended in the bill	8,206,000
Bill compared with:	
Appropriation, fiscal year 1976	-294,000
Budget estimate, fiscal year 1977	

The Committee recommends an appropriation of \$8,206,000, the full amount of the fiscal year 1977 budget request.

The Office has three essential responsibilities: (1) to serve as the President's principal adviser on telecommunications policy; (2) to formulate policies and coordinate operations for the Federal Government's own vast communications systems; and (3) to take part in discussions on communications policy with Congress and the Federal Communications Commission.

The current appropriation structure provides that the reimbursement to the Department of Commerce for services provided to OTP, will remain at about the same level as in fiscal year 1976.

The Committee allows the 41 permanent positions requested, a reduction of 7 below the number authorized for fiscal year 1976.

SPECIAL ASSISTANCE TO THE PRESIDENT

SALARIES AND EXPENSES

Appropriation, fiscal year 1976	\$1,001,000 ¹
Budget estimate, fiscal year 1977	1,246,000
Recommended in the bill	1,246,000
Bill compared with:	
Appropriation, fiscal year 1976	+245,000
Budget estimate, fiscal year 1977	

¹ Includes \$28,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$1,246,000, the full amount of the fiscal year 1977 budget request.

These funds are to be used by the Vice President to carry out responsibilities assigned him by the President and by various statutes. The Vice President also has a staff funded by a separate appropriation to carry out his legislative responsibilities.

The Committee allows the total of 30 permanent positions requested, the same number as authorized for fiscal year 1976.

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

Appropriation, fiscal year 1976	\$16,763,000
Budget estimate, fiscal year 1977	16,530,000
Recommended in the bill	16,530,000
Bill compared with:	
Appropriation, fiscal year 1976	-233,000
Budget estimate, fiscal year 1977	

The Committee recommends an appropriation of \$16,530,000, the full amount of the budget request for fiscal year 1977.

These funds provide the President with staff assistance and provide administrative services for the White House Office.

The Committee allows the 485 permanent positions requested, which is a reduction of 15 from the authorized level for fiscal year 1976.

TITLE IV—INDEPENDENT AGENCIES

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

SALARIES AND EXPENSES

Appropriation, fiscal year 1976	\$785,000
Budget estimate, fiscal year 1977	880,000
Recommended in the bill	880,000
Bill compared with:	
Appropriation, fiscal year 1976	95,000
Budget estimate, fiscal year 1977	

The Committee recommends an appropriation of \$880,000, the full amount of the fiscal year 1977 budget request.

The Conference, established pursuant to 5 U.S.C. 571, et seq., is authorized on a permanent basis to assist the President, the Congress, the administrative agencies, and executive departments in improving existing administrative procedure. It is responsible for conducting studies of the efficiency, adequacy, and fairness of present procedures by which the Federal administrative agencies and executive departments determine the rights, privileges, and obligations of private persons.

The Committee allows the 16 permanent positions requested, the same number authorized for fiscal year 1976.

ADVISORY COMMITTEE ON FEDERAL PAY

SALARIES AND EXPENSES

Appropriation, fiscal year 1976	\$135,000
Budget estimate, fiscal year 1977	215,000
Recommended in the bill	215,000
Bill compared with:	
Appropriation, fiscal year 1976	+80,000
Budget estimate, fiscal year 1977	

The Committee recommends an appropriation of \$215,000, the full amount of the fiscal year 1977 budget request.

The Advisory Committee on Federal Pay was appointed in accordance with the Federal Pay comparability Act of 1970. The Committee assists the President in carrying out the policy of comparability in pay between major Federal statutory pay systems and private enterprise and also to preserve pay distinctions in keeping with work and performance distinctions. In carrying out this responsibility, the Committee is charged with reviewing the annual report of the President's Pay Agent and considering the recommendations of representatives of Federal employees and other officials of the Federal Gov-

ernment. The Committee will report its findings and recommendations in an annual report to the President.

The Committee allows the one permanent position funded by this account.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	\$1,200,000
Budget estimate, fiscal year 1977.....	1,402,000
Recommended in the bill.....	1,200,000
Bill compared with:	
Appropriation, fiscal year 1976.....	
Budget estimate, fiscal year 1977.....	-202,000

The Committee recommends an appropriation of \$1,200,000, a reduction of \$202,000 below the fiscal year 1977 budget request.

The Advisory Commission on Intergovernmental Relations is an independent bipartisan body which attempts to identify and analyze the causes of intergovernmental conflicts, and recommends ways of strengthening and improving the American federal system. The 26 member Commission includes representatives of the executive and legislative branches of all levels of government—Federal, State, and local—as well as representatives of the general public.

The Commission and its staff examine Federal and State programs having an intergovernmental aspect. Proposed legislation is reviewed to determine its overall effect on the federal system. The Commission also identifies emerging problems of Federal-State-local relations.

In view of the fact that a major portion of the benefits resulting from the efforts of this Commission accrue to the States, the Committee feels that a larger part of the funding of the Commission should be borne by the States. In last year's House Report the Commission was directed to initiate discussions with the States on this matter and report to the Committee.

The Committee feels that if the Commission is doing a worthwhile job in state and federal relationships, then the states should be willing to make a substantial financial contributions toward the support of the Commission. The Committee understands that some lead time is necessary so that the states can budget for this expense. The Commission has had one full year in which to make their requirements known. By fiscal year 1978, the states should be able to make the determination as to whether or not they consider the Commission to be of sufficient benefit to them to warrant their financial support.

The Committee allows the 37 permanent positions requested, the same number as authorized for fiscal year 1976.

CIVIL SERVICE COMMISSION

SUMMARY—DIRECT APPROPRIATION

Appropriation, fiscal year 1976.....	¹ \$1,979,665,000
Budget estimate, fiscal year 1977.....	3,440,692,000
Recommended in the bill.....	3,445,692,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+1,466,027,000
Budget estimate, fiscal year 1977.....	+5,000,000

¹ Includes \$2,376,000 contained in the Second Supplemental Appropriations Act, 1976.

(Summary—By transfer from trust funds)

Appropriation, fiscal year 1976.....	¹ (\$21,388,000)
Budget estimate, fiscal year 1977.....	(24,365,000)
Recommended in the bill.....	(24,365,000)
Bill compared with:	
Appropriation, fiscal year 1976.....	(+2,977,000)
Budget estimate, fiscal year 1977.....	

¹ Includes (\$545,000) contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$3,445,692,000, an increase of \$5,000,000 above the fiscal year 1977 budget request. A significant part of the appropriations to the Civil Service Commission are non-discretionary in nature.

The Committee allows the 66 additional positions requested, increasing the number of permanent positions authorized to 4,329 in fiscal year 1977.

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	¹ \$97,533,000
Budget estimate, fiscal year 1977.....	102,328,000
Recommended in the bill.....	102,328,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+4,795,000
Budget estimate, fiscal year 1977.....	

¹ Includes \$2,333,000 contained in the Second Supplemental Appropriations Act, 1976.

(By transfer from trust funds)

Appropriation, fiscal year 1976.....	¹ (\$21,388,000)
Budget estimate, fiscal year 1977.....	(24,365,000)
Recommended in the bill.....	(24,365,000)
Bill compared with:	
Appropriation, fiscal year 1976.....	(+2,977,000)
Budget estimate, fiscal year 1977.....	

¹ Includes (\$545,000) contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$102,328,000, the full amount of the fiscal year 1977 budget request.

The Commission is responsible for the following programs:

1. Assuring a merit work force.—This activity consists of (a) keeping personnel policies current, including resources to implement the recommendations of the President's Panel on Federal Compensation; (b) staffing for Federal employment; (c) assuring fitness and suitability in Federal employment; and (d) improving personnel and management. During 1977 the Commission will expand personnel management evaluations to minimize merit system abuses, and continue the updating of qualification standards.

2. Providing retirement and insurance benefits.—The Commission administers retirement, group life insurance, and health benefits programs for Federal employees. The principal functions of this activity include: adjudicating annuity, death, refund, and deposit claims; making payments to annuitants and other claimants; Negotiating with private carriers to provide the insurance and health benefits authorized; auditing the records and operations of insurance underwriters; and maintaining the trust funds

that were established for financing these benefits programs. Increases in 1977 provide for an expanded open season for the health benefits programs and allow for continuing automation improvements in administration of benefit programs.

3. Strengthening State and local personnel administration.—The purpose of the Intergovernmental Personnel Act of 1970, as administered by the Commission, is to strengthen and improve the personnel resources of State and local governments. The Commission provides grant moneys and technical assistance to develop and encourage personnel administration programs consistent with prescribed merit employment principles.

4. Other programs.—This activity consists of four functions: (1) Administration of the Voting Rights Act of 1965, as amended; (2) the President's Commission on White House Fellowships; and (4) the Federal employees appeals program. The Civil Service Commission provides administrative support to the two Presidential Commissions, and, under provisions of the Voting Rights Act, maintains lists of eligible voters and appoints examiners and election observers at the request of the Attorney General.

In 1977 the Commission will continue processing the rising appeals workloads. Workloads in the voting rights program are expected to increase in 1977.

5. General administration.—This activity provides executive and administrative services in support of Commission operating programs, including executive direction, budget and fiscal, personnel, office services, library, legal services, and program and management analysis and audit functions.

The Committee continues to be concerned, as it has been over the years, about the so-called "grade creep" in government employment. It appears that work formerly performed by employees in grade 7 is now being performed by employees who are assigned to grades GS 9 or 11 with no identifiable increase in complexity or difficulty of duties. The Commission is requested to continue its efforts concerning this matter—governmentwide as well as within CSC itself.

The Committee is concerned about the Civil Service executive training program. The Civil Service Commission needs to monitor this program carefully to ensure that it is worth the funds being expended for it. The Commission may wish to consider revising the program so that some objective standard is used to evaluate the participants so as to ensure their motivation in the program. It is requested that the Committee be informed in advance of any new or significantly expanded government-wide training programs, together with estimated costs, number of trainees or participants, and projected benefits.

The Committee allows the 4,276 permanent positions requested for fiscal year 1977, an increase of 58 positions over fiscal year 1976.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

Appropriation, fiscal year 1976.....	¹ \$347,969,000
Budget estimate, fiscal year 1977.....	451,844,000
Recommended in the bill.....	451,844,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+103,875,000
Budget estimate, fiscal year 1977.....	

¹ Includes \$9,319,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$451,844,000, the full amount of the fiscal year 1977 budget request.

This appropriation covers (1) the Government's share of the cost of health insurance for certain annuitants as defined in sections 8901 and 8906 of title 5, United States Code; (2) the Government's share of the cost of health insurance for other annuitants (who were retired when the Federal Employees Health Benefits law became effective), as defined in the Retired Federal Employees Health Benefits Act of 1960; and (3) the Government's contribution for payment of administrative expenses incurred by the Civil Service Commission in administration of the act.

No positions are funded from this account.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Appropriation, fiscal year 1976.....	¹ \$1,517,865,000
Budget estimate, fiscal year 1977.....	2,874,955,000
Recommended in the bill.....	2,874,955,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+1,357,090,000
Budget estimate, fiscal year 1977.....	

¹ Includes \$236,895,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$2,874,955,000, the full amount of the fiscal year 1977 budget request.

The Civil Service Retirement Amendments of 1969 provide for prospective financing of current year's costs of the unfunded liability created since its enactment on October 20, 1969. Any statute which authorizes (1) new or liberalized benefits, (2) extension of retirement coverage, or (3) increases in pay is deemed to authorize appropriations to the fund to finance the unfunded liability created by such statute. Also, for pre-1969 liabilities the Secretary of the Treasury is required to make annual payments from general revenues into the retirement fund on the basis of a sliding scale of percentages of an amount equivalent to: (1) Interest on the unfunded liability, and (2) annuity disbursements attributable to military service. The Civil Service Commission, at the end of each year, beginning in 1971, notifies the Secretary of the Treasury of the amount of payment to be made to the Retirement Fund and reports such sums to the President and the Congress.

The requested funds will be used to make mandatory payments to the Civil Service Retirement and Disability fund to cover the unfunded liability created by increased pay rates and retirement benefit coverage.

No positions are funded from this account.

FEDERAL LABOR RELATIONS COUNCIL

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	¹ \$1,298,000
Budget estimate, fiscal year 1977.....	1,565,000
Recommended in the bill.....	1,565,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+267,000
Budget estimate, fiscal year 1977.....	

¹ Includes \$43,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$1,565,000, the full amount of the fiscal year 1977 budget request.

The Council is requesting 53 positions in 1976, and increase of 8 over 1976. Additional resources are required in 1977 to handle the expanded workload which has resulted from the growing interest in labor relations and contract negotiations in the Federal Government.

Production count: Federal Labor Relations Council appellate cases and policy rulings:

1975 actual.....	225
1976 estimate.....	386
1977 estimate.....	482

Executive Order 11491 entitled "Labor-Management Relations in the Federal Service" established the Federal Labor Relations Council as a central authority to administer and interpret the order, decide major policy issues, prescribe regulations, and from time to time report and make recommendations to the President.

The order also establishes the Federal Service Impasses Panel as an agency within the Council. The Panel is authorized to consider impasses resulting from negotiations between labor organizations and agency management and to take whatever action it considers necessary to settle an impasse.

The Committee allows the increase of 8 positions requested, increasing the authorized level to 53 permanent positions in fiscal year 1977.

INTERGOVERNMENTAL PERSONNEL ASSISTANCE

Appropriation, fiscal year 1976.....	\$15,000,000
Budget estimate, fiscal year 1977.....	10,000,000
Recommended in the bill.....	15,000,000
Bill compared with:	
Appropriation, fiscal year 1976.....	
Budget estimate, fiscal year 1977.....	+5,000,000

The Committee recommends an appropriation of \$15,000,000, an increase of \$5,000,000 over the fiscal year 1977 budget request.

This appropriation provides Federal grants, authorized by the Intergovernmental Personnel Act of 1970, to improve and strengthen the personnel and manpower programs in State and local units of government.

The Committee believes that this program is very beneficial to state and local governments and that in the long run savings to these governments more than offset the cost of this program.

No permanent positions are funded from this appropriation.

COMMISSION ON EXECUTIVE, LEGISLATIVE, AND JUDICIAL SALARIES

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	
Budget estimate, fiscal year 1977.....	\$100,000
Recommended in the bill.....	100,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+100,000
Budget estimate, fiscal year 1977.....	

The Committee recommends an appropriation of \$100,000, the full amount of the fiscal year 1977 budget request.

The Commission was established under section 225 of the Postal Revenue and Federal Salary Act of 1967 to review and recommend to the President at 4-year intervals the appropriate pay levels for upper-level positions in the executive, legislative, and judicial branches of the Federal Government.

There is coordination, but no overlapping of duties and responsibilities between this Commission and the Advisory Committee on Federal Pay which is charged with the responsibility for monitoring comparability between government rank and file pay and pay systems with that of the private sector.

The Committee allows the 6 permanent positions requested.

COMMISSION ON THE REVIEW OF THE NATIONAL POLICY TOWARD GAMBLING

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	\$745,000
Budget estimate, fiscal year 1977.....	265,000
Recommended in the bill.....	265,000
Bill compared with:	
Appropriation, fiscal year 1976.....	-480,000
Budget estimate, fiscal year 1977.....	

The Committee recommends an appropriation of \$265,000, the full amount of the fiscal year 1977 budget request.

The Commission established pursuant to P.L. 91-452, on a temporary basis, to review existing State and Federal gambling legislation with a view to appraising its effectiveness and recommending policy and practice changes as deemed necessary. Congress is to receive the final report by October 1976; the statute directs that the Commission expire 60 days thereafter. This appropriation is for salaries and expenses related to the termination of the Commission.

Since the Commission will be terminated before the end of fiscal year 1977, no permanent positions are authorized. There are 20 permanent positions authorized for fiscal year 1976 and for that time in fiscal year 1977 when the Commission is in operation.

COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	¹ \$261,000
Budget estimate, fiscal year 1977.....	316,000
Recommended in the bill.....	316,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+55,000
Budget estimate, fiscal year 1977.....	

¹ Includes \$6,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$316,000, the full amount of the fiscal year 1977 budget request.

The committee determines which commodities and services are suitable for procurement by the Government from qualified nonprofit agencies serving the blind and other severely handicapped; publishes a procurement list of such commodities and services on the procurement list.

The committee staff supervises the selection and assignment of new commodities and services, assists in establishing prices and reviewing price changes, and verifies the qualifications and monitors the performance of workshops.

There are eight positions funded from this appropriation in 1976 and an increase of two is requested for 1977. The Appropriations Committee is very concerned about and disappointed with the hiring practices of the committee and feels very strongly that it should increase the number of blind or other severely handicapped employees working for it. It is not enough to say that qualified blind or handicapped people are not available. There are many blind and other severely handicapped in the area that can be recruited and trained. Surely a committee established to help them can understand the problems that they face in acquiring employment and help them become qualified, if they are not when they are hired.

The two additional positions requested are allowed, increasing the authorized level to 10 permanent positions for fiscal year 1977.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	\$5,000,000
Budget estimate, fiscal year 1977.....	6,950,000
Recommended in the bill.....	3,000,000
Bill compared with:	
Appropriation, fiscal year 1976.....	-2,000,000
Budget estimate, fiscal year 1977.....	-3,950,000

The Committee recommends an appropriation of \$3,000,000, a reduction of \$3,950,000 below the fiscal year 1977 budget request.

The Commission, a legislative agency, was originally established by Public Law 93-443, dated October 15, 1974, to monitor compliance with the law relative to limitations on campaign expenditures and political contributions to provide for public financing of Presidential nominating conventions and Presidential primary election and for other purposes related to Federal elections.

Recently, the Supreme Court ruled that certain activities of the Commission were unconstitutional. New legislation revising the Commission's responsibilities is now pending. Until the new legislation is enacted into law, the Committee does not believe that it can properly recommend the level of funding requested for fiscal year 1977. The Committee therefore has tentatively allowed \$3,000,000 to keep the Commission in operation. If additional funding can be justified after the authorizing legislation is finalized, then the Committee will consider a request at that time.

The Committee allows 160 permanent positions, provided that they can be funded within the amount appropriated. This is the same number authorized for fiscal year 1976, and a decrease of 37 positions from the budget request.

GENERAL SERVICES ADMINISTRATION

SUMMARY

Appropriation, fiscal year 1976.....	¹ \$359,341,000
Budget estimate, fiscal year 1977.....	343,128,000
Recommended in the bill.....	332,588,000
Bill compared with:	
Appropriation, fiscal year 1976.....	-26,753,000
Budget estimate, fiscal year 1977.....	-10,540,000

¹Includes \$3,266,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$332,588,000, a reduction of \$10,540,000 below the fiscal year 1977 budget request.

There have been some organizational realignments in GSA. None of these changes require any increase in the total budget authority requested for 1977, but offsetting adjustments are required in the individual accounts involved.

These realignments were made to reduce the number of organizations reporting directly to the Administrator, permitting him "to perform my own role more effectively." The Equal Employment Opportunity activities within the former Office of Civil Rights in both the central office and the regions were transferred to the Office of Administration as a function in the Personnel area. Similarly, the Contract Compliance activities of that office were transferred to the Office of General Counsel as a Legal function. The Office of Presidential Materials was transferred to the National Archives and Records Service, and the Office of Stockpile Disposal was transferred to the Federal Preparedness Agency. The Office of the Assistant Administrator was abolished and its responsibilities spread among several functional offices.

The Committee has allowed this reorganization to the extent that it affected appropriated funds. The amounts recommended for appropriation in fiscal year 1977 provide for the reorganization. Therefore, the amounts recommended for appropriation in individual accounts may not be the same as the budget request.

A schedule detailing the reorganization follows:

GENERAL SERVICES ADMINISTRATION, FISCAL YEAR 1977 BUDGET AUTHORITY REFLECTING REALIGNMENT OF EXISTING FUNCTIONS

(In thousands)

	President's budget	Personnel centralization	Transfer Office of Civil Rights	Presidential materials transfer	Fiscal year 1977 budget adjusted
Operating expenses, disposal of real property.....	\$6,205				\$6,205
OE, Federal Supply Service.....	154,815	-\$549			154,266
OE, National Archives and Records Service.....	64,439	-360		+\$140	64,219
Records declassification.....	1,410				1,410
OE, Automated Data and Telecommunications Service.....	7,651	-176			7,475
S&E, Administrative & Staff Support Service.....	65,170	+1,169	+\$5,880		72,219
Administration.....	59,480	+1,169	+1,200		61,849
Legal Services.....	5,223		-4,680		9,903
Board of Contract Appeals.....	467			-140	6,616
S&E, General Management & Agency Operations.....	12,636		-5,880	-140	3,546
Executive Direction.....	3,686				3,686
Audits.....	3,070				3,070
Civil Rights.....	5,880		-5,880		
(Contract Compliance).....	(4,680)		(+4,680)		
(EEO).....	(1,200)		(-1,200)		
Federal Preparedness Agency.....	16,380	-84			16,296
Expenses, DPA.....	10,540				10,540
Indian Trust Accounting.....	2,702				2,702
Former Presidents.....	280				280
Presidential Transition.....	900				900
Total.....	343,128	0	0	0	343,128

DISPOSAL OF SURPLUS REAL AND RELATED PERSONAL PROPERTY

OPERATING EXPENSES

Appropriation, fiscal year 1976.....	\$6,180,000
Budget estimate, fiscal year 1977.....	6,205,000
Recommended in the bill.....	6,205,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+25,000
Budget estimate, fiscal year 1977.....	

¹ Includes \$180,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$6,205,000, the full amount of the fiscal year 1977 budget request.

This appropriation provides for the programs and activities relating to the promotion of maximum utilization by Federal agencies, and the transfer among agencies of excess real property. It provides for the disposal of surplus real property by sale, exchange, lease permit or transfer to authorized organizations as well as the care and handling of excess and surplus property pending disposition. It provides for the appraisal of excess and surplus property, the appraisal of public building leases, sites, and other related building programs. It also provides for the establishment of specifications, standards, and methods governing such appraisals.

There are no positions funded directly from this appropriation.

FEDERAL BUILDINGS FUND

LIMITATION ON AVAILABILITY OF REVENUE

The Committee recommends a limitation on the obligation of revenue in the fund during fiscal year 1977 of \$1,124,955,000. The following table and explanatory remarks reflect the action of the Committee on the Budget proposal for fiscal year 1977, in thousands of dollars:

	1976 limitation	1977 committee allowance	Changes from 1976
Construction.....	\$63,786,000	\$22,600,000	-\$41,186,000
Alterations and major repairs.....	110,768,000	60,700,000	-50,068,000
Purchase contract payments.....	60,000,000	92,000,000	+32,000,000
Rental of space.....	443,500,000	473,200,000	+29,700,000
Real property operations.....	397,500,000	414,905,000	+17,405,000
Program direction.....	65,600,000	61,550,000	-4,050,000
Total new obligational authority.....	1,141,154,000	1,124,955,000	-16,199,000

Construction

The Committee recommends a limitation of \$22,600,000, for fiscal year 1977.

The proposed FY 1977 Construction program was developed in accordance with the concept originally established for construction of Federal facilities under the Federal Buildings Fund; namely, full project funding. Full project funding provides the total obligational authority necessary to perform all phases of the project, from site acquisition, through project design to construction completion, in a continuous coordinated effort without incurring interruptions in the process which would result in leaving projects partially completed while awaiting incremental funding.

Such a program permits an increased emphasis on the latest construction industry management concepts and techniques, in which GSA has developed expertise including the use of (1) project and construction managers, (2) phased construction schedules and methods, and (3) building systems in design and construction. These techniques allow overall control of all phases of the project in order that the various design components may be effectively utilized and that the project may be completed as quickly as possible with a minimum of delay caused by lack of coordination.

The Committee is concerned about the GSA policy regarding the acquisition of works of art which are of highly subjective, and in some cases questionable value. The Committee requests that GSA carefully review all purchases of this nature to ensure that GSA is getting full value for the funds expended. Coordination with state and local governments and civic organizations where the works of art are to be located may help to ensure greater acceptance by the general public in that area.

Alterations and Major Repairs

The Committee recommends a limitation of \$60,700,000, the full amount requested.

The General Services Administration is responsible for alterations and major repairs of both Government-owned and leased facilities under the control of GSA.

This activity is to provide commercially equivalent space to tenant agencies. Therefore, the state of repair, appearance, and operating efficiency of facilities should be given primary consideration in carrying out this responsibility. Such repairs, if performed as programmed and as actual requirements demand, provide for the efficient and economic use of space and the continuity of building operations.

Since 1962, the Alterations and Major Repairs workload inventory has grown more than 292% from \$370.7 million to \$1,082.6 million as of the end of FY 1975. The reasons for this increase are the increase in the inventory of space from 195.0 million square feet to 236.4 million square feet (approximately 21%) and the severe impact of inflation in the construction industry of 121.9% which has occurred since 1962.

The status of the Alterations and Major Repairs backlog is shown in the following table:

[In millions of dollars]

Fiscal year:	Opening backlog	New work generated	Work performed	Closing backlog
1975.....	971.9	195.4	84.7	1,082.6
1976.....	1,082.6	120.6	110.8	1,092.4
Transition quarter (estimate).....	1,092.4	28.7	27.7	1,093.4
1977 (estimate).....	1,093.4	128.0	60.7	1,160.7

The Committee notes that the backlog in this activity is continuing to increase. The Committee requests that GSA give top priority to those repairs and alterations which may affect the health or safety of people. Particular emphasis should be put on protection against fires.

Purchase Contract Payments

The Committee recommends a limitation of \$92,000,000, the full amount of the budget request.

GSA may enter into contractual arrangements for the construction of a backlog of approved but unfunded projects. These purchase contracts require the Government to make periodic payments on the facilities over varying periods until title is vested with the Government. This activity provides for the payment of principal, interest, taxes and other required obligations related to facilities acquired or to be acquired for purchase contract construction.

The Committee notes that the authority to enter into purchase contracts has expired and directs that no additional projects be entered into. Information obtained from the General Services Administration proves that it costs many times more to construct buildings by this method of financing than it does by direct construction.

Rental of Space

The Committee recommends a limitation of \$473,200,000, the full amount of the budget request.

The General Services Administration is responsible for all functions of leasing general purpose building space, and land incident thereto, for Federal agencies, except in cases in remote geographical areas where GSA has delegated its leasing authority, (e.g., the Departments of Agriculture, Commerce, and Defense may lease their own space).

GSA's basic policy is to lease privately owned buildings and land only when Federal space needs cannot be otherwise accommodated satisfactorily in existing Government-owned or leased space; when leasing proves to be more efficient than the construction or alteration of a Federal Building; when construction or alteration is not warranted because requirements in the community are insufficient or are indefinite in scope or duration; or when completion of a new Federal building within a reasonable time cannot be assured.

The Committee notes some progress being made in the attempt to reduce the amount of vacant space controlled by GSA. The Committee requests that GSA intensify its efforts to reduce the amount of vacant space both by reducing the inventory now on hand and by carefully analyzing space requirements prior to acquiring new space to ensure that a requirement for it does exist.

Real Property Operations

The Committee recommends a limitation of \$414,905,000, the full amount of the budget request.

GSA is responsible for the operation of all Government-owned facilities under the jurisdiction of GSA and for building services in leased space in the GSA inventory where the terms of the lease do not require the lessor to furnish such services.

