Financial Services and General Government: FY2013 Appropriations

Garrett Hatch
Specialist in American National Government

September 14, 2012

Congressional Research Service
7-5700
www.crs.gov
R42730

CRS Report for Congress
Prepared for Members and Committees of Congress

Summary

The Financial Services and General Government appropriations bill provides funding for the Department of the Treasury, the Executive Office of the President (EOP), the judiciary, the District of Columbia, and more than two dozen independent agencies. Among those independent agencies are the General Services Administration (GSA), the Office of Personnel Management (OPM), the Small Business Administration (SBA), the Securities and Exchange Commission (SEC), and the United States Postal Service (USPS). The Commodity Futures Trading Commission (CFTC) is funded in the House through the Agriculture appropriations bill and in the Senate through the FSGG bill. CFTC funding is included in all FSGG funding tables in this report.

On February 13, 2012, President Obama submitted his FY2013 budget request. The request included a total of $44.6 billion for agencies funded through the FSGG appropriations bill, including $308 million for the CFTC. The President's request would increase funding $1.5 billion above FY2012 enacted amounts.

On June 20, 2012, the House Appropriations Committee reported H.R. 6020, the Financial Services and General Government Appropriations Act, 2013. H.R. 6020 would provide $42.4 billion for agencies funded through the House FSGG Appropriations Subcommittee. In addition, the CFTC would receive $180 million through the FY2013 agriculture appropriations bill. Total FY2013 funding provided by the House would be $42.5 billion, about $2.1 billion below the President's FY2013 request and $560 million less than FY2012 enacted amounts.

On June 14, 2012, the Senate Appropriations Committee reported its FY2013 financial services bill, S. 3301. The Senate committee's bill would provide $44.3 billion for FSGG agencies, including $308 million for the CFTC, for FY2013, which would be $337 million below the President's FY2013 request and $1.2 billion more than FY2012 enacted amounts.

This report will be updated as needed.

Contents

Tables

Contacts

Most Recent Developments

On February 13, 2012, President Obama submitted his FY2013 budget request. The request included a total of $44.6 billion for agencies funded through the Financial Services and General Government (FSGG) appropriations bill, including $308 million for the Commodity Futures Trading Commission (CFTC). The President's request would increase funding $1.5 billion above FY2012 enacted amounts.

On June 20, 2012, the House Appropriations Committee reported H.R. 6020, the Financial Services and General Government Appropriations Act, 2013. H.R. 6020 would provide $42.4 billion for agencies funded through the House FSGG Appropriations Subcommittee. In addition, the CFTC would receive $180 million through the FY2013 agriculture appropriations bill. Total FY2013 funding provided by the House would be $42.5 billion, about $2.1 billion below the President's FY2013 request and $560 million less than FY2012 enacted amounts.

On June 14, 2012, the Senate Appropriations Committee reported its FY2013 financial services bill, S. 3301. The Senate committee's bill would provide $44.3 billion for FSGG agencies, including $308 million for the CFTC, for FY2013, which would be $337 million below the President's FY2013 request and $1.2 billion more than FY2012 enacted amounts. **Table 1** reflects the status of FSGG appropriations legislation at key points in the appropriations process.

Table 1. Status of FY2013 Financial Services and General Government Appropriations

Subcommittee Markup		House Report	House Passage	Senate Report	Senate Passage	Conference Report	Conference Report Passed		Public Law
House	Senate						House	Senate	
06/20/12	06/14/12	H.Rept. 112-550		S.Rept. 112-177					

Introduction

The House and Senate Committees on Appropriations reorganized their subcommittee structures in early 2007. Each chamber created a new FSGG Subcommittee. In the House, the jurisdiction of the FSGG Subcommittee was formed primarily of agencies that had been under the jurisdiction of the Subcommittee on Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies, commonly referred to as "TTHUD."[1] In addition, the House FSGG Subcommittee was assigned four independent agencies that had been under the jurisdiction of the Science, State, Justice, Commerce, and Related Agencies Subcommittee.[2]

[1] The agencies previously under the jurisdiction of the TTHUD Subcommittee that did not become part of the FSGG subcommittee were the Department of Transportation, the Department of Housing and Urban Development, the Architectural and Transportation Barriers Compliance Board, the Federal Maritime Commission, the National Transportation Safety Board, the Neighborhood Reinvestment Corporation, and the United States Interagency Council on Homelessness.

[2] The agencies are the Federal Communications Commission (FCC), the Federal Trade Commission (FTC), the (continued...)

In the Senate, the jurisdiction of the new FSGG Subcommittee was a combination of agencies from the jurisdiction of three previously existing subcommittees. The District of Columbia, which had its own subcommittee in the 109th Congress, was placed under the purview of the FSGG Subcommittee, as were four independent agencies that had been under the jurisdiction of the Commerce, Justice, Science, and Related Agencies Subcommittee.[3] Additionally, most of the agencies that had been under the jurisdiction of the Subcommittee on Transportation, Treasury, the Judiciary, Housing and Urban Development, and Related Agencies were assigned to the FSGG Subcommittee.[4] As a result of this reorganization, the House and Senate FSGG Subcommittees have nearly identical jurisdictions.[5]

Overview

The FSGG appropriations bill includes funding for the Department of the Treasury, the Executive Office of the President (EOP), the judiciary, the District of Columbia, and more than two dozen independent agencies. For each title of the regular FSGG appropriations bill, **Table 2** lists the enacted amounts for FY2012, the President's FY2013 request, and amounts recommended by the House and Senate appropriations committees for FY2013.

Table 2. Financial Services and General Government Appropriations, FY2012-FY2013

(in millions of dollars)

Title	FY2012 Enacted	FY2013 Request	FY2013 House Committee	FY2013 Senate Committee	FY2013 Enacted
Title I: Department of the Treasury	$12,215	$13,244	$12,292	$12,904	
Title II: Executive Office of the President	659	649	650	698	
Title III: The Judiciary	6,970	7,189	6,979	7,164	
Title IV: District of Columbia	665	678	667	676	
Title V: Independent Agencies	22,581	22,864	21,955	22,844	
Total	**$43,091**	**$44,623**	**$42,531**	**$44,287**	

Sources: H.R. 6020; H.Rept. 112-550; S. 3301, S.Rept. 112-177.

Notes: Totals include funding for the Commodity Futures Trading Commission (CFTC). The CFTC is funded in the House through the Agriculture appropriations bill and in the Senate through the Financial Services and

(...continued)

Securities and Exchange Commission (SEC), and the Small Business Administration (SBA).

[3] The agencies are the FCC, FTC, SEC, and SBA.

[4] The agencies that did not transfer from TTHUD to FSGG were Transportation, HUD, the Architectural and Transportation Barriers Compliance Board, the Federal Maritime Commission, the National Transportation Safety Board, the Neighborhood Reinvestment Corporation, and the United States Interagency Council on Homelessness.

[5] The Commodity Futures Trading Commission is under the jurisdiction of the FSGG Subcommittee in the Senate but not in the House.

General Government bill. Figures include rescissions and offsetting collections. Totals may not add due to rounding.

Budget Control Act

FY2013 discretionary appropriations will be considered in the context of the Budget Control Act of 2011 (BCA, P.L. 112-25), which established discretionary spending limits for FY2012-FY2021. The BCA also tasked a Joint Select Committee on Deficit Reduction with developing a federal deficit reduction plan for Congress and the President to enact by January 15, 2012. Congress and the President did not enact deficit reduction legislation by that date, triggering an automatic spending reduction process, consisting of a combination of sequestration and lower discretionary spending caps, to begin on January 2, 2013. The sequestration process for FY2013 requires across-the-board spending cuts at the account and program level to achieve equal budget reductions from both defense and nondefense funding at a percentage to be determined by the Office of Management and Budget. As a result, the FY2013 FSGG appropriations bill may be considered by Congress with the understanding that enacted funding levels will likely be subject to significant cuts under the sequestration process unless legislation specifically repealing the sequestration provisions of the BCA is enacted by Congress before next January.[6]

FY2012 Appropriations by Title

Title I: The Department of the Treasury[7]

This section examines FY2013 appropriations for the Treasury Department and its operating bureaus, including the Internal Revenue Service (IRS). **Table 3** shows the enacted amounts for FY2012, the President's FY2013 request, the amounts recommended by the House and Senate appropriations committees for FY2012, and enacted amounts for FY2013.

Table 3. Department of the Treasury Appropriations, FY2012 and FY2013

(in millions of dollars)

	FY2012 Enacted	FY2013 Request	FY2013 House Committee	FY2013 Senate Committee	FY2013 Enacted
Departmental Offices	$308	$301	$203	$301	
Department-wide Systems and Capital Investments	0	7	0	7	
Terrorism and Financial Intelligence	—	—	102	—	
Office of Inspector General	30	29	29	30	
Treasury Inspector General for Tax Administration	152	154	153	154	

[6] For more information on the Budget Control Act of 2011, see CRS Report R41965, *The Budget Control Act of 2011*, by Bill Heniff Jr., Elizabeth Rybicki, and Shannon M. Mahan.

[7] This section was authored by Gary Guenther (x7-7742).

	FY2012 Enacted	FY2013 Request	FY2013 House Committee	FY2013 Senate Committee	FY2013 Enacted
Special Inspector General for TARP	42	40	35	40	
Community Development Financial Institutions Fund	221	221	221	233	
Financial Crimes Enforcement Network	111	102	111	108	
Financial Management Service	218	—	208	—	
Fiscal Service[a]	—	360	—	360	
Alcohol and Tobacco Tax and Trade Bureau	100	97	95	100	
Bureau of the Public Debt	166	—	147	—	
Payment for Losses in Shipment	2	2	2	2	
Internal Revenue Service (total)	11,817	12,761	11,817	12,519	
Taxpayer Services	*2,240*	*2,253*	*2,240*	*2,253*	
Enforcement	*5,299*	*5,425*	*5,299*	*5,611*	
Enhanced Tax Enforcement	*0*	*691*	*0*	*0*	
Operations Support Activities	*3,947*	*4,062*	*3,947*	*4,324*	
Business Systems Modernization	*330*	*330*	*330*	*330*	
Rescissions: Treasury Forfeiture Fund	(-950)	(-830)	(-830)	(-950)	
Total	**$12,215**	**$13,244**	**$12,292**	**$12,904**	

Sources: Appendix, Budget of the U.S. Government, FY2013, H.Rept. 112-550; and S.Rept. 112-177.

a. The Obama Administration's budget request for FY2013 calls for consolidating the accounts for the Financial Management Service and the Bureau of Public Debt. While the Senate Appropriations Committee endorses the change, the House Appropriations Committee does not.

The Treasury Department performs a variety of critical governmental functions. They include protecting the nation's financial system against a host of illicit activities (particularly money laundering and terrorist financing), collecting tax revenue and enforcing tax laws, managing and accounting for federal debt, administering the federal government's finances, regulating financial institutions, and producing and distributing coins and currency.

At its most basic level of organization, Treasury consists of departmental offices and operating bureaus. In general, the offices are responsible for formulating and implementing policy initiatives and managing Treasury's operations, while the bureaus undertake specific tasks assigned to Treasury, mainly through statutory mandates. In the past decade or so, the bureaus have accounted for more than 95% of the agency's funding and work force.

With one exception, the bureaus and offices can be divided into those engaged in financial management and regulation and those engaged in law enforcement. In recent decades, the Comptroller of the Currency, U.S. Mint, Bureau of Engraving and Printing, Financial Management Service (FMS), Bureau of the Public Debt (BPD), Community Development Financial Institutions Fund (CDFIF), and Office of Thrift Supervision have taken on responsibilities related to the management of the federal government's finances or the supervision and regulation of the U.S. financial system. In contrast, law enforcement arguably has been central to the responsibilities handled by the Alcohol and Tobacco Tax and Trade Bureau (ATTB), Financial Crimes Enforcement Network (FinCEN), and the Treasury Forfeiture Fund (TFF). With the advent of the Department of Homeland Security in 2002, Treasury's direct involvement in law enforcement has shrunk considerably. The exception to this dichotomy is the IRS, whose main responsibilities encompass both the collection of tax revenue and the enforcement of tax laws and regulations.

The operating budget for most Treasury bureaus and offices comes largely from annual appropriations. This is the case for the IRS, FMS, BPD, FinCEN, ATTB, Office of the Inspector General (OIG), Treasury Inspector General for Tax Administration (TIGTA), Special Inspector General for the Troubled Asset Relief Program (SIGTARP), and CDFIF. By contrast, funding for the Treasury Franchise Fund, the U.S. Mint, the Bureau of Engraving and Printing, Office of the Comptroller of the Treasury, and the Office of Thrift Supervision stems from the fees they receive for the services and products they provide.

In FY2012, appropriations for the Treasury Department are distributed among 10 accounts, each of which is described briefly below.

Departmental Offices: covers the salaries and other expenses of offices in the department that formulate and implement policies in the areas of domestic and international finance, terrorist financing and other financial crimes, taxation, international trade, and the domestic economy. It also provides funding for the department's financial and personnel management, procurement operations, and information and telecommunications systems.

Office of Inspector General: covers the salaries and other expenses related to the audits and investigations conducted by OIG staff. These evaluations are intended to promote improved efficiency and effectiveness and prevent waste, fraud, and abuse among departmental operations and programs, as well as to inform the Treasury Secretary and Congress about problems or shortcomings in those activities.

Treasury Inspector General for Tax Administration: covers salaries and other expenses related to the audits and investigations conducted by TIGTA staff. These evaluations are intended to promote greater efficiency and effectiveness in the administration of tax law, deter or prevent fraud and abuse in IRS programs and operations, and recommend changes in those activities to solve problems or remedy deficiencies.

Special Inspector General for the Troubled Asset Relief Program: covers salaries and other expenses related to the audits and investigations into the management and effectiveness of TARP conducted by SIGTARP staff. The office was established by the same law that created TARP: the Emergency Economic Stabilization Act (P.L. 110-343).

Financial Crimes Enforcement Network: covers salaries and other expenses related to the activities of FinCEN, whose main responsibility is to protect the domestic financial system from illicit uses, such as money laundering and terrorist financing. The legal basis for this role is the Bank Secrecy Act (BSA; P.L. 91-508). FinCEN administers the act by developing and implementing regulations and other guidance and working with private financial institutions and eight federal agencies to ensure that the financial sector complies with the BSA's reporting requirements.

Financial Management Service: covers salaries and other expenses related to the operations of the FMS, which is responsible for developing and implementing payment policies and procedures for federal agencies, collecting debts owed to those agencies and state governments, and providing financial accounting, reporting, and financing services for the federal government and its agents.

Alcohol and Tobacco Tax and Trade Bureau: covers salaries and other expenses related to the activities of ATTB, which was established by the Homeland Security Act of 2002 (P.L. 107-296). The bureau is responsible for enforcing certain laws regarding the domestic sale and production of alcohol and tobacco products and preventing harm to consumers by ensuring that the products they regulate comply with federal consumer safety laws.

Bureau of the Public Debt: covers salaries and other expenses related to the conduct of public debt operations and the promotion of U.S. bonds.

Community Development Financial Institutions Fund: provides funding for the activities of the CDFIs, which make investments (in the form of loans, grants, and equity acquisitions) in community development financial institutions. These institutions include community development banks, credit unions, and venture capital funds. They in turn provide financing for affordable housing projects, small businesses, and community development projects in eligible areas. The CDFIF also administers the Black Enterprise Award program and the New Markets tax credit.

Internal Revenue Service: covers salaries and other expenses related to the activities of the IRS, whose main responsibilities are to administer federal tax laws and collect revenue. Two critical components of IRS operations and programs are the services it offers taxpayers to help them understand and meet their tax obligations and the enforcement tools it uses to improve voluntary taxpayer compliance and punish those who violate the law. Some appropriated funds are used to develop or upgrade business operations and information systems, as part of an ongoing effort to improve the effectiveness and efficiency of taxpayer services and enforcement.

Brief Summary of FY2012 Appropriations for Treasury Offices and Bureaus

In FY2012, the Treasury Department was appropriated $12.215 billion, or 6.7% less than the amount enacted for FY2011. As usual, the vast share (96.7%) of the funds were provided to finance the operations of the IRS, which was provided $11.817 billion for FY2012, or 2.5% less than the amount enacted for FY2011. The remaining $398 million is to be distributed among the Treasury Department's other appropriation accounts in the following amounts: DO (which includes the Office of Terrorism and Financial Intelligence (TFI) and the Office of Foreign Assets Control), $308 million; OIG, $30 million; TIGTA, $152 million; SIGTARP, $42 million; CDFIF, $221 million; FinCEN, $111 million; FMS, $218 million; ATTB, $100 million; and the BPD, $166 million.

FY2013 Appropriations for Treasury Offices and Bureaus: President's Budget Request, Required Assessments, and Congressional Action

President's Budget Request

The Obama Administration requested $13.244 billion (including the cancellation of $830 million in unobligated balances from the Treasury Forfeiture Fund (TFF)) in appropriations for Treasury in FY2013, or 8.4% more than the amount enacted for FY2012. Under the budget proposal, the IRS would receive $12.761 billion, or 96.3% of the total amount. The remaining $483 million would be split among Treasury's nine other appropriation accounts in the following amounts: DO, $301 million; Department-wide Systems and Capital Investments Program (DSCIP), $7 million; OIG, $29 million; TIGTA, $154 million; SIGTARP, $40 million; CDFIF, $221 million; FinCEN, $102 million; Fiscal Service Operations (FSO), $360 million (consolidates funding for FMS and BPD); and ATTB, $97 million. Four of the accounts would be funded at or above the amounts enacted for FY2012: IRS, DSCIP, TIGTA, FinCEN, and FMS/BPD via the FSO.

Relative to FY2012, funding for the IRS would rise by 8.0%, while combined appropriations for the remaining Treasury accounts would fall by 2.7%.

Treasury's FY2013 budget request is intended to promote the following strategic goals:

- repair and reform the U.S. financial system;
- support recovery in the housing market;
- enhance U.S. competitiveness;
- promote international financial stability and balanced global growth;
- protect national security through targeted financial sanctions and enforcement of laws again money laundering and terrorist financing;
- pursue comprehensive tax and fiscal reform; and
- and improve operational efficiency and efficacy in Treasury's management of federal finances.[8]

An explanation of the budget request for each Treasury appropriations account follows. The details come from Treasury's budget documents for FY2013.[9]

Departmental Offices

The Treasury Department requested $301.2 million in budget authority for DO in FY2013, or 2.3% less than the amount enacted for FY2012. Of that amount, $36.7 million would go to executive direction, $55.9 million to international affairs and economic policy, $70.5 million to domestic finance and tax policy, $100 million to TFI, and $38.1 million to Treasury management

---

[8] For more details on these goals and the ways in which the budget request would promote them, see http://www.treasury.gov/about/budget-performance/Documents/1.%20FY%202013%20Executive%20Summary%20final.pdf.

[9] See http://www.treasury.gov/about/budget-performance/Pages/cj-index.aspx.

and related programs. The proposed operating budget would be $308.4 million, which is $7.2 million more than the requested appropriation. This difference would be bridged by proposed program decreases, non-recurring costs from FY2012, and a variety of efficiency savings. TFI's resources would be supplemented by $18.9 million in reimbursements from federal and state government agencies for services rendered.

Department-wide Systems and Capital Investments

Treasury requested $7.1 million in budget authority for DSCIP in FY2013. Congress appropriated no funds for the account in FY2012. Of that amount, $2.0 million would be used to bolster the security of Treasury's information systems, $883 million would fund a program (Enterprise Content Management) aimed at standardizing the agency's approach to reducing paper-based processes and transactions, $3.0 million would go to the Office of Financial Innovation and Transformation within Treasury for launching four initiatives begun in FY2011, and $1.2 million would pay for needed repairs to the interior rain leaders of the Main Treasury Building.

Office of Inspector General

Treasury requested $28.6 million in appropriated funds for OIG in FY2013, or 3.5% less than the amount enacted for FY2012. The funds would be used to conduct both mandated audits and audits and investigations of Treasury's more controversial programs and operations, including material loss reviews, the new regulatory responsibilities taken on by the agency under the Dodd-Frank Act, Treasury's funding of low-income housing projects and certain energy properties under the Economic Recovery and Reinvestment Act of 2009, and private-sector compliance with requirements set by the Bank Secrecy Act and the USA Patriot Act. Included in the budget request are $225,000 to maintain FY2012 operating levels, $60,000 to support the Council of Inspectors General on Integrity and Efficiency, and decreases of $549,000 for reduced oversight of mandatory and risky programs and $784,000 for reduced need for material loss reviews.

Office of the Inspector General for the Troubled Asset Relief Program

Treasury requested $40.2 million for SIGTARP in FY2013, or 3.8% less than the amount enacted for FY2012. The funds would be used to support the Office's main functions of promoting transparency in Treasury's management of TARP programs; advising Treasury managers on matters related to compliance, internal financial controls, and fraud prevention; assessing the effectiveness of TARP; and preventing, investigating, and referring for prosecution instances of waste, fraud, and abuse in the program. Included in the budget request are $333,000 for maintaining FY2012 levels of operation, $84,000 to support the Council of Inspectors General on Integrity and Efficiency, and a decrease of $2.0 million from a reduction in general operating costs from FY2012.

Treasury Inspector General for Tax Administration

Treasury requested $153.4 million for TIGTA in FY2013, or 1.4% more than the amount enacted for FY2012. The funds would be used to finance the audits, investigations, and evaluations of IRS operations that TIGTA conducts as part of its mission. Among its priorities in FY2013 are overseeing IRS's efforts to administer the tax provisions of the Patient Protection and Affordable Care Act (P.L. 111-148) and the Health Care and Education Reconciliation Act of 2010 (P.L. 111-

152),[10] and the challenges facing the IRS as it tries to improve voluntary tax compliance. Included in the budget request are $1.5 million to maintain FY2012 operating levels, efficiency savings of $3.8 million from program reductions and lower administrative costs, a $56,000 reduction in TIGTA's contribution to the Council of the Inspectors General on Integrity and Efficiency, and $4.5 million to oversee IRS's implementation of the tax provisions in ACA.

Community Development Financial Institutions Fund

Treasury requested $221.0 million for CDFIF in FY2013, or the same amount that was enacted for FY2012. The Fund is intended to expand opportunities for economic development and promote community development investments in economically distressed communities that are underserved by banks and other financial institutions. Since its creation in 1994, CDFIF has awarded over $1.4 billion to community development financial institutions, community development entities (CDEs), and depository institutions insured by the Federal Deposit Insurance Corporation through the CDFI Program, the Native American CDFI Assistance Program, and the Bank Enterprise Award Program. In addition, the Fund has allocated $29.5 billion in New Markets Tax Credits to CDEs. Included in the budget request are $269,000 to maintain FY2012 operating levels, $780,000 in efficiency savings from lower lease and procurement costs, $300,000 in other savings from non-recurring costs, $22.2 million in program decreases (including $18.1 million less for the CDFI Program and $3.0 million less for the Bank Enterprise Award Program) and $23.0 million in program increases ($20.0 million for the Bank on USA Program and $3 million for the Healthy Food Financing Initiative).

Financial Crimes Enforcement Network

Treasury requested $102.4 million for FinCEN in FY2013, or 7.6% less than the amount enacted for FY2012. The funds would be used to support the bureau's mission, which is to ensure secure, more transparent financial transactions through administration of the Bank Secrecy Act (BSA); to provide analytical and other support for investigations and prosecutions of money laundering and other financial crimes; and to serve as the nation's financial intelligence unit (FIU) by collecting, analyzing, disseminating, and exchanging information on the nation's laws and regulations concerning money laundering and terrorist financing.

Among FinCEN's priorities in FY2013 are strengthening relationships with state regulatory agencies to enhance BSA compliance and enforcement, expanding the flow of financial intelligence to law enforcement officials and individuals in the private sector in areas where there is a relatively high risk of money laundering and other financial crimes, increasing the number of analytical projects undertaken with foreign FIUs, and refining and utilizing the new information technology (IT) capabilities that are becoming available through the BSA IT modernization project.

Included in the budget request are $930,000 for maintaining current levels of operation, $6.2 million in efficiency savings, $9.9 million in program decreases (including $5.9 million less in reimbursements to the IRS for BS compliance), and $6.8 million in reinvestments (including $2.7

[10] Because the two laws were passed as tandem pieces of legislation to make certain changes in the U.S. health insurance system, they will henceforth be referred to jointly in this section of the report as ACA.

million for continuing the transfer of BSA collection and processing activities from the IRS to FinCEN as a result of the modernization project).