Services included in building operations are cleaning, protection, maintenance, payment for utilities, and fuel, and other miscellaneous activities such as grounds maintenance, elevator operations, and day-to-day servicing of tenants' needs. The FY 1977 program will provide an austere standard level of building operations and services. The space, operations, and services referred to above are furnished by GSA to its tenant agencies in return for payment of the Standard Level User Charge, just as in the private sector tenants pay rent for space and services provided by lessors.

The Committee notes that GSA is making a concerted effort to conserve energy in their real property operations which partially offsets the increase in energy costs. The Committee encourages this effort by GSA.

Program Direction

The Committee recommends a limitation of \$61,550,000, the full amount of the budget request.

This activity provides for the overall general management, long and short-range planning, and administration of all programs which are the responsibility of the Public Buildings Service. In addition, this activity finances the costs of management and administration of each of the individual activities of the Federal Buildings Fund including Construction, Alterations and Major Repairs, Purchase Contract Payments, Rental of Space and Real Property Operations. It further provides for the costs of essential supporting services for these activities which are funded on a centralized basis.

The Committee is very concerned about the cost of operating the Federal Buildings Fund. Unless the concept upon which the Fund is based is working, all the money spent to maintain the extremely voluminous and complicated cost accounting system is being wasted. The Committee urges the General Services Administration to minimize costs in this activity to the maximum extent possible and try to

ascertain whether or not the Federal Buildings Fund concept has made other federal agencies "cognizant of the need for significant economies in space use." If it in fact has, the Committee has not been able to determine that from the budget requests submitted to it.

FEDERAL SUPPLY SERVICE

OPERATING EXPENSES

Appropriation, fiscal year 1976.....	¹ \$159,167,000
Budget estimate, fiscal year 1977.....	154,815,000
Recommended in the bill.....	154,266,000
Bill compared with:	
Appropriation, fiscal year 1976.....	-4,901,000
Budget estimate, fiscal year 1977.....	-549,000

¹ Includes \$667,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$154,266,000, a reduction of \$549,000 resulting solely from the GSA reorganization.

This appropriation provides for Government-wide management of supplies and personal property, transportation and public utilities services, operation of the world-wide supply system, and maintenance and disposal of strategic and critical materials.

The FY 1977 budget presentation for the Federal Supply Service reflects a major realignment of supply functions FSS hopes will strengthen the customer support and inventory management responsibilities. The Committee is hopeful that this change in organization will enhance the ability to efficiently and effectively perform the mission of the Federal Supply Service.

P.L. 93-604 transferred the Transportation Audit function from GAO to GSA. By locating both transportation audit and transportation management in FSS, it is expected that the two functions will complement each other and enhance the effectiveness of each. For example, transportation audit can provide the data that shows how and where transportation is being procured by all agencies, and what it costs. This data will provide, for the first time, the information with which to manage transportation on more than a random basis. Also, as poor traffic management is detected by transportation audit, traffic management can identify specific agencies or practices that need assistance or revision. The Transportation Audit function performs a centralized post-audit of rates charged by common and contract carriers for transportation services furnished for the account of the United States. In addition, it reviews, evaluates, and reports on the transportation activities of Government agencies and assists agencies in transportation matters.

The Committee allows the total 5,827 permanent positions requested for fiscal year 1977.

NATIONAL ARCHIVES AND RECORDS SERVICE

OPERATING EXPENSES

Appropriation, fiscal year 1976.....	\$60,200,000
Budget estimate, fiscal year 1977.....	64,439,000
Recommended in the bill.....	64,219,000
Bill compared with:	
Appropriation, fiscal year 1976.....	4,019,000
Budget estimate, fiscal year 1977.....	-220,000

The Committee recommends an appropriation of \$64,219,000, a reduction of \$220,000 resulting solely from the GSA reorganization.

This appropriation provides for basic operations dealing with management of the Government's archives and records, operation of Presidential libraries, and grants for historical publications.

In 1977, records in the National Archives and Federal records centers will total 14.3 million cubic feet. Reference services will total 18.7 million.

The Committee has also recommended full funding of the National Historic Publications and Records Commission. The budget request contained \$2 million for this activity but P.L. 93-556 increased the authorized level to \$4 million. The Committee believes that full funding of the authorized amount will allow more of our historic publications to be preserved.

The Committee allows the total 2,182 permanent positions requested for fiscal year 1977.

RECORDS DECLASSIFICATION

Appropriation, fiscal year 1976.....	¹ \$1,394,000
Budget estimate, fiscal year 1977.....	1,410,000
Recommended in the bill.....	1,410,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+16,000
Budget estimate, fiscal year 1977.....	

¹ Includes \$44,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$1,410,000, the full amount of the fiscal year 1977 budget request.

This appropriation provides for necessary expenses of the General Services Administration to comply with the requirements of Executive Order 11652 dated March 8, 1972, incident to review for declassification all classified material as it becomes 30 years old. This includes records accessioned into the National Archives, stored in Federal records centers, and in agency custody.

The Committee allows 105 permanent positions, the total amount requested for fiscal year 1977.

AUTOMATED DATA AND TELECOMMUNICATIONS SERVICE

OPERATING EXPENSES

Appropriation, fiscal year 1976.....	¹ \$7,460,000
Budget estimate, fiscal year 1977.....	7,651,000
Recommended in the bill.....	7,475,000
Bill compared with:	
Appropriation, fiscal year 1976.....	15,000
Budget estimate, fiscal year 1977.....	-176,000

¹ Includes \$210,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$7,475,000, a reduction of \$176,000 resulting solely from the GSA reorganization.

This appropriation provides for the direction and coordination of a comprehensive Government-wide program for the management, procurement, and utilization of automatic data processing and communi-

cations equipment and services, and the overall management of operations designed to provide specialized services to civilian agencies in each of these fields.

The Committee allows the 252 permanent positions requested for fiscal year 1976.

OFFICE OF PREPAREDNESS

SALARIES AND EXPENSES

Appropriation, fiscal year 1976	\$16,010,000
Budget estimate, fiscal year 1977	16,380,000
Recommended in the bill	16,296,000
Bill compared with:	
Appropriation, fiscal year 1976	+286,000
Budget estimate, fiscal year 1977	-84,000

¹ Includes \$510,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$16,296,000, a reduction of \$84,000 resulting solely from the GSA reorganization.

The Civil Crisis Preparedness staff evaluates current and possible future threats to the U.S. economy caused by resource shortages and dependency on other nations; develops policies to accommodate or avoid these dependencies; provides guidance to Federal agencies, and local governments, regarding employment of resources during periods of shortage; and develops concepts, plans, and systems for managing the nation's critical resources in a range of crisis contingencies.

These activities are oriented to the development of policies and activities that are designed to improve the posture of the U.S. economy for a series of contingencies.

The Committee allows the 673 permanent positions requested for fiscal year 1977.

EXPENSES, DEFENSE PRODUCTION ACT

Appropriation, fiscal year 1976	
Budget estimate, fiscal year 1977	\$10,540,000
Recommended in the bill	
Bill compared with:	
Appropriation, fiscal year 1976	
Budget estimate, fiscal year 1977	-10,540,000

The Committee recommends denial of the entire budget request for this item.

P.L. 93-426 requires appropriations be sought to cover the cost of financing the existing Defense Production Act inventories and also to pay the Treasury interest on the value of any new materials acquired under the Defense Production Act.

The appropriation requested provides for payment of interest on the current market value of the inventory of materials procured under section 303 of the Defense Production Act as of the first day of each fiscal year commencing with the fiscal year beginning July 1, 1975. At the close of each fiscal year there is to be deposited into the Treasury as miscellaneous receipts, an amount which the Secretary of the Treasury determines necessary to provide for the payment of any interest accrued and unpaid. The rate of this interest is to be determined by

the Secretary of the Treasury taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States.

This is primarily a bookkeeping type of appropriation, intended to emphasize the need for prompt disposal of those materials that are in excess of defense needs.

No positions are funded from this account.

GENERAL MANAGEMENT AND AGENCY OPERATIONS

SALARIES AND EXPENSES

Appropriation, fiscal year 1976	\$12,183,000
Budget estimate, fiscal year 1977	12,636,000
Recommended in the bill	6,616,000
Bill compared with:	
Appropriation, fiscal year 1976	-5,567,000
Budget estimate, fiscal year 1977	-6,020,000

¹ Includes \$183,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$6,616,000, a reduction of \$6,020,000 resulting solely from the GSA reorganization.

This appropriation provides for (1) policy direction and coordination of all GSA programs by the Administrator, his Deputy, and 10 regional administrators, (2) a communications, congressional, and public affairs staff, and (3) agencywide auditing.

The reorganization of GSA involved the transfer of the entire GSA Civil Rights Office from the Office of the Administrator to the Administrative and Staff Support Services. This was to reduce the "number of offices reporting to the Administrator" and to locate these offices within the personnel office.

The Committee allows the requested 237 permanent positions for fiscal year 1977.

INDIAN TRUST ACCOUNTING

Appropriation, fiscal year 1976	\$2,675,000
Budget estimate, fiscal year 1977	2,702,000
Recommended in the bill	2,702,000
Bill compared with:	
Appropriation, fiscal year 1976	+27,000
Budget estimate, fiscal year 1977	

¹ Includes \$75,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$2,702,000, the full amount of the fiscal year 1977 budget request.

This appropriation provides for necessary expenses of the General Services Administration to comply with the request of the Department of Justice and a directive of the Office of Management and Budget to prepare accounting reports for cases pending before the Indian Claims Commission.

The Committee has inserted a provision prohibiting the transfer of funds from this account to any other account, unless such transfer is in furtherance of the purposes of this activity.

The Committee allows 133 permanent positions requested for fiscal year 1977, the same number as authorized for fiscal year 1976.

ALLOWANCE AND OFFICE STAFF FOR FORMER PRESIDENTS

Appropriation, fiscal year 1976.....	\$275,000
Budget estimate, fiscal year 1977.....	280,000
Recommended in the bill.....	280,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+5,000
Budget estimate, fiscal year 1977.....	

The Committee recommends an appropriation of \$280,000, the full amount of the fiscal year 1977 budget request.

This appropriation request is broken down to the three major categories listed below:

	1976	1977
Widows' pensions and allowance.....	\$65,000	\$65,000
Former President's pension.....	62,000	63,000
Office staff for former President.....	148,000	152,000
Total.....	275,000	280,000

This fund provides for pensions and the cost of postal franking privileges for the widows of former Presidents Dwight D. Eisenhower, Harry S. Truman, and Lyndon B. Johnson.

The fund also provides for the pension for former President Nixon as well as office staff and related expenses under the Former President's Act of 1958, as amended.

Following is an explanation of the \$215,000 recommended in the budget, and allowed in the accompanying bill, for staff and office expenses and pension of former President Nixon:

Personnel Compensation and Staffing: \$96,000. There is no established staffing for this activity.

Personnel Benefits: \$9,000. Includes \$7,500 direct contribution to retirement fund, \$1,200 for health benefits, and \$300 for group insurance.

Benefits for Former President: \$63,000: Provides pension of \$63,000 for former President Nixon.

Travel and Transportation of Persons: \$2,000.

Rents and Communications: \$39,000. Includes \$29,000 for teletype, local telephone, FTS and long distance service, facsimile services in connection with Presidential Papers and materials, and office machine rentals; and \$10,000 for reimbursement to the Postal Service for franked mail.

Other Services: \$5,000. Includes repairs to equipment and furniture, as well as other services performed by commercial contractors.

Supplies and Materials: \$1,000. For supplies and materials in connection with operation of the offices.

EXPENSES, PRESIDENTIAL TRANSITION

Appropriation, fiscal year 1976.....	
Budget estimate, fiscal year 1977.....	\$900,000
Recommended in the bill.....	900,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+900,000
Budget estimate, fiscal year 1977.....	

The Committee recommends an appropriation of \$900,000, the full amount of the fiscal year 1977 budget request.

This request is authorized by the Presidential Transition Act of 1963, P.L. 88-277. Up to \$900,000 may be appropriated for any one presidential transition.

Section 5 of the act requires that, "the President shall include in the budget transmitted to the Congress, for each fiscal year in which his regular term of office will expire, a proposed appropriation for carrying out the purposes of this act." However, in the case where the President-elect is the incumbent President or in the case where the Vice-President-elect is the incumbent Vice President, there is to be no expenditure of funds for the provision of services and facilities to incumbents under the act, and any funds appropriated are to be returned to the general fund of the Treasury.

ADMINISTRATIVE AND STAFF SUPPORT SERVICES

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	\$51,697,000
Budget estimate, fiscal year 1977.....	65,170,000
Recommended in the bill.....	72,219,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+20,522,000
Budget estimate, fiscal year 1977.....	+7,049,000

¹ Includes \$1,397,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$72,219,000, an increase of \$7,049,000 above the fiscal year 1977 budget request. This increase results solely from the GSA reorganization.

This appropriation provides financing of administrative operations services on a centralized and integrated basis for all General Services Administration programs.

1. Administration—This consists of accounting and reporting, credit, insurance, and related financial services and office services, investigations, personnel services, and systems development and design. The responsibility for providing internal ADP services to GSA was transferred to this activity from the Automatic data processing fund. Financing for this function is budgeted in this account for 1977.

2. Legal services—This covers the fields of real property, personal property, archives and records, transportation and communications, strategic and critical materials stockpiling, preparedness policy, and finance and administration.

3. Board of Contract Appeals—This provides a forum for a fast and economic resolution of disputes between a contractor and GSA over provisions or performance of a contract.

4. Federal information centers—In conjunction with the Civil Service Commission, GSA operates 37 centers across the country to assist people who need a service provided by the Federal Government but do not know which agency or office provides it. This activity is financed from Federal agency reimbursements to this appropriation.

The Committee allows a total of 3,055 permanent positions, the total amount of the fiscal year 1977 request.

NATIONAL CENTER FOR PRODUCTIVITY AND QUALITY OF WORKING LIFE

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	\$2,000,000
Budget estimate, fiscal year 1977.....	5,000,000
Recommended in the bill.....	2,500,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+500,000
Budget estimate, fiscal year 1977.....	-2,500,000

The Committee recommends an appropriation of \$2,500,000, a reduction of \$2,500,000 below the fiscal year 1977 budget request.

The National Center for Productivity and Quality of Working Life was established by P.L. 94-136 on November 28, 1975. The new Center absorbs the functions of the National Commission on Productivity and Work Quality and is established to assist in the formulation of national policies for productivity, to coordinate Federal activities affecting productivity, to report to Congress on the effect of public regulatory agencies on productivity and to otherwise stimulate and support both private and public sector efforts to improve productivity and the quality of working life. It is directed by a board of directors of 27 members, appointed by the President and confirmed by the Senate, and will be administered by an executive director. In 1977, the new Center will be engaged in an expanded range of responsibilities and functions not previously assigned to the Commission. Particular emphasis will be placed on Federal productivity program coordination and analysis.

The Committee is concerned about the size of the increase in the Center. While the Committee understands the new responsibilities which the Center must undertake, it feels an increase from \$2 million to \$5 million is too rapid for economical use.

The Committee allows an increase of 10 positions, increasing the authorized level for fiscal year 1977 to 30 permanent positions, a reduction of 10 below the budget request.

NATIONAL COMMISSION ON SUPPLIES AND SHORTAGES

SALARIES AND EXPENSES

Appropriations, fiscal year 1976.....	¹ \$747,500
Budget estimate, fiscal year 1977.....	360,000
Recommended in the bill.....	360,000
Bill compared with:	
Appropriation, fiscal year 1976.....	-387,500
Budget estimate, fiscal year 1977.....	

¹ Includes \$125,000 contained in the Second Supplemental Appropriations Act of 1976.

The Committee recommends an appropriation of \$360,000, the full amount of the fiscal year 1977 budget request.

The National Commission on Supplies and Shortages will report to the President and the Congress on the existence or possibility of shortages of essential resources and commodities and on institutional adjustments for examining and predicting these shortages. The Commission will issue its final report on December 30, 1976, and will terminate all activity by March 30, 1977.

There are 22 positions funded by this appropriation. These positions will cease to exist when the Commission terminates its activity.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

Appropriation, fiscal year 1976.....	¹ \$6,715,000
Budget estimate, fiscal year 1977.....	7,322,000
Recommended in the bill.....	7,322,000
Bill compared with:	
Appropriation, fiscal year 1976.....	+607,000
Budget estimate, fiscal year 1977.....	

¹ Includes \$115,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$7,322,000, the full amount of the fiscal year 1977 budget request.

The U.S. Tax Court hears and decides cases involving Federal income, estate, and gift tax deficiencies and renders declaratory judgments regarding the qualifications of retirement plans under the provisions of the Employee Retirement Security Act of 1974.

For 1977, the court proposes a trial program of 295 weeks consisting of 215 weeks of regular trial sessions and 80 weeks of small tax cases sessions, such trials to be held throughout the United States.

The Committee allows the requested increase of 10 positions, increasing the authorized level to 207 in fiscal year 1977.

DEFENSE CIVIL PREPAREDNESS AGENCY

OPERATION AND MAINTENANCE

Appropriation, fiscal year 1976.....	¹ \$65,578,000
Budget estimate, fiscal year 1977.....	71,000,000
Recommended in the bill.....	65,000,000
Bill compared with:	
Appropriation, fiscal year 1976.....	-578,000
Budget estimate, fiscal year 1977.....	-6,000,000

¹ Includes \$578,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$65,000,000. The budget request proposed a consolidation of the Operation and maintenance account and the Research, Shelter Survey and Marking account. The total amount recommended by the Administration is \$71,000,000. The Committee recommends that the two accounts be kept separate and that some re-distribution of appropriations be made but that the total recommended for appropriation be \$71,000,000, the same as the budget request.

This appropriation provides for the operation, maintenance, and continuing development of the nationwide emergency warning system and the distribution of radiological defense equipment to develop and maintain an effective detection and monitoring system. It provides for the support of those activities which are required to develop and maintain an optimum capability to perform essential actions in emergency periods to enhance survival probabilities.

It further provides grants to State, and local governments to assist them in meeting their responsibilities under the Federal Civil Defense Act of 1950, as amended. It also provides for the administrative expenses, i.e., salaries, travel, and supporting costs for the management and administration of the national civil defense program.

The Committee believes that it is essential that the Civil Defense structure remain, even if funds for research, shelter survey and marking are reduced.

The budget level recommended by the Committee provides the same amount in fiscal year 1977 as was appropriated in fiscal year 1976 for this function of the Defense Civil Preparedness Agency. The Committee notes that there is over \$4 million in training funds in fiscal year 1976. By discontinuing training for this year, these funds could be used to pay for mandatory increases over which the Agency has no control, and thus continue all Operation and maintenance functions except for training at the fiscal year 1976 level of operations.

The Committee understands that there is legislation pending before Congress which would authorize the Defense Civil Preparedness Agency to prepare for natural as well as nuclear disasters. Until the basic concept regarding the mission of the Agency is legislatively resolved, the Committee is reluctant to make any significant changes in the funding level.

The Committee allows 653 permanent positions, an increase of 193 above the budget request and the same number authorized for fiscal year 1976.

RESEARCH, SHELTER SURVEY AND MARKING

Appropriation, fiscal year 1976.....	\$20,000,000
Budget estimate, fiscal year 1977.....	
Recommended in the bill.....	6,000,000
Bill compared with:	
Appropriation, fiscal year 1976.....	-14,000,000
Budget estimate, fiscal year 1977.....	+6,000,000

The Committee recommends an appropriation of \$6,000,000, an increase of \$6 million over the fiscal year 1977 budget request for this account. It should be noted, however, that funds for this purpose were included in the budget request for operation and maintenance for fiscal year 1977.

This appropriation provides for the development of a nationwide inventory of fallout shelters and plans for their use in emergency periods to enhance survival; planning for the crisis relocation of people and attendant care and protection.

It provides matching grants to State and local governments as authorized by section 201(i) of the Federal Civil Defense Act for the design, construction, and equipping of State and local emergency operating centers and the procurement and installation of related capital equipment for such civil defense supporting systems as warning and communications. It also provides for improvement of the technical basis for ongoing and potential civil defense programs and operations.

The Committee feels that this activity can be funded at a relatively low level in fiscal year 1977 pending a legislative decision on the scope of operations of the Defense Civil Preparedness Agency.

No positions are funded from this account.

TITLE V—GENERAL PROVISIONS—THIS ACT

SEC. 506. This general provision, not heretofore carried in any appropriation act, is included for the purpose of restraining General Services Administration procurement of stainless steel flatware.

TITLE VI—GENERAL PROVISIONS—DEPARTMENTS, AGENCIES, AND CORPORATIONS

Sec. 613. The purpose of this general provision is to freeze the rental or Standard Level User Charge (SLUC) rates from year to year to that amount which an agency was permitted to include in its budget and for which appropriations were received.

The Committee has received complaints from agencies in the past that rental charges (or SLUC rates) were increased by GSA after the beginning of a fiscal year. In order to comply with a rent increase under such circumstances, it would be necessary for an agency to use funds which were appropriated to it for other purposes. This, of course, was not the intent of the legislation which established the Federal Building Fund, and, of course, is not the intent of Congress in appropriating funds for specific purposes.

Agencies are permitted, under certain circumstances, to include amounts in their budgets for additional space, on a reimbursable basis, where such requirements cannot be precisely determined in advance. These reimbursable funds should be used only under unusual circumstances for requirements which arise after the beginning of a fiscal year and should not exceed the amount allowed for such purpose in the annual appropriation act.

The General Services Administration has assured the Committee that it will not increase the SLUC rates for agencies after the beginning of a fiscal year. In order to protect the fiscal integrity of the Fund, GSA and tenant agencies should reach agreement on space and SLUC rates in sufficient time for agencies to include the required amounts in their budgets for each succeeding fiscal year.

The Office of Management and Budget has agreed to a Committee request to establish an object classification in the budget for rental charges beginning with the fiscal year 1978. This will formalize and facilitate the procedure envisioned by this general provision.

SEC. 614. The purpose of this revised limitation is to state the clear intention of the Committee not to fund any additional purchase contract projects under the provisions of Section 5 of the Public Buildings Amendments of 1972 (Public Law 92-313). The authority for space acquisition under this authority expired on June 30, 1975.

The Committee was informed by letter from GSA Administrator Eckerd to Chairman Steed under date of May 12, 1976, that \$1,330,682,625 had been provided for in order to finance sixty-eight projects under the purchase contract authority. The letter further states that of these 68 projects, thirty-seven have been completed, twenty-two are currently under construction, and the remaining nine are presently being designed with current schedule calling for construction to begin not later than April 1977. Twenty-three of the projects were constructed under the "Package System" of financing and the balance of forty-five projects are being financed under the "Dual System." It is the intention of the Committee not to finance any additional projects under the purchase contract authority, either under the "Package System" or the "Dual System" in addition to the sixty-eight projects listed in the letter referred to above.

The Committee specifically directs that no *additional* projects, regardless of their status, be considered for construction or acquisition under this expired provision of law.

GENERAL PROVISIONS

This bill carries a number of general provisions, some of which are routine and have been carried for a number of years, and some are proposed for the first time this year.

Those general provisions that deal with a single agency only are shown immediately following that agency's appropriation in the accompanying bill. Others that deal with all of the agencies provided for in this bill are shown under Title V, and those general provisions that are Government-wide in scope are shown under Title VI of the accompanying bill.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions not heretofore carried in this exact form in connection with any appropriation bill are recommended:

In Title I, in connection with the U.S. Secret Service:

and the conducting and participation in firearms matches;

In Title IV, in connection with Indian Trust Accounting, General Services Administration:

Provided, That none of these funds shall be available for transfer to any other account.

In Title V, in connection with General Provisions, This Act:

SEC. 506. No part of any appropriation contained in this Act shall be available for the procurement of, or for the payment of, the salary of any person engaged in the procurement of stainless steel flatware not produced in the United States or its possessions, except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of stainless steel flatware produced in the United States or its possessions, cannot be procured as and when needed from sources in the United States and its possessions, or except in accordance with procedure provided by section 6-104.4(b) Armed Services Procurement Regulation, dated January 1, 1969. This section shall be applicable to all solicitations for bids issued after its enactment.

In Title VI, in connection with General Provisions, Departments, Agencies and Corporations:

SEC. 613. No part of any appropriation contained in, or funds made available by, this or any other Act shall be available for any agency to pay, to the Administrator of the General Services Administration a higher rate for rental of space and services (established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended) than such agency included in its budget for the current fiscal year and for which appropriations were granted.

SEC. 614. None of the funds available under this or any other Act shall be available for administrative expenses in connection with the designation for construction, arranging for financing, or execution of contracts or agreements for financing or construction of any additional purchase contract proj-

ects pursuant to section 5 of the Public Buildings Amendments of 1972 (Public Law 92-313) during the period beginning October 1, 1976, and ending September 30, 1977.

COMPLIANCE WITH RULE XI, CLAUSE 2(1) (4)

INFLATIONARY IMPACT STATEMENT

Pursuant to clause 2(1) (4), Rule XI of the House of Representatives, the Committee estimates that enactment of this bill would have minimal overall inflationary impact on prices and costs in the operation of the national economy.

The total amount recommended in the bill is \$289,211,000 more than the total requests considered by the Committee for fiscal year 1977. Approximately 326 positions are being eliminated in fiscal year 1977.

COMPLIANCE WITH RULE XIII, CLAUSE 3

The bill which this report accompanies does not propose to change or amend any existing statute or part thereof.

COMPLIANCE WITH RULE XXI, CLAUSE 3

The Committee submits the following statements in compliance with Clause 3, Rule XXI of the House, describing the effects of provisions proposed in the accompanying bill which may be considered, under certain circumstances, to change the application of existing law, either directly or indirectly:

1. The bill provides in some instances, for funding of agencies and activities where legislation has not yet been finalized. In addition, the bill carries language, in some instances, permitting activities not authorized by law, or exempting agencies from certain provisions of law, but which has been carried in appropriations acts for many years. Notably, the White House Office and other agencies in Title III of the bill in the Executive Office of the President fall into this category. Legislation is presently under consideration by the Congress in this connection.

2. In Title IV of the bill, in connection with the General Services Administration, certain limitations on the availability of revenue in the Federal Buildings Fund have been carried forward from last year.

3. In Title IV, under Indian Trust Accounting, the General Services Administration, there is a provision that no funds shall be available for transfer to any other account.

4. A proposed new general provision in Title V, *Section 506*, provides that no appropriation shall be available for the payment of the salary of any person engaged in the procurement of stainless steel flatware not produced in the United States or its possessions except under special circumstances stated in *Section 506*.

5. Two new general provisions have been proposed in Title VI. The first, *Section 613*, prohibits GSA from charging other federal agencies a higher rate for rental of space and services than such agency included in its budget for the current fiscal year and for which appropriations were granted. *Section 614* prohibits GSA

from designating for construction, arranging for financing or execution of contracts or agreements for financing or construction of any additional purchase contract projects.

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

COMPLIANCE WITH SECTION 308(a)(1)(A) OF PUBLIC LAW 93-344

The following information is provided in compliance with the "Congressional Budget and Impoundment Control Act of 1974."

TREASURY-POSTAL SERVICE-GENERAL GOVERNMENT APPROPRIATION BILL COMPARED WITH THE CONCURRENT RESOLUTION ON THE BUDGET (H.J. RES. 611)

[In thousands of dollars]

	Amount in concurrent resolution		Committee recommendations		Remaining for future action	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
050 National defense.....	97,920	95,819	87,296	85,239	+10,624	+10,580
400 Commerce and transportation.....	1,771,164	1,771,660	1,769,030	1,770,001	+2,134	+1,659
500 Education—Training—Employment—Social service.....	316	4,969	316	4,969		
550 Health.....	451,844	451,844	451,844	451,844		
600 Income security.....		24,365		24,365		
750 Law enforcement and justice.....	585,541	588,874	576,117	580,067	+9,424	+8,807
800 General government.....	5,619,087	5,593,677	5,384,855	5,348,396	+234,232	+245,281
850 Revenue sharing—Fiscal assistance.....	3,810	3,738	3,500	3,444	+310	+294
900 Interest.....		390		390		
Subcommittee/bill.....	8,529,682	8,535,336	8,272,958	8,268,715	+256,724	+266,621

Note. This table includes an allowance for claims and judgments not included in the accompanying bill.

COMPLIANCE WITH SECTION 308(a)(1)(B) AND (C) OF PUBLIC LAW 93-344

The following information, which is printed without comment or modification, was provided the Committee by the Congressional Budget Office pursuant to the "Congressional Budget and Impoundment Control Act of 1974":

Pursuant to Section 308(a) of the "Congressional Budget and Impoundment Control Act of 1974, the following information is provided:

1. A projection for five fiscal years of the budget outlays associated with the budget authority provided in the bill.

[Thousands of dollars; fiscal years]

Budget authority 1977	Outlays				
	1977	1978	1979	1980	1981
\$8,272,958.....	\$7,991,405	\$247,385	\$36,121	\$22,412	

2. The new budget authority and budget outlays provided in the bill for financial assistance to state and local governments.

Account	Fiscal year	
	1977 budget authority	1977 outlays
Civil Defense—Operation and maintenance: Defense Civil Preparedness Agency 07 35 0604 0 1 051.....	29,538	14,769
Civil Service Commission—Intergovernmental Personnel Assistance 30 28 0300 0 1 806.....	15,000	9,000
Total.....	44,538	23,769

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND THE
BUDGET ESTIMATES FOR FISCAL YEAR 1977**

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—FEDERAL FUNDS

[Becomes available automatically under earlier, or "permanent" law without further, or annual, action by the Congress. Thus, these amounts are not included in the accompanying bill]

	New budget authority enacted, fiscal year 1976	New budget authority estimates, fiscal year 1977	New budget authority estimate compared with fiscal year 1976 enacted
PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY FEDERAL FUNDS			
TREASURY DEPARTMENT			
Presidential Election Campaign Fund.....	\$40,000,000	\$35,000,000	-\$5,000,000
Office of the Secretary: Miscellaneous appropriations (indefinite, special fund).....	16,000	18,000	+2,000
U.S. Customs Service: Miscellaneous appropriations (permanent, special fund).....	225,000,000	23,000,000	+5,000,000
General revenue sharing.....	6,354,780,000	6,542,280,000	+187,500,000
Interest on the public debt (indefinite).....	37,700,000,000	45,000,000,000	+7,300,000,000
Interest on uninvested funds (indefinite).....	8,076,000	8,025,000	-51,000
Refunding internal revenue collections, interest (indefinite).....	334,000,000	395,000,000	+62,000,000
Contributions for annuity benefits (indefinite).....	2,600,000	4,000,000	+1,400,000

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Internal Revenue collections for Puerto Rico (indefinite, special fund).....	114,000,000	114,000,000	
Coinage profit fund (indefinite, special fund).....	2,818,000	3,500,000	+682,000
Claims, judgments, and relief acts (indefinite).....	23,000,000	23,000,000	
Payment where credit exceeds liability for tax.....	1,200,000,000	600,000,000	-600,000,000
Total.....	46,004,290,000	52,955,823,000	+6,951,533,000
INDEPENDENT AGENCIES			
Civil Service Commission: Payment to Civil Service retirement and disability fund (indefinite).....	3,203,397	4,279,672	+1,076,275
General Services Administration: Expenses, disposal of surplus real and related personal property (indefinite).....	1,500,000	1,000,000	-500,000
Total.....	4,703,397	5,279,672	576,275
Total, Federal funds.....	46,008,993,397	52,961,102,672	+6,952,109,275
PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY TRUST FUNDS			
TREASURY DEPARTMENT			
Pershing Hall memorial fund (indefinite).....	7,000	7,000	
Bureau of Government Financial Operations: Trust Funds.....	18,000	18,000	
Refunds, transfers, and expenses of unclaimed, abandoned, and seized goods, U.S. Customs Service (indefinite).....	3,000,000	3,500,000	+500,000
State and local government fiscal assistance trust fund.....	(6,354,780,000)	(6,542,280,000)	(+187,500,000)
Total.....	3,025,000	3,525,000	500,000

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COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND THE BUDGET ESTIMATES FOR FISCAL YEAR 1977—Continued

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—FEDERAL FUNDS—Continued

[Becomes available automatically under earlier, or "permanent" law without further, or annual, action by the Congress. Thus, these amounts are not included in the accompanying bill]

	New budget authority enacted, fiscal year 1976	New budget authority estimates, fiscal year 1977	New budget authority estimate compared with fiscal year 1976 enacted
INDEPENDENT AGENCIES			
Advisory Commission on Intergovernmental Relations: Contributions (indefinite)-----	\$6, 000	\$10, 000	+\$4, 000
Civil Service Commission: Civil Service retirement and disability fund (indefinite)-----	12, 695, 774, 000	15, 826, 091, 000	+3, 130, 317, 000
General Services Administration: National Archives gift fund-----	65, 000	35, 000	- 30, 000
Tax Court of the United States: Tax Court judges survivors annuity fund (indefinite)-----	90, 000	96, 000	+ 6, 000
Total-----	12, 695, 935, 000	15, 826, 232, 000	+3, 130, 297, 000
Total, Trust funds-----	12, 698, 960, 000	15, 829, 757, 000	+3, 130, 797, 000
Total, New budget (obligational) authority-----	58, 707, 953, 397	68, 790, 859, 672	+10, 082, 906, 275

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COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND THE BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1977

Agency and item	New budget (obligational) authority, fiscal year 1976 ¹	Budget estimates of new budget (obligational) authority, fiscal year 1977	New budget (obligational) authority recommended in bill	Bill compared with—	
				New budget (obligational) authority, fiscal year 1976	Budget estimates of new budget (obligational) authority, fiscal year 1977
TITLE I—TREASURY DEPARTMENT					
Office of the Secretary-----	\$28, 183, 000	\$26, 972, 000	\$26, 000, 000	-\$2, 183, 000	-\$972, 000
Office of Revenue Sharing-----	2, 569, 000	3, 810, 000	3, 500, 000	+931, 000	- 310, 000
Federal Law Enforcement Training Center-----	12, 000, 000	8, 450, 000	9, 000, 000	-3, 000, 000	+550, 000
Bureau of Government Financial Operations-----	131, 725, 000	147, 229, 000	144, 000, 000	12, 275, 000	-3, 229, 000
Government losses in shipment-----	700, 000	500, 000	500, 000	-200, 000	-----
Eisenhower College grants-----	1, 000, 000	-----	-----	-1, 000, 000	-----
Hoover Institution on War, Revolution and Peace, grants to-----	7, 000, 000	-----	-----	-7, 000, 000	-----
Bureau of Alcohol, Tobacco, and Firearms-----	109, 697, 000	125, 315, 000	112, 000, 000	+2, 303, 000	-13, 315, 000
U.S. Customs Service-----	328, 677, 000	326, 059, 000 ²	334, 000, 000	+5, 323, 000	+7, 941, 000
Bureau of the Mint:					
Salaries and expenses-----	41, 230, 000	43, 215, 000	40, 000, 000	-1, 230, 000	-3, 215, 000
Construction of Mint facilities-----	3, 350, 000	-----	-----	-3, 350, 000	-----
Total-----	44, 580, 000	43, 215, 000	40, 000, 000	-4, 580, 000	-3, 215, 000

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COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND THE BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1977—Continued

Agency and item	New budget (obligational) authority, fiscal year 1976	Budget estimates of new budget (obligational) authority, fiscal year 1977	New budget (obligational) authority recommended in bill	Bill compared with—	
				New budget (obligational) authority, fiscal year 1976	Budget estimates of new budget (obligational) authority, fiscal year 1977
TITLE I—TREASURY DEPARTMENT—Con.					
Bureau of the Public Debt.....	\$103,000,000	\$114,497,000	\$112,000,000	+\$9,000,000	-\$2,497,000
Internal Revenue Service:					
Salaries and expenses.....	45,825,000	46,700,000	46,700,000	+875,000	-----
Accounts, collection, and taxpayer service.....	791,740,000	789,900,000	795,900,000	+4,160,000	+6,000,000
Compliance.....	853,955,000	834,900,000	838,900,000	-15,055,000	+4,000,000
Total.....	1,691,520,000	1,671,500,000	1,681,500,000	-10,020,000	+10,000,000
U.S. Secret Service.....	114,950,000	* 112,650,000	112,650,000	-2,300,000	-----
Total, title I.....	2,575,601,000	2,580,197,000	2,575,150,000	-451,000	-5,047,000
TITLE II—UNITED STATES POSTAL SERVICE					
Payment to the Postal Service Fund.....	1,703,416,000	1,458,804,000	1,766,170,000	+62,754,000	+307,366,000
Budget submitted by U.S. Postal Service.....	NA	(1,766,170,000)	(1,766,170,000)	NA	NA
Revolving fund for advance payments to U.S. International Air Carriers.....	5,000,000	-----	-----	-5,000,000	-----
Total, title II.....	1,708,416,000	1,458,804,000	1,766,170,000	+57,754,000	+307,366,000

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TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT

Compensation of the President.....	250,000	250,000	250,000	-----	-----
The White House Office.....	16,763,000	16,530,000	16,530,000	-233,000	-----
Executive residence.....	1,902,000	2,095,000	2,095,000	+193,000	-----
Official Residence of the Vice President.....	274,000	61,000	61,000	-213,000	-----
Special assistance to the President.....	1,001,000	1,246,000	1,246,000	+245,000	-----
Council of Economic Advisers.....	1,621,000	1,718,000	1,718,000	+97,000	-----
Council on International Economic Policy.....	1,650,000	1,466,000	1,450,000	-200,000	-16,000
Council on Wage and Price Stability.....	1,589,000	1,607,000	1,607,000	+18,000	-----
Domestic Council.....	1,646,000	1,700,000	1,700,000	+54,000	-----
National Security Council.....	3,052,000	3,210,000	3,210,000	+158,000	-----
Office of Drug Abuse Policy.....	250,000	-----	-----	-250,000	-----
Office of Management and Budget.....	24,250,000	25,800,000	25,500,000	+1,250,000	-300,000
Office of Federal Procurement Policy.....	754,000	1,627,000	1,627,000	+873,000	-----
Office of Telecommunications Policy.....	8,500,000	8,206,000	8,206,000	-294,000	-----
Unanticipated needs.....	1,000,000	1,000,000	1,000,000	-----	-----
Total, title III.....	64,502,000	66,516,000	66,200,000	+1,698,000	-316,000

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See footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND THE BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1977—Continued

Agency and item	New budget (obligational) authority, fiscal year 1976	Budget estimates of new budget (obligational) authority, fiscal year 1977	New budget (obligational) authority recommended in bill	Bill compared with—	
				New budget (obligational) authority, fiscal year 1976	Budget estimates of new budget (obligational) authority, fiscal year 1977
TITLE IV—INDEPENDENT AGENCIES					
Administrative Conference of the United States-----	\$785,000	\$880,000	\$880,000	+ \$95,000	-----
Advisory Commission on Intergovernmental Relations-----	1,200,000	1,402,000	1,200,000	-----	-\$202,000
Advisory Committee on Federal Pay-----	135,000	215,000	215,000	+ 80,000	-----
Civil Service Commission:					
Salaries and expenses: Appropriation-----	97,533,000	102,328,000	102,328,000	+ 4,795,000	-----
By transfer-----	(21,388,000)	(24,365,000)	(24,365,000)	(+ 2,977,000)	-----
Government payment for annuitants, employees health benefits-----	347,969,000	451,844,000	451,844,000	+ 103,875,000	-----
Payment to civil service retirement and disability fund-----	1,517,865,000	2,874,955,000	2,874,955,000	+ 1,357,090,000	-----
Federal Labor Relations Council-----	1,298,000	1,565,000	1,565,000	+ 267,000	-----
Intergovernmental personnel assistance-----	15,000,000	10,000,000	15,000,000	-----	+ 5,000,000
Total-----	1,979,665,000	3,440,692,000	3,445,692,000	+ 1,466,027,000	+ 5,000,000

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Commission on Executive, Legislative, and Judicial Salaries: Salaries and expenses-----		100,000	100,000	+ 100,000	-----
Commission on Federal Paperwork-----	4,100,000	-----	-----	- 4,100,000	-----
Commission to Review National Policy Toward Gambling-----	745,000	265,000	265,000	- 480,000	-----
Committee for Purchase from the Blind and Other Severely Handicapped-----	261,000	316,000	316,000	+ 55,000	-----
Federal Election Commission-----	5,000,000	6,950,000	3,000,000	- 2,000,000	- 3,950,000
General Services Administration:					
Refunds under Renegotiations Act-----	1,000,000	-----	-----	- 1,000,000	-----
Disposal of Surplus Real and Related Property, Operating expenses-----	6,180,000	6,205,000	6,205,000	+ 25,000	-----
Federal Buildings Fund:					
Limitation on availability of revenue:					
Construction on buildings-----	(63,786,000)	(28,100,000)	(22,600,000)	(- 41,186,000)	- (5,500,000)
Purchase contract payments-----	(60,000,000)	(92,000,000)	(92,000,000)	(+ 32,000,000)	-----
Rental of space-----	(443,500,000)	(473,200,000)	(473,200,000)	(+ 29,700,000)	-----
Alterations and major repairs-----	(110,768,000)	(60,700,000)	(60,700,000)	(- 50,068,000)	-----
Real property operations-----	(397,500,000)	(414,905,000)	(414,905,000)	(+ 17,405,000)	-----
Program direction and centralized service-----	(65,600,000)	(61,550,000)	(61,550,000)	(- 4,050,000)	-----
Subtotal-----	(1,141,154,000)	(1,130,455,000)	(1,124,955,000)	(- 16,199,000)	(- 5,500,000)
Federal Supply Service-----	159,167,000	154,815,000	154,266,000	- 4,901,000	- 549,000
Payment to the general supply fund-----	40,000,000	-----	-----	- 40,000,000	-----

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See footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND THE BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1977—Continued

Agency and item	New budget (obligational) authority, fiscal year 1976 ¹	Budget estimates of new budget (obligational) authority, fiscal year 1977	New budget (obligational) authority recommended in bill	Bill compared with—	
				New budget (obligational) authority, fiscal year 1976	Budget estimates of new budget (obligational) authority, fiscal year 1977
National Archives and Records Service:					
Operating expenses.....	\$60,200,000	\$64,439,000	\$64,219,000	+\$4,019,000	-\$220,000
Records declassification.....	1,394,000	1,410,000	1,410,000	+16,000	-----
Subtotal.....	61,594,000	65,849,000	65,629,000	+4,035,000	-220,000
Automated Data and Telecommunications Service.....	7,460,000	7,651,000	7,475,000	+15,000	-176,000
Federal Preparedness Agency:					
Salaries and expenses.....	16,010,000	16,380,000	16,296,000	+286,000	-84,000
Expenses, Defense Production Act.....	-----	10,540,000	-----	-----	-10,540,000
General activities:					
General management and agency operations, salaries and expenses.....	12,183,000	12,636,000	6,616,000	-5,567,000	-6,020,000
Office of federal management policy, salaries and expenses.....	1,100,000	-----	-----	-1,100,000	-----
Indian Trust Accounting.....	2,675,000	2,702,000	2,702,000	+27,000	-----
Allowances and office staff for former Presidents.....	275,000	280,000	280,000	+5,000	-----
Expenses, Presidential transition.....	-----	900,000	900,000	+900,000	-----

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Administrative and staff support services.....	51,697,000	65,170,000	72,219,000	+20,522,000	+7,049,000
Subtotal.....	67,930,000	81,688,000	82,717,000	+14,787,000	+1,029,000
Total.....	359,341,000	343,128,000	332,588,000	-26,753,000	-10,540,000
Harry S. Truman Scholarship Fund.....	10,000,000	-----	-----	-10,000,000	-----
National Commission on the Observance of International Woman's Year, 1975.....	5,000,000	-----	-----	-5,000,000	-----
National Center for Productivity and Quality of Working Life.....	2,000,000	5,000,000	2,500,000	+500,000	-2,500,000
National Commission on Supplies and Shortages.....	747,500	360,000	360,000	-387,500	-----
National Study Commission on Records and Documents of Federal Officials.....	350,000	-----	-----	-350,000	-----
U.S. Tax Court: Salaries, and expenses.....	6,715,000	7,322,000	7,322,000	+607,000	-----
Department of Defense:					
Defense Civil Preparedness Agency:					
Operation and maintenance.....	65,578,000	71,000,000	65,000,000	-578,000	-6,000,000
Research, shelter survey, and marking.....	20,000,000	-----	6,000,000	-14,000,000	+6,000,000
Total.....	85,578,000	71,000,000	71,000,000	-14,578,000	-----
Total, title IV.....	2,461,622,500	3,877,630,000	3,865,438,000	+1,403,815,500	-12,192,000
Grand Total, NB(O)A.....	6,810,141,500	7,983,147,000	8,272,958,000	+1,462,816,500	+289,811,000

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¹ Includes amounts contained in the Second Supplemental Appropriations Act 1976.
² Includes budget amendment of \$2,000,000 contained in H. Doc. 94-460.

³ Includes budget amendment of \$2,400,000 contained in H. Doc. 94-460.



TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS BILL, 1977

JUNE 16, 1976.—Ordered to be printed

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

REPORT

[To accompany H.R. 14261]

The Committee on Appropriations to which was referred the Bill (H.R. 14261) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for fiscal year ending September 30, 1977, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes recommended.

Amount of House bill-----	\$8,267,636,000
Amount of increase by Senate-----	+33,524,000
Amount of bill as reported to Senate-----	
8,301,160,000	8,301,160,000
Amount of budget estimates of new (obligational) authority, fiscal year 1977-----	8,004,892,000
Amount of new budget (obligational) authority, fiscal year 1976-----	6,810,141,500
Senate bill as reported compared with:	
Amount of budget estimates of new (obligational) authority, fiscal year 1977 (as amended) -----	+296,268,000
Amount of new budget (obligational) authority, fiscal year 1976-----	+1,491,018,500

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SUMMARY OF THE BILL

The bill provides a total amount of \$8,301,160,000, which is \$1,491,018,500 above the appropriations for 1976, \$296,268,000 above the amendment estimates for 1977, and an increase of \$33,524,000 above the appropriations in the House bill of \$8,267,636,000.

The following table summarizes the amounts of new budget (obligational) authority recommended in the bill for fiscal year 1977 compared with amounts appropriated to date for fiscal year 1976 and with the amended 1977 budget estimates and the House bill. The tabulation by appropriation item is included at the end of the report.

TREASURY, U.S. POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATION BILL FOR FISCAL YEAR 1977

SUMMARY

Agency and item (1)	New budget (obligational) authority enacted fiscal year 1976 (2)	Budget estimates of new budget (obligational) authority fiscal year 1977 (3)	New budget (obligational) authority recommended in House bill (4)	New budget (obligational) authority recommended by Senate Committee (5)	Increase (+) or decrease (-), Senate bill compared with—		
					New budget (obligational) authority fiscal year 1976 (6)	New budget (obligational) authority fiscal year 1977 (7)	House bill (8)
Title I, Treasury Department.....	\$2,575,601,000	\$2,580,197,000	\$2,575,460,000	\$2,574,300,000	-\$1,301,000	-\$5,897,000	-\$1,160,000
Title II, Postal Service.....	1,708,416,000	1,438,804,000	1,766,170,000	1,766,170,000	+57,754,000	+307,366,000	-----
Title III, Executive Office of the President.....	64,502,000	66,516,000	43,568,000	66,000,000	+1,498,000	-516,000	+22,432,000
Title IV, Independent Agencies.....	2,461,622,500	3,899,375,000	3,882,438,000	3,894,690,000	+1,433,067,500	-4,685,000	+12,252,000
Grand total, titles I, II, III, and IV.....	6,810,141,500	8,004,892,000	8,267,636,000	8,301,160,000	+1,491,018,500	+296,268,000	+33,524,000

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

In addition to the new obligational authority recommended in the accompanying bill, significant amounts are made available each year for permanent budget authority which does not require annual action by the Congress in the appropriations process. A schedule reflecting the permanent new budget authority, including federal funds and trust funds, is included at the end of this report. The principal item of permanent new budget authority is for payment of interest on the public debt which is estimated at \$45,000,000 for fiscal year 1977, an increase of \$7,300,000 over fiscal year 1976. The total estimated requirement of \$68,790,859,672 for fiscal year 1977 permanent new budget authority is an increase of \$10,082,906,275 over fiscal year 1976. When considered with the amounts recommended in the accompanying bill, the total amount recommended by the Committee for fiscal year 1976 is \$77,092,019,672. This is an increase of \$33,524,000 over the House allowance and an increase of \$11,573,924,775 over fiscal year 1976.

	Fiscal year 1976	Fiscal year 1977	Increase (+) or decrease (-)
Treasury, Postal Service, and General Government appropriations bill.....	\$6,810,141,500	\$8,301,160,000	+\$1,491,018,500
Permanent budget authority:			
Federal funds.....	46,008,993,397	52,961,102,672	+6,952,109,275
Trust funds.....	12,698,960,000	15,829,757,000	+3,130,797,000
Total, permanent new budget authority.....	58,707,953,397	68,790,859,672	+10,082,906,275
Grand total.....	65,518,094,897	77,092,019,672	+11,573,924,775

In addition to the agencies whose funds are derived from direct appropriations and from permanent authority as reflected in the above table, there are other agencies which operate under separate authority which does not provide for Congressional review of their annual fiscal requirements. For example, the U.S. Postal Service, pursuant to the Postal Reorganization Act (Public Law 91-375), is authorized to use income from postage and services for their operating expenses, and to request an appropriation from Congress for certain subsidies which are discussed later in this report. Therefore, only the amount of the subsidy requirement is reviewed by the Congress.

In the Treasury Department, the Office of the Comptroller of the Currency, whose income is derived principally from assessments paid by national banks, is exempt from Congressional review as these assessments are not construed to be Government funds. The Exchange Stabilization Fund derives its income principally from handling charges imposed on purchases and sales of gold for the account of the fund, profits on foreign exchange transactions, and interest on investments and is also exempt from annual review by the Congress.

TITLE I—DEPARTMENT OF THE TREASURY

SUMMARY

Appropriation, 1976	¹ \$2,575,601,000
Budget estimate, 1977.....	² 2,580,197,000
House allowance.....	2,575,460,000
Committee recommendation	2,574,300,000
Bill compared with:	
Appropriation, 1976.....	-1,301,000
Budget estimate, 1977.....	-5,897,000
House allowance.....	-1,160,000

¹ Includes \$93,742,000 contained in the Second Supplemental Appropriations Act, 1976.
² Includes budget amendment of \$4,600,000 contained in H. Doc. 94-480.

The Committee recommends an appropriation of \$2,574,300,000. This is a reduction of \$1,301,000 below the fiscal year 1976 appropriation, \$5,897,000 below the fiscal year 1977 budget estimate and \$1,160,000 below the House allowance.

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

Appropriation, 1976	¹ \$28,183,000
Budget estimate, 1977.....	26,972,000
House allowance	26,000,000
Committee recommendation	26,000,000
Bill compared with:	
Appropriation, 1976	-2,183,000
Budget estimate, 1977.....	-972,000
House allowance	

¹ Includes \$683,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance of \$26,000,000 and 865 permanent personnel positions. This is a reduction of \$2,183,000 from the fiscal year 1976 appropriation and \$972,000 from the budget estimate. The permanent positions allowed are an increase of 10 above the fiscal year 1976 level of activity and a reduction of 11 from the budget estimate.

The Committee notes that permanent positions for the Office of the Secretary have increased from 666 in fiscal year 1973.

The functions of the Office of the Secretary are directly related to the responsibilities of the Secretary of the Treasury as a major policy advisor to the President and as the executive director of the Department. The Secretary has primary responsibility for: formulating and recommending domestic and international financial policy and tax policy, participating in the formulation of broad fiscal policies that have general significance for the economy, and managing the public debt. The Secretary also oversees the activities of the Department in carrying out its major law enforcement responsibilities, in serving as the financial agent for the U.S. Government, in the manufacturing of

coins and currency, and in managing the operations and maintenance of the Main Treasury Building and the Annex.

OFFICE OF REVENUE SHARING

SALARIES AND EXPENSES

Appropriation, 1976	\$2,569,000
Budget estimate, 1977	3,810,000
House allowance	3,810,000
Committee recommendation	3,500,000
Bill compared with:	
Appropriation, 1976	+931,000
Budget estimate, 1977	-310,000
House allowance	-310,000

¹ Includes \$79,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$3,500,000 and 118 permanent personnel positions. This is a reduction of \$310,000 and 11 positions below the budget estimate and the House allowance and an increase of \$931,000 and 10 positions above the fiscal year 1976 appropriation.

Title I of the State and Local Fiscal Assistance Act of 1972, as amended (general revenue sharing), provides for the distribution of \$30.2 billion to more than 39,000 units of State and local governments over a 5-year period. Allocations are made quarterly to each government unit. Few restrictions are imposed by the Fiscal Assistance Act on the expenditure of funds received, for it was the intent of both the administration and the Congress that revenue sharing be a "no-strings attached" program. However, the Act does require that each government comply with a number of significant provisions, requirements, and limitations which govern the uses of funds, financial and accounting practices, nondiscrimination, public reporting, and nonmatching in applying for other federal funds.

The Committee notes that in the compliance area, formal audit agreements have been concluded with 43 State governments, and 12 agreements have been concluded with human rights agencies. The Committee encourages this innovative approach to provide financial audit and civil rights compliance coverage.

The 21 additional personnel requested are all for the compliance areas and 14 are for equal employment opportunity specialists. The Committee notes that until the middle of fiscal year 1976, only five civil rights specialists were employed. This has recently been doubled to 10. The Committee recommends concurrence with the allowance of 10 additional permanent personnel positions. This will provide 51 positions for the compliance activity.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

Appropriation, 1976	\$12,000,000
Budget estimate, 1977	8,450,000
House allowance	9,000,000
Committee recommendation	8,650,000
Bill compared with:	
Appropriation, 1976	-3,350,000
Budget estimate, 1977	+200,000
House allowance	-350,000

The Committee recommends an appropriation of \$8,650,000 and 314 permanent personnel positions. This is a reduction of \$350,000 and 7 permanent personnel positions from the House allowance and \$3,350,000 and 106 permanent positions from fiscal year 1976. The allowance is an increase of \$200,000 above the budget estimate.

The Federal Law Enforcement Training Center provides the necessary facilities, equipment and administrative support for conducting basic, advanced, specialized and refresher training for law enforcement personnel of the participating agencies, plus the instructors who teach the basic and some of the advanced courses. In addition, the Center furnishes training on a space-available basis to personnel from several Federal organizations which are not participating agencies.