Alcohol and Tobacco Tax and Trade Bureau

Treasury requested $96.8 million for ATTB in FY2013, or 3.1% less than the amount enacted for FY2012. The Bureau has two responsibilities: (1) collecting federal excise taxes on the sale of alcohol, tobacco, firearms, and ammunition; and (2) administering and enforcing the provisions of the Federal Alcohol Administration Act dealing with permits, labeling, and marketing for tobacco and alcohol products made and sold domestically. Included in the budget request are $987,000 to maintain current operating levels, $3.1 million in savings from non-recurring costs and improved operating efficiencies, and $1.0 million in program decreases from a repeal of the current bond requirement for alcoholic beverage producers that typically have an annual alcohol excise tax liability of less than $50,000.

Fiscal Service

Treasury requested that the budgets for FMS and BPD be consolidated into a single appropriation account called Fiscal Service (FS) beginning in FY2013. Under the proposal, FS would receive $360.5 million that year, or 7.9% less than the combined amount enacted for FMS and BPD in FY2012. FS's main responsibilities would be to improve financial management within the federal government by offering central payment services to federal agencies, manage the federal government's revenue collections and deposits, deliver accounting and financial reporting services to federal agencies, oversee the collection of delinquent federal government debt, borrow the money needed to finance government operations, and provide reimbursable services to other federal agencies.

Its priorities in FY2013 include continuing the consolidation of the two bureaus by exploiting economies of scale and eliminating overlapping or duplicative operations, supporting Treasury's paperless initiative through FS's Payments Program, and improving the collection of delinquent federal debt.

Included in the budget request are $3.5 million for maintaining FY2012 operations, $25.7 million in savings from non-recurring costs and improved operating efficiencies, $10.3 million in program decreases (including $5.0 million less from eliminating fees paid to agents who redeem paper savings bonds and $4.0 million less from reductions in administrative services), $1.5 million for a reorganization of FS's payment management system, and a decrease of $1.0 million from a decline in Legacy Treasury Direct user fees.

Treasury Forfeiture Fund

Treasury proposed to cancel permanently $830 million in unobligated balances from the TFF in FY2013. This would come on top of a rescission of $950 million in such balances in FY2012. The Fund serves as a receipt account for the deposit of non-tax forfeitures made by the bureaus participating in the TFF. These include the IRS's Criminal Investigation unit, the U.S. Secret Service, the Bureau of Customs and Border Patrol, and the Bureau of Immigration and Customs Enforcement. The Treasury Executive Office for Asset Forfeiture (TEOAF) manages the Fund, whose main purpose is to disrupt and dismantle criminal enterprises operating within the United States through the sanction of asset seizure. Money in the Fund covers the operating expenses of

TEOAF and supports the enforcement activities of the participating bureaus related to the National Money Laundering Strategy, the Southwest Border Strategy, and federal efforts to counter terrorist financing. TEOAF estimates that $553,000 will be deposited in the Fund from asset forfeitures in FY2013, leaving $1.6 billion in resources available for use, or 0.3% more than the amount expected to be available at the end of FY2012. After allowing for $706,762 in administrative expenses and obligatory costs and the proposed cancellation of $830 million in unobligated balances, the net result at the end of FY2013 would be $100 million in such balances, or 3.7% less than the estimated result for FY2012.

Internal Revenue Service

Treasury requested $12.7 billion for the IRS in FY2013, or 8.0% more than the amount enacted for FY2012. Of this amount, $2.2 billion would be used for taxpayer services, $5.7 billion for enforcement, $4.5 billion for operations support, and $330 million for the ongoing Business System Modernization program. Included in the budget request are $108.4 million to maintain current operations; $70.9 million in savings from increased electronic filing, reduced travel, and certain program reductions; $200.3 million to restore funding for individual audits and tax collection that was lost as part of the enacted appropriation for FY2012; and $706.4 million in increases for a variety of programs, including improving offshore tax compliance, implementing legislative changes such as the tax provisions in ACA, implementing a strategy to prevent erroneous refund payments, expanding the Tax Return Preparer Program, expanding the workforce for Appeals, and building an IT and operational infrastructure to deliver the health insurance premium assistance credit that is scheduled to become available at the beginning of 2014. The budget request also proposes to amend the Balanced Budget and Emergency Deficit Control Act of 1985 in order to raise discretionary budget caps and provide the IRS with an additional $350 million for new tax enforcement initiatives in each fiscal year through 2017; IRS estimates that the initiatives would generate $44 billion in additional tax revenue through 2021.

Required Assessments of the Administration's FY2013 Budget Request for the IRS

IRS Oversight Board

The IRS Oversight Board was established by the IRS Reform and Restructuring Act of 1998 to oversee the IRS's performance in administering the tax laws, managing its operations, and accomplishing its strategic goals. Section 7802(d) of the federal tax code requires the Board to review and approve the annual budget proposal submitted by the IRS to the Treasury Department. A key element of the Board's assessment is the extent to which the proposal supports the annual and long-term strategic objectives of the agency. The same tax provision requires the President to submit the Board's budget recommendation to Congress along with his budget request for the IRS.

For FY2013, the Board recommended that the IRS receive $13.034 billion in appropriated funds, or 10.3% more than the amount enacted for FY2012 and 2.1% more than the budget request.[11] In

[11] IRS Oversight Board, *FY2013 IRS Budget Recommendation: Special Report* (Washington: April 2012), p. 3. Available at http://www.treasury.gov/irsob/reports/2012/IRSOB%20FY13%20BUDGET%20REPORT.pdf.

the Board's view, the recommendation would counter a recent trend of reduced funding for the IRS, which it deemed "harmful to the long-term national interest." Of the recommended amount, $2.355 billion would go to taxpayer services, $5.702 billion to enforcement, $4.647 billion to operations support, and $330 million to the BSM. These amounts are consistent with the budget request, for the most part. The main difference between the two proposals is that the Board favored putting more resources into improving taxpayer service for the purpose of arresting the recent decline in the level of toll-free telephone assistance, enhancing the physical security of IRS employees, and upgrading the agency's workforce development program.

Among its funding recommendations, the Board assigned the top priority to restoring the $200 million for enforcement that was lost in the enacted appropriation for FY2012. Doing so, according to the Board's report, would allow the IRS to "increase its field exam and collection workload to previous levels and … result in a gain of approximately $1.15 billion in direct revenue."[12] Results like these, the Board argued, would bolster public confidence in the fairness of the federal tax system and send a strong message to those who cheat or are tempted to cheat on their tax returns that non-compliance "is unacceptable" and tax laws will be strictly enforced.

Achieving an 80% level of service for IRS's toll-free telephone lines during FY2013 was the Board's second-highest priority. The level of service (LOS), measures the percentage of taxpayer calls that go through to an IRS customer service representative out of all incoming calls in a period. In FY2008, the LOS dropped to 53%, but it has been rising ever since and stood at 70% according to the IRS, in FY2011. Under the President's budget proposal for FY2013, the level would drop to 63%. The Board deemed such a prospect unacceptable. To avoid such a result, the Board recommended an appropriation of $100 million to raise the level to 80% in FY2013. Tens of millions of taxpayers depend on the toll-free telephone service to understand their tax obligations and their eligibility for tax credits and other tax preferences, and to resolve their account balances. Recent changes to the tax laws have boosted demand for this service, a trend that is likely to continue in the next few years, as the IRS continues to implement the remaining tax provisions in the ACA.

The third priority is appropriating $346 million for new enforcement initiatives. In the Board's view, they should target offshore tax evasion and international tax compliance, take advantage of the new tax return preparer program and new information requirements for merchant payment cards and reporting basis in stock transactions to increase overall compliance, and address the growing problem of tax refund fraud through identity theft. According to estimates by the IRS, initiatives such as these could bring in $1.48 billion in additional enforcement revenue.[13]

A fourth priority cited by the Board in its report involved investing $71 million to lay a technical foundation for substantial improvements in future taxpayer service capabilities. The objective is to shift taxpayer requests for assistance from toll-free telephone calls to more cost-effective electronic media, such as the IRS website.

[12] Ibid., p. 6.

[13] Ibid., p. 7.

Congressional Action

House

The House Appropriations Committee (hereinafter referred to as the Committee) reported a bill (H.R. 6020) on June 26, 2012, to fund financial services and general government accounts in FY2013. H.R. 6020 would provide $12.292 billion in appropriations (including $830 million in rescissions) for the Treasury Department, or $77 million more than the amount enacted for FY2012 and $952 million less than the budget request. Details on recommended funding for each account and selected issues the Committee addresses in its report (H.Rept. 112-550) on the bill follow.[14]

Departmental Offices

In its report on H.R. 6020, the Committee recommends that DO receive $202.5 million in appropriated funds in FY2013, or $106 million less than the amount enacted for FY2012 and $99 million less than the budget request.

The Committee notes that it is creating an appropriation account TFI that is separate from the DO account beginning in FY2013, although the report gives no explanation for the change. The Committee report also directs Treasury to submit an operating plan for the resources it receives for FY2013 no later than 30 days after the enactment of the bill. The plan should cover all offices and bureaus and include details on planned "program changes and major procurements." The Committee also directs Treasury's Office of Tax Policy and the IRS to provide within 30 days of the bill's enactment a "detailed analysis" of the question of whether the IRS has the statutory authority to require individuals filing tax returns under an individual tax identification number and claiming the Additional Child Tax Credit to provide documentary proof that the child in question meets the eligibility criteria for the credit.

Another issue addressed in the report is funding in FY2013 for the operations of the Office of Financial Research (OFR), which was created by the Dodd-Frank Wall Street Reform and Consumer Protection Act (P.L. 111-203, hereinafter referred to as the Dodd-Frank Act) to collect financial data and analyze financial market activities in support of the work of the Financial Stability Oversight Council, which was also created by the act. While OFR's start-up costs in FY2011 and FY2012 were defrayed by transfers of funds from the Federal Reserve, the Office has the authority to finance its operating expenses through assessments on bank holding companies with total consolidated assets of $50 billion or more and non-bank financial companies supervised by the Board of Governors of the Federal Reserve. The Committee believes OFR should not have unlimited power to charge fees and obligate funds for administrative costs. Thus, language is included in H.R. 6020 requiring OFR and the Office of Financial Stability Oversight (OFSO) to submit quarterly reports on their activities; OFSO is also funded through mandatory sources outside the regular appropriation process.

Office of Terrorism and Financial Intelligence

The Committee recommended $102.1 million for TFI in FY2013, or $2.1 million more than the amount specified for that purpose within the DO account for FY2012.

---

[14] For access to the report, see http://www.gpo.gov/fdsys/pkg/CRPT-112hrpt550/pdf/CRPT-112hrpt550.pdf.

Office of Inspector General

The Committee recommended that the OIG receive $28.5 million in appropriations in FY2013, or $1.1 million less than the amount enacted for FY2012 and $81,000 less than the budget request. In its report on H.R. 6020, the Committee commended OIG for the audit it is conducting of Treasury's "capital planning and investment control program." In addition, it urged the Office to issue a report on the proposed merger of FMS and BPD that addresses how current responsibilities for the two would be divided or shared, how their customers would be affected, and how staffing and the management structure for each bureau would change. Within 90 days of the enactment of the bill, OIG would be required to issue a report on the separation of funds and activities between "mandatory-funded offices, such as OFR, and discretionary-funded offices that carry out related or overlapping work, such as the Office of Domestic policy."

Treasury Inspector General for Tax Administration

The Committee recommended $153.4 million for TIGTA in FY2013, or $1.7 million more than the amount enacted for FY2012 and $430,000 less than the budget request.

In its report on H.R. 6020, the Committee expressed support for the investigations of the links between identity theft and tax fraud that TIGTA has undertaken and recommended that it continue to monitor the issue until the IRS "significantly reduces the incidence of tax fraud through identity theft and significantly improves the quality of assistance it provide to victims" of such theft. The Committee also directed TIGTA to submit a report no later than 90 days after the bill's enactment examining the extent to which proposed tax enforcement initiatives that end up being implemented collect the revenue the IRS says they will in budget requests.

Special Inspector General for the Troubled Asset Relief Program

The Committee recommended that SIGTARP receive $35 million funds for FY2013, or $6.8 million less than the amount enacted for FY2012 and $5.2 million less than the budget request. In its report on H.R. 6020, the Committee noted that initial funding for the program was included in the legislation creating but the funds were limited and have decreased over time. To sustain SIGTARP's required oversight of the remaining TARP amounts, discretionary appropriations have had increasingly to fill the gap between the mandatory appropriations and the operating expenses of the program. As TARP winds down in the next few years, the Committee expects that the requests for discretionary appropriations will also decrease.