The House allowed an increase of \$550,000 above the budget estimate for transportation costs of students from the various agencies that attend the Training Center. The House report expressed concern that requiring these agencies to fund for student travel could result in reducing the number of students attending the Center and inhibit orderly class scheduling and financial planning. The Committee believes the House concern has merit and recommends funding for student travel be included in the FLETC appropriation.

The Committee notes that FLETC has continued to lease space at 1310 L Street, Washington, D.C. for periods of training of 5 days or less. The annual cost of this space is \$163,000. As stated in the report on the Treasury, Postal Service, and General Government Appropriations Bill, 1976; "The Committee agreed to the transfer of the CFLETC to Glynco and the use of prior year appropriated funds for conversion of the facility on the basis that the CFLETC would operate in a single location at Glynco."

The Federal Law Enforcement Training Center is directed to discontinue leasing space except at the Glynco facility. The Committee believes sufficient space is available to the Treasury Department in the Washington, D.C. area to accommodate the CFLETC training of 5 days or less.

The Committee believes sufficient staffing is available to accommodate the training evaluation and research program. Therefore, the seven positions and \$165,000 requested for this program are denied.

BUREAU OF GOVERNMENT FINANCIAL OPERATIONS

SALARIES AND EXPENSES

Appropriation, 1976	\$131,725,000
Budget estimate, 1977	147,229,000
House allowance	144,000,000
Committee recommendation	144,000,000
Bill compared with:	
Appropriation, 1976	+12,275,000
Budget estimate, 1977	-3,229,000
House allowance	

¹ Includes \$11,725,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance of \$144,000,000 and 2,515 permanent personnel positions. This is an increase of \$12,275,000 and 39 positions above the fiscal year 1976 appropriation and a reduction of \$3,229,000 and 50 positions below the budget estimate.

The Bureau of Government Financial Operations makes payments for all civilian executive agencies, except the U.S. Postal Service, U.S. Marshals and certain Government corporations; processes claims on lost, stolen and forged checks; provides accounting services for the Government—including maintenance of the central accounts concerning appropriations, receipts and expenditures for the Government as a whole; provides checking account facilities to Government disbursing officers for the purpose of drawing checks on the U.S. Treasury; compiles and publishes financial reports; and performs other unique central fiscal operations.

PAYMENT OF GOVERNMENT LOSSES IN SHIPMENT

Appropriation, 1976.....	\$700,000
Budget estimate, 1977.....	500,000
House allowance.....	500,000
Committee recommendation.....	500,000
Bill compared with:	
Appropriation, 1976.....	—200,000
Budget estimate, 1977.....	
House allowance.....	

The Committee recommends an appropriation of \$500,000. This is the same amount as the House allowance and the budget estimate and a reduction of \$200,000 below the fiscal year 1976 appropriation.

This account was created as self-insurance to cover losses in shipment of Government property such as coins, currency, securities, and losses in connection with the redemption of savings bonds.

Any recoveries from losses are reimbursed to the fund. The purpose of the fund is to provide coverage for the losses while avoiding payment of commercial insurance premiums. These premiums would have cost over \$180 million since establishment of the fund. Appropriations to the fund, reflecting actual cost incurred, have amounted to about \$6 million.

BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS

SALARIES AND EXPENSES

Appropriation, 1976.....	¹ \$109,697,000
Budget estimate, 1977.....	125,315,000
House allowance.....	112,000,000
Committee recommendation.....	114,500,000
Bill compared with:	
Appropriation, 1976.....	+4,803,000
Budget estimate, 1977.....	—10,815,000
House allowance.....	+2,500,000

¹ Includes \$2,858,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$114,500,000 and 4,376 permanent personnel positions. This is an increase of \$2,500,000 and 94 positions above the House allowance and \$4,803,000 above the fiscal year 1976 appropriation. The recommendation is a reduction of \$10,815,000 and 410 positions below the budget estimate.

The Bureau of Alcohol, Tobacco, and Firearms (ATF) is responsible for the administration and enforcement, both regulatory and criminal, of laws and regulations pertaining to distilled spirits, beer, wine, nonbeverage products with alcohol content, tobacco, wagering,

firearms and explosives. The objectives of the Bureau are to: (1) achieve maximum voluntary compliance with laws and regulations under ATF jurisdiction; (2) assure full collection of revenue due from legal industries and illegal wagering activities; (3) detect and neutralize traffic in illicit nontaxpaid distilled spirits; (4) prevent illegal possession and use of firearms, destructive devices and explosives; (5) assist State, local and other Federal law enforcement agencies in the reduction of crime and violence; and (6) assist State, local, and other Federal government agencies in respect to consumer protection, ecology, and industrial development.

The House bill reduced the budget estimate by \$13,315,000 and 504 permanent positions to limit resources for Operation Concentrated Urban Enforcement (CUE) to the three cities as expressed in the Supplemental Appropriations Act, 1976. However, the reduction included \$2,590,000 and 94 positions to be transferred from assets currently engaged in combating the illicit liquor program. The Committee agrees that Operation CUE must be limited pending receipt and analysis of the results in the three cities which are currently approved to conduct the concentrated enforcement effort. However, the Committee views the transfer of the resources from the declining illicit liquor program to combating the ever-increasing firearms and explosives enforcement programs as having considerable merit, and ATF is encouraged to identify resources which can be transferred to assure maximum effective enforcement capability.

Reorganization of ATF

In view of ATF's increasing emphasis on enforcement and regulation of the Federal criminal laws concerned with firearms and explosives, as evidenced by the implementation of project CUE (Concentrated Urban Enforcement), it appears to the Committee that the criminal enforcement arm of the Bureau of Alcohol, Tobacco, and Firearms should be organized similar to other law enforcement agencies. The current regionalized structure of ATF is based on the model of the Internal Revenue Service which has the mission of assuring voluntary compliance with Federal tax laws.

ATF and its law enforcement mission were separated from IRS in 1972 to provide for increased mission effectiveness. It appears to the Committee that ATF might be more effectively organized to perform its law enforcement mission. Therefore, the Committee recommends that the Bureau adopt a more modern, effective, and streamlined administrative organizational structure.

Explosives tagging

The Committee is concerned with the failure of the Office of Management and Budget to request funding for an effective predetonation or postdetonation "tagging" program to assist in the identification of the manufacturer of the explosive. Testimony was presented to the Committee that there is currently a bombing in the United States every 4½ hours. Many of these bombings are the result of increasing terrorist activity in this country.

Of the funding for the Bureau of Alcohol, Tobacco, and Firearms, the Committee has included \$1,200,000 to be used only for implementation of the necessary research and development activities to make possible an effective explosives identification program.

U.S. CUSTOMS SERVICE

SALARIES AND EXPENSES

Appropriation, 1976.....	¹ \$328,677,000
Budget estimate, 1977.....	² 326,059,000
House allowance.....	334,000,000
Committee recommendation.....	340,000,000
Bill compared with:	
Appropriation, 1976.....	+11,323,000
Budget estimate, 1977.....	+13,941,000
House allowance.....	+6,000,000

¹ Includes \$18,677,000 contained in the Second Supplemental Appropriations Act, 1976.

² Includes \$2,000,000 budget amendment contained in H. Doc. 94-460.

The Committee recommends an appropriation of \$340,000,000 and 13,826 permanent personnel positions. The recommendation is an increase of \$6,000,000 above the House allowance, \$13,941,000 and 622 positions above the budget estimate and \$11,323,000 and 373 positions above the fiscal year 1976 appropriation.

The U.S. Customs Service, as an enforcement arm of the Department of the Treasury, is vested with the authority to collect and protect the revenue on imports and enforce customs and related laws. The authority for the activities of Customs is the Tariff Act of 1930, as amended (19 U.S.C. 1202 et seq.). In fiscal year 1975, Customs' collections totaled more than \$4.5 billion.

The budget estimate originally reflected a reduction of 322 permanent positions from the fiscal year 1976 level of activity. An amendment was subsequently submitted to provide for an increase of 73 positions for use in the antidrug smuggling effort.

During fiscal year 1975, more than 75 million vehicles, including automobiles, aircraft, buses, trains, vessels, and other carriers crossed the borders of the United States or entered our harbors. This was during a period of depressed economic conditions, high inflation and fuel problems. With an improved economy, it is expected that the flow of persons and vehicles across the U.S. borders will regain its normal growth of about 8 million annually.

Intensified enforcement efforts are now directed toward stopping the flow of "hard" narcotics. Seizures of heroin by Customs in fiscal year 1975 increased 35 percent over 1974 and seizures in fiscal year 1976 have increased about 400 percent.

The Committee views the proposed personnel reduction with concern. Many improved procedures have been instituted by Customs. However, in spite of technological advancements and improved procedures, the backlogs have increased in all workload areas.

The Second Supplemental Appropriations Act, 1976 (Public Law 94-303) approved 73 additional personnel requested by the Administration for the antidrug smuggling effort and 300 personnel for opening and staffing of ports of entry at high security locations. These personnel will be continued through fiscal year 1977 and the Committee, in addition, has included funding to maintain the 322 personnel positions which were proposed to be reduced in the budget estimate.

BUREAU OF THE MINT

SALARIES AND EXPENSES

Appropriation, 1976.....	\$41,230,000
Budget estimate, 1977.....	43,215,000
House allowance.....	40,000,000
Committee recommendation.....	40,000,000
Bill compared with:	
Appropriation, 1976.....	-1,230,000
Budget estimate, 1977.....	-3,215,000
House allowance.....	

The Committee recommends concurrence in the House allowance of \$40,000,000 and 1,900 permanent personnel positions. This is a reduction of \$1,230,000 and 180 positions below the fiscal year 1976 appropriation and \$3,215,000 and 174 positions below the budget estimate.

The Bureau of the Mint manufactures coins, receives gold and silver bullion, safeguards the Government's holdings of monetary metals, and refines gold and silver bullion. The manufacture of domestic coins is the major activity of the Mint. Coins are ordered from the Mint by the Federal Reserve Banks in quantities required for the country's business transactions. Thus, the volume of the coinage program is determined by the public need for coins.

In fiscal year 1975, a total of 13.4 billion coins was produced at a cost to the appropriation of \$23,660,000. In fiscal year 1976, 13.9 billion coins are estimated to be produced at a cost of \$28,921,000. The fiscal year 1977 budget projects the coinage of 15.8 billion pieces at a cost of \$31,612,000.

The House reduction is based on the growing inventory of available coins. The inventory level is currently 2.193 million and will increase to 4.293 million coins under the House reduction. The Committee recommends concurrence with the reduction and with the direction of the House for a study to be made of estimated present and future coin requirements with consideration given to the effect these requirements will have on capabilities of the Mint and the plans for construction of a new Mint facility.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

Appropriation, 1976.....	¹ \$103,000,000
Budget estimate, 1977.....	114,497,000
House allowance.....	112,000,000
Committee recommendation.....	112,000,000
Bill compared with:	
Appropriation, 1976.....	+9,000,000
Budget estimate, 1977.....	-2,497,000
House allowance.....	

¹ Includes \$5,000,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance of \$112,000,000 and 2,649 permanent personnel positions. This is an increase of \$9,000,000 and 69 positions above the fiscal year 1976 appropriation and a reduction of \$2,497,000 below the budget estimate.

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

The appropriation provides, in addition to the operating costs of the Bureau, funds for the U.S. Savings Bonds Division which is a separate organizational entity responsible for promoting the sale of savings bonds.

INTERNAL REVENUE SERVICE

SUMMARY

Appropriation, 1976.....	\$1,691,520,000 ¹
Budget estimate, 1977.....	1,671,500,000
House allowance.....	1,671,500,000
Committee recommendation.....	1,672,500,000
Bill compared with:	
Appropriation, 1976.....	-19,020,000
Budget estimate, 1977.....	+1,000,000
House allowance.....	-9,000,000

¹ Includes \$45,520,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$1,672,500,000 for activities of the Internal Revenue Service. The recommendation is a reduction of \$9,000,000 below the House allowance and \$19,020,000 below the fiscal year 1976 appropriation. It is an increase of \$1,000,000 above the budget estimate.

TAX ADMINISTRATION SYSTEM (TAS)

The Internal Revenue Service has proposed a complete redesign and restructuring of the current income tax processing system to provide tax administration data processing capability in the 1980's. The new plan, referred to as the Tax Administration System (TAS), has evolved from studies begun in 1969 to explore viable alternatives for a new automatic data processing system in the future. IRS maintains the present system is inadequate as four different computer systems are being used and they are not compatible, the equipment is aging, technological limitations exist, and future workload demands will surpass the capabilities of the existing system.

The Committee is in sympathy with the needs of IRS. The present system was designed as a batch oriented system and became operational in the early 1960's with centralized master records of all taxpayers processed and maintained at the National Computer Center. Two major technological improvements have been made to the system:

Installation of the Direct Data Entry System (DDES) was

completed in the 10 service centers in 1969. This eliminated key-punch cards and allowed operators to transcribe tax data directly from tax returns to magnetic tape.

The Integrated Data Retrieval System (IDRS) was installed in the service centers by 1974 to provide immediate access to relatively current information, based on probability of inquiry, for about ten percent of the taxpayers' master records.

The TAS proposal is based on a decentralized data processing system involving new computers at the service centers and the present National Computer Center would become the National Communications Center to function as a switching center for data transmission between service centers. Service centers would maintain the master record files on-line and perform all data processing associated with tax return information.

The economic life of TAS is projected at ten years with an estimated cost of \$649 million for system design, implementation and operating costs during this period. These are fiscal year 1974 costs and have not been escalated to reflect inflation. A cost-benefit study by IRS in 1974 projects that gross benefits of \$2.1 billion could accrue—including \$328 million in personnel savings and \$1.8 billion in increased revenue generated by a projection of improvement in the productivity of revenue producing personnel.

The General Accounting Office is currently reviewing the 1974 IRS cost-benefit analysis and considering potential privacy aspects of the proposed system. In addition, the Office of Science and Technology will convene a symposium in the near future to explore the technological implications of TAS on our society.

It is the understanding of the Committee that the proposed procurement is the largest data processing project ever undertaken by the Federal Government. Other large procurements of computers have experienced cost overruns and development problems. For example, the Air Force Advanced Logistics System was recently cancelled after more than \$175 million had been spent on software development. Other recent computer development projects that have experienced difficulty have been the U.S. Army's Combat Service Support System, the Department of Defense Worldwide Military Command and Control System, and the Federal Aviation Agency's Manpower and Personnel Information System.

Software development is acutely important to the successful implementation of TAS. The system must be capable of managing at each service center a data base of 64 billion characters to be stored on discs and mass storage devices that are readily accessible within 5 seconds at a rate of approximately 100,000 transactions per hour. This must interface with a data communications system containing about 800 terminals per service center. The Committee believes that the software required for this system is not commercially available, and vendors will be required to customize off-the-shelf software or develop new software to accomplish the data base requirements.

It is not the intent of the Committee to delay unduly the redesign and revitalization of the tax-processing system. However, it is incumbent upon the Committee to insure that the approach utilized minimizes the risks of failure, disruption, cost overrun, and waste of tax-

payers' dollars. For this reason, it is the recommendation of the Committee that IRS proceed to implement the redesign and revitalization of the tax-processing system in a more evolutionary manner. This should substantially improve the probability of success and reduce the inherent risk.

The Committee view is that initiation of procurement for TAS is premature at this time. The 1974 cost-benefit analysis must be updated to reflect price escalation through the procurement period and results of the General Accounting Office studies must be reviewed and their recommendations incorporated in the system procurement plan. Alternative evolutionary system development plans must be considered by IRS which will provide for improving the probability of successfully implementing an optimum systems solution while reducing the probability of cost overruns and failure of the system. An example would be for the IRS to utilize its currently available technology and equipment where feasible while performing the initial pilot and prototype testing to insure the feasibility and effectiveness of major critical system components and subsystems. This approach should reduce the cost and expedite the testing and development process.

The Internal Revenue Service is directed to provide the Committee with complete details of the revised cost-benefit analysis and procurement, development, and implementation plans prior to implementing any action toward procurement of the Tax Administration System.

SALARIES AND EXPENSES

Appropriation, 1976.....	¹ \$45,825,000
Budget estimate, 1977.....	46,700,000
House allowance.....	46,700,000
Committee recommendation.....	46,700,000
Bill compared with:	
Appropriation, 1976.....	+875,000
Budget estimate, 1977.....	
House allowance.....	

¹ Includes \$1,325,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance and the budget estimate of \$46,700,000 and 1,774 permanent personnel positions. This is an increase of \$875,000 and a reduction of 92 positions from the fiscal year 1976 level of activity.

The Salaries and Expenses appropriation provides for the overall direction of the Internal Revenue Service, for program planning and determining resource needs, for managing its administrative support, and for the maintenance of employee integrity and internal controls. The appropriation consists of two activities, Executive Direction and Internal Audit and Security.

ACCOUNTS, COLLECTION AND TAXPAYER SERVICE

Appropriation, 1976.....	¹ \$791,740,000
Budget estimate, 1977.....	789,900,000
House allowance.....	795,900,000
Committee recommendation.....	790,900,000
Bill compared with:	
Appropriation, 1976.....	-840,000
Budget estimate, 1977.....	+1,000,000
House allowance.....	-5,000,000

¹ Includes \$20,240,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$790,900,000 and 35,132 permanent personnel positions. This is a reduction of \$840,000 and 1,421 positions from the fiscal year 1976 appropriation and a reduction of \$5,000,000 and 701 positions from the House allowance.

The Accounts, Collection and Taxpayer Service (ACTS) appropriation provides funding for four activities: Data Processing Operations, Statistical Reporting, Collection, and Taxpayer Service.

The Data Processing Operations Activity is responsible for receiving and processing tax returns, issuing refunds and notices, and accounting for revenues. Statistical Reporting includes preparation of statistical information on income and other aspects of the tax system. The Collection Activity is responsible for collecting unpaid taxes and securing unfiled returns. Taxpayer Service aids voluntary compliance with Federal tax laws on the part of all taxpayers by informing them of their responsibilities and by providing service which will assist them in meeting their obligations.

The Committee is concerned with the proposed reduction of 1,577 positions from this appropriation. Testimony revealed that approximately 1,700,000 fewer taxpayers would receive assistance in fiscal year 1977 than in 1976. Therefore, the Committee recommends denial of the proposed reduction of 156 positions and \$1 million from the fiscal year 1976 level for taxpayer assistance. This Committee has been instrumental in providing resources for this activity and the Internal Revenue Service is directed to continue the resources for taxpayer assistance at the fiscal year 1976 level.

COMPLIANCE

Appropriation, 1976.....	¹ \$853,955,000
Budget estimate, 1977.....	884,900,000
House allowance.....	838,900,000
Committee recommendation.....	834,900,000
Bill compared with:	
Appropriation, 1976.....	-19,055,000
Budget estimate, 1977.....	
House allowance.....	-4,000,000

¹ Includes \$23,955,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the budget estimate of \$834,900,000 and 38,409 permanent personnel positions. This is a reduction of \$19,055,000 and 761 positions from the fiscal year 1976 appropriation and \$4,000,000 and 675 positions from the House allowance.

The Compliance appropriation provides funds for those activities of the Internal Revenue Service which are primarily responsible for assuring compliance with the tax laws. It also funds special law enforcement programs assigned to the Service.

Major programs include audit of tax returns, the appellate process, tax fraud and special investigations, technical rulings, legal services, and the Employee Plan and Exempt Organizations activities.

The Committee is concerned with the magnitude of the reduction proposed by the administration for this activity. However, it is the view of the Committee that abuses of authority have occurred under activities funded by this appropriation. During recent years, over \$28 million and 1,277 positions funded from this appropriation were involved with Department of Justice strike forces and related activi-

ties around the country. The Committee believes these resources could be more properly used to ensure compliance with the tax laws of the United States.

U.S. SECRET SERVICE

SALARIES AND EXPENSES

Appropriation, 1976.....	¹ \$114,950,000
Budget estimate, 1977.....	² 112,650,000
House allowance.....	112,650,000
Committee recommendation.....	112,650,000
Bill compared with:	
Appropriation, 1976.....	-2,300,000
Budget estimate, 1977.....	
House allowance.....	

¹ Includes \$9,200,000 contained in the Second Supplemental Appropriations Act, 1976.

² Includes budget amendment of \$2,400,000 transmitted in H. Doc. 94-460.

The Committee recommends concurrence with the House allowance and the budget estimate of \$112,650,000 and 3,567 permanent personnel positions. The recommendation is a reduction of \$2,300,000 from the fiscal year 1976 appropriation.

The recommendation includes \$2,000,000, authorized by Public Law 94-196, to permit the Secretary of the Treasury to use, on a reimbursable basis and with their consent, the services, personnel, equipment and facilities of State and local governments for protection of foreign diplomatic missions under certain specified conditions. These funds are available in fiscal year 1977 for costs incurred subsequent to July 1, 1974, the date that Public Law 94-196 became effective.

The U.S. Secret Service is charged with the following responsibilities: protection of the President of the United States, members of his immediate family, the President-elect, the Vice President or other officer next in the order of succession to the Office of the President, the immediate family of the Vice President, and the Vice President-elect; protection of the person of a visiting head of a foreign state or foreign government and, at the direction of the President, other distinguished foreign visitors to the United States and official representatives of the United States performing special missions abroad; the protection of persons who are determined to be major Presidential or Vice Presidential candidates, unless such protection is declined; the protection of the person of a former President and his wife during his lifetime; the protection of the person of the widow of a former President until her death or remarriage, and minor children of a former President until they reach 16 years of age, unless such protection is declined; the detection and arrest of persons engaged in counterfeiting, forging or altering of any of the obligations or other securities of the United States and foreign governments; the investigation of personnel, tort claims, and other criminal and noncriminal matters as directed by the Secretary of the Treasury; the protection of the Executive Residence and grounds and any building in which the White House offices are located; the protection of the residence of the Vice President and grounds in the District of Columbia; the protection of foreign missions in the Washington metropolitan area and such areas in the United States, its territories and possessions, as the President may direct on a case by case basis; protection of foreign diplomatic missions located in metropolitan areas (other than the District of Columbia)

in the United States where there are located 20 or more such missions headed by full-time officers, except that such protection shall be provided only (a) on the basis of extraordinary protective need, (b) upon request of the affected metropolitan area, and (c) when the extraordinary protective need arises in association with a visit to or occurs at a permanent mission to an international organization to which the United States is a member or an observer mission invited to participate in the work of such organization: Provided, that such protection may be extended at places of temporary domicile in connection with such a visit; and the protection of currency and other Government obligations that are contained in the Main Treasury Building and its Annex in Washington, D.C.

TITLE II—UNITED STATES POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

Appropriation, 1976.....	\$1,703,416,000
Budget estimate, 1977.....	1,458,804,000
House allowance.....	1,766,170,000
Committee recommendation.....	1,766,170,000
Bill compared with:	
Appropriation, 1976.....	+62,754,000
Budget estimate, 1977.....	+307,366,000
House allowance.....	

¹ Includes \$121,231,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance and the budget estimate as submitted by the U.S. Postal Service of \$1,766,170,000. This is an increase of \$307,366,000 over the budget estimate submitted by the President and an increase of \$62,754,000 over the fiscal year 1976 appropriation. The increase above the President's budget estimate is to provide funding in support of the extended phasing-in period authorized by Public Law 93-328.

The recommendation is for four major items as follows:

Public service costs.....	\$920,000,000
Revenue foregone from free and reduced rate mail.....	484,700,000
Previous nonfunded liabilities of the Post Office Department.....	54,104,000
Extended phasing of full postal rates for certain mailers authorized by Public Law 93-328.....	307,366,000
Total	1,766,170,000

The Postal Reorganization Act (Public Law 91-375) provides permanent appropriation of its own revenue to the Postal Service. In addition, there are four appropriations requiring Congressional approval annually.

Appropriations for public service were authorized by Congress in the Postal Reorganization Act to provide for "a maximum degree of effective and regular postal services nationwide, in communities where post offices may not be deemed self-sustaining, as elsewhere." The Act established the public service reimbursement as an amount equal to 10 percent of the actual appropriation for 1971. The amount requested and allowed is therefore \$920,000,000, which is 10 percent of the 1971 total appropriation.

Appropriations for revenue foregone are for that revenue lost by the Postal Service as a result of providing mail service to newspaper and magazine publishers; shippers of books, records, and other special fourth-class mail; and certain nonprofit organizations at a reduced rate. This revenue loss, which is the difference between the reduced rate and the full rate, is to be provided to the Postal Service by an annual appropriation by Congress, as specified in the Postal Reorganization Act. The request for this item is \$484,700,000.

Appropriations are authorized by the Postal Reorganization Act for certain transitional expenses including unfunded liabilities of the former Post Office Department. Those liabilities include amounts due the Employees' Compensation Fund in 1975 for injuries to postal employees which occurred prior to July 1, 1971, and one-twelfth of the earned and unused annual leave balance due postal employees on June 30, 1971. The amount requested for this item is \$54,104,000.

Appropriations made pursuant to Public Law 93-328 will finance the extended phasing-in period of full rates for certain regular rate mailers from 5 to 8 years, and for certain nonprofit mailers from 10 to 16 years. Although Public Law 93-328 passed the Congress by large margins and was signed into law, the administration has repeatedly failed to include a request for funding to support the extended phasing-in periods. Congress has included funding for this purpose in fiscal years 1975 and 1976 Appropriations Acts. This has allowed the Postal Service to continue the lower rates for the authorized classes of mailers. Failure to approve these funds would require the Postal Service to impose substantial increases in postage upon the affected mailers. It is the view of the Committee that continued support of the extended phasing-in period is in the public interest. The recommendation includes \$307,366,000 for this purpose.

PROVIDING POSTAL SERVICES TO UNITED STATES MILITARY FACILITIES

Last year the GAO and the Committee on Appropriations conducted a comprehensive review of the stateside operations of military postal services. Briefly, the GAO recommended and the Senate Appropriations Committee directed that stateside postal operations performed by full-time military personnel be terminated and that USPS provide all postal services on stateside installations. The Committee of Conference on the 1976 DOD Appropriations bill agreed with the Senate recommendation, and in its report directed that the action be completed at the earliest practical time, preferably not later than July 1, 1976.

The Committee has been advised that the directed action has not been completed and that USPS and DOD have still not reached agreement on what specific services will be provided by USPS to servicemen on stateside installations. The Committee is unhappy with the lack of progress of the two agencies in this regard and feels that they are unnecessarily dragging their feet.

Accordingly, the Committee directs that USPS and DOD reach final agreement to resolve this matter within 60 days of issuance of this report, and that they provide the Committee with a joint report covering the following points:

The statutory responsibility of USPS and DOD to perform the postal services now provided by the military postal services in the United States.

If the postal agreement with DOD were terminated today, would not USPS be legally required to provide these services?

What specific services USPS will provide, and what it will not provide. Special attention should be given to the full range of services relating to lockboxes at Air Force installations.

In regard to services USPS will not provide, why not.

How much will USPS charge the Defense Department for any of these services, and what is the legal basis for the charge?

REVOLVING FUND FOR ADVANCE PAYMENTS TO U.S. INTERNATIONAL AIR CARRIERS

Last year, \$5,000,000 was appropriated to the Postal Service for the establishment and operation of a Revolving Fund pursuant to section 2602(c) of title 39, United States Code. During the year, the question arose as to whether the Postal Service would take steps under section 2602(d) to recover funds advanced 12 months after they have been advanced if the debts for which advances were made have not been collected from debtor countries, or whether it would exercise its discretion to allow the advances to remain outstanding for a longer period.