Financial Crimes Enforcement Network

The Committee recommended $110.8 million for FinCEN in FY2013, or the same amount enacted for FY2012 and $8.4 million more than the budget request. In its report on H.R. 6020, the Committee wrote that the funding was intended to continue the agency's multi-year effort to modernize its information systems; to ensure that FinCEN's information is readily accessible to state and local law enforcement personnel, field representatives, and the intelligence community; and to enable FinCEN to respond to expected increases in requests for assistance from law enforcement agencies once the BSA Modernization system begins to operate in FY2013. The Committee rejected a proposal by Treasury to reduce funding by $1.6 million for access to BSA information by state and local intelligence agencies. It commended FinCEN for the support it has provided in recent years for efforts by law enforcement agencies at all governmental levels to combat human trafficking and urges it, "whenever possible," to apply its expertise in analyzing financial crimes to such efforts in the context of "ongoing strategic operations."

Treasury Forfeiture Fund

The Committee recommended a rescission of $830 million in unobligated balances in the Fund, or $120 million less than the amount that was rescinded in FY2012 and the same as the budget request. Of the amount to be rescinded, $38 million would be rescinded permanently.

In its report on H.R. 6020, the Committee pointed out that the TFF is intended to ensure adequate resources are available to cover the costs of an "effective asset seizure and forfeiture program." Those costs include expenses related to seizing, evaluating, maintaining, protecting, advertising, forfeiting, and disposing of property. The Committee noted that balances in the Fund should not be used to boost the funds available to participating agencies outside the appropriations process. Nor should the balances in the Fund be considered a "bounty" for participating agencies that should be distributed in proportion to an agency's seizures of assets or forfeitures or some other formulaic approach. Current law allows surpluses in the TFF to be used to enhance forfeiture capabilities, to be held in reserve, or to be rescinded temporarily or permanently. Proposed rescissions and so-called "super surplus" spending requests, says the Committee, should be based on "programmatic need and funding priorities, not a predetermined formula." The Committee directed Treasury to submit each month a table showing earned interest, forfeiture revenue, unobligated balances, recoveries, expenses to date, and estimated expenses for the remainder of the fiscal year.

Financial Management Service

The Committee recommended $208.2 million for FMS in FY2013, or $9.6 million less than the amount enacted for FY2012 and $2.2 million less than the budget request. Of the recommended amount, $4.2 million would be available until September 30, 2015, for modernizing the agency's information systems.

In its report on H.R. 6020, the Committee acknowledged both the cost savings that FMS has achieved through sharing certain services with BPD and the projected cost savings that could result from the proposed merger of the two agencies called for in the budget request. But because sufficient details on the merger have not been released, the Committee cannot endorse it at the present time. It pledges to continue to monitor the consolidation plan as it emerges and may be willing to back it if "additional information justifying the change is provided." As noted earlier, the Committee has instructed TIGTA to conduct a study in FY2013 of the costs and benefits of the proposed merger.

Alcohol and Tobacco Tax and Trade Bureau

The Committee recommended that ATTB receive $95 million in FY2013, or $4.9 million less than the amount enacted for FY2012 and $1.8 million less than the budget request. The Committee report specified that none of the recommended funding may be used to cover the cost of hiring special law enforcement agents.

Bureau of the Public Debt

The Committee recommended $147.9 million for BPD in FY2013, or $25.7 million less than the amount enacted for FY2012 and $2.2 million less than the budget request. H.R. 6020 contains language that would reduce appropriations by up to $1 million as BDP collects fees for definitive security issues and Treasury Direct Investor Account Maintenance, resulting in a net appropriation of $146.9 million.

Community Development Financial Institutions Fund

The Committee recommended that CDFIF receive $221 million in FY2013, or the same amount enacted for FY2012 and the same as the budget request. Of that amount, $12 million would be reserved for grants, loans, technical assistance, and job training for Native American, Alaskan, and Hawaiian communities; another $20.5 million would be set aside for the administrative expenses for CDFIF programs. No funds were provided for the Bank on USA program, the Health Food Financing Initiative, and the Bond Guarantee program. In its report on H.R. 6020, the Committee noted that though the CDFIF is supposed to serve the development needs of territories and rural communities, the existing process for setting goals for the Fund does not necessarily take those needs into account. To remedy this shortcoming, the Committee directed the Fund to reserve at least 20% of the assistance it provides for financial institutions located in counties where 20% or more of the population lived in poverty during the previous 30 years. It also directed the Fund to submit a report within 60 days of the bill's enactment detailing the steps it is taking to clarify the certification process for financial institutions located in territories and rural communities and to make existing certified financial institutions aware of the "unmet capital and financial services needs" of these areas.

Internal Revenue Service

The Committee recommended that the IRS receive $11.817 billion in FY2013, or the same as the amount enacted for FY2012 and $944.5 million less than the budget request. Funding for the IRS was spread among four accounts: taxpayer services, enforcement, operations support, and BSM. The recommended appropriation for each is discussed below.

Taxpayer Services: Of the recommended appropriations for the IRS, $2.240 billion would be used for taxpayer services, or the same as the amount enacted for FY2012 and $13.4 million less than the budget request. Several taxpayer service grant programs are funded through this account. According to the report on H.R. 6020, the recommended funding for the programs in FY2013 was the same as the amounts enacted for FY2012 and as the budget request: "not less than" $5.6 million for the Tax Counseling for the Elderly program, at least $9.75 million for grants for low-income taxpayer clinics, and a minimum of $12 million for grants for Volunteer Income Tax Assistance (VITA). In addition, the Committee recommended that not less than $205 million be used for the operating costs of the Taxpayer Advocate Service. Funds were also provided to continue efforts to improve more efficient and effective toll-free telephone service for taxpayers.

The Committee commended the IRS for deciding not to develop a pre-filled or simple tax return and wrote that the Committee expected the IRS to seek authority and appropriations from Congress before embarking on the development of a simple tax return pilot program. Another issue addressed by the Committee in its report on the bill concerned the growing number of cases of tax fraud stemming from identity theft. It directed the IRS to submit a report by January 31, 2013, on (1) the number of taxpayers whose tax returns have been rejected because someone stole their Social Security numbers; (2) the average time required to resolve the problem and provide tax refunds when they were owed, the number of cases that were not resolved within 45 days; (3) the number of cases involving the theft of individual taxpayer identification numbers of residents of the territories; and (4) the actions the IRS is planning to take to expedite the resolution of these cases and to prevent similar incidents of identity theft in the future. The Committee also directed the IRS to continue a program to train employees in taxpayer rights, how to deal courteously with taxpayers, and multicultural relations.

Enforcement: As reported by the Committee, H.R. 6020 would provide an appropriation of $5.299 billion for tax law enforcement in FY2013, or the same amount that was enacted for FY2012 and $402.3 million less than the budget request. Of that amount, at least $60.3 million would be used to support IRS's involvement in the Interagency Crime and Drug Enforcement program. The bill specified that none of the recommended funding could be used to implement tax provisions in the ACA. In its report on the bill, the Committee urged the IRS to revise regulations that apply to interest payments made to non-resident aliens after December 31, 2012. The final regulations include a list of countries with which the United States has a tax treaty or information exchange agreement. Every country on the list qualifies for automatic information reporting unless the United States determined that a country should not receive the information because of concerns that it would be misused. To address this concern, the Committee recommended that the IRS publish on its public website a list of countries with which it is actively and automatically exchanging information about interest payments to non-resident aliens living there. In addition, the Committee noted that the IRS received $20 million in FY2010 from the Department of Health and Human Services to implement tax provisions in the ACA, another $168 million in FY2011, and as much as $332 million in FY2012. It recommended that no such transfers be permitted in FY2013.

Operations Support: The Committee recommended that the IRS receive an appropriation of $3.947 billion for operations support in FY2013, or the same amount enacted for FY2012 and $528.8 million less than the budget request. Of that amount, at least $2 million was to cover the operating expenses of the IRS Oversight Board. None of the funds could be used to implement tax provisions in the ACA.

BSM: H.R. 6020 would provide $330.2 million for the BSM program in FY2013, or the same amount that was enacted for FY2012 and the same as the budget request. The Committee commended the IRS for the progress that has been made in the past few years with the Customer Account Data Engine 2 (CADE2) program, which was launched in January 2012 and used during the 2012 filing season. As a result, records for 140 million individual taxpayer accounts are now stored in a single, modern database; the records can be updated daily, which makes it possible to issue refunds and communicate with taxpayers about issues with their accounts faster. In its report on the bill, the Committee pointed out that though not all development work on CADE2 is completed, it expects BSM funding requests will begin to decline soon as the "IRS realizes savings from retiring legacy systems."

Senate

In a bill (S. 3301) it reported on June 14, 2012, the Senate Appropriations Committee (hereinafter referred to as the Committee) recommended a total appropriation of $12.904 billion for the Treasury Department in FY2013. This amount was $689.0 million more than the amount enacted for FY2012 but $339.6 million less than the budget request. More than 70% of the difference between the requested funding and the Committee's recommendation was due to the Committee providing a smaller budget for the IRS. Details on the recommended funding for each Treasury account follow. They stem mostly from the Committee's report (S.Rept. 112-177) on S. 3301.[15]

Departmental Offices

The Committee recommended that DO receive an appropriation of $301.2 million in FY2013, or $7.1 million less than the amount enacted for FY2012 and the same as the budget request.

The Committee encouraged Treasury's Office of Financial Education to assess the effectiveness of current financial literacy programs and develop a set of objectives that the Financial Literacy and Education Commission can use to better serve the needs of U.S. adults, particularly given the low rate of financial literacy among this population.

In addition, in its report on S. 3301, the Committee commended Treasury for the improvements it made to the Home Affordable Mortgage Program (HAMP) and the 1.1 million homeowners who were able to remain in their homes because of the program, as of April 2012. It directed the agency to continue its efforts to persuade mortgage servicers and investors (include Fannie Mae and Freddie Mac) to allow principal reductions that could save federal funds, enable more homeowners to remain in their homes, and lower the number of neighborhoods harmed by vacant "real-estate owned properties." As part of those efforts, the Committee wrote that Treasury should ensure that mortgage servicers comply with their HAMP agreements and inform servicers about their responsibilities under the program. Also on the topic of housing, the Committee urged Treasury to maintain the Group Home Mortgage Program, which provides financing for the creation of affordable small, community-based group homes for individuals unable to live independently.

At the same time, the Committee directed the agency to fully implement all sanctions and divestment measures imposed on North Korea, Belarus, Burma, Iran, Sudan, and Zimbabwe, and to notify it if a lack of resources is impeding this process.

To improve Treasury's management of its capital investments, the Committee directed it to prepare an annual Capital Investment Plan to be submitted to the House and Senate Appropriations Committees within 30 days of the release of the President's annual budget request. The Plan should include estimates of the funding needed over the lifetime of the current and planned capital projects and a summary of the projects by type. It would be the responsibility of Treasury's Office of the Chief Information Officer to determine if adequate resources are being channeled into the projects listed in the plan and the maintenance and modernization of existing systems, and to ensure that all projects are "properly tracked and completely described" in the plan.

Department-Wide Systems and Capital Investments Programs

The Committee recommended that DSCIP receive and appropriation of $7.1 million in FY2013, or the same amount as the budget request. There was no funding for the account in FY2012.

---

[15] For access to the report, see http://www.gpo.gov/fdsys/pkg/CRPT-112srpt177/pdf/CRPT-112srpt177.pdf.

Office of Inspector General

The Committee recommended $29.6 million for OIG in FY2013, or the same amount that was enacted for FY2012 and $1.0 million more than the budget request. In its report on S. 3301, the Committee directs the office to undertake, "when practical," an audit of the Bank Secrecy Act Information Technology Modernization project being managed by FinCEN. OIG should submit a written report to the Committee by March 31, 2013, addressing the extent to which contractors for the project have been adhering to its budget and production schedule. The Committee also urges the Office to perform audits, as its resources permit, of Treasury's efforts to combat money laundering and terrorist financing, its management of capital investments, the investments of the CDFIF, and "areas identified by the Inspector General as presenting a high risk to taxpayer-funded spending."

Treasury Inspector General for Tax Administration

The Committee recommended that TIGTA receive $153.8 million for FY2013, or the $2.1 million above the amount enacted for FY2012 and the same amount as the budget request. In its report on S. 3301, it commended the office for its ongoing reviews of IRS's BSM program and other IT projects. The Committee also encouraged TIGTA, if resources and time permit, to undertake evaluations in FY2013 of the newly created Return Preparer Program; the capability of the IRS to detect fraudulent tax returns, resolve the claims of innocent taxpayers in a timely manner, and reduce the incidence of erroneous refunds; and the security of IRS employees and its databases and facilities.

Special Inspector General for the Troubled Asset Relief Program

The Committee commended SIGTARP for the "quality of its audits and investigations" as well as the written material it has provided to the general public and Congress, and recommended that the office receive $40.2 million in FY2013, or $1.6 million below the amount enacted for FY2012 but $20 above the budget request. A portion of FY2013 spending would be covered by funds carried over from the current fiscal year.

Financial Crimes Enforcement Network

The Committee recommended $108.3 million for FINCen for FY2013, or $2.5 million less than the amount enacted for FY2012 but $5.9 million above the budget request. In its report on S. 3301, the Committee that the added funds would allow the bureau to continue to offer "full intelligence support" to federal, state, and local law enforcement agencies and federal intelligence agencies involved in combating serious financial crimes, including money laundering, mortgage fraud, drug trafficking, and terrorist financing.

Section 608 of the bill would require all agencies funded under it to obtain the approval of the House and Senate Appropriations Committees before using appropriated funds to create or reorganize offices, programs, or other activities. The Committee reminded Treasury that any "reimbursable agreements and other similar funding mechanisms" used to reallocate approved funding are considered a "reprogramming" of funds under the section and thus subject to the prior-approval rule.

In addition, the Committee expressed support for FinCEN's ongoing effort to modernize the IT infrastructure for administering the BSA. The effort entails a re-design of the BSA data architecture, an update of the IT needed to acquire and disseminate data, and the addition of innovative Web services, enhanced electronic filing, and improved analytical tools. Banks, federal, state, and local law enforcement agencies, and federal intelligence agencies use the system to report, gather, and analyze data to identify financial crimes. The Committee directed FinCEN to take the following steps in FY2013: (1) map BSA data in a way that meshes with the data system used by the IRS; (2) continue to submit semi-annual reports to the Committee summarizing the bureau's progress in implementing the modernization project; and (3) improve the accuracy, reliability, and timeliness of BSA data in accordance with the recommendations made by TIGTA and GAO in recent reports.

Treasury Forfeiture Fund

The Committee recommended a rescission of $950 million in unobligated balances in the fund for FY2013, or the same amount that was rescinded for FY2012 and $120 million more than the budget request.

Financial Management Service

The Committee endorsed a proposal by Treasury that the appropriations for FMS and BPD be combined into a single appropriation account entitled "Fiscal Service" (FS). It also recommended that FS receive $360.5 million in appropriated funds for FY2013, or the same as the budget request. Compared to the combined appropriations for FMS and BPD in FY2012, the recommended funding represents a decrease of $30.9 million.

In its report on S. 3301, the Committee commended Treasury for planning to consolidate the functions of the two bureaus. Both bureaus provide financial management services for federal agencies, and in recent years they have collaborated on several cost-saving projects, including a shared data center and shared human resource services. According to an estimate by Treasury, the proposed merger would result in a savings of $36 million over five years. The Committee directed FS to keep it informed about developments in the consolidation process.

Section 111 of the bill would authorize Treasury to transfer funds from the salaries and expenses account for FS to the Debt Collection Fund to cover expenses related to debt collection. Any such transfer would be reimbursed to account from debt payments deposited in the Fund.

Alcohol and Tobacco Tax and Trade Bureau

The Committee recommended that ATTB receive an appropriation of $100.4 million in FY2013, or $500,000 above the amount enacted for FY2012 and $3.6 million above the budget request. Contrary to the recommendation of the House Appropriations Committee in its report on H.R. 6020, the recommended funding included $2 million for the cost of hiring special law enforcement agents to combat tobacco smuggling and other criminal activities within the jurisdiction of ATTB. In addition, the Committee rejected Treasury's proposal to transfer the enforcement of federal excise taxes on alcohol and tobacco products to the IRS on the grounds that ATTB has sole jurisdiction over the enforcement of laws governing the production and distribution across state lines of those products.

Bureau of the Public Debt

See the entry below for Financial Management Service.

Community Development Financial Institutions Fund

The Committee recommended $233.0 million in appropriations for the CDFIF in FY2013, or $12.0 million more than the amount enacted for FY2012 and the same as the budget request. In its report on S. 3301, the Committee expressed support for the basic aims of the Fund, especially its role in both leveraging private investment in community development projects such as affordable housing, community centers, and retail development and expanding lending to small firms in areas underserved by banks and other financial institutions.

Of the recommended funding, $20 million would be used for the Bank on USA program, which promotes improved access to financial services and consumer credit by lower-income households; this amount is consistent with the budget request. The Committee directed CDFIF to submit a detailed spending plan for the program within 120 days of enactment of the bill and to assign a greater priority to distributing funding to underserved rural areas.

Another $25 million would be used to support the Healthy Food Financing Initiative, which is intended to increase the supply of affordable, wholesome foods in urban and rural communities that currently have no or limited access to such foods. In the Committee's view, the recommended funding should increase the availability of financing for the construction of grocery stores, supplies and equipment for qualified food production, and improvements to the food distribution network in affected communities.

In addition, consistent with the budget request, the Committee recommended that $12 million be set aside for grants, loans, and technical assistance and training programs for Native American, Alaskan, and Hawaiian communities. The funds are intended to increase access to equity capital and loans for development activities in those communities.

S. 3301 also included a provision allowing the Treasury Secretary to guarantee up to $1 billion in bonds in FY2013 to support lending and investments by CDFIs in underserved communities. The bond guarantees, which are authorized under the Small Business Jobs Act of 2010 (P.L. 111-240), would be intended to open up new sources of long-term capital. Funds raised through the bonds could be used to back new loans or refinance existing ones.

And the recommended funding for CDFIF included $2 million for the purpose of enhancing the ability of CDFIs to support the development of "entrepreneurial" businesses.

Internal Revenue Service

The Committee recommended that the IRS receive an appropriation of $12.519 billion in FY2013, or $702.4 million above the amount enacted for FY2012 and $242.1 million less than the budget request. In its report on S. 3301, the Committee expressed support for a variety of approaches to reducing the federal tax gap, including improved information reporting and taxpayer assistance. It also commended the research on taxpayer compliance that is being done by the National Taxpayer Advocate and the IRS Office of Research. Furthermore, the Committee directed the IRS to include details on planned reorganizations, job cuts or increases, and changes to current service and enforcement activities in the operating plan the agency is required to submit along with its annual budget request. The submission should include comments on the plan from the IRS Oversight Board.

Taxpayer Services: The Committee recommended that the IRS receive an appropriation of $2.253 billion in FY2013, or $13.4 million above the amount enacted for FY2012 and the same as the budget request. Of the recommended funding, "not less than" $5.6 million should be used for the tax-counseling for the elderly program, $10 million for low-income taxpayer clinic grants, and $12 million (available for two consecutive fiscal years) for the community volunteer income tax assistance (VITA) matching grant program. The Committee urged the IRS to "make every effort" to increase the number and size of VITA grants to local non-profit organizations offering tax preparation services to disabled individuals. Among the options for doing so cited by the Committee is to allow national coalitions that coordinate the activities of such organizations to apply for VITA matching grants. Another $209.5 million of the recommended appropriation would fund the operations of the Taxpayer Advocate Service (TAS).

In its report on S. 3301, the Committee commended the IRS for the steady rise in the number of taxpayers filing their returns electronically with no additional costs. For the 2011 tax years, 67% of so-called major returns were e-filed, up from 59% for 2010. There are considerable cost savings from e-filing: according to an IRS estimate, the cost of processing an electronic return is one-twentieth the cost for a paper return. At the same time, the Committee "strongly urges" the IRS to update its measure of refund timeliness using recommendations from the GAO and the IRS Oversight Board.

The Committee also directed the IRS, IRS Oversight Board, and National Taxpayer Advocate to continue to submit annual updates to the Taxpayer Assistance Blueprint that was first issued in FY2006. The updates should identify any changes to the five-year strategic plan for taxpayer services, discuss the findings of any new research, and point out any "open issues requiring additional research."

Section 104 of the bill specified that funding is available in FY2013 for improving the toll-free telephone assistance the IRS offers to taxpayers. Among the recommended improvements was speeding up correspondence with "victims of tax crimes."

Expressing concern about the availability of satisfactory taxpayer service in Alaska and Hawaii, the Committee directed the IRS to ensure that Taxpayer Advocate Service Centers in those states are fully staffed (including a collection technical advisor and an examination technical advisor at each Center) and able to resolve even the most complex of taxpayer problems.

Enforcement: The largest Treasury account, and one of the largest accounts among all the appropriation accounts for financial services and general government, covers tax enforcement activities. For FY2013, the Committee recommended the IRS receive $5.611 billion for such activities, or $312.2 million above the amount enacted for FY2012 but $90.1 million less than the budget request. Of the recommended funding, "not less than" $60.3 million would be available for use in the Interagency Crime and Drug Enforcement program.

In its report on S. 3301, the Committee noted that the recommended funding for FY2013 was intended to restore the resources for audits and collection work that were lost in the appropriation for FY2012. It was also intended to enable the IRS to undertake the new enforcement initiatives it calls for in the budget request. According to the IRS, every dollar spent on these initiatives in FY2013 is expected to yield an estimated $4.90 in new revenue by the time those hired to work on them reach their "full potential" in FY2015.

In addition, the Committee supported recent measures adopted by the IRS to combat offshore tax evasion and recommends the IRS undertake more frequent studies of the tax gap, particularly the portion of the gap that can be attributed to international financial transactions. At the same time, the Committee would like to see the agency develop new measures of the effectiveness of several enforcement programs, including tax preparer regulation, information reports for merchant payment cards and the basis of stock in transactions involving capital gains and losses, and the Compliance Assurance Process and the Offshore Voluntary Disclosure programs.

Another enforcement issue addressed by the Committee in its report was the misclassification of workers as independent contractors. Such an error usually leads to the underreporting and underpayment of employment and payroll taxes by employers and workers. To get a better grasp of the extent of the problem, the IRS is undertaking a three-year study of worker classification and other employment tax issues. It has also formed a team to assist taxpayers on tax issues related to the classification of workers. Underscoring its concern about the revenue losses from the misclassification of workers, the Committee urged the IRS to maintain adequate staffing in a program (SS-8) designed to assist employers in determining a worker's employment tax status. According to the report on S. 3301, staffing in the program has failed to grow at the same pace as SS-8 filings in the past three filing seasons. To bolster its influence over IRS's SS-8 staffing decisions, the Committee directed the agency to submit a report that examines staffing levels, employee productivity, and SS-8 receipts and explains the rationale for any proposed staff changes, before reducing staffing at any SS-8 processing office.

On the matter of collecting overdue individual tax debt, Section 105 of the bill would extend through FY2013 a ban on using appropriated funds to "enter into, renew, extend, administer, implement, enforce, provide oversight of, or make any payment related to" a debt collection program involving the use of private debt collectors. The ban was first imposed on FY2010 appropriations for the IRS; it was intended to reinforce a decision announced by the IRS in March 2009 to terminate a controversial private tax debt collection program that began three years earlier.

Operations Support: For FY2013, the Committee recommended that the IRS receive an appropriation of $4.324 billion for operations support, or $376.8 million above the amount enacted for FY2012 but $152.0 million less than the budget request. Up to $250 million of the recommended funds would be available for IT support through the end of FY2014; another $1 million would be available for research through the end of FY2015; and at least $2 million would be used to cover the expenses of the IRS Oversight Board.

In its report on S. 3301, the Committee noted that the recommended funding was intended to support ongoing, multi-year initiatives to upgrade the IT infrastructure in order to implement recent changes in tax law, especially the tax provisions in the ACA. It directed the IRS to keep the Committee informed of any updated cost estimates for the initiatives, and to ensure that the estimates adhere to the guidelines for best practices in GAO's *Cost Estimating and Assessment Guide* so they can be regarded as "comprehensive, well-documented, accurate, and credible."[16] On a related matter, the Committee directed the IRS to submit within 30 days of the enactment of the bill a "table and explanatory information" regarding the amounts, uses, and dates of receipt of funds transferred to the IRS from the Health Insurance Reform Implementation Fund established

[16] U.S. Government Accountability Office, *GAO Cost Estimating and Assessment Guide: Best Practices for Estimating and Management Costs*, GAO-09-3SP, March 2009, at http://www.gao.gov/new.items/d093sp.pdf.

by the ACA to cover administrative expenses incurred by federal agencies involved in implementing the act.