The Postal Service was urged to extend the period to two years, and the Postal Service agreed to do so. We believe that such an extension would be appropriate under present circumstances, since the normal collection of some debts by the Postal Service and the Department of State can take more than 12 months. Recovery of the funds after 2 years may be appropriate, however, depending on the status of collections of such accounts at that time.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT

COMPENSATION OF THE PRESIDENT

Appropriation, 1976.....	\$250,000
Budget estimate, 1977.....	250,000
House allowance.....	250,000
Committee recommendation.....	250,000
Bill compared with:	
Appropriation, 1976.....	
Budget estimate, 1977.....	
House allowance.....	

The Committee recommends concurrence with the budget estimate, the fiscal year 1976 appropriation, and the House allowance of \$250,000 for compensation of the President. This appropriation includes \$200,000 for the salary and \$50,000 for the expense allowance of the President, as authorized by 3 U.S.C. 102.

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

Appropriation, 1976.....	¹ \$1,621,000
Budget estimate, 1977.....	1,718,000
House allowance.....	1,718,000
Committee recommendation.....	1,718,000
Bill compared with:	
Appropriation, 1976.....	+97,000
Budget estimate, 1977.....	
House allowance.....	

¹ Includes \$21,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance and the budget estimate of \$1,718,000 and 40 permanent personnel positions. The recommendation is an increase of \$97,000 and a reduction of 6 positions from the fiscal year 1976 appropriation.

The Council of Economic Advisers analyzes the national economy and its various segments; advises the President on economic developments; recommends policies for economic growth and stability; appraises economic programs and policies of the Federal Government; and assists in preparation of the annual Economic Report of the President to the Congress.

COUNCIL ON INTERNATIONAL ECONOMIC POLICY

SALARIES AND EXPENSES

Appropriation, 1976.....	\$1,650,000
Budget estimate, 1977.....	1,466,000
House allowance.....	1,450,000
Committee recommendation.....	1,450,000
Bill compared with:	
Appropriation, 1976.....	-200,000
Budget estimate, 1977.....	-16,000
House allowance.....	

The Committee recommends concurrence with the House allowance of \$1,450,000 and 21 permanent personnel positions. The recommendation is a reduction of \$200,000 and 8 positions below the fiscal year 1976 appropriation and a reduction of \$16,000 below the budget estimate.

The Council provides advice to the President on international economic issues, assists him in achieving consistency between international and domestic economic policy, and maintains close coordination of international economic policy with basic foreign policy objectives.

The Council is chaired by the Chairman of the Economic Policy Board and is composed of key Cabinet level and Executive Office officials. The President designates additional members as he deems appropriate.

COUNCIL ON WAGE AND PRICE STABILITY

SALARIES AND EXPENSES

Appropriation, 1976.....	\$1,589,000
Budget estimate, 1977.....	1,607,000
House allowance.....	1,607,000
Committee recommendation.....	1,607,000
Bill compared with:	
Appropriation, 1976.....	+18,000
Budget estimate, 1977.....	
House allowance.....	

¹ Includes \$39,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance and the budget estimate of \$1,607,000 and 44 permanent personnel positions. The recommendation is an increase of \$18,000 above the fiscal year 1976 appropriation.

The Council on Wage and Price Stability, established by the President, was authorized by the Council on Wage and Price Stability Act of 1974 (Public Law 93-387). The Council reflects the continuing concern of the Federal Government with the rate of inflation in the economy as a whole and the special economic problems of various sectors of the economy. The Council monitors wage and price increases in the private sector, conducts special analyses and holds public hearings on the inflationary problems in various sectors of the economy, reviews and appraises various policies and practices of the Federal Government which may contribute to inflation, makes recommendations for increasing productivity and other actions to reduce inflationary pressures, and reports quarterly to the President and the Congress.

DOMESTIC COUNCIL

SALARIES AND EXPENSES

Appropriation, 1976.....	\$1,646,000
Budget estimate, 1977.....	1,700,000
House allowance.....	
Committee recommendation.....	1,700,000
Bill compared with:	
Appropriation, 1976.....	+54,000
Budget estimate, 1977.....	
House allowance.....	+1,700,000

¹ Includes \$36,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the budget estimate of \$1,700,000 and 40 permanent personnel positions. The recommendation is an increase of \$54,000 above the fiscal year 1976 appropriation. The House, by a floor amendment, denied funding for the Domestic Council as the authorizing legislation is currently pending in the Congress.

The Domestic Council advises and assists the President in the formulation and coordination of national domestic policy and on inter-governmental relations between Federal, State, and local governments.

UNANTICIPATED NEEDS

Appropriation, 1976.....	\$1,000,000
Budget estimate, 1977.....	1,000,000
House allowance.....	
Committee recommendation.....	1,000,000
Bill compared with:	
Appropriation, 1976.....	
Budget estimate, 1977.....	
House allowance.....	+1,000,000

The Committee recommends concurrence with the budget estimate, and the fiscal year 1976 appropriation of \$1,000,000. No permanent positions are funded from this appropriation. The House, by a floor amendment, denied funding for the Unanticipated Needs appropriation as the authorizing legislation is currently pending in the Congress.

The funding will provide the President with the capability to meet unanticipated needs for emergencies relating to the national interest, security, or defense, and to pay administrative expenses, including personnel, incurred with respect thereto.

EXECUTIVE RESIDENCE

OPERATING EXPENSES

Appropriation, 1976.....	\$1,902,000
Budget estimate, 1977.....	2,095,000
House allowance.....	
Committee recommendation.....	2,095,000
Bill compared with:	
Appropriation, 1976.....	+193,000
Budget estimate, 1977.....	
House allowance.....	+2,095,000

¹ Includes \$76,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the budget estimate of \$2,095,000 and 86 permanent personnel positions. This is an increase of \$193,000 over the fiscal year 1976 appropriation. The House, by a floor amendment, denied funding for the Executive Residence appropriation as the authorizing legislation is currently pending in the Congress.

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

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

OPERATING EXPENSES

Appropriation, 1976-----	\$274,000
Budget estimate, 1977-----	61,000
House allowance-----	
Committee recommendation-----	61,000
Bill compared with:	
Appropriation, 1976-----	-213,000
Budget estimate, 1977-----	
House allowance-----	+61,000

The Committee recommends concurrence with the budget estimate of \$61,000. This is a reduction of \$213,000 from the fiscal year 1976 appropriation. No permanent personnel positions are funded from this appropriation. The House, by a floor amendment, denied funding for the Official Residence of the Vice President appropriation as the authorizing legislation is currently pending in the Congress.

These funds provide for purchase, lease, and operation of equipment, furnishings, improvements, alterations, maintenance, repairs, services, and other provisions as may be required under the supervision of the Vice President to enable him to perform and discharge appropriately the duties, functions, and obligations associated with his office. Personnel assigned to perform services at the Residence are funded by the Department of the Navy.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

Appropriation, 1976-----	¹ \$3,052,000
Budget estimate, 1977-----	3,210,000
House allowance-----	3,210,000
Committee recommendation-----	3,210,000
Bill compared with:	
Appropriation, 1976-----	+158,000
Budget estimate, 1977-----	
House allowance-----	

¹ Includes \$72,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance and the budget estimate of \$3,210,000 and 70 permanent personnel positions. This is an increase of \$158,000 and a reduction of two positions from the fiscal year 1976 appropriation.

The National Security Council advises the President regarding national security policies and provides staff services for policy coordination activities.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

Appropriation, 1976-----	\$24,250,000
Budget estimate, 1977-----	25,800,000
House allowance-----	25,500,000
Committee recommendation-----	25,300,000
Bill compared with:	
Appropriation, 1976-----	+1,050,000
Budget estimate, 1977-----	-500,000
House allowance-----	-200,000

The Committee recommends an appropriation of \$25,300,000 and 650 permanent personnel positions. This is a reduction of \$500,000 from the budget estimate and \$200,000 from the House allowance. The recommendation is an increase of \$1,050,000 and a reduction of 31 permanent personnel positions from the fiscal year 1976 level of activity.

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

OFFICE OF FEDERAL PROCUREMENT POLICY

SALARIES AND EXPENSES

Appropriation, 1976-----	¹ \$754,000
Budget estimate, 1977-----	1,627,000
House allowance-----	1,627,000
Committee recommendation-----	1,627,000
Bill compared with:	
Appropriation, 1976-----	+873,000
Budget estimate, 1977-----	
House allowance-----	

¹ Includes \$24,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance and the budget estimate of \$1,627,000 and 27 permanent positions. The recommendation is an increase of \$873,000 and five permanent positions above the fiscal year 1976 appropriation.

The Office of Federal Procurement Policy is responsible for promoting economy, efficiency, and effectiveness in the procurement of property and services by and for the executive branch. The Office was established in accordance with Public Law 93-400 in January 1975 to provide leadership, guidance, and direction to improve the procurement policies and regulations employed in the acquisition of goods, services, and facilities by the executive branch.

OFFICE OF TELECOMMUNICATIONS POLICY

SALARIES AND EXPENSES

Appropriation, 1976-----	\$8,500,000
Budget estimate, 1977-----	8,206,000
House allowance-----	8,206,000
Committee recommendation-----	8,206,000
Bill compared with:	
Appropriation, 1976-----	-294,000
Budget estimate, 1977-----	
House allowance-----	

The Committee recommends concurrence with the House allowance and the budget estimate of \$8,206,000 and 41 permanent personnel positions. The recommendation is a reduction of \$294,000 and seven positions below the fiscal year 1976 appropriation.

The Office of Telecommunications Policy has three essential responsibilities: (1) to serve as the President's principal adviser on telecommunications policy; (2) to formulate policies and coordinate operations for the Federal Government's own vast communications systems; and (3) to take part in discussions on communications policy with

Congress and the Federal Communications Commission. The Office, created by Reorganization Plan No. 1 of 1970, is also responsible for the coordination of all governmental communications activities and the planning and management of the Federal Government's use of the radio frequency spectrum.

SPECIAL ASSISTANCE TO THE PRESIDENT

SALARIES AND EXPENSES

Appropriation, 1976	\$1,001,000
Budget estimate, 1977	1,246,000
House allowance	
Committee recommendation	1,246,000
Bill compared with:	
Appropriations, 1976	+245,000
Budget estimate, 1977	
House allowance	+1,246,000

¹ Includes \$23,000 contained in the Second Supplemental Appropriations Act, 1976.

The committee recommends concurrence with the budget estimate of \$1,246,000 and 30 permanent personnel positions. The recommendation is an increase of \$245,000 above the fiscal year 1976 appropriation. The House, by a floor amendment, denied funding for the Special Assistance to the President appropriation as the authorizing legislation is pending in the Congress.

This appropriation provides funding for personnel to assist the Vice President in his responsibilities assigned by the President and by various statutes relating to his position in the executive branch. A separate staff assists the Vice President for those functions assigned him as President of the Senate. The latter staff is funded under the Legislative Appropriations Act.

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

Appropriation, 1976	\$16,763,000
Budget estimate, 1977	16,530,000
House allowance	
Committee recommendation	16,530,000
Bill compared with:	
Appropriation, 1976	-233,000
Budget estimate, 1977	
House allowance	+16,530,000

The Committee recommends concurrence with the budget estimate of \$16,530,000 and 485 permanent personnel positions. This is a reduction of \$233,000 and 15 permanent positions from the fiscal year 1976 appropriation. The House, by a floor amendment, denied funding for the White House Office appropriation as the authorizing legislation is pending in the Congress.

These funds provide staff support for the President and administrative services for the White House Office.

TITLE IV—INDEPENDENT AGENCIES

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

SALARIES AND EXPENSES

Appropriation, 1976	\$785,000
Budget estimate, 1977	880,000
House allowance	880,000
Committee recommendation	880,000
Bill compared with:	
Appropriation, 1976	+95,000
Budget estimate, 1977	
House allowance	

The Committee recommends concurrence with the House allowance and the budget estimate of \$880,000 and 16 permanent personnel positions. The recommendation is an increase of \$95,000 over the fiscal year 1976 appropriation.

The Conference, established pursuant to 5 U.S.C. 571, et seq., is authorized on a permanent basis to assist the President, the Congress, the administrative agencies, and executive departments in improving existing administrative procedure. It is responsible for conducting studies of the efficiency, adequacy, and fairness of present procedures by which the Federal administrative agencies and executive departments determine the rights, privileges, and obligations of private persons. The 91-member Conference is composed of top-level Government officials and persons of national reputation in administrative law drawn from the private sector.

ADVISORY COMMITTEE ON FEDERAL PAY

SALARIES AND EXPENSES

Appropriation, 1976	\$135,000
Budget estimate, 1977	215,000
House allowance	215,000
Committee recommendation	215,000
Bill compared with:	
Appropriation, 1976	+80,000
Budget estimate, 1977	
House allowance	

The Committee recommends concurrence with the House allowance and the budget estimate of \$215,000 and one permanent personnel position. The recommendation is an increase of \$80,000 above the fiscal year 1976 appropriation.

The Advisory Committee on Federal Pay was appointed in accordance with the Federal Pay Comparability Act of 1970. The Committee assists the President in carrying out the policy of comparability in pay between major Federal statutory pay systems and private enterprise and also to preserve pay variances in keeping with work and perform-

ance distinctions. In carrying out this responsibility, the Committee is charged with reviewing the annual report of the President's Pay Agent and considering the recommendations of representatives of Federal employees and other officials of the Federal Government. The Committee reports its findings and recommendations in an annual report to the President.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SALARIES AND EXPENSES

Appropriation, 1976.....	\$1,200,000
Budget estimate, 1977.....	1,402,000
House allowance.....	1,200,000
Committee recommendation.....	1,402,000
Bill compared with:	
Appropriation, 1976.....	+202,000
Budget estimate, 1977.....	
House allowance.....	+202,000

The Committee recommends concurrence with the budget estimate of \$1,402,000. The recommendation is an increase of \$202,000 above the House allowance and the fiscal year 1976 appropriation.

The House reduction is based on the desire for the States to increase their share of the contribution toward support of the Advisory Commission. In recent years, the States have contributed only \$2,000 per year. The Committee understands discussions are underway to increase this contribution to \$100,000 by fiscal year 1979. The Commission was advised of the Committee position in the report on the fiscal year 1976 appropriation and is encouraged to obtain additional support from the States.

The Advisory Commission on Intergovernmental Relations is an independent bipartisan body which attempts to identify and analyze the causes of intergovernmental conflicts, and recommends ways of strengthening and improving the American federal system. The 26-member Commission includes representatives of the executive and legislative branches of all levels of government—Federal, State, and local—as well as representatives of the general public.

The Commission and its staff examine Federal and State programs having an intergovernmental aspect. Proposed legislation is reviewed to determine its overall effect on the federal system. The Commission also identifies emerging problems of Federal-State-local relations.

CIVIL SERVICE COMMISSION

SUMMARY

	Direct appropriation	By transfer from trust funds
Appropriation, 1976.....	¹ \$1,979,665,000	² (\$21,388,000)
Budget estimate, 1977.....	3,440,692,000	(24,365,000)
House allowance.....	3,445,692,000	(24,365,000)
Committee recommendation.....	3,440,692,000	(24,365,000)
Bill compared with:		
Appropriation, 1976.....	+1,461,027,000	(+2,977,000)
Budget estimate, 1977.....		
House allowance.....	-5,000,000	

¹ Includes \$2,376,000 contained in the Second Supplemental Appropriations Act, 1976.

² Includes the transfer from trust funds of \$545,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends a direct appropriation of \$3,440,692,000 and the transfer from trust funds of \$24,365,000. The direct appropriation is the same as the budget estimate, an increase of \$1,461,027,000 above the fiscal year 1976 appropriation, and a reduction of \$5,000,000 below the House allowance.

Specific appropriations for the Civil Service Commission are discussed under their respective titles.

SALARIES AND EXPENSES

	Direct appropriation	By transfer from trust funds
Appropriation, 1976.....	¹ \$97,533,000	² (\$21,388,000)
Budget estimate, 1977.....	102,328,000	(24,365,000)
House allowance.....	102,328,000	(24,365,000)
Committee recommendation.....	102,328,000	(24,365,000)
Bill compared with:		
Appropriation, 1976.....	+4,795,000	(+2,977,000)
Budget estimate, 1977.....		
House allowance.....		

¹ Includes \$2,333,000 contained in the Second Supplemental Appropriations Act, 1976.

² Includes the transfer from trust funds of \$545,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance and the budget estimate of \$102,328,000 and 4,276 permanent personnel positions. In addition, the Committee recommends the transfer from trust funds of \$24,365,000 to provide reimbursement for Civil Service personnel administering the retirement and health benefits programs. The recommendations are an increase of \$4,795,000 and 58 positions above the fiscal year 1976 direct appropriation and \$2,977,000 transferred from the trust funds.

The primary purpose of the Civil Service Commission is to assure and assist in providing a merit work force in the Federal service. This consists of keeping personnel policies current; staffing for Federal employment; assuring fitness and suitability in Federal employment; and improving personnel and management. The Commission also administers retirement, group life insurance, and health benefits programs for Federal employees.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

Appropriation, 1976.....	¹ \$347,969,000
Budget estimate, 1977.....	451,844,000
House allowance.....	451,844,000
Committee recommendation.....	451,844,000
Bill compared with:	
Appropriation, 1976.....	+103,875,000
Budget estimate, 1977.....	
House allowance.....	

¹ Includes \$9,319,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance and the budget estimate of \$451,844,000. The recommendation is an increase of \$103,875,000 above the fiscal year 1976 appropriation. No permanent personnel positions are funded from this appropriation.

This appropriation covers (1) the Government's share of the cost of health insurance for certain annuitants as defined in sections 8901 and 8906 of title 5, United States Code; (2) the Government's share of the cost of health insurance for other annuitants (who were retired

when the Federal Employees Health Benefits law became effective), as defined in the Retired Federal Employees Health Benefits Act of 1960; and (3) the Government's contribution for payment of administrative expenses incurred by the Civil Service Commission in administration of the act.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Appropriation, 1976	\$1,517,865,000
Budget estimate, 1977	2,874,955,000
House allowance	2,874,955,000
Committee recommendation	2,874,955,000
Bill compared with:	
Appropriation, 1976	+1,357,090,000
Budget estimate, 1977	
House allowance	

¹ Includes \$236,895,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance and the budget estimate of \$2,874,955,000. This is an increase of \$1,357,090,000 above the fiscal year 1976 appropriation. No permanent personnel positions are funded from this appropriation.

The Civil Service Retirement Amendments of 1969 provide for prospective financing of current year's costs of the unfunded liability created since enactment on October 20, 1969. Any statute which authorizes (1) new or liberalized benefits, (2) extension of retirement coverage, or (3) increases in pay is deemed to authorize appropriations to the fund to finance the unfunded liability created by such statute. Also, for pre-1969 liabilities the Secretary of the Treasury is required to make annual payments from general revenues into the Retirement Fund on the basis of a sliding scale of percentages of an amount equivalent to: (1) interest on the unfunded liability, and (2) annuity disbursements attributable to military service. The Civil Service Commission, at the end of each year, beginning in 1971, notifies the Secretary of the Treasury of the amount of payment to be made to the Retirement Fund and reports such sums to the President and the Congress. The required percentage of the total amount for 1975 is 50 percent and for 1976, 60 percent of such amount.

The requested funds will be used to make mandatory payments to the Civil Service Retirement and Disability Fund to cover the unfunded liability created by increased pay rates and retirement benefits coverage.

FEDERAL LABOR RELATIONS COUNCIL

SALARIES AND EXPENSES

Appropriation, 1976	\$1,298,000
Budget estimate, 1977	1,565,000
House allowance	1,565,000
Committee Recommendation	1,565,000
Bill compared with:	
Appropriation, 1976	+267,000
Budget estimate, 1977	
House allowance	

¹ Includes \$43,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance and the budget estimate of \$1,565,000 and 53 permanent personnel po-

sitions. This is an increase of \$267,000 and eight permanent positions above the fiscal year 1976 level of activity.

The Committee notes the workload of the Council continues to increase. Processed appeals are projected to increase to 11,755 in fiscal year 1977. The actual number of appeals processed during fiscal year 1975 were 9,049.

The Federal Labor Relations Council was established by Executive Order 11491 as a central authority to administer and interpret labor-management relations in the Federal service, decide major policy issues, prescribe regulations and make recommendations to the President for improving the Federal Labor Management Relations program. The Federal Services Impasses Panel, an agency within the Council, considers impasses to final settlement.

INTERGOVERNMENTAL PERSONNEL ASSISTANCE

Appropriation, 1976	\$15,000,000
Budget estimate, 1977	10,000,000
House allowance	15,000,000
Committee recommendation	10,000,000
Bill compared with:	
Appropriation, 1976	-5,000,000
Budget estimate, 1977	
House allowance	-5,000,000

The Committee recommends an appropriation of \$10,000,000 for grants under the Intergovernmental Personnel Assistance appropriation. This is the amount of the budget estimate but a reduction of \$5,000,000 from the House allowance and the fiscal year 1976 level of activity. No permanent personnel positions are funded by this appropriation.

The budget estimate for this appropriation was reduced by \$5,000,000 below the level funded in recent years. This was one of many important programs for which the President recommended reductions. The Committee position, wherever possible, is to appropriate the minimum funding within the request of the President. Therefore, the Committee reluctantly concurs with the budget estimate. The Committee believes that these grants have been extremely beneficial to State and local governments and the reduction is not the result of dissatisfaction with the activities funded by the grants.

The appropriation provides Federal grants, authorized by the Intergovernmental Personnel Act of 1970, to improve and strengthen the personnel and manpower programs in State and local governments.

COMMISSION ON EXECUTIVE, LEGISLATIVE AND JUDICIAL SALARIES

SALARIES AND EXPENSES

Appropriation, 1976	
Budget estimate, 1977	\$100,000
House allowance	100,000
Committee recommendation	100,000
Bill compared with:	
Appropriation, 1976	+100,000
Budget estimate, 1977	
House allowance	

The Committee recommends concurrence with the House allowance and the budget estimate of \$100,000 and 6 permanent personnel positions. No funds were appropriated for fiscal year 1976.

The Commission was established under section 225 of the Postal Revenue and Federal Salary Act of 1967 to review and recommend to the President at 4-year intervals the appropriate pay levels for upper level positions in the executive, legislative, and judicial branches of the Federal Government.

COMMISSION ON THE REVIEW OF THE NATIONAL POLICY TOWARD GAMBLING

SALARIES AND EXPENSES

Appropriation, 1976	\$745,000
Budget estimate, 1977	265,000
House allowance	265,000
Committee recommendation	265,000
Bill compared with:	
Appropriation, 1976	-480,000
Budget estimate, 1977	
House allowance	

The Committee recommends concurrence with the House allowance and the budget estimate of \$265,000 and 20 permanent personnel positions. The recommendation is a reduction of \$480,000 from the fiscal year 1976 level of activity.

The Commission, established pursuant to Public Law 91-452, was mandated, on a temporary basis, to review existing State and Federal gambling legislation with a view to appraising its effectiveness and recommending policy and practice changes as deemed necessary. Congress is to receive the final report by October 1976 and the Commission will expire 60 days thereafter. This appropriation will fund the salaries of the assigned personnel and termination expenses of the Commission.

COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED

SALARIES AND EXPENSES

Appropriation, 1976	¹ \$261,000
Budget estimate, 1977	316,000
House allowance	316,000
Committee recommendation	316,000
Bill compared with:	
Appropriation, 1976	+55,000
Budget estimate, 1977	
House allowance	

¹Includes \$6,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance and the budget estimate of \$316,000 and 10 permanent personnel positions. The recommendation is an increase of \$55,000 and two additional permanent positions.

The Committee for Purchase from the Blind and Other Severely Handicapped determines which commodities and services are suitable for procurement by the Government from qualified nonprofit agencies serving the blind and other severely handicapped; publishes a procure-

ment list of such commodities and services; and determines the fair market price for commodities and services on the procurement list. The staff supervises the selection and assignment of new commodities and services, assists in establishing prices and reviewing price changes, and verifies the qualifications and monitors the performance of workshops.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

Appropriation, 1976	\$5,000,000
Budget estimate, 1977	6,950,000
House allowance	6,000,000
Committee recommendation	6,000,000
Bill compared with:	
Appropriation, 1976	+1,000,000
Budget estimate, 1977	-950,000
House allowance	

The Committee recommends concurrence with the House allowance of \$6,000,000 and 197 permanent personnel positions. This is a reduction of \$950,000 below the budget estimate and an increase of \$1,000,000 and 37 permanent personnel positions over the fiscal year 1976 appropriation.

The Commission was originally established pursuant to Public Law 93-443 to administer, enforce and monitor compliance with the Federal Election Campaign Act of 1971; provisions of the criminal code relating to campaign financing; portions of the Presidential conventions, primaries and general elections; and other miscellaneous provisions covering Federal elections.

The Supreme Court ruled that certain activities of the Commission were unconstitutional. Public Law 94-283 provides new legislative authorization for the Commission.

GENERAL SERVICES ADMINISTRATION

SUMMARY

Appropriation, 1976	¹ \$359,341,000
Budget estimate, 1977	343,128,000
House allowance	332,588,000
Committee recommendation	332,588,000
Bill compared with:	
Appropriation, 1976	-26,753,000
Budget estimate, 1977	-10,540,000
House allowance	

¹Includes \$3,266,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance of \$332,588,000. This is a reduction of \$26,753,000 below the fiscal year 1976 appropriation and \$10,540,000 below the budget estimate.

A number of organizational realignments have occurred in GSA. These realignments have not required an increase in the total budget authority but offsetting adjustments are required in the various individual appropriations involved.

The Equal Employment Opportunity activity within the Office of Civil Rights in both the central office and the regions was transferred to the Office of Administration. Similarly, the Contract Compliance activities within that office were transferred to the Office of General

Counsel. The Office of Presidential Materials was transferred to the National Archives and Records Service, and the Office of Stockpile Disposal was transferred to the Federal Preparedness Agency. The Office of the Assistant Administrator was abolished and its responsibilities spread to various functional areas.

A schedule reflecting the reorganization follows:

GENERAL SERVICES ADMINISTRATION, FISCAL YEAR 1977 BUDGET AUTHORITY REFLECTING REALIGNMENT OF EXISTING FUNCTIONS

[In thousands]

	President's budget	Personnel central-ization	Transfer Office of Civil Rights	Presidential materials transfer	Fiscal year 1977 budget adjusted
Operating expenses, disposal of real property.....	\$6,205				\$6,205
OE, Federal Supply Service.....	154,815	-\$549			154,266
OE, National Archives and Records Service.....	64,439	-360		+\$140	64,219
Records declassification.....	1,410				1,410
OE, Automated Data and Telecommunications Service.....	7,651	-176			7,475
S & E, Administrative & Staff Support Service.....	(65,170)	(+1,169)	(+\$5,880)		(72,219)
Administration.....	59,480	+1,169	+1,200		61,849
Legal Services.....	5,223		+4,680		9,903
Board of Contract Appeals.....	467				467
S & E, General Management & Agency Operations.....	(12,635)		(-5,880)	(-140)	(6,616)
Executive Direction.....	3,686			-140	3,546
Audits.....	3,070				3,070
Civil Rights.....	5,880		-5,880		
(Contract Compliance).....	(4,680)		(+4,680)		
(EEO).....	(1,200)		(-1,200)		
Federal Preparedness Agency.....	16,380	-84			16,296
Expenses, DPA.....	10,540				10,540
Indian Trust Accounting.....	2,702				2,702
Former Presidents.....	280				280
Presidential Transition.....	900				900
Total.....	343,128	0	0	0	343,128

Standard Level User Charge (SLUC) Calculation.—Effective with the beginning of fiscal year 1978 SLUC will be based on Fair Annual Rental (FAR) appraisals of all GSA controlled buildings. GSA currently is conducting such appraisals to be completed by July 1, 1976. In September 1976, GSA will provide agencies with a SLUC budget estimate for fiscal year 1978 based on the FAR appraisal system. The FAR appraisal system has several advantages over the present system for computing rental charges: (1) the FAR system improves precision because individual rates will recognize a building's location and its unique characteristics; the present quality rating system does not make such discriminations; and (2) the FAR system provides a reliable base for agency budget because SLUC rates will be effective for a firm 3-year period.

DISPOSAL OF SURPLUS REAL AND RELATED PERSONAL PROPERTY

OPERATING EXPENSES

Appropriation, 1976.....	\$6,180,000
Budget estimate, 1977.....	6,205,000
House allowance.....	6,205,000
Committee recommendation.....	6,205,000
Bill compared with:	
Appropriation, 1976.....	+25,000
Budget estimate, 1977.....	
House allowance.....	

¹ Includes \$180,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance and the budget estimate of \$6,205,000. This is an increase of \$25,000 above the fiscal year 1976 appropriation. There are no permanent personnel positions funded from this appropriation.

This appropriation provides for the programs and activities relating to the promotion of maximum utilization by Federal agencies and the transfer among Federal agencies of excess real property. It provides for the disposal of surplus real property by sale, exchange, lease, permit, or transfer to authorized organizations as well as the care and handling of surplus property pending its disposition. It provides for the appraisal of excess and surplus property, for the appraisal of leased public buildings, sites and other buildings-related programs for Government-owned and leased buildings, as well as for the establishment of specifications, standards, and methods governing such appraisals. This appropriation also provides for real property surveys conducted to determine which properties could be put to better Federal use or be disposed of as surplus to the Government. Physical care, handling, protection, maintenance and repair of certain excess and surplus real properties pending disposal are also provided.

FEDERAL BUILDINGS FUND

LIMITATION ON AVAILABILITY OF REVENUE

The Committee recommends a limitation on the obligation of revenue in the fund during fiscal year 1977 of \$1,141,755,000. The following table and explanatory remarks reflect the action of the Committee on the Budget proposal for fiscal year 1977, in thousands of dollars:

	1976 limitation	Budget estimate	House bill	1977 committee allowance		Recommendation compared with—	
				Budget estimate	House bill		
Construction.....	\$63,786,000	\$39,400,000	\$22,600,000	\$39,400,000	0	+16,800,000	
Alterations and major repairs.....	110,768,000	60,700,000	60,700,000	60,700,000	0	0	
Purchase contract payments.....	60,000,000	92,000,000	92,000,000	92,000,000	0	0	
Rental of space.....	443,500,000	473,200,000	473,200,000	473,200,000	0	0	
Real property operations.....	397,500,000	414,905,000	414,905,000	414,905,000	0	0	
Program direction.....	65,600,000	61,550,000	61,550,000	61,550,000	0	0	
Total new obligational authority.....	1,141,154,000	1,141,755,000	1,124,955,000	1,141,755,000	0	+16,800,000	

¹ \$11,300,000 included in budget amendment of President dated June 2, 1976 and not considered by the House.

Construction.—The Committee recommends a limitation of \$39,400,000 for fiscal year 1977. This is an increase of \$16,800,000 above the House allowance.

A budget amendment for \$11,300,000 was received from the President subsequent to House action. These funds are necessary to complete payments on contractual obligations relating to construction projects in Honolulu, Detroit, and New York. The Committee recommends approval of the \$11,300,000.

The House reduced the budget estimate by \$5,500,000 for construction projects for which funding will expire on September 30, 1976.

There are 55 authorized public building projects which are in various stages of design or construction. Funding for completion of these projects was included in the fiscal year 1977 budget estimate as the Treasury, Postal Service and General Government Appropriations Act, 1976 (Public Law 94-91), provided that any funds authorized for these projects which are unobligated on September 30, 1976, must be deposited to miscellaneous receipts of the Treasury. The Committee recommends inclusion of the \$5,500,000 to provide for completing the authorized building projects.

The proposed fiscal year 1977 Construction program was developed in accordance with the concept originally established for construction of Federal facilities under the Federal Buildings Fund; namely, full project funding. Full project funding provides the total obligational authority necessary to perform all phases of the project, from site acquisition, through project design to construction completion, in a continuous coordinated effort without incurring interruptions in the process which would result in leaving projects partially completed while awaiting incremental funding.

Such a program permits an increased emphasis on the latest construction industry management concepts and techniques, in which GSA has developed expertise including the use of (1) project and construction managers, (2) phased construction schedules and methods, and (3) building systems in design and construction. These techniques allow overall control of all phases of the project in order that the various design components may be effectively utilized and that the project may be completed as quickly as possible with a minimum of delay caused by lack of coordination.

Alterations and Major Repairs.—The Committee recommends concurrence with the budget estimate and the House allowance for a limitation of \$60,700,000. This is a reduction of \$50,068,000 below the fiscal year 1976 limitation.

The General Services Administration is responsible for alterations and major repairs of both Government-owned and leased facilities under the control of GSA. Commercially equivalent space is to be provided to tenant agencies. Therefore, the state of repair, appearance, and operating efficiency of facilities should be given primary consideration in carrying out this responsibility.

The Committee received evidence that the Alterations and Major Repair Projects Backlog schedule at the beginning of fiscal year 1976 was \$1,082,600,000. Unfortunately, however, the Public Building Services Alterations and Major Repair Congressional budget request for fiscal year 1977 is only \$60,700,000. The Committee believes that an additional \$200,000,000 in fiscal year 1977 would allow GSA to focus on areas of high unemployment and put people in meaningful jobs while at the same time accomplishing needed and necessary repairs to deteriorating government-owned properties. In the near future the Committee will hold hearings to ascertain the most feasible method for the General Services Administration to reduce its repair backlog in areas of high unemployment.

Purchase Contract Payments.—The Committee recommends concurrence with the budget estimate and the House allowance for a limitation of \$92,000,000. This is an increase of \$32,000,000 above the fiscal

year 1976 limitation for payments on purchase contracts entered into prior to July 1, 1976.

The authority to enter into purchase contracts has expired, and no additional projects may be entered into. These contracts required the Government to make periodic payments on the facilities over varying periods until title is vested with the Government. This activity provides for the payment of principal, interest, taxes and other required obligations.

Rental of Space.—The Committee recommends concurrence with the budget estimate and the House allowance for a limitation of \$473,200,000. This is an increase of \$29,700,000 above the fiscal year 1976 limitation.

The General Services Administration is responsible for all functions of leasing general purpose building space, and land incident thereto, for Federal agencies, except in cases in remote geographical areas where GSA has delegated its leasing authority, (e.g., the Departments of Agriculture, Commerce, and Defense may lease their own space). GSA's basic policy is to lease privately owned buildings and land only when Federal space needs cannot be otherwise accommodated satisfactorily in existing Government-owned or leased space; when leasing proves to be more efficient than the construction or alteration of a Federal Building; when construction or alteration is not warranted because requirements in the community are insufficient or are indefinite in scope or duration; or when completion of a new Federal building within a reasonable time cannot be assured.

The Committee notes that progress is being made to reduce the amount of vacant space controlled by GSA. This effort should be intensified to reduce the amount of vacant space both by reducing the inventory currently on hand and by closely analyzing space requirements prior to acquiring new space to ensure that a valid requirement exists.

Real Property Operations.—The Committee recommends concurrence with the budget estimate and the House allowance for a limitation of \$414,905,000. This is an increase of \$17,405,000 above the fiscal year 1976 limitation.

GSA is responsible for the operation of all Government-owned facilities under the jurisdiction of GSA and for building services in leased space in the GSA inventory where the terms of the lease do not require the lessor to furnish such services.

Services included in building operations are cleaning, protection, maintenance, payment for utilities, and fuel, and other miscellaneous activities such as grounds maintenance, elevator operations, and day-to-day services of tenants' needs. The fiscal year 1977 program will provide an austere standard level of building operations and services. The space, operations, and services referred to above are furnished by GSA to its tenant agencies in return for payment of the Standard Level User Charge, just as in the private sector tenants pay rent for space and services provided by lessors.

The Committee notes that GSA is making a concerted effort to conserve energy in its real property operations which partially offsets the increase in energy costs. The Committee encourages this effort.

Program Direction.—The Committee recommends concurrence with

the budget estimate and the House allowance for a limitation of \$61,550,000. This is a reduction of \$4,050,000 below the fiscal year 1976 limitation.

This activity provides for the overall general management, long- and short-range planning, and administration of all programs which are the responsibility of the Public Buildings Service. In addition, this activity finances the costs of management and administration of each of the individual activities of the Federal Buildings Fund including Construction, Alterations and Major Repairs, Purchase Contract Payments, Rental of Space and Real Property Operations. It further provides for the costs of essential supporting services for these activities which are funded on a centralized basis.

FEDERAL SUPPLY SERVICE

OPERATING EXPENSES

Appropriation, 1976.....	¹ \$159,167,000
Budget estimate, 1977.....	154,815,000
House allowance.....	154,266,000
Committee recommendation.....	154,266,000
Bill compared with:	
Appropriation, 1976.....	-4,901,000
Budget estimate, 1977.....	-549,000
House allowance.....	

¹ Includes \$667,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance of \$154,266,000 and 5,827 permanent personnel positions. The recommendation is a reduction of \$4,901,000 and an increase of 50 positions above the fiscal year 1976 level of activity and a reduction of \$549,000 below the budget estimate. The reduction below the budget estimate relates to the reorganization described under the summary for GSA activities.

This activity manages and operates a national supply distribution system consisting of wholesale and retail distribution facilities through which commercial-type commodities are received, stored, and issued on a worldwide basis to Federal agencies. Supplies are shipped by the wholesale operation to customer agencies from GSA Supply Distribution Facilities located in each of the 10 GSA regions, and a variety of commonly used administrative office supplies and maintenance supplies are provided to Federal agencies through self-service retail facilities located wherever there is a concentration of Federal activities. Wholesale sales through these distribution facilities will increase from \$758 million in 1976 to an estimated \$811 million in 1977. Accelerated customer liaison and marketing studies have resulted in greater reliance being placed on GSA by other Government agencies for their supply requirements.

The Federal Supply Service has undergone a major realignment of supply functions that will strengthen customer support and inventory management responsibilities. Of major significance is the establishment of the Office of Customer Service and Support to permit a single point of contact for customer agencies to obtain information, supply support and resolution of problems.

The Transportation Audit function has been transferred from the General Accounting Office (GAO) to the Federal Supply Service. This will permit the functions of transportation audit and management to complement each other and enhance their effectiveness. In addition to performing a centralized post-audit of roles charged by common and contract carriers for transportation services furnished for the account of the United States, the function reviews, evaluates, and reports on the transportation activities of Government agencies and assists agencies on transportation matters.

NATIONAL ARCHIVES AND RECORDS SERVICE

OPERATING EXPENSES

Appropriation, 1976.....	\$60,200,000
Budget estimate, 1977.....	64,439,000
House allowance.....	64,219,000
Committee recommendation.....	64,219,000
Bill compared with:	
Appropriation, 1976.....	+4,019,000
Budget estimate, 1977.....	-220,000
House allowance.....	

The Committee recommends concurrence with the House allowance of \$64,219,000 and 2,182 permanent personnel positions. This is a reduction of \$220,000 below the budget estimate and an increase of \$4,019,000 and 19 permanent personnel positions above the fiscal year 1976 appropriation. The reduction below the budget estimate relates to the reorganization described under the summary for GSA activities.

This appropriation provides for basic operations dealing with management of semiactive and noncurrent records of Federal agencies. These records must be accessioned, stored, serviced and disposed of through 14 regional centers and the National Personnel Records Center. In addition, the appropriation provides for operation of Presidential libraries, and grants for historical publications.

The Committee notes that Public Law 93-536 provides for an authorization of \$4 million in grants for the National Historical Publications and Records Commission to permit essential archival and manuscript programs on a national scale, aimed at assisting State and local, public and private institutions in the preservation, arrangement, and description of historical source materials used by historians, other scholars, genealogists, and the general public. Although the Committee believes this activity to be worthwhile, the sum of \$3,000,000 requested in the budget estimate for the National Historical Publications and Records Commission is included within the recommended funding.

RECORDS DECLASSIFICATION

Appropriation, 1976.....	¹ \$1,394,000
Budget estimate, 1977.....	1,410,000
House allowance.....	1,410,000
Committee recommendation.....	1,410,000
Bill compared with:	
Appropriation, 1976.....	+16,000
Budget estimate, 1977.....	
House allowance.....	

¹ Includes \$44,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance and the budget estimate of \$1,410,000 and 105 permanent personnel positions. The recommendation is an increase of \$16,000 above the fiscal year 1976 appropriation.

Section 5 (E) (2) of Executive Order 11652, dated March 8, 1972, directs that:

All information and material classified before June 1, 1972 and more than thirty years old shall be systematically reviewed for declassification by the Archivist of the United States by the end of the thirtieth full calendar year following the year in which it was originated. . . .

The workload of this program is substantial—405 million pages require review by the end of 1977. This includes records accessioned into the National Archives, stored in Federal Records Centers, and in agency custody. When the program began, there were an estimated 160 million pages of classified material predating 1945 already in the National Archives. To date, 135 million pages have been completed.

AUTOMATED DATA AND TELECOMMUNICATIONS SERVICE

OPERATING EXPENSES

Appropriation, 1976.....	¹ \$7,460,000
Budget estimate, 1977.....	7,651,000
House allowance.....	7,475,000
Committee recommendation.....	7,475,000
Bill compared with:	
Appropriation, 1976.....	+15,000
Budget estimate, 1977.....	-176,000
House allowance.....	

¹ Includes \$210,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance and the budget estimate of \$7,475,000 and 252 permanent personnel positions. The recommendation is an increase of \$15,000 above the fiscal year 1976 appropriation and a reduction of \$176,000 below the budget estimate. The reduction below the budget estimate relates to the reorganization described under the summary for GSA activities.

This activity provides the overall management, control, and coordination for Governmentwide programs and activities relating to the procurement of ADP equipment, maintenance and related supplies and services for Federal agencies. This activity also provides the overall management for reimbursable programs financed through the Automatic Data Processing Fund.

FEDERAL PREPAREDNESS AGENCY

SALARIES AND EXPENSES

Appropriation, 1976.....	¹ \$16,010,000
Budget estimate, 1977.....	16,380,000
House allowance.....	16,296,000
Committee recommendation.....	16,296,000
Bill compared with:	
Appropriation, 1976.....	+286,000
Budget estimate, 1977.....	-84,000
House allowance.....	

¹ Includes \$510,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance of \$16,296,000 and 673 permanent personnel positions. The recommendation is an increase of \$286,000 above the fiscal year 1976 appropriation and a reduction of \$84,000 below the budget estimate. The reduction below the budget estimate relates to the reorganization described under the summary for GSA activities.

The Civil Crisis Preparedness staff evaluates current and possible future threats to the U.S. economy caused by resource shortages and dependency on other nations; develops policies to accommodate or avoid these dependencies; provides guidance to Federal agencies, and local governments, regarding employment of resources during periods of shortage; and develops concepts, plans, and systems for managing the Nation's critical resources in a range of crisis contingencies.

EXPENSES, DEFENSE PRODUCTION ACT

Appropriation, 1976.....	
Budget estimate, 1977.....	\$10,540,000
House allowance.....	
Committee recommendation.....	
Bill compared with:	
Appropriation, 1976.....	
Budget estimate, 1977.....	-10,540,000
House allowance.....	

The Committee recommends denial of the budget estimate of \$10,540,000 for the Expenses, Defense Production Act appropriation. The House similarly denied appropriation of this request and no funds were appropriated in fiscal year 1976. There are no permanent personnel positions funded under this appropriation.

The appropriation requested is to cover the cost of financing the existing Defense Production Act inventories and to pay the Treasury interest on the value of any new materials acquired under the Defense Production Act. Pursuant to section 303 of Public Law 93-426, the appropriation would also provide for the payment of interest on the current market value of the inventory of materials procured under the Defense Production Act as of the first day of each fiscal year commencing with fiscal year 1976. At the close of each fiscal year there shall be deposited into the Treasury as miscellaneous receipts an amount which the Secretary of the Treasury determines necessary to provide for the payment of any interest accrued and unpaid under this subsection. This interest is currently calculated at 6.125 percent.

It was anticipated that this appropriation would emphasize the need for the prompt disposal of these materials that are in excess of defense needs. The Committee recommends denial of the \$10,540,000 interest payment which would be returned to miscellaneous receipts of the Treasury in the event purchases of material are not planned during fiscal year 1977. It is the view and recommendation of the Committee that these inventories in excess of defense needs be reduced in a timely manner and the Committee be advised during the fiscal year 1978 budget hearings of the success in reducing these inventories.

GENERAL MANAGEMENT AND AGENCY OPERATIONS

SALARIES AND EXPENSES

Appropriation, 1976	-----	¹ \$12,183,000
Budget estimate, 1977	-----	12,636,000
House allowance	-----	6,616,000
Committee recommendation	-----	6,616,000
Bill compared with:		
Appropriation, 1976	-----	-5,567,000
Budget estimate, 1977	-----	-6,020,000
House allowance	-----	

¹ Includes \$183,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance of \$6,616,000 and 237 permanent personnel positions. The recommendation is a reduction of \$5,567,000 below the fiscal year 1976 appropriation and \$6,020,000 below the budget estimate. The reduction below the budget estimate relates to the reorganization described under the summary of GSA activities.

This appropriation finances the immediate Office of the Administrator, the 10 regional administrators, and the agencywide Audit function.

INDIAN TRUST ACCOUNTING

Appropriation, 1976	-----	¹ \$2,675,000
Budget estimate, 1977	-----	2,702,000
House allowance	-----	2,702,000
Committee recommendation	-----	2,702,000
Bill compared with:		
Appropriation, 1976	-----	+27,000
Budget estimate, 1977	-----	
House allowance	-----	

¹ Includes \$75,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance and the budget estimate of \$2,702,000 and 133 permanent personnel positions. This is an increase of \$27,000 above the fiscal year 1976 appropriation.

This appropriation provides for necessary expenses of the General Services Administration to comply with the request of the Department of Justice and a directive of the Office of Management and Budget to prepare accounting reports for cases pending before the Indian Claims Commission.

ALLOWANCE AND OFFICE STAFF FOR FORMER PRESIDENTS

Appropriation, 1976	-----	\$275,000
Budget estimate, 1977	-----	280,000
House allowance	-----	280,000
Committee recommendation	-----	280,000
Bill compared with:		
Appropriation, 1976	-----	+5,000
Budget estimate, 1977	-----	
House allowance	-----	

The Committee recommends concurrence with the House allowance and the budget estimate of \$280,000. This is an increase of \$5,000 above the fiscal year 1976 appropriation. No permanent personnel positions are funded in this appropriation.

The recommended funding will provide for pensions and the cost of postal franking privileges, for widows of former Presidents Eisenhower, Truman, and Johnson; and the pension, office staff and related expenses pursuant to the Former Presidents Act of 1958 for former President Nixon.

The recommended funding by category follows:

	1976	1977
Widows' pensions and allowance	\$65,000	\$65,000
Former President's pension	32,000	63,000
Office staff for former President	148,000	152,000
Total	275,000	280,000

EXPENSES, PRESIDENTIAL TRANSITION

Appropriation, 1976	-----	
Budget estimate, 1977	-----	\$900,000
House allowance	-----	900,000
Committee recommendation	-----	900,000
Bill compared with:		
Appropriation, 1976	-----	+900,000
Budget estimate, 1977	-----	
House allowance	-----	

The Committee recommends concurrence with the House allowance and the budget estimate of \$900,000. There was no appropriation in fiscal year 1976. No permanent personnel positions are funded under this appropriation.

The Presidential Transition Act of 1963, Public Law 88-277, authorizes appropriation of \$900,000 for any one presidential transition. Where the President-elect is the incumbent President or where the Vice President-elect is the incumbent Vice President, there shall be no expenditures of funds for the provision of services and facilities to the incumbent under this act, and any funds appropriated for such purposes are to be returned to the general fund of the Treasury.

ADMINISTRATIVE AND STAFF SUPPORT SERVICES

SALARIES AND EXPENSES

Appropriation, 1976	-----	¹ \$51,697,000
Budget estimate, 1977	-----	65,170,000
House allowance	-----	72,219,000
Committee recommendation	-----	72,219,000
Bill compared with:		
Appropriation, 1976	-----	+20,522,000
Budget estimate, 1977	-----	+7,049,000
House allowance	-----	

¹ Includes \$1,397,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance of \$72,219,000 and 3,055 permanent personnel positions. The recommendation is an increase of \$20,522,000 above the fiscal year 1976 appropriation and \$7,049,000 above the budget estimate. The increase above the budget estimate relates to the reorganization described under the summary for GSA activities.

This appropriation provides financing of administrative and staff support services for all General Services Administration programs.

These include administration, legal services, the Board of Contract Appeals, and 37 Federal Information Centers which are operated nationwide in conjunction with the Civil Service Commission.

HARRY S TRUMAN SCHOLARSHIP FOUNDATION

PAYMENT TO THE HARRY S TRUMAN MEMORIAL SCHOLARSHIP TRUST FUND

Appropriation, 1976	\$10,000,000
Budget estimate, 1977	¹ 20,000,000
House allowance	
Committee recommendation	20,000,000
Bill compared with:	
Appropriation, 1976	+10,000,000
Budget estimate, 1977	
House allowance	+20,000,000

¹ Budget amendment contained in S. Doc. 94-211 and not considered by the House.

The Committee recommends concurrence with the budget estimate of \$20,000,000. The recommendation is an increase of \$10,000,000 above the fiscal year 1976 appropriation and \$20,000,000 above the House allowance.

The Harry S Truman Memorial Scholarship Act (Public Law 93-642) authorizes up to \$30 million to be appropriated to the Harry S Truman Memorial Scholarship Trust Fund, which it established in the Treasury of the United States. The Act specifies that the Secretary of the Treasury shall invest in full the amounts appropriated in interest-bearing obligations of the United States or obligations guaranteed as to both principal and interest by the United States. Funds for Truman scholarships and operating expenses of the Foundation will come from the interest and earnings on the investments.

NATIONAL COMMISSION ON ELECTRONIC FUND TRANSFERS

SALARIES AND EXPENSES

Appropriation, 1976	
Budget estimate, 1977	¹ \$1,300,000
House allowance	
Committee recommendation	1,300,000
Bill compared with:	
Appropriation, 1976	+1,300,000
Budget estimate, 1977	
House allowance	+1,300,000

¹ Budget amendment contained in Presidential memorandum of June 15, 1967 and not considered by the House.

The Committee recommends concurrence with the budget estimate of \$1,300,000 and 20 permanent personnel positions. The recommendation is an increase of \$1,300,000 and 20 positions above the fiscal year 1976 appropriation and the House allowance.

The Commission was established by the Depository Institutions Amendments Act of 1974 (Public Law 93-495) to conduct a thorough study and recommend appropriate administrative action and legislation necessary for the possible development of public or private electronic fund transfer systems. Public Law 94-200 extended the life of the Commission. It is now to make a final report by October 1977 of its recommendations and findings to the Congress and the President and will cease to exist 60 days thereafter.

NATIONAL CENTER FOR PRODUCTIVITY AND QUALITY OF WORKING LIFE

SALARIES AND EXPENSES

Appropriation, 1976	\$2,000,000
Budget estimate, 1977	5,000,000
House allowance	2,500,000
Committee recommendation	3,000,000
Bill compared with:	
Appropriation, 1976	+1,000,000
Budget estimate, 1977	-2,000,000
House allowance	+500,000

The Committee recommends an appropriation of \$3,000,000 and 30 permanent personnel positions. The recommendation is an increase of \$1,000,000 and 10 positions above the fiscal year 1976 appropriation and \$500,000 above the House allowance. It is a reduction of \$2,000,000 and 10 positions below the budget estimate.

The National Center for Productivity and Quality of Working Life was established by the National Productivity and Quality of Working Life Act of 1975 (Public Law 94-136). The Center succeeds the National Commission on Productivity and Work Quality and is authorized to encourage efforts toward productivity throughout the private and public sectors of the economy. The primary goal of the Center is to act as a catalyst and focal point for national efforts to stimulate increased productivity growth and improve quality of working life throughout the economy. The Board of Directors, appointed by the President and confirmed by the Senate, will consist of 27 of the nation's leaders representing private industry, labor, academia, government and the society in general. In 1977, the new Center will be engaged in an expanded range of responsibilities and functions. Particular emphasis will be placed on Federal productivity program coordination and analysis.

NATIONAL COMMISSION ON SUPPLIES AND SHORTAGES

SALARIES AND EXPENSES

Appropriation, 1976	¹ \$747,500
Budget estimate, 1977	360,000
House allowance	360,000
Committee recommendation	360,000
Bill compared with:	
Appropriation, 1976	
Budget estimate, 1977	-387,500
House allowance	

¹ Includes \$125,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends concurrence with the House allowance and the budget estimate of \$360,000 and 22 permanent personnel positions. This is a reduction of \$387,500 below the fiscal year 1976 appropriation. Of the amount recommended, \$30,000 is for the Advisory Committee.

The National Commission on Supplies and Shortages, established pursuant to Public Law 93-426, will report to the President and the Congress on the existence or possibility of shortages of essential resources and commodities and on institutional adjustments for examining and predicting these shortages. The Commission will issue its final report on December 30, 1976, and will terminate by March 30, 1977.

NATIONAL STUDY COMMISSION ON RECORDS AND DOCUMENTS OF
FEDERAL OFFICIALS

SALARIES AND EXPENSES

Appropriation, 1976.....	¹ \$350,000
Budget estimate, 1977.....	² 445,000
House allowance.....	
Committee recommendation.....	350,000
Bill compared with:	
Appropriation, 1976.....	
Budget estimate, 1977.....	-95,000
House allowance.....	+350,000

¹ \$350,000 contained in the Second Supplemental Appropriations Act, 1976.

² Submitted in Presidential memorandum of May 19, 1976 and not considered by the House.

The Committee recommends an appropriation of \$350,000 and 9 permanent personnel positions. The recommendation is the same as the fiscal year 1976 appropriation and \$350,000 and 9 positions above the House allowance.

The Commission was established by title II of Public Law 93-526 to report to the Congress and the President on "problems and questions with respect to the control, disposition, and preservation of records and documents produced by or on behalf of Federal officials". The time for submitting the final report was extended to March 31, 1977 by Public Law 94-261. The Commission is composed of seventeen members.

U.S. TAX COURT

SALARIES AND EXPENSES

Appropriation, 1976.....	¹ \$6,715,000
Budget estimate, 1977.....	7,322,200
House allowance.....	7,322,000
Committee recommendation.....	7,222,000
Bill compared with:	
Appropriation, 1976.....	+507,000
Budget estimate, 1977.....	-100,000
House allowance.....	-100,000

¹ Includes \$115,000 contained in the Second Supplemental Appropriations Act, 1976.