Another issue addressed in the report on S. 3301 related to IRS's management and oversight of its non-BSM information technology projects. The Committee agreed with the concern expressed in recent reports by TIGTA and GAO that the IRS lacks the data needed to evaluate the performance, productivity, and costs of its IT programs. Of particular concern is the lack of a quantitative measure for determining the functional gains made during each stage of a project's development. As a result, the Committee "strongly encourages" the IRS to develop such a measure and to apply it to all of its major non-BSM information systems so "key stakeholders" can get a more accurate picture of the extent to which the investments are generating the desired results. Moreover, the security of IRS's information systems remains a serious problem, according to recent reports by TIGTA and GAO. To address the problem, the Committee urged the IRS to continue its efforts to eliminate vulnerabilities in its security system in accordance with recommendations made by TIGTA and GAO.

To bolster its oversight of non-BSM information technology improvement projects, the Committee directed the IRS to include in its budget request for FY2014 a multi-year strategy and timetable within the Operations Support account for modernizing IRS's aging "legacy" IT infrastructure. The agency must also submit to the House and Senate Appropriations Committees and GAO quarterly reports on certain major projects that discuss the costs and schedules for the previous three months and the anticipated costs and schedules for the next three months. The projects include IRS.gov, Returns Remittance Processing, EDAS/IPM, and E-services.

Business Systems Modernization

A separate account is maintained for funding BSM. The Committee recommended that the IRS receive $330.2 million for the program in FY2013, or the same amount enacted for FY2012 and the same as the budget request. To augment these funds, the Committee encouraged the agency to draw upon user fees collected by the IRS from services it provides to taxpayers and federal agencies. Of the recommended funding, $252.3 million was designated for supporting two important capital investments: (1) the CADE 2 Transition State 2 project, which is focused on developing a single information system for managing individual taxpayer accounts that has applications for financial management and the security of IRS's IT systems; and (2) improvements to the Modernized e-File platform (MeF) that will allow it to handle the Form 94X family of tax forms for employment taxes and Form 1041 for estates and trusts, as well as additional unspecified forms in the future.

The Committee wrote that it expects the IRS to continue to submit quarterly BSM reports during FY2013; GAO should receive a copy of each. The reports should explain in "plain English" the costs and schedules for CADE2 and MeF in the previous three months and their anticipated costs in the next three months.

Title II: Executive Office of the President[17]

The FSGG appropriations bill provides funding for all but three offices under the EOP.[18] The White House, the Office of Management and Budget, and the Office of National Drug Control Policy are among the EOP offices funded through FSGG appropriations. **Table 4** lists the enacted amounts for FY2012, the President's FY2013 request, and amounts recommended by the House and Senate appropriations committees for FY2013.

Table 4. Executive Office of the President, FY2012-FY2013

(in millions of dollars)

	FY2012 Enacted	FY2013 Request	FY2013 House Committee	FY2013 Senate Committee	FY2013 Enacted
The White House (total)	$202	$204	$192	$204	
Compensation of the President	*0.5*	*0.5*	*0.5*	*0.5*	
The White House Office (salaries and expenses)	*60*	*57*	*54*	*57*	
Executive Residence, White House (operating expenses)	*13*	*13*	*13*	*13*	
White House Repair and Restoration	*1*	*1*	*1*	*1*	
Council of Economic Advisers	*4*	*4*	*4*	*4*	
National Security Council and Homeland Security Council	*13*	*13*	*13*	*13*	
Office of Administration	*113*	*115*	*107*	*115*	
Office of Management and Budget	89	92	81	92	
Federal Drug Control Programs (total)	357	342	368	392	
Office of National Drug Control Policy (net of rescissions)	*13*	*23*	*23*	*25*	
High Intensity Drug Trafficking Areas Program	*239*	*200*	*239*	*239*	
Other Federal Drug Control Programs	*106*	*119*	*106*	*129*	
Counterdrug Technology Assessment Center	*0*	*0*	*0*	*0*	
Unanticipated Needs	1	1	0	1	
Partnership Fund for Program Integrity Innovation	0	1	0	1	

[17] This section was authored by Barbara Schwemle (x7-8655).

[18] Of the three exceptions, the Council on Environmental Quality and the Office of Environmental Quality are funded in the House and Senate Interior, Environment, and Related Agencies Appropriations Act. The Office of Science and Technology Policy and the Office of the United States Trade Representative are funded in the House and Senate Commerce, Justice, Science, and Related Agencies Appropriations Act.

	FY2012 Enacted	FY2013 Request	FY2013 House Committee	FY2013 Senate Committee	FY2013 Enacted
Integrated, Efficient and Effective Uses of Information Technology	5	5	5	5	
Special Assistance to the President (salaries and expenses)	4	4	4	4	
Official Residence of the Vice President (operating expenses)	0.3	0.3	0.3	0.3	
Total: EOP and Funds Appropriated to the President	**$659**	**$649**	**$650**	**$698**	

Sources:. Appendix, Budget of the U.S. Government, FY2013, H.Rept. 112-550; and S.Rept. 112-177.

Note: FY2012 rescission for both the President's request and House committee approved amounts would apply to the Office of National Drug Control Policy.

President's Budget Request and Key Issues

The Administration's FY2013 budget requested an appropriation (discretionary funds) of $649 million for the EOP and funds appropriated to the President, a decrease of more than $10 million (-1.5%) from the $659.1 million (discretionary funds) enacted for FY2012. The budget requested the same appropriation as that enacted for FY2012 for these accounts: White House Office, White House Repair and Restoration, Council of Economic Advisers, National Security Council and Homeland Security Council, Special Assistance to the President, Official Residence of the Vice President, and Integrated, Efficient and Effective uses of Information Technology. For the Unanticipated Needs account, an appropriation that was $12,000 more than the FY2012 enacted amount was requested. Increased or decreased appropriations were requested for the following accounts:

- The Executive Residence (-$225,000 or -1.7%);
- The Office of Administration (+$2 million or +1.8%); and
- The Office of Management and Budget (+$2.1 million or +2.3%).

The justification that accompanied the EOP's budget submission noted that the increase requested for the Office of Administration would fund salaries and benefits resulting from "the conversion of cybersecurity information technology contractors to full-time government staff" and "improvements to information technology services," including "Ensuring the full-time Operation of the Disaster Recovery Data Center and Continuity of Operations Center" and "Improving the stability and reliability of messaging systems through the proactive management of e-mail systems, handheld devices, and electronic records archiving systems."[19] According to the justification, the requested increase for the Office of Management and Budget would fund the anticipated January 2013 pay adjustment ($380,000), health benefit costs ($206,000), an increase of six full-time equivalent employees ($775,000), an increase for rent payments to the General Services Administration ($202,000), costs of information technology contractors ($343,000), and

[19] U.S. Executive Office of the President, *Fiscal Year 2013 Congressional Budget Submission* (Washington: February 2012), pp. OA-4 - OA-5.

partial restoration of budget reductions for staff travel ($80,000) and training ($100,000).[20] The reduction in the appropriation requested for the Executive Residence resulted from decreases for personnel compensation and benefits and supplies and materials.[21]

The President's budget request proposed an administrative provision for the EOP and funds appropriated to the President at Section 201 that would continue to authorize the OMB Director (or other official designated by the President) to transfer up to 10% of appropriations between the White House, Executive Residence at the White House, White House Repair and Restoration, Council of Economic Advisers, National Security Council and Homeland Security Council, Office of Administration, Special Assistance to the President, and Official Residence of the Vice President accounts, provided the House and Senate Committees on Appropriations are notified at least 15 days in advance. An appropriation could not be increased by more than 50% by such transfers. The Vice President would approve transfers from the Special Assistance to the President or Official Residence of the Vice President accounts.[22]

Federal Drug Control Programs

For the accounts under the Federal Drug Control Programs account, the President's FY2013 budget requested a total appropriation of $342 million, a decrease of more than $15 million or 4.3% below the $357.2 million (after the rescissions of $11.3 million were applied) enacted for FY2012. Increased or decreased appropriations were requested for each of the following accounts:

- Office of National Drug Control Policy (ONDCP, +$10.2 million or +77% more than the FY2012 enacted amount, after the rescissions of $11.3 million were applied);[23]
- High Intensity Drug Trafficking Areas Program (HIDTAP, -$38.5 million or -16.2%);
- Other Federal Drug Control Programs (OFDCP, +$13 million or +12.4%); and
- Counterdrug Technology Assessment Center (CTAC, no funding was requested).

The FY2013 budget justification stated that the ONDCP funding would enable the agency "to continue to pursue" the National Drug Control Strategy's "goals of reducing drug use and its consequences and ensuring improvements in fostering healthier individuals and safe communities." The requested reduction in the HIDTAP appropriation would occur in the grants to state, local, and tribal agencies, and transfers to federal agencies participating in the 28 HIDTAs. The OFDCP appropriation would be allocated to the Youth Drug Prevention Media Program ($20

[20] Ibid., p. OMB-6.

[21] Ibid., p. EXR-5.

[22] FY2013 Budget, Appendix, p. 1217.

[23] Calculated as $24.5 million (FY2012 enacted) minus $11.3 million (FY2012 rescission) equals $13.2 million (FY2012 appropriation after rescission); $23.4 million (FY2013 request) minus $13.2 million (FY2012 appropriation after rescission) equals $10.2 million, divided by $13.2 million (FY2012 appropriation after rescission) equals 77% difference.

million), Drug Free Communities Support Program ($88.6 million), Anti-Doping activities ($8.1 million), and World Anti-Doping Agency membership dues ($1.9 million).[24]

House Action

H.R. 6020, as reported by the House Committee on Appropriations would provide an appropriation of $650 million for the EOP, which is some $9 million (-1.4%) less than the FY2012 enacted appropriation and almost $1 million (+0.14%) more than the President's request. The House report stated that "all of the salaries and expenses accounts within the Executive Office of the President" were reduced to pay for the funding priorities of the House committee.[25]

The appropriations for each of the EOP accounts, as recommended by the House Appropriations Committee, were as follows:

- The White House Office: $54.1 million; $2.8 million (-5%) less than the FY2012 enacted amount and the President's request. The House committee report states that this amount includes "sufficient funds" for the Office of National AIDS Policy.
- Executive Residence, White House: $12.8 million; $671,000 (-5.0%) less than the FY2012 enacted amount and $446,000 (-3.4%) less than the President's request.
- White House Repair and Restoration: $713,000; $37,000 (-4.9%) less than the FY2012 enacted amount and the President's request.
- Council of Economic Advisers: $4.1 million; $42,000 (-1.0%) less than the FY2012 enacted amount and the President's request.
- National Security Council and Homeland Security Council: $12.9 million; $65,000 (-0.5%) less than the FY2012 enacted amount and the President's request.
- Office of Administration: $107.3 million; $5.6 million (-5%) less than the FY2012 enacted amount and $7.6 million (-6.6) less than the President's request. Of the total, up to $10.4 million would remain available until expended for continued modernization of the information technology infrastructure within the EOP. The office is directed to report annually to the House Committee on Appropriations, at the same time that the President's budget is submitted, on progress on modernization of information technology, including the amounts obligated and expended and for what purposes, specific milestones achieved, and requirements and specific plans for further investment.
- Office of Management and Budget: $80.5 million; $8.9 million (-10%) less than the FY2012 enacted amount and $11 million (-12%) less than the President's request. The report stated that the House committee looks forward to the submission of the examination of Circular A-94 on "government-wide efficiencies and proper anticipation of the cost of major infrastructure projects."

[24] U.S. Executive Office of the President, Fiscal Year 2013 *Congressional Budget Submission Executive Office of the President Office of National Drug Control Policy* (Washington: February 2012), pp. 12, 50, 53, and 27.

[25] H.Rept. 112-550, p. 3.

OMB is directed "to continue the effort to improve cost-benefit analyses and practices government-wide by incorporating life-cycle cost analysis," and report to Congress "on the status of further development of tools and materials" for implementing this cost analysis in federal department and agencies, within 180 days after the act's enactment. The report directed OMB to report to the committee on how the agency will ensure that all executive branch agencies are in compliance with laws and regulations on travel, conferences, and employee awards.

- Unanticipated Needs: No funding for FY2013, $988,000 (-100%) less than the FY2012 enacted amount and $1 million (-100%) less than the President's request.
- Partnership Fund for Program Integrity Innovation: No funding for FY2013, the same as the FY2012 enacted amount and $1 million less than the President's request.
- Integrated, Efficient and Effective Uses of Information Technology: $5.0 million, the same as the FY2012 enacted amount and the President's request. The OMB Director could transfer the funds to one or more agencies to carry out projects and would submit quarterly reports, not later than 30 days after the end of each quarter, to the House and Senate Committees on Appropriations identifying the savings achieved by the government-wide information technology reform efforts by fiscal year, agency, and appropriation.
- Special Assistance to the President: $4.1 million; $216,000 (-5%) less than the FY2012 enacted amount and the President's request.
- Official Residence of the Vice President: $292,000; $15,000 (-4.9%) less than the FY2012 enacted amount and the President's request.