The Committee recommends an appropriation of \$7,222,000 and 201 permanent personnel positions. This is an increase of \$507,000 and 4 permanent personnel positions above the fiscal year 1976 appropriation, and a reduction of \$100,000 and 6 permanent positions below the budget estimate and the House allowance.

The Tax Court is an independent judicial body composed of a Chief Judge, 15 Judges and 7 Commissioners. Decisions of the Court are reviewable by the U.S. Courts of Appeals. Sessions are conducted in approximately 110 locations throughout the United States.

The Tax Court hears and decides cases involving Federal income, estate and gift tax deficiencies and renders declaratory judgments regarding the qualification of retirement plans under the provisions of Public Law 93-406, the Employee Retirement Income Security Act of 1974. It is estimated the court will receive 11,200 new cases in fiscal year 1977.

The Committee recommends denial of funds for three additional Commissioners (trial judges) and supporting staff at this time. First, the present Commissioners were appointed primarily to hear small

tax cases. They act as judicial officers in small tax cases and the Committee has previously indicated that there was a need to give them tenure, status, and the necessary judicial prerogatives to render a free and independent judicial determination to the small taxpayer. This has not been done. Secondly, the Tax Court's jurisdiction has increased in several areas (pensions, declaratory judgments, private-letter rulings, etc.). When Commissioners are appointed for these purposes, their duties will differ from those Commissioners appointed to hear the small tax cases. Consequently, the small taxpayer's provisions must be clarified and the Commissioners already in place differentiated from the new Commissioners. The Committee on Finance has indicated that a small tax case provision will be included in a tax bill coming before it in July. When the small tax case provision is enacted, this Committee contemplates providing funds for the new Commissioners and their staffs in a supplemental appropriations act.

DEFENSE CIVIL PREPAREDNESS AGENCY

OPERATION AND MAINTENANCE

Appropriation, 1976.....	¹ \$65,578,000
Budget estimate, 1977.....	71,000,000
House allowance.....	65,000,000
Committee recommendation.....	65,000,000
Bill compared with:	
Appropriation, 1976.....	-578,000
Budget estimate, 1977.....	-6,000,000
House allowance.....	

¹ Includes \$578,000 contained in the Second Supplement Act, 1976.

The Committee recommends concurrence with the House allowance of \$65,000,000 and 653 permanent personnel positions. The recommendation is a reduction of \$578,000 below the fiscal year 1976 appropriation and a reduction of \$6,000,000 below the budget estimate. Matching funds of \$29,600,000 for State and local governments for personnel and administrative charges are included.

The budget estimate requested a total of \$71,000,000 to be consolidated in a single appropriation. Prior year appropriations have been made for Operations and Maintenance activities and a separate appropriation for Research, Shelter Survey and Marking activities. The Committee recommendation is to continue the two appropriations.

The fiscal year 1977 budget estimate substantially reduced the level of effort planned for civil defense from fiscal year 1976. The estimate was based on a reorientation of the mission for the Defense Civil Preparedness Agency (DCPA) to limit responsibility to nuclear disaster preparedness. In recent years, DCPA has supported preparedness programs for natural as well as nuclear disasters. The reorientation was apparently due to the lack of legislative authority for the Agency to engage in natural disaster preparedness as well as the desire of the Administration to limit Federal spending during fiscal year 1976.

The House, by a floor amendment, increased the budget estimate by \$14,000,000 to the level of activity supported in fiscal year 1976, and allowed \$65,000,000 for Operation and Maintenance and \$20,000,000 for the Research, Shelter Survey and Marking appropriation.

The House and Senate versions of the Department of Defense Military Procurement Authorization Bill, 1977 contain a provision to amend the Federal Civil Defense Act of 1950 (50 U.S.C., App. 2551 et seq.) to allow emergency assistance for enemy-caused disasters and natural disasters. The provisions are not substantially different.

This appropriation provides for the operation, maintenance, and continuing development of the nationwide emergency warning system and the distribution of radiological defense equipment to develop and maintain an effective detection and monitoring system. It provides for the support of those activities which are required to develop and maintain an optimum capability to perform essential actions in emergency periods to enhance survival probabilities.

It further provides grants to State and local governments to assist them in meeting their responsibilities under the Federal Civil Defense Act of 1950, as amended. It also provides for the administrative expenses, i.e., salaries, travel, and supporting costs for the management and administration of the national civil defense program.

RESEARCH, SHELTER SURVEY AND MARKING

Appropriation, 1976.....	\$20,000,000
Budget estimate, 1977.....	
House allowance.....	20,000,000
Committee recommendation.....	15,000,000
Bill compared with:	
Appropriation, 1976.....	-5,000,000
Budget estimate, 1977.....	+15,000,000
House allowance.....	-5,000,000

The Committee recommends an appropriation of \$15,000,000. The recommendation is an increase of \$15,000,000 above the budget estimate and a reduction of \$5,000,000 below the fiscal year 1976 appropriation and the House allowance. No permanent positions are funded from this account.

This appropriation provides for the development of a nationwide inventory of fallout shelters and plans for their use in emergency periods to enhance survival; planning for the crisis relocation of people and attendant care and protection.

It provides matching grants to State and local governments as authorized by section 201(i) of the Federal Civil Defense Act for the design, construction, and equipping of State and local emergency operating centers and the procurement and installation of related capital equipment for such civil defense supporting systems as warning and communications. It also provides for improvement of the technical basis for ongoing and potential civil defense programs and operations.

GENERAL PROVISIONS

This bill has a number of general provisions. Those provisions that involve a single agency are reflected immediately following that agency's appropriation in the accompanying bill. Provisions that involve all of the agencies included in this bill are reflected under title V, and Government-wide provisions are reflected in the VI of the accompanying bill.

TITLE V—GENERAL PROVISIONS—THIS ACT

Section 506. This provision is included to permit the General Services Administration to negotiate and accept the conveyance of land adjacent to Dulles International Airport in exchange for conveyance of surplus real property of equal value.

Section 507. This general provision is included to restrain foreign procurement of stainless steel flatware by the General Services Administration.

(49)

COMPLIANCE WITH SECTION 308(a) (1) (A) OF PUBLIC LAW 93-344

The following information is provided in compliance with the "Congressional Budget and Impoundment Control Act of 1974:"

TITLE VI—GENERAL PROVISIONS

DEPARTMENT, AGENCIES, AND CORPORATIONS

Section 613. The purpose of this provision is to restrain the General Services Administration from increasing the rental or Standard Level User Charge (SLUC) rates per square foot for Federal agencies after the start of a fiscal year.

Agencies have complained in the past that GSA has increased the rental charge after a fiscal year has started. This has forced the agency to reduce funding appropriated for other purposes to comply with the rent increase.

The General Services Administration has assured the Committee that it will not increase the rental charge per square foot after the beginning of a fiscal year.

Section 614. This section provides that no additional funding will be appropriated for purchase contract projects under the provisions of Section 5 of the Public Buildings Amendments of 1972 (Public Law 92-313). Authority for space acquisition under this provision expired on June 30, 1975.

(50)

BUDGETARY IMPACT OF H.R. 14261¹
(Dollars in millions)

	Budget authority		Outlays	
	Committee allocation	Amount in bill	Committee allocation	Amount in bill
I. Comparison of amounts in the bill with the Committee allocation to its subcommittees of amounts in the First Concurrent Resolution for 1977:				
SUBCOMMITTEE ON TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT	\$8,500	\$8,301 (under target)	2\$8,500	2\$8,293 (under target)
II. Summary by functional category of 1977 budget amounts recommended in the bill:				
050 - National Defense-----		96		290
400 - Commerce and Transportation-----		1,771		21,772
500 - Education, Training, Employment, and Social Services-----		20		225
550 - Health-----		452		452
600 - Income Security-----				24
750 - Law Enforcement and Justice-----		584		2,588
800 - General Government-----		5,374		25,338
850 - Revenue Sharing and General Purpose Fiscal Assistance-----		4		23
900 - Interest-----				*
III. Financial assistance to state and local governments for 1977 in the bill-----		40		319
IV. Projections of outlays associated with budget authority recommended in the bill:				
1977-----				3 47,990
1978-----				3 251
1979-----				3 37
1980-----				3 22
1981-----				
Future year-----				

¹ Prepared by the Congressional Budget Office pursuant to Section 308a, Public Law 93-344.

² Includes outlays from prior year budget authority.

³ Excludes outlays from prior year budget authority.

⁴ Excludes \$24 million in permanent authority for civil service retirement and disability.

* Less than \$500 thousand.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL)
AUTHORITY FOR 1976 AND THE BUDGET ESTIMATES FOR 1977**

**PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—
FEDERAL FUNDS**

[Becomes available automatically under earlier, or "permanent" law without further, or annual action by the Congress. Thus, these amounts are not included in the accompanying bill.]

Item	1976 appropriation	Budget estimate	Increase (+) or decrease (-)
TREASURY DEPARTMENT			
Presidential Election Campaign Fund.....	\$40,000,000	\$35,000,000	-\$5,000,000
Office of the Secretary: Miscellaneous appropriations (indefinite, special fund).....	16,000	18,000	2,000
U.S. Customs Service: Miscellaneous appropriations (permanent, special fund).....	225,000,000	230,000,000	5,000,000
General revenue sharing.....	6,354,780,000	6,542,280,000	187,500,000
Interest on the public debt (indefinite).....	37,700,000,000	45,000,000,000	7,300,000,000
Interest on uninvested funds (indefinite).....	8,076,000	8,025,000	-51,000
Refunding internal revenue collections, interest (indefinite).....	334,000,000	396,000,000	62,000,000
Contributions for annuity benefits (indefinite).....	2,600,000	4,000,000	1,400,000
Internal Revenue collections for Puerto Rico (indefinite, special fund).....	114,000,000	114,000,000	---
Coinage profit fund (indefinite, special fund).....	2,818,000	3,500,000	682,000
Claims, judgements, and relief acts (indefinite).....	23,000,000	23,000,000	---
Payment where credit exceeds liability for tax.....	1,200,000,000	600,000,000	-600,000,000
Total.....	46,004,290,000	52,955,823,000	6,951,533,000
INDEPENDENT AGENCIES			
Civil Service Commission: Payment to Civil Service retirement and disability fund (indefinite).....	3,203,397	4,279,672	1,076,275
General Services Administration: Expenses, disposal of surplus real and related personal property (indefinite).....	1,500,000	1,000,000	-500,000
Total.....	4,703,397	5,279,672	576,275
Total, FEDERAL FUNDS.....	46,008,993,397	52,961,102,672	6,952,109,275
PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY TRUST FUNDS			
TREASURY DEPARTMENT			
Perishing Hall memorial fund (indefinite).....	7,000	7,000	---
Bureau of Government Financial Operations: Trust Funds.....	18,000	18,000	---
Refunds, transfers, and expenses of unclaimed, abandoned, and seized goods, U.S. Customs Service (indefinite).....	3,000,000	3,500,000	500,000
State and local government fiscal assistance trust fund.....	(6,354,780,000)	(6,542,280,000)	(187,500,000)
Total.....	3,025,000	3,525,000	500,000
INDEPENDENT AGENCIES			
Advisory Commission on Intergovernmental Relations: Contributions (indefinite).....	6,000	10,000	4,000
Civil Service Commission: Civil Service retirement and disability fund (indefinite).....	12,695,774,000	15,826,091,000	3,130,317,000
General Services Administration: National Archives gift fund.....	65,000	35,000	-30,000
Tax Court of the United States: Tax Court judges survivors annuity fund (indefinite).....	90,000	96,000	6,000
Total.....	12,695,935,000	15,826,232,000	3,130,297,000
Total, TRUST FUNDS.....	12,698,960,000	15,829,757,000	3,130,797,000
Total, NB(O)A.....	58,707,953,397	68,790,859,672	10,082,906,275

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONS)
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED**

Item	1976 Appropriation	Budget estimate
TITLE I - TREASURY DEPARTMENT		
Office of the Secretary.....	\$28,183,000	\$26,972,000
Office of Revenue Sharing.....	2,569,000	3,810,000
Federal Law Enforcement Training Center.....	12,000,000	8,450,000
Bureau of Government Financial Operations.....	131,725,000	147,229,000
Government losses in shipment.....	700,000	500,000
Eisenhower College Grants.....	1,000,000	---
Hoover Institution on War, Revolution and Peace, Grants to.....	7,000,000	---
Bureau of Alcohol, Tobacco, and Firearms.....	109,697,000	125,315,000
U.S. Customs Service.....	328,677,000	326,059,000
Bureau of the Mint: Salaries and expenses.....	41,230,000	43,215,000
Construction of Mint facilities.....	3,350,000	---
Total, Bureau of the Mint.....	44,580,000	43,215,000
Bureau of the Public Debt.....	103,000,000	114,497,000
Internal Revenue Service: Salaries and expenses.....	45,825,000	46,700,000
Accounts, collection and taxpayer service.....	791,740,000	789,900,000
Compliance.....	853,955,000	834,900,000
Total, I.R.S.....	1,691,520,000	1,671,500,000
U.S. Secret Service.....	114,950,000	112,650,000
TOTAL, TITLE I	2,575,601,000	2,580,197,000
TITLE II - UNITED STATES POSTAL SERVICE		
Payment to the Postal Service Fund.....	1,703,416,000	1,458,804,000
Budget Submitted by U.S. Postal Service.....	---	(1,766,170,000)
Revolving Fund for Advance Payments to U.S. International Air Carriers.....	5,000,000	---
TOTAL, TITLE II	1,708,416,000	1,458,804,000
TITLE III - EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT		
Compensation of the President.....	250,000	250,000
Council of Economic Advisers.....	1,621,000	1,718,000
Council on International Economic Policy.....	1,650,000	1,466,000
Council on Wage and Price Stability.....	1,589,000	1,607,000
Domestic Council.....	1,646,000	1,700,000
Unanticipated Needs.....	1,000,000	1,000,000
Executive Residence.....	1,902,000	2,095,000
Official Residence of the Vice President.....	274,000	61,000

**TIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND
IN THE BILL FOR FISCAL YEAR 1977**

House allowance	Committee recommendation	Increase (+) or decrease (-) compared with--		
		1976 Appropriation	Budget estimate	House allowance
\$26,000,000	\$26,000,000	-\$2,183,000	-\$972,000	---
3,500,000	3,500,000	+931,000	-310,000	---
9,000,000	8,650,000	-3,350,000	+200,000	-\$350,000
144,000,000	144,000,000	+12,275,000	-3,229,000	---
500,000	500,000	-200,000	---	---
---	---	-1,000,000	---	---
---	---	-7,000,000	---	---
112,000,000	114,500,000	+4,803,000	-10,815,000	+2,500,000
334,000,000	340,000,000	+11,323,000	+13,941,000	+6,000,000
40,000,000	40,000,000	-1,230,000	-3,215,000	---
---	---	-3,350,000	---	---
40,000,000	40,000,000	-4,580,000	-3,215,000	---
112,000,000	112,000,000	+9,000,000	-2,497,000	---
46,700,000	46,700,000	+875,000	---	---
795,900,000	790,900,000	-840,000	+1,000,000	-5,000,000
838,900,000	834,900,000	-19,055,000	---	-4,000,000
1,681,500,000	1,672,500,000	-19,020,000	+1,000,000	-9,000,000
112,650,000	112,650,000	-2,300,000	---	---
2,575,150,000	2,574,300,000	-1,301,000	-5,897,000	-850,000
1,766,170,000	1,766,170,000	+62,754,000	+307,366,000	---
(1,766,170,000)	(1,766,170,000)	(+1,766,170,000)	---	---
---	---	-5,000,000	---	---
1,766,170,000	1,766,170,000	+57,754,000	+307,366,000	---
250,000	250,000	---	---	---
1,718,000	1,718,000	+97,000	---	---
1,450,000	1,450,000	-200,000	-16,000	---
1,607,000	1,607,000	+18,000	---	---
1,700,000	1,700,000	+54,000	---	---
1,000,000	1,000,000	---	---	---
2,095,000	2,095,000	+193,000	---	---
61,000	61,000	-213,000	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATION) AUTHORITY FOR FISCAL YEAR 1976 AND IN THE BILL FOR FISCAL YEAR 1977—Continued

Item	1976 Appropriation	Budget estimate
National Security Council.....	\$3,052,000	\$3,210,000
Office of Management and Budget.....	24,250,000	25,800,000
Office of Federal Procurement Policy.....	754,000	1,627,000
Office of Telecommunications Policy.....	8,500,000	9,206,000
Special Assistance to the President.....	1,001,000	1,246,000
The White House Office.....	16,763,000	16,530,000
Office of Drug Abuse Policy.....	250,000	---
TOTAL, TITLE III	64,502,000	66,516,000
TITLE IV - INDEPENDENT AGENCIES		
Administrative Conference of the United States.....	785,000	880,000
Advisory Commission on Intergovernmental Relations....	1,200,000	1,402,000
Advisory Committee on Federal Pay.....	135,000	215,000
Civil Service Commission:		
Salaries and expenses:		
Appropriation.....	97,533,000	102,328,000
By transfer.....	(21,388,000)	(24,365,000)
Government payment for annuitants, employees health benefits.....	347,969,000	451,844,000
Payment to civil service retirement and disability fund.....	1,517,865,000	2,874,955,000
Federal Labor Relations Council.....	1,298,000	1,565,000
Intergovernmental personnel assistance.....	15,000,000	10,000,000
Total, Civil Service Commission	1,979,665,000	3,440,692,000
Commission on Executive, Legislative, and Judicial Salaries: Salaries and Expenses.....	---	100,000
Commission on Federal Paperwork.....	4,100,000	---
Commission to Review National Policy Toward Gambling.....	745,000	265,000
Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped.....	261,000	316,000
Federal Election Commission.....	5,000,000	6,950,000
General Services Administration:		
Refunds under Renegotiations Act.....	1,000,000	---
Disposal of Surplus Real and Related Property, Operating Expenses.....	6,180,000	6,205,000
Federal Buildings Fund:		
Limitation on availability of revenue		
Construction on buildings.....	(63,786,000)	(39,400,000)
Purchase contract payments.....	(60,000,000)	(92,000,000)
Rental of space.....	(443,500,000)	(473,200,000)
Alterations and major repairs.....	(110,768,000)	(60,700,000)

TIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND IN THE BILL FOR FISCAL YEAR 1977—Continued

House allowance	Committee recommendation	Increase (+) or decrease (-) compared with—		
		1976 Appropriation	Budget estimate	House allowance
\$3,210,000	\$3,210,000	+\$158,000	---	---
25,500,000	25,300,000	+1,050,000	-500,000	-\$200,000
1,627,000	1,627,000	+873,000	---	---
8,206,000	8,206,000	-294,000	---	---
---	1,246,000	+245,000	---	+1,246,000
---	16,530,000	-233,000	---	+16,530,000
---	---	-250,000	---	---
43,568,000	66,000,000	+1,498,000	-516,000	+22,432,000
880,000	880,000	+95,000	---	---
1,200,000	1,402,000	+202,000	---	+202,000
215,000	215,000	+80,000	---	---
102,328,000	102,328,000	+4,795,000	---	---
(24,365,000)	(24,365,000)	(+2,977,000)	---	---
451,844,000	451,844,000	+103,875,000	---	---
2,874,955,000	2,874,955,000	+1,357,090,000	---	---
1,565,000	1,565,000	+267,000	---	---
15,000,000	10,000,000	-5,000,000	---	-5,000,000
3,445,692,000	3,440,692,000	+1,461,027,000	---	-5,000,000
100,000	100,000	+100,000	---	---
---	---	-4,100,000	---	---
265,000	265,000	-480,000	---	---
316,000	316,000	+55,000	---	---
6,000,000	6,000,000	+1,000,000	-950,000	---
---	---	-1,000,000	---	---
6,205,000	6,205,000	+25,000	---	---
(22,600,000)	(39,400,000)	(-24,386,000)	---	(+16,800,000)
(92,000,000)	(92,000,000)	(+32,000,000)	---	---
(473,200,000)	(473,200,000)	(+29,700,000)	---	---
(60,700,000)	(60,700,000)	(-50,068,000)	---	---

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONS)
BUDGET ESTIMATES AND AMOUNTS RECOMMENDED**

Item	1976 Appropriation	Budget estimate	Increase (+) or decrease (-) compared with—		
			1976 Appropriation	Budget estimate	House allowance
Real property operations.....	(\$397,500,000)	(\$414,905,000)	(\$414,905,000)	(\$414,905,000)	(\$414,905,000)
Program direction and centralized service.....	(65,600,000)	(61,550,000)	(61,550,000)	(61,550,000)	(61,550,000)
Subtotal, Federal Building Fund	(1,141,154,000)	(1,141,755,000)	(1,141,755,000)	(1,141,755,000)	(1,141,755,000)
Federal Supply Service.....	159,167,000	154,815,000	154,266,000	154,266,000	154,266,000
Payment to the General Supply Fund.....	40,000,000	---	---	---	---
National Archives and Records Service:					
Operating expenses.....	60,200,000	64,439,000	64,219,000	64,219,000	64,219,000
Records declassification.....	1,394,000	1,410,000	1,410,000	1,410,000	1,410,000
Subtotal, Archive and Record Service	61,594,000	65,849,000	65,629,000	65,629,000	65,629,000
Automated Data and Telecommunications Service.....	7,460,000	7,651,000	7,475,000	7,475,000	7,475,000
Preparedness Activities:					
Office of Preparedness, Salaries and Expenses.....	16,010,000	16,380,000	16,296,000	16,296,000	16,296,000
Expenses, Defense Production Act.....	---	10,540,000	---	---	---
General Activities:					
General Management and Agency Operations, Salaries and Expenses.....	12,183,000	12,636,000	6,616,000	6,616,000	6,616,000
Federal Management Policy, Salaries and Expenses.....	1,100,000	---	---	---	---
Indian Trust Accounting.....	2,675,000	2,702,000	2,702,000	2,702,000	2,702,000
Allowances and Office Staff for Former Presidents.....	275,000	280,000	280,000	280,000	280,000
Expenses Presidential Transition.....	---	900,000	900,000	900,000	900,000
Administrative and Staff Support Services.....	51,697,000	55,170,000	72,219,000	72,219,000	72,219,000
Subtotal, General Activities	67,930,000	81,688,000	82,717,000	82,717,000	82,717,000
Total, General Services Administration	359,341,000	343,128,000	332,588,000	332,588,000	332,588,000
Harry S. Truman Scholarship Fund.....	10,000,000	20,000,000	---	20,000,000	---
National Commission on Electronic Fund Transfers.....	---	1,300,000	---	1,300,000	---
National Commission on the Observance of International Woman's Year, 1975.....	5,000,000	---	---	---	---
National Commission on Productivity and Work Quality.....	2,000,000	5,000,000	2,500,000	3,000,000	---
National Commission on Supplies and Shortages.....	747,500	360,000	360,000	360,000	---
National Study Commission on Records and Documents of Federal Officials.....	350,000	445,000	---	350,000	---
United States Tax Court: Salaries and Expenses.....	6,715,000	7,322,000	7,322,000	7,222,000	---

**TIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND
IN THE BILL FOR FISCAL YEAR 1977—Continued**

House allowance	Committee recommendation	Increase (+) or decrease (-) compared with—		
		1976 Appropriation	Budget estimate	House allowance
(\$414,905,000)	(\$414,905,000)	(+\$17,405,000)	---	---
(61,550,000)	(61,550,000)	(-4,050,000)	---	---
(1,124,955,000)	(1,141,755,000)	(+601,000)	---	(+15,800,000)
154,266,000	154,266,000	-4,901,000	-\$549,000	---
---	---	-40,000,000	---	---
54,219,000	64,219,000	+4,019,000	-220,000	---
1,410,000	1,410,000	+16,000	---	---
65,629,000	65,629,000	+4,035,000	-220,000	---
7,475,000	7,475,000	+15,000	-176,000	---
16,296,000	16,296,000	+286,000	-84,000	---
---	---	---	-10,540,000	---
6,616,000	6,616,000	-5,567,000	-6,020,000	---
---	---	-1,100,000	---	---
2,702,000	2,702,000	+27,000	---	---
280,000	280,000	+5,000	---	---
900,000	900,000	+900,000	---	---
72,219,000	72,219,000	+20,522,000	+7,049,000	---
82,717,000	82,717,000	+14,787,000	+1,029,000	---
332,588,000	332,588,000	-26,753,000	-10,540,000	---
---	20,000,000	+10,000,000	---	+20,000,000
---	1,300,000	+1,300,000	---	+1,300,000
---	---	-5,000,000	---	---
2,500,000	3,000,000	+1,000,000	-2,000,000	+500,000
360,000	360,000	-387,500	---	---
---	350,000	---	-95,000	+350,000
7,322,000	7,222,000	+507,000	-100,000	-100,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED

Item	1976 Appropriation	Budget estimate
Department of Defense:		
Defense Civil Preparedness Agency:		
Operation and maintenance.....	\$65,578,000	\$71,000,000
Research, shelter survey and marking.....	20,000,000	---
Total, Department of Defense	85,578,000	71,000,000
TOTAL, TITLE IV	2,461,622,500	3,899,375,000
TOTAL, NEW BUDGET OBLIGATIONAL AUTHORITY	6,810,141,500	8,004,892,000

TIONAL) AUTHORITY FOR FISCAL YEAR 1976 AND IN THE BILL FOR FISCAL YEAR 1977—Continued

House allowance	Committee recommendation	Increase (+) or decrease (-) compared with—		
		1976 Appropriation	Budget estimate	House allowance
\$65,000,000	\$65,000,000	-\$578,000	-\$6,000,000	---
20,000,000	15,000,000	-5,000,000	+15,000,000	-\$5,000,000
85,000,000	80,000,000	-5,578,000	+9,000,000	-5,000,000
3,882,438,000	3,894,690,000	+1,433,067,500	-4,685,000	+12,252,000
8,267,636,000	8,301,160,000	+1,491,018,500	+296,268,000	+33,574,000

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

Making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1977, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1977, and for other purposes, namely:

TITLE I

DEPARTMENT OF THE TREASURY

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For the necessary expenses in the Office of the Secretary, including the operation and maintenance of the Treasury Building and Annex thereof; hire of passenger motor vehicles; and not to exceed \$15,000 for official reception and representation expenses; \$26,000,000, of which not to exceed \$100,000 shall be available for unforeseen emergencies of a confidential character, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate, and of which \$500,000 shall be for repairs and improvements to Treasury buildings and shall remain available until expended.

OFFICE OF REVENUE SHARING

SALARIES AND EXPENSES

For necessary expenses in the Office of Revenue Sharing, including the hire of passenger motor vehicles, \$3,810,000.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, including purchase and hire of vehicles, and services as authorized by 5 U.S.C. 3109; \$8,650,000.

BUREAU OF GOVERNMENT FINANCIAL OPERATIONS

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Government Financial Operations, \$144,000,000.

H. R. 14261—2

PAYMENT OF GOVERNMENT LOSSES IN SHIPMENT

For payment of Government losses in shipment, in accordance with section 2 of the Act approved July 8, 1937 (40 U.S.C. 722), \$500,000, to remain available until expended.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms including purchase of (not to exceed two hundred and forty of which fifty shall be for replacement only, for police-type use), and hire of passenger motor vehicles; hire of aircraft; and services of expert witnesses at such rates as may be determined by the Director; \$114,500,000.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service, including purchase of three hundred and twenty-nine passenger motor vehicles (for replacement only), including three hundred and nineteen for police-type use; acquisition, operation, and maintenance of aircraft; hire of passenger motor vehicles and aircraft; and awards of compensation to informers as authorized by the Act of August 13, 1954 (22 U.S.C. 401); \$340,000,000, of which not to exceed \$150,000 shall be available for payment for rental space in connection with preclearance operations.