H.R. 6020, as reported, would fund the federal drug control accounts at the following levels:

- ONDCP: $23.3 million; $10.1 million (+76.5%) more than the FY2012 enacted amount of $13.2 million, after the rescissions of $11.3 million were applied, and $117,000 (-0.5%) less than the President's request. The agency is expected "to focus resources on the counter-drug policy development, coordination and evaluation functions which are the primary mission of the Office and the original reason for its existence."
- HIDTAP: $238.5 million; the same as the FY2012 enacted amount and $38.5 million (+19.3%) more than the President's request. Not less than 51% of the funds would be transferred to State and local entities for drug control activities and would be obligated within 120 days after the act's enactment. Up to 49% of the funds could be transferred to federal agencies and departments as determined by the ONDCP Director, of which up to $2.7 million could be used for auditing services and associated activities (including up to $500,000 for the continued operation and maintenance of the Performance Management System). The ONDCP Director would notify the House and Senate Committees on Appropriations of the initial allocation of FY2013 funding among HIDTAs within 45 days after the act's enactment and of planned uses of discretionary HIDTA funding, determined in consultation with the HIDTA Directors, within 90 days after the act's enactment.

- OFDCP: $105.9 million; $350,000 (+0.3%) more than the FY2012 enacted amount and $12.7 million (-10.7%) less than the President's request. The appropriation would be allocated as follows: $92 million for the Drug-Free Communities Program, $1.3 million for drug court training and technical assistance, $9.5 million for anti-doping activities, $1.9 million for the United States membership dues to the World Anti-Doping Agency, and $1.2 million for competitive discretionary grants. An appropriation is not provided for the anti-drug media campaign.

Section 626(a)(1) of H.R. 6020, as reported, would provide the mandatory appropriation for the compensation of the President ($450,000, including $50,000 for expenses). According to the House Committee on Appropriations report, this is an account "where authorizing language requires the payment of funds."[26]

The House Appropriations Committee print included the following EOP administrative provisions:

- Section 201 would continue to authorize the OMB Director (or other official designated by the President) to transfer up to 10% of appropriations between the White House, Executive Residence at the White House, White House Repair and Restoration, Council of Economic Advisers, National Security Council and Homeland Security Council, Office of Administration, Special Assistance to the President, and Official Residence of the Vice President accounts, provided the House and Senate Committees on Appropriations are notified at least 15 days in advance. An appropriation could not be increased by more than 50% by such transfers. The Vice President would approve transfers from the Special Assistance to the President or Official Residence of the Vice President accounts.
- Section 202 would require the OMB Director to submit a report by April 1, 2013, to the House and Senate Committees on Appropriations, on the implementation of Executive Order 13563 relating to Improving Regulation and Regulatory Review and Executive Order 13610 relating to Identifying and Reducing Regulatory Burdens. The reports would include information on increasing public participation in the rulemaking process and reducing uncertainty; improving coordination across federal agencies to eliminate redundant, inconsistent, and overlapping regulations; and identifying existing regulations that have been reviewed and determined to be outmoded, ineffective, or excessively burdensome.
- Section 203 would require the OMB Director to report to the House and Senate Committees on Appropriations, within 60 days after the act's enactment, on the costs of implementing the Dodd-Frank Wall Street Reform and Consumer Protection Act (P.L. 111-203). The report would include the estimated mandatory and discretionary obligations of funds through FY2017, by federal agency and by fiscal year, including (1) the estimated obligations by cost inputs such as rent, information technology, contracts, and personnel; the methodology and data sources used to calculate such estimated obligations; and the specific section of such act that requires the obligation of funds; and (2) the estimated receipts

[26] H.Rept. 112-550, p. 83.

through FY2017 from assessments, user fees, and other fees by the federal agency making the collections, by fiscal year, including the methodology and data sources used to calculate such estimated collections; and the specific section of such act that authorizes the collection of funds.

- Section 204 would prohibit the use of funds to pay the salaries and expenses of any EOP officer or employee to prepare, sign, or approve statements abrogating legislation passed by the House of Representatives and the Senate and signed by the President.
- Section 205 would require the OMB Director to submit a report to the House and Senate Committees on Appropriations and the Budget on a sequestration under Section 251(a) of the Balanced Budget and Emergency Deficit Control Act of 1985. The report would list each account that would be subject to such a sequestration, each account that would be subject to such a sequestration but subject to a special rule under Section 255 or 256 of such act (and the citation to such rule), and each account that would be exempt from such a sequestration. The report would categorize and group the listed accounts by the appropriations act covering such accounts. Within the OMB salaries and expenses account, $5.0 million could not be obligated until the OMB Director submits the report which is due within 60 days after the act's enactment date.
- Section 206 would require the President to submit a detailed report to Congress on the sequestration required by Section 251A of the Balanced Budget and Emergency Deficit Control Act of 1985 for January 2, 2013. For discretionary appropriations, the report would include an estimate for each category of the sequestration percentages and amounts necessary to achieve the required reduction and an identification of each account to be sequestered. It would also include estimates of the level of budgetary resources covered by sequestration and resulting outlays and the amount of budgetary resources to be sequestered and resulting outlay reductions at the program, project, and activity level. Enacted levels of appropriations would be used for accounts funded pursuant to an enacted regular appropriations bill for FY2013, and estimates pursuant to a current rate continuing resolution would be used for accounts not funded through an enacted appropriations measure for FY2013. For direct spending, the report would include an estimate for the defense and nondefense functions based on current law of the sequestration percentages and amount necessary to achieve the required reduction; a specific identification of the reductions required for each nonexempt direct spending account at the program, project, and activity level; and a specific identification of exempt direct spending accounts at the program, project, and activity level. It would also include any other data and explanations that enhance public understanding of the sequester and actions to be taken under it. The report would be submitted within 30 days after the act's enactment date.

Section 622 of H.R. 6020, as reported, would continue the provision prohibiting the use of funds to pay the salaries and expenses for the Director of the White House Office of Health Reform, the Assistant to the President for Energy and Climate Change, the Senior Advisor to the Secretary of the Treasury assigned to the Presidential Task Force on the Auto Industry and Senior Counselor for Manufacturing Policy, and the White House Director of Urban Affairs, or any substantially similar positions.

The House committee continued the provision at Section 610 that would prohibit the EOP from using funds to request an FBI official background investigation report on any individual except with the express written consent of the individual involved, within six months prior to the date of such request and during the same presidential administration, or when required because of extraordinary circumstances involving national security.

Senate Action

S. 3301, as reported by the Senate Committee on Appropriations, would provide an appropriation of $698.3 million for the EOP, which is $39.2 million (+5.9%) more than the FY2012 enacted appropriation and $49.6 million (+7.6%) more than the President's request.

The appropriations for each of the EOP accounts, as recommended by the Senate Appropriations Committee, were as follows:

- The White House Office: almost $57.0 million; the same as the FY2012 enacted amount and the President's request. The Senate committee report directed the EOP "to allocate sufficient resources to continue the robust operation of the Office of National AIDS Policy" and "the administration to continue to coordinate a Government-wide effort to develop and implement a domestic AIDS strategy, including the development of targets for improved prevention and treatment outcomes."
- Executive Residence, White House: $13.2 million; $225,000 (-1.7%) less than the FY2012 enacted amount and the same as the President's request.
- White House Repair and Restoration: $750,000; the same as the FY2012 enacted amount and the President's request.
- Council of Economic Advisers: almost $4.2 million; the same as the FY2012 enacted amount and the President's request.
- National Security Council and Homeland Security Council: $13.0 million; the same as the FY2012 enacted amount and the President's request.
- Office of Administration: almost $115.0 million; $2.0 million (+1.8%) more than the FY2012 enacted amount and the same as the President's request. Of the total, $10.4 million would remain available until expended for continued modernization of the information technology infrastructure within the EOP. According to the Senate report, the continuation of this initiative will "refresh the aging information technology infrastructure, strengthen disaster recovery and information security capabilities, and transition the EOP's communications architecture to integrate mobile devices while complying with security and records management requirements." The office is directed "to place a top priority on the implementation of comprehensive policies and procedures for the preservation of all records, including electronic records such as emails, videos, and social networking communication, consistent with" laws, including the Presidential Records Act and the Federal Records Act. The office is to work closely with the National Archives and Records Administration, and fully apprise the committee of funding needed to preserve and retain records.
- Office of Management and Budget: $91.5 million; $2.1 million (+2.3%) more than the FY2012 enacted amount and the same as the President's request. The

Senate report directed OMB to continue to enhance the federal government's core budgeting system "within current resources and to notify the Committee" of opportunities that are cost-effective to further improve the system. OMB is reminded "of its duty to honor the terms and conditions of appropriations acts by ... reviewing reprogramming requests submitted to the" House and Senate Committees on Appropriations and "reviewing agency activities for compliance with reprogramming conditions." OMB and agencies are to consult with the committees in "determining the applicability of Section 608" of this act which provides reprogramming authority. A reprogramming of funds under the section includes "reimbursable agreements and other similar funding mechanisms" used to reallocate funds.

- Unanticipated Needs: $1.0 million; $12,000 (-1.2%) less than the FY2012 enacted amount and the same as the President's request.
- Partnership Fund for Program Integrity Innovation: $1.0 million; $1.0 million (+100%) more than the FY2012 enacted amount and the same as the President's request. The Administration is directed to continue to leverage the FY2010 funding to continue the initiative. The Senate report reminded the interagency council that semiannual reports must be submitted to the Senate and House Committees on Appropriations, directed that the council "be the exclusive decisionmaking body" for "designing pilot programs, developing performance measures, and allocating funds," and directed the OMB director, as the council chair, "to seek consensus and input to the maximum extent possible from council members and participating Federal and State agencies."
- Integrated, Efficient and Effective Uses of Information Technology: $5.0 million; the same as the FY2012 enacted amount and the President's request. The Senate report reminded the Administration to regularly apprise the committee "of how Government-wide IT reform efforts affect agency-specific projects and missions on a case-by-case basis," and to immediately notify the committee of changes in agency spending plans for IT projects. The report directed that "IT reform initiatives shall not be a substitute for the Committee's routine consideration of agency needs" under the budget process.
- Special Assistance to the President: more than $4.3 million; the same as the FY2012 enacted amount and the President's request.
- Official Residence of the Vice President: $307,000; the same as the FY2012 enacted amount and the President's request.

S. 3301, as reported, would fund the federal drug control accounts at the following levels:

- ONDCP: $24.5 million; $11.3 million (+86%) more than the FY2012 enacted amount of $13.2 million, after the rescissions of $11.3 million were applied, and $1.0 million (+4.6%) more than the President's request. Policy research was not funded.
- HIDTAP: $238.5 million; the same as the FY2012 enacted amount and $38.5 million (+19.3%) more than the President's request. The office was directed to provide funding for the existing HIDTA's at not less than the FY2012 level and to consult with the HIDTA's prior to allocating funds. Of the total, up to $2.7 million could be used for auditing services and associated activities. HIDTA

funds are to be expeditiously transferred to the appropriate drug control agencies and are to be withheld from a State "until such time as a State or locality has met its financial obligation."

- OFDCP: $128.6 million; $23.0 million (+21.8%) more than the FY2012 enacted amount and almost $10.0 million (+8.4%) more than the President's request. The appropriation would be allocated as follows: $20 million for the Youth Drug Prevention Media Program, $95.1 million for the Drug-Free Communities Support Program (DFCSP), including $2.0 million for National Community Anti-Drug Coalition training; $9.0 million for anti-doping activities; $1.9 million for the United States membership dues to the World Anti-Doping Agency; $1.1 million for activities related to model State drug laws; and $1.4 million for drug court training and technical assistance. Funding is not provided for Performance Measures Development.

Administrative provisions under the appropriation for the EOP and funds appropriated to the President, included in the Senate report, were the following:

- Section 201 would continue to authorize the OMB Director (or other official designated by the President) to transfer up to 10% of appropriations between the White House, Executive Residence at the White House, White House Repair and Restoration, Council of Economic Advisers, National Security Council and Homeland Security Council, Office of Administration, Special Assistance to the President, and Official Residence of the Vice President accounts, after the House and Senate Committees on Appropriations are notified at least 15 days in advance. An appropriation could not be increased by more than 50% by such transfers. The Vice President would approve transfers from the Special Assistance to the President or Official Residence of the Vice President accounts.
- Section 202 would require the ONDCP Director to submit to the Senate and House Appropriations Committees, within 60 days after the act's enactment, and prior to initially obligating more than 20% of the ONDCP funds, "a detailed narrative and financial plan on the proposed uses of all funds under the account by program, project, and activity." The reports must be updated every six months and include any changes in the estimates and assumptions of the previous reports. New projects and changes in the funding for ongoing projects would require advance approval by the committees.
- Section 203 would provide that up to 2% of ONDCP appropriations could be transferred between appropriated programs within ONDCP with advance approval by the Senate and House Committees on Appropriations, but such transfer could not increase or decrease an appropriation by more than 3%.
- Section 204 would provide that up to $1.0 million of ONDCP appropriations could be reprogrammed within a program, project, or activity with advance approval by the Senate and House Appropriations committees.
- Section 205 would require the OMB Director to submit a report to the House and Senate Committees on Appropriations and the Budget on a sequestration under Section 251(a) of the Balanced Budget and Emergency Deficit Control Act of 1985. The report would list each account that would be subject to such a sequestration, each account that would be subject to such a sequestration but subject to a special rule under Section 255 or 256 of such act (and the citation to

such rule), and each account that would be exempt from such a sequestration. The report would categorize and group the listed accounts by the appropriations act covering such accounts. Within the OMB salaries and expenses account, $5.0 million could not be obligated until the OMB Director submits the report which is due within 60 days after the act's enactment date.

- Section 206 would require the President to submit a detailed report to Congress on the sequestration required by Section 251A of the Balanced Budget and Emergency Deficit Control Act of 1985 for January 2, 2013. For discretionary appropriations, the report would include an estimate for each category of the sequestration percentages and amounts necessary to achieve the required reduction and an identification of each account to be sequestered. It would also include estimates of the level of budgetary resources covered by sequestration and resulting outlays and the amount of budgetary resources to be sequestered and resulting outlay reductions at the program, project, and activity level. Enacted levels of appropriations would be used for accounts funded pursuant to an enacted regular appropriations bill for FY2013, and estimates pursuant to a current rate continuing resolution would be used for accounts not funded through an enacted appropriations measure for FY2013. For direct spending, the report would include an estimate for the defense and nondefense functions based on current law of the sequestration percentages and amount necessary to achieve the required reduction; a specific identification of the reductions required for each nonexempt direct spending account at the program, project, and activity level; and a specific identification of exempt direct spending accounts at the program, project, and activity level. It would also include any other data and explanations that enhance public understanding of the sequester and actions to be taken under it. The report would be submitted within 30 days after the act's enactment date.

The Senate committee continued the provision at Section 610 that would prohibit the EOP from using funds to request an FBI official background investigation report on any individual except with the express written consent of the individual involved, within six months prior to the date of such request and during the same presidential administration, or when required because of extraordinary circumstances involving national security.

Title III: The Judiciary[27]

As a co-equal branch of government, the judiciary presents its budget to the President, who transmits it to Congress unaltered. The President's FY2013 budget request for $7.29 billion is $423 million more than appropriated for FY2012 and $387 million above FY2011 enacted amounts. **Table 5** lists the enacted amounts for FY2012, the President's FY2013 request, and amounts recommended by the House and Senate appropriations committees for FY2013.

[27] This section was authored by Lorraine Tong (x7-5846).

Table 5. The Judiciary Appropriations, FY2012-FY2013

(in millions of dollars)

	FY2012 Enacted	FY2013 Request	FY2013 House Committee	FY2013 Senate Committee	FY2013 Enacted
Total: Supreme Court (total)	$83	$89	$84	$89	
Salaries and Expenses	*75*	*77*	*75*	*77*	
Building and Grounds	*8*	*12*	*9*	*12*	
U.S. Court of Appeals for the Federal Circuit	33	34	33	34	
U.S. Court of International Trade	21	23	21	23	
Courts of Appeals, District Courts, and Other Judicial Services (Subtotal)	6,603	6,787	6,590	6,763	
Salaries and Expenses	*5,015*	*5,149*	*4,989*	*5,142*	
Defender Services	*1,031*	*1,064*	*1,031*	*1,049*	
Fees of Jurors and Commissioners	*52*	*55*	*55*	*55*	
Court Security	*500*	*515*	*510*	*513*	
Vaccine Injury Trust Fund	*5*	*5*	*5*	*5*	
Administrative Office of the U.S. Courts	83	85	83	85	
Federal Judicial Center	27	28	27	28	
United States Sentencing Commission	17	17	16	17	
Judicial Retirement Funds	104	125	125	125	
Total: The Judiciary	**$6,970**	**$7,189**	**$6,979**	**$7,164**	

Sources: H.R. 6020; H.Rept. 112-550; S. 3301, S.Rept. 112-177.

The Judiciary Budget and Key Issues

Appropriations for the judiciary comprise approximately (0.2%) of total budget authority.[28]

Two accounts that fund the Supreme Court (including the salaries and expenses of the Court and the expenditures for the care of its building and grounds, which are the responsibility of the Architect of the Capitol) together total approximately 1% of the total judiciary budget. The rest of the judiciary's budget provides funding for the "lower" federal courts and related judicial services.

[28] Calculations by CRS with data from Office of Management and Budget (OMB), Historical Tables, *Budget of the United States Government, FY2013*, Table 5.2—Budget Authority By Agency: 1976–2017; available at http://www.whitehouse.gov/omb/budget/Historicals.

The largest account, approximately 72% of the total FY2012 budget—the Salaries and Expenses account for the U.S. Courts of Appeals, District Courts, and Other Judicial Services—covers the "salaries of circuit and district judges (including judges of the territorial courts of the United States), justices and judges retired from office or from regular active service, judges of the U.S. Court of Federal Claims, bankruptcy judges, magistrate judges, and all other officers and employees of the federal judiciary not otherwise specifically provided for," and "necessary expenses of the courts."

The remaining judiciary budget is divided among the: U.S. Court of Appeals for the Federal Circuit (0.5% in FY2012), U.S. Court of International Trade (0.3%), Administrative Office of the U.S. Courts (1.2%), Federal Judicial Center (0.4%), U.S. Sentencing Commission (0.2%), and Judicial Retirement Funds (1.5%). The House report (H.Rept. 112-550) requires the Judicial Conference to report on the steps necessary to merge the appropriations for the United States Court of Appeals for the Federal Circuit and United States Court of International Trade into the U.S. Courts of Appeals, District Courts, and Other Judicial Services appropriation.

The judiciary budget does not fund three "special courts" in the U.S. court system: the U.S. Court of Appeals for the Armed Forces (funded in the Department of Defense appropriations bill), the U.S. Court of Appeals for Veterans Claims (funded in the Military Construction, Veterans Affairs, and Related Agencies appropriations bill), and the U.S. Tax Court (funded under Independent Agencies, Title V, of the FSGG bill). Federal courthouse construction is funded within the General Services account under Independent Agencies, Title V, of the FSGG bill.

The judiciary also uses non-appropriated funds to offset its appropriations requirement. The majority of these non-appropriated funds are from fee collections, primarily from court filing fees. These monies are used to offset expenses within the *Salaries and Expenses* account. Some of these funds may be carried forward from one year to the next. These funds are considered "unencumbered" because they result from savings from the judiciary's financial plan in areas where budgeted costs did not materialize. According to the judiciary, such savings are usually not under its control (e.g., the judiciary has no control over the confirmation rate of Article III judges and must make its best estimate on the needed funds to budget for judgeships, rent costs based on delivery dates, and technology funding for certain programs). The judiciary also has "encumbered" funds—no-year authority funds for specific purposes, which are used when planned expenses are delayed, from one year to the next (e.g., costs associated with space delivery, and certain technology needs and projects).[29]

At a March 28, 2012, House hearing, Judge Julia S. Gibbons, chair of the Budget Committee of the Judicial Conference of the United States,[30] addressed funding constraints and efforts to cut costs, and stated that the 3.1% overall increase is the "lowest requested increase on record."[31] She also discussed the potential impact of a sequester pursuant to the Budget Control Act, workload projections, and staffing formulas. She stated that "the courts have already downsized by nearly

---

[29] U.S. Congress, House Appropriations Committee, hearings, *Financial Services and General Government Appropriations for 2013*, part 2, budget justifications, pp. 302-303.

[30] The Judicial Conference of the United States is the principal policymaking body for the federal courts system. The Chief Justice is the presiding officer of the conference, which comprises the chief judges of the 13 courts of appeals, a district judge from each of the 12 geographic circuits, and the chief judge of the Court of International Trade.

[31] Statement of Honorable Julia S. Gibbons, Chair, Committee on the Budget of the Judicial Conference of the United States, U.S. House, Committee on Appropriations Subcommittee on Financial Services and General Government, March 28, 2012, p. 5.

1,100 employees since July 2011" and that "without a significant reduction in workload, which is unlikely, we are facing the possibility of delays in processing cases and a reduction in the supervision of felons on post-conviction release in the community."[32]

Judicial Security[33]

The safe conduct of court proceedings and security of judges in courtrooms and off-site has been a concern in recent years. The Chicago murders of family members of a federal judge, and the Atlanta killings of a state judge, a court reporter, and a sheriff's deputy at a courthouse in 2005; the sniper shooting of a state judge in his Reno office in 2006; and the wounding of a deputy U.S. marshal and killing of a court security officer at the Lloyd D. George U.S. Courthouse and Federal Building in Las Vegas in 2010 spurred efforts to improve judicial security.[34] A FY2005 supplemental appropriations act (P.L. 109-13) included a provision that provided intrusion detection systems for judges in their homes, and the Court Security Improvement Act of 2007 (P.L. 110-177) aimed to enhance security for judges and court personnel as well as courtroom safety for the public.

The judiciary has been working closely with the U.S. Marshals (USMS) to ensure that adequate protective policies, procedures, and practices are in place. The FY2013 budget request would continue a pilot program for the USMS to assume responsibility for perimeter security at selected courthouses that were previously the responsibility of the Federal Protective Service (FPS). This pilot was first authorized in FY2009 as a result of the judiciary's stated concerns that FPS was not providing adequate perimeter security. After the initial planning phase, USMS implemented the pilot program on January 5, 2009, and assumed primary responsibility for security functions at seven courthouses located in Chicago, Detroit, Phoenix, New York, Tucson, and two in Baton Rouge. The judiciary and USMS have been evaluating the program and identifying areas for improvement. The judiciary reimburses USMS for the protective services.

Supreme Court

The total FY2013 request for the Supreme Court, $89.1 million, was contained in two accounts: (1) Salaries and Expenses: $77.2 million was requested, a $2.3 million (3.1%) increase over FY2012; and (2) Care of the Building and Grounds: $11.96 million was requested, a $3.8 million (46.6%) increase. The requested increase for the buildings and grounds would support the Supreme Court Police radio infrastructure upgrade and the restoration of the Supreme Court building façade.

The House-reported level of $74.99 million for the Salaries and Expenses account (an increase of $173,000, or 0.2%), and $9.3 million for the Care of Building and Grounds account (an increase of $1.1 million, or 13.5%), total $84.3 million (an increase of $1.3 million, or 1.5%). The House report indicated that funding was provided for the radio upgrade but not the façade restoration. The Senate-reported level of $77.2 million for the Salaries and Expenses account (an increase of

---

[32] Ibid., pp. 1-2.

[33] For an analysis of court security and federal building security in general, see CRS Report R41138, *Federal Building, Courthouse, and Facility Security*, by Lorraine H. Tong and Shawn Reese.

[34] Steve Friess, "Two Killed in Las Vegas Courthouse," *New York Times*, January 4, 2010, available at http://www.nytimes.com/2010/01/05/us/05vegas.html.

$2.3, or 3.1%), and $11.96 million for the Care of Building and Grounds account (an increase of $3.8 million, or 46.6%, the same as the request), total $89.1 million (an increase of $6.2 million, or 7.4%). The Senate report requires quarterly reports on the Supreme Court modernization project.

U.S. Court of Appeals for the Federal Circuit

This court, consisting of 12 judges, has jurisdiction and reviews, among other things, certain lower court rulings on patents and trademarks, international trade, and federal claims cases. The FY2013 budget request is $34.3 million, which is $1.8 million (5.6%) more than the FY2012 appropriation of $32.5 million.

The House-reported bill would provide $32.5 million, equivalent to the FY2012 level. The Senate-reported bill would provide $33.7 million (an increase of $1.2 million, or 3.7%).

U.S. Court of International Trade

This court has exclusive