BUREAU OF THE MINT

SALARIES AND EXPENSES

For necessary expenses of the Bureau of the Mint, including purchase of one passenger motor vehicle for replacement only; and not to exceed \$2,500 for the expenses of the annual assay commission; \$40,000,000.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States, \$112,000,000.

INTERNAL REVENUE SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Internal Revenue Service, not otherwise provided for, including executive direction, administrative support, and internal audit and security; hire of passenger motor vehicles; and services of expert witnesses at such rates as may be determined by the Commissioner; \$46,700,000.

ACCOUNTS, COLLECTION AND TAXPAYER SERVICE

For necessary expenses of the Internal Revenue Service for processing tax returns, revenue accounting, providing assistance to taxpayers, securing unfiled tax returns, and collecting unpaid taxes; hire

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of passenger motor vehicles; and services of expert witnesses at such rates as may be determined by the Commissioner; including not to exceed \$10,000,000 for employees on temporary appointments and not to exceed \$183,000 for salaries of personnel engaged in preemployment training of data transcriber applicants; \$793,400,000.

COMPLIANCE

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities, and for investigation and enforcement activities, including purchase (not to exceed ninety-one of which ninety-one shall be for replacement only) and hire of passenger motor vehicles; and services of expert witnesses at such rates as may be determined by the Commissioner; \$836,900,000.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

For necessary expenses for the operation of the United States Secret Service, including purchase (not to exceed seventy-seven for police-type use for replacement only) and hire of passenger motor vehicles; hire of aircraft; training and assistance requested by State and local governments which may be provided without reimbursement; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be necessary to perform protective functions; and the conducting and participation in firearms matches; \$112,650,000, of which not to exceed \$2,000,000 shall remain available until expended, for payments to State and local governments for protection of permanent and observer foreign diplomatic missions, pursuant to Public Law 94-196.

GENERAL PROVISIONS—TREASURY DEPARTMENT

SEC. 101. Appropriations in this Act to the Treasury Department shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-2) including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services as authorized by 5 U.S.C. 3109.

SEC. 102. Motor vehicles for police-type use by the Treasury Department may be purchased without regard to the general purchase price limitation for the current fiscal year.

This title may be cited as the "Treasury Department Appropriations Act, 1977".

TITLE II

U.S. POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

For payment to the Postal Service Fund for public service costs and for revenue foregone on free and reduced rate mail, pursuant to 39 U.S.C. 2401 (b) and (c), and for meeting the liabilities of the former Post Office Department to the Employees' Compensation Fund

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and to postal employees for earned and unused annual leave as of June 30, 1971, pursuant to 39 U.S.C. 2004, \$1,766,170,000.

This title may be cited as the "Postal Service Appropriation Act, 1977".

TITLE III

EXECUTIVE OFFICE OF THE PRESIDENT

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of \$50,000 per annum as authorized by 3 U.S.C. 102, \$250,000.

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

For expenses necessary for the White House Office as authorized by law, including not to exceed \$3,850,000 for services as authorized by 5 U.S.C. 3109, at such per diem rates for individuals as the President may specify and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed \$100,000 to be accounted for solely on the certificate of the President); and not to exceed \$10,000 for official entertainment expenses to be available for allocation within the Executive Office of the President; \$16,530,000.

EXECUTIVE RESIDENCE

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Residence, to be expended as the President may determine, notwithstanding the provisions of this or any other Act, and official entertainment expenses of the President to be accounted for solely on his certificate, \$2,095,000.

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

OPERATING EXPENSES

For the care, maintenance, repair and alteration, furnishing, improvement, heating and lighting, including electric power and fixtures, of the official residence of the Vice President, \$61,000: *Provided*, That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities.

SPECIAL ASSISTANCE TO THE PRESIDENT

SALARIES AND EXPENSES

For expenses necessary to enable the Vice President to provide assistance to the President in connection with specially assigned functions, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent of the rate for grade GS-18,

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compensation for one position at a rate not to exceed the rate of level II of the Executive schedule, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service, including hire of passenger motor vehicles, \$1,246,000.

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021), \$1,718,000.

COUNCIL ON INTERNATIONAL ECONOMIC POLICY

SALARIES AND EXPENSES

For necessary expenses of the Council on International Economic Policy, including hire of passenger motor vehicles, \$1,450,000, of which, an amount not to exceed \$1,000 may be expended for official entertainment.

COUNCIL ON WAGE AND PRICE STABILITY

SALARIES AND EXPENSES

For expenses, including compensation for the Deputy Director at a rate not to exceed the rate for level V of the Executive Schedule, necessary for the Council on Wage and Price Stability as authorized by the Council on Wage and Price Stability Act of 1974 (Public Law 93-387 as amended by Public Law 94-78) \$1,607,000.

DOMESTIC COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the Domestic Council, including services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent of the rate for grade GS-18; and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service; \$1,700,000.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

For expenses necessary for the National Security Council, including services as authorized by 5 U.S.C. 3109, \$3,210,000.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

For expenses necessary for the Office of Management and Budget, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, \$25,300,000.

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OFFICE OF FEDERAL PROCUREMENT POLICY

SALARIES AND EXPENSES

For expenses of the Office of Federal Procurement Policy, including services as authorized by 5 U.S.C. 3109, \$1,627,000.

OFFICE OF TELECOMMUNICATIONS POLICY

SALARIES AND EXPENSES

For expenses necessary for the conduct of telecommunications functions assigned to the Director of the Office of Telecommunications Policy, including hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, \$8,206,000.

UNANTICIPATED NEEDS

For expenses necessary to enable the President to meet unanticipated needs, in furtherance of the national interest, security, or defense which may arise at home or abroad during the current fiscal year, and to pay administrative expenses (including personnel, in his discretion and without regard to any provision of law regulating employment and pay of persons in the Government service or regulating expenditures of Government funds) incurred with respect thereto, \$1,000,000.

This title may be cited as the "Executive Office Appropriations Act, 1977".

TITLE IV—INDEPENDENT AGENCIES

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

SALARIES AND EXPENSES

For necessary expenses of the Administrative Conference of the United States, established by the Administrative Conference Act, as amended (5 U.S.C. 571 et seq.), \$880,000.

ADVISORY COMMITTEE ON FEDERAL PAY

SALARIES AND EXPENSES

For necessary expenses of the Advisory Committee on Federal Pay, established by 5 U.S.C. 5306, \$215,000.

ADVISORY COMMITTEE ON INTERGOVERNMENTAL RELATIONS

SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Act of September 24, 1959, as amended (73 Stat. 703-706), \$1,301,000.

CIVIL SERVICE COMMISSION

SALARIES AND EXPENSES

For necessary expenses, including services as authorized by 5 U.S.C. 3109; medical examinations performed for veterans by private physicians on a fee basis; rental of conference rooms in the District of Columbia; hire of passenger motor vehicles; not to exceed \$2,500 for official reception and representation expenses; and advances or reim-

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bursements to applicable funds of the Commission and the Federal Bureau of Investigation for expenses incurred under Executive Order 10422 of January 9, 1953, as amended; \$102,328,000 together with not to exceed \$24,365,000 for current fiscal year administrative expenses for the retirement and insurance programs to be transferred from the appropriate trust funds of the Commission in amounts determined by the Commission without regard to other statutes: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds for administrative expenses of effecting statutory annuity adjustments. No part of the appropriation herein made to the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit of the Commission, established pursuant to Executive Order 9358 of July 1, 1943, or any successor unit of like purpose.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES
HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, \$451,844,000.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special acts, to be credited to the Civil Service retirement and disability funds, \$2,874,955,000: *Provided*, That annuities authorized by the Act of May 29, 1944, as amended (2 C.Z.C. 181) and the Act of August 19, 1950, as amended (33 U.S.C. 771-775) may hereafter be paid out of the Civil Service retirement and disability fund.

FEDERAL LABOR RELATIONS COUNCIL

SALARIES AND EXPENSES

For expenses necessary to carry out functions of the Civil Service Commission under Executive Order No. 11491 of October 29, 1969, as amended, \$1,565,000: *Provided*, That public members of the Federal Service Impasses Panel may be paid travel expenses per diem in lieu of subsistence, as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government Service, and compensation as authorized by 5 U.S.C. 3109.

INTERGOVERNMENTAL PERSONNEL ASSISTANCE

For grants to improve State and local personnel administration, as authorized by the Intergovernmental Personnel Act of 1970, \$15,000,000, to remain available until expended.

COMMISSION ON EXECUTIVE, LEGISLATIVE, AND JUDICIAL SALARIES

SALARIES AND EXPENSES

For necessary expenses of the Commission on Executive, Legislative, and Judicial Salaries, authorized by section 225 of the Postal

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Revenue and Federal Salary Act of 1967 (81 Stat. 642-645), \$100,000, to remain available until expended.

COMMISSION ON THE REVIEW OF THE NATIONAL
POLICY TOWARD GAMBLING

SALARIES AND EXPENSES

For expenses necessary to carry out functions of the Commission on the Review of the National Policy Toward Gambling, established by section 804 of the Organized Crime Control Act of 1970 (P.L. 91-452; 84 Stat. 938), \$265,000.

COMMITTEE FOR PURCHASE FROM THE BLIND AND
OTHER SEVERELY HANDICAPPED

SALARIES AND EXPENSES

For expenses necessary for the Committee for Purchase from the Blind and Other Severely Handicapped established by the Act of June 23, 1971, Public Law 92-28, including hire of passenger motor vehicles, \$316,000.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Federal Election Campaign Act Amendments of 1974, \$6,000,000.

GENERAL SERVICES ADMINISTRATION

DISPOSAL OF SURPLUS REAL AND RELATED PERSONAL
PROPERTY, OPERATING EXPENSES

Not to exceed \$6,205,000 of any proceeds received by the General Services Administration during the current fiscal year from transfers of excess property and the disposal of surplus real and related personal property shall be deposited to this appropriation, and shall be available for necessary expenses incurred in the Federal Buildings Fund in carrying out surplus property functions, pursuant to the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 460 1-5).

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

The revenues and collections deposited into a fund pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving Government agencies (including space adjustments) in connection with the assignment, allocation and transfer of space; contractual services incident to cleaning or servicing buildings and moving; repair and

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alteration of federally owned buildings, including grounds, approaches and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, taxes, and any other obligations for public buildings acquired by purchase contract; in the aggregate amount of \$1,130,755,000 of which (1) not to exceed \$28,400,000 shall remain available until expended for construction of additional projects as authorized by law at locations and at maximum construction improvement costs (including funds for sites and expenses) as follows:

New Construction:

California:

Los Angeles, Parking Facility, \$5,665,000

Hawaii:

Honolulu, Prince J. K. Kalaniana'ole Federal Building Courthouse, \$3,500,000

Illinois:

East St. Louis, Courthouse and Federal Building, \$5,365,000

Michigan:

Detroit, Patrick V. McNamara Federal Office Building, \$800,000

New York:

New York, Customs Courthouse Federal Office Building Annex, \$1,500,000

Washington:

Blaine, Border Station, \$3,159,000

Wisconsin:

Madison, Courthouse, \$5,778,000

Conversions:

Georgia:

Atlanta, Post Office and Courthouse, \$1,830,000

Augusta, Post Office and Courthouse, \$803,000

Provided, That the immediately foregoing limits of costs may be exceeded to the extent that savings are effected in other such projects, but by not to exceed 10 per centum: (2) not to exceed \$60,700,000, which shall remain available until expended for alterations and major repairs; (3) not to exceed \$92,000,000 for payment on purchase contracts entered into prior to July 1, 1975; (4) not to exceed \$473,200,000 for rental of space; (5) not to exceed \$414,905,000 for real property operations; and (6) not to exceed \$61,550,000 for program direction and centralized services: *Provided further*, That for the purposes of this authorization, buildings constructed pursuant to the Public Buildings Purchase Contract Act of 1954 (40 U.S.C. 356), the Public Buildings Amendments of 1972 (40 U.S.C. 490) and buildings under the control of another department or agency where alterations of such buildings are required in connection with the moving of such other department or agency from buildings then, or thereafter to be, under the control of General Services Administration shall be considered to be federally owned buildings: *Provided further*, That amounts necessary to provide reimbursable special services to other agencies under Section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership

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or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, as amended, shall be available from such revenues and collections: *Provided further*, That any revenues and collections and any other sums accruing to this fund during fiscal year 1977, excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)), in excess of \$1,156,018,000 shall be deposited in miscellaneous receipts of the Treasury of the United States.

FEDERAL SUPPLY SERVICE

OPERATING EXPENSES

For expenses, not otherwise provided, necessary for supply distribution (including contractual services incident to receiving, handling and shipping supply items), procurement, inspection, standardization, and supply management activities as authorized by law, transportation, public utilities, the utilization of excess property, the disposal of surplus property, the rehabilitation of personal property, the national stockpile established by the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h), the supplemental stockpile established by section 104(b) of the Agricultural Trade Developmental and Assistance Act of 1954 (68 Stat. 456, as amended by 73 Stat. 607), and the inventory maintained under the Defense Production Act of 1950, as amended (50 U.S.C. 2061-2166), including services as authorized by 5 U.S.C. 3109, \$154,266,000: *Provided*, That during the current fiscal year the General Services Administration is authorized to acquire leasehold interests in property, for periods not in excess of twenty years, for the storage, security, and maintenance of strategic, critical, and other materials in the national and supplemental stockpiles, provided said leasehold interests are at nominal cost to the Government: *Provided further*, That during the current fiscal year there shall be no limitation on the value of surplus strategic and critical materials which, in accordance with section 6 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98e), may be transferred without reimbursement to the national stockpile: *Provided further*, That during the current fiscal year materials in the inventory maintained under the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061-2166), and excess materials in the national stockpile and supplemental stockpile, the disposition of which is authorized by law, shall be available, without reimbursement, for transfer at fair market value to contractors as payment for expenses (including transportation and other accessorial expenses) of acquisition of materials, or of refining, processing, or otherwise benefiting materials, or of rotating materials, pursuant to section 3 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b), and of processing and refining materials pursuant to section 303(d) of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2093(d)).

NATIONAL ARCHIVES AND RECORDS SERVICE

OPERATING EXPENSES

For necessary expenses in connection with Federal records management and related activities, as provided by law, including reimbursement for security guard services, contractual services incident to

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movement or disposal of records, and acceptance and utilization of voluntary and uncompensated services, \$64,219,000, of which \$3,000,000 for allocations and grants for historical publications and records as authorized by 44 U.S.C. 2504, as amended, shall remain available until expended.

RECORDS DECLASSIFICATION

For expenses necessary for the review and declassification of documents, and related records management activities, pursuant to Executive Order 11652, directives issued pursuant thereto, and other applicable authorities, including expenses not otherwise provided for, and acceptance and utilization of voluntary and uncompensated services, \$1,410,000.

AUTOMATED DATA AND TELECOMMUNICATIONS SERVICE

OPERATING EXPENSES

For expenses, not otherwise provided, necessary for carrying out Government-wide responsibilities relating to automated data management, telecommunications and related activities, as authorized by law, including services as authorized by 5 U.S.C. 3109, \$7,475,000.

FEDERAL PREPAREDNESS AGENCY

SALARIES AND EXPENSES

For expenses necessary for emergency preparedness functions, including activities authorized by 50 U.S.C. 404(b)(3), and 50 U.S.C. app. 2251-2297, and the disposal of excess materials in the national stockpile established by the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h), the supplemental stockpile established by section 104(b) of the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 456, as amended by 73 Stat. 607), and the inventory maintained under the Defense Production Act of 1950, as amended (50 U.S.C. 2061-2166), including services as authorized by 5 U.S.C. 3109 and expenses of attendance of cooperating officials and individuals at meetings concerned with the work of emergency planning, and the provision of transportation in connection with the continuity of Government program, to the same extent and in the same manner as permitted the Secretary of a military department under 10 U.S.C. 2632, \$16,296,000.

GENERAL MANAGEMENT AND AGENCY OPERATIONS

SALARIES AND EXPENSES

For expenses of general management and agency operations of activities under the control of the General Services Administration, \$6,616,000: *Provided*, That not to exceed \$2,500 shall be available for reception and representation expenses.

INDIAN TRUST ACCOUNTING

For expenses necessary to provide accounting records management, and other support incident to adjudication of Indian Tribal claims by the Indian Claims Commission, \$2,702,000: *Provided*, That none of these funds shall be available for transfer to any other account.

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ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), \$280,000: *Provided*, That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of sections (a) and (c) of such Act.

EXPENSES, PRESIDENTIAL TRANSITION

For expenses necessary to carry out the provisions of the Presidential Transition Act of 1963, as amended (3 U.S.C. 102, note), \$900,000.

ADMINISTRATIVE AND STAFF SUPPORT SERVICES

SALARIES AND EXPENSES

For administrative expenses necessary in providing general administrative and staff support services within the General Services Administration, not otherwise provided for, \$72,219,000: *Provided*, That this appropriation shall be available, subject to reimbursement by the applicable agency, for services performed for other agencies pursuant to section 601 of the Economy Act of 1932, as amended (31 U.S.C. 686).

GENERAL PROVISIONS—GENERAL SERVICES ADMINISTRATION

SEC. 1. The appropriate appropriation or fund available to the General Services Administration shall be credited with (1) cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129); and (2) appropriations or funds available to other agencies, and transferred to the General Services Administration, in connection with property transferred to the General Services Administration pursuant to the Act of July 2, 1948 (50 U.S.C. 451ff), and such appropriations or funds may be so transferred, with the approval of the Office of Management and Budget.

SEC. 2. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

SEC. 3. None of the funds available under this Act or under section 111 of the Federal Property and Administrative Services Act of 1949 shall be obligated or expended for the procurement by purchase, lease or any other arrangement, in whole or in part, of any or all the automatic data processing system, data communications network, or related software and services for the joint General Services Administration-Department of Agriculture MCS project 97-72 contained in the Request for Proposal CDPA 74-14, any successor to such project, or any other common user shared facilities authorized under section 111 of the Federal Property and Administrative Services Act of 1949.

HARRY S TRUMAN SCHOLARSHIP FOUNDATION

PAYMENT TO THE HARRY S TRUMAN MEMORIAL SCHOLARSHIP TRUST FUND

For payment to the Harry S Truman Memorial Scholarship Trust Fund, \$20,000,000.

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NATIONAL COMMISSION ON ELECTRONIC FUND TRANSFERS

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of title II of Public Law 93-495, \$1,300,000, to remain available until expended.

NATIONAL CENTER FOR PRODUCTIVITY AND QUALITY OF WORKING LIFE

SALARIES AND EXPENSES

For necessary expenses of the National Center for Productivity and Quality of Working Life, including services as authorized by 5 U.S.C. 3109, and hire of passenger motor vehicles, \$2,750,000.

NATIONAL COMMISSION ON SUPPLIES AND SHORTAGES

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the National Commission on Supplies and Shortages Act (Public Law 93-426), including personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service, \$360,000.

NATIONAL STUDY COMMISSION ON RECORDS AND DOCUMENTS OF
FEDERAL OFFICIALS

SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of title II of the Act of December 19, 1974 (Public Law 93-526), as amended by Public Law 92-261 (44 U.S.C. 33), \$350,000.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109, \$7,222,000: *Provided*, That travel expenses of the judges shall be paid upon the written certificate of the judge.

DEFENSE CIVIL PREPAREDNESS AGENCY

OPERATION AND MAINTENANCE

For expenses, not otherwise provided for, necessary for carrying out civil defense activities including the hire of motor vehicles; and financial contributions to the States for civil defense purposes, as authorized by law; \$65,000,000: *Provided*, That not to exceed \$29,600,000 shall be available for allocation under section 205 of the Federal Civil Defense Act of 1950, as amended.

RESEARCH, SHELTER SURVEY, AND MARKING

For expenses, not otherwise provided for, necessary for studies and research to develop measures and plans for civil defense; continuing shelter surveys, marking, and equipping surveyed spaces; and finan-

cial contributions to the States under section 201(i) of the Federal Civil Defense Act, which shall be equally matched for emergency operating centers and civil defense equipment; \$17,500,000.

GENERAL PROVISIONS—CIVIL DEFENSES

SEC. 1. Appropriations contained in this Act for carrying out civil defense activities shall not be available in excess of the limitations on appropriations contained in section 408 of the Federal Civil Defense Act, as amended (50 U.S.C. App. 2260).

SEC. 2. No part of any appropriation in this Act shall be available for the construction of warehouses or for the lease of warehouse space in any building which is to be constructed specifically for civil defense activities.

This title may be cited as the "Independent Agencies Appropriations Act, 1977".

TITLE V—GENERAL PROVISIONS

THIS ACT

SEC. 501. Where appropriations in this Act are expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amount set forth therefor in the budget estimates submitted for the appropriations: *Provided*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Veterans Administration; or to payments to interagency motor pools where separately set forth in the budget schedules.

SEC. 502. No part of any appropriation contained in this Act shall be available to pay the salary of any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service and has within ninety days after his release from such service or from hospitalization continuing after discharge for a period of not more than one year made application for restoration to his former position and has been certified by the Civil Service Commission as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 503. No part of any appropriation made available in this Act shall be used for the purchase or sale of real estate or for the purpose of establishing new offices inside or outside the District of Columbia: *Provided*, That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therefor.

SEC. 504. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 505. No part of any appropriation contained in this Act shall be available for the procurement of or for the payment of the salary of any person engaged in the procurement of any hand or measuring tool(s) not produced in the United States or its possession except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of

hand or measuring tools produced in the United States or its possessions cannot be procured as and when needed from sources in the United States and its possessions or except in accordance with procedures prescribed by section 6-104.4(b) of Armed Services Procurement Regulation dated January 1, 1969, as such regulation existed on June 15, 1970. This section shall be applicable to all solicitations for bids opened after its enactment.

SEC. 506. The General Services Administration is authorized to negotiate and accept the conveyance to the United States of approximately 930 acres of land presently owned by Skyway-to-Highway, Incorporated adjacent to the West and Northwest boundaries of Dulles International Airport, in exchange for conveyance to Skyway-to-Highway, Incorporated of property of approximately equal value selected by the General Services Administration from any surplus Federal real properties. Acceptance by the United States of any exchange proposal is contingent upon review by the appropriate committees of the Congress.

SEC. 507. No part of any appropriation contained in this Act shall be available for the procurement of, or for the payment of, the salary of any person engaged in the procurement of stainless steel flatware not produced in the United States or its possessions, except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of stainless steel flatware produced in the United States or its possessions, cannot be procured as and when needed from sources in the United States and its possessions, or except in accordance with procedures provided by section 6-104.4(b) of Armed Services Procurement Regulation, dated January 1, 1969. This section shall be applicable to all solicitations for bids issued after its enactment.

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

SEC. 601. Unless otherwise specifically provided the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicle (exclusive of buses and ambulances), is hereby fixed at \$2,700 except station wagons for which the maximum shall be \$3,100: *Provided*, That these limits may be exceeded by not to exceed \$1,700 for police-type vehicles.

SEC. 602. Unless otherwise specified and during the current fiscal year no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act, who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States, (3) is a person who owes allegiance to the United States, or (4) is an alien from Cuba, Poland, South Viet Nam, or the Baltic countries lawfully admitted to the United States for permanent residence: *Provided*, That, for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been

complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined not more than \$4,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal-clause shall be in addition to, and not in substitution for any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of the Republic of the Philippines or to nationals of those countries allied with the United States in the current defense effort, or to temporary employment of translators, or to temporary employment in the field service (not to exceed sixty days) as a result of emergencies.

SEC. 603. Appropriations of the executive departments and independent establishments for the current fiscal year available for expenses of travel or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with 5 U.S.C. 5922-5924.

SEC. 604. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

SEC. 605. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to the Government Corporation Control Act, as amended (31 U.S.C. 841), shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with 5 U.S.C. 3109; and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided*, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

SEC. 606. Pursuant to section 1415 of the Act of July 15, 1952 (66 Stat. 662), foreign credits (including currencies) owed to or owned by the United States may be used by Federal agencies for any purpose for which appropriations are made for the current fiscal year (including the carrying out of Acts requiring or authorizing the use of such credits), only when reimbursement therefor is made to the Treasury from applicable appropriations of the agency concerned: *Provided*, That such credits received as exchange allowances or proceeds of sales of personal property may be used in whole or part payment for acquisition of similar items, to the extent and in the manner authorized by law, without reimbursement to the Treasury.

SEC. 607. (a) No part of any appropriation contained in this or any other Act, or of the funds available for expenditure by any corporation or agency, shall be used for publicity or propaganda purposes designed to support or defeat legislation pending before Congress.

(b) No part of any appropriation contained in this Act shall be available for the payment of the salary of any officer or employee of the United States Postal Service, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any officer or employee of the United States Postal Service from having any direct oral or written communication or contact with any Member or committee of Congress in connection

with any matter pertaining to the employment of such officer or employee or pertaining to the United States Postal Service in any way, irrespective of whether such communication or contact is at the initiative of such officer or employee or in response to the request or inquiry of such Member or committee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance or efficiency rating, denied promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any officer or employee of the United States Postal Service, or attempts or threatens to commit any of the foregoing actions with respect to such officer or employee, by reason of any communication or contact of such officer or employee with any Member or committee of Congress as described in paragraph (1) of this subsection.

SEC. 608. No part of any appropriation contained in this or any other Act, shall be available to finance interdepartmental boards, commissions, councils, committees, or similar groups under section 214 of the Independent Offices Appropriations Act, 1946 (31 U.S.C. 691) which do not have prior and specific congressional approval of such method of financial support.

SEC. 609. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements, performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (86 Stat. 216), or other applicable law.

SEC. 610. Funds made available by this or any other Act to the fund created by the Public Buildings Amendments of 1972 (86 Stat. 216), and the "Postal Service fund" (39 U.S.C. 2003), shall be available for employment of guards for all buildings and areas owned or occupied by the United States or the Postal Service and under the charge and control of the General Services Administration or the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318), but shall not be restricted to certain Federal property as otherwise required by the proviso contained in said section, and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318a, 318b) attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318c).

SEC. 611. None of the funds available under this Act shall be available for administrative expenses in connection with the transfer of any functions, personnel, facilities, equipment, or funds out of the United States Customs Service unless such transfers have been specifically authorized by the Congress.

SEC. 612. None of the funds available under this Act shall be available for administrative expenses for the purpose of transferring the border control activities of the United States Customs Service to any other agency of the Federal Government.

SEC. 613. No part of any appropriation contained in, or funds made available by, this or any other Act shall be available for any agency to pay to the Administrator of the General Services Administration a higher rate per square foot for rental of space and services (established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended) than such agency included in its budget for the current fiscal year and for which appropriations were granted.

SEC. 614. None of the funds available under this or any other Act shall be available for administrative expenses in connection with the designation for construction, arranging for financing, or execution of contracts or agreements for financing or construction of any additional purchase contract projects pursuant to section 5 of the Public Buildings Amendments of 1972 (Public Law 92-313) during the period beginning October 1, 1976, and ending September 30, 1977.

This Act may be cited as the "Treasury, Postal Service, and General Government Appropriation Act, 1977".

Speaker of the House of Representatives.

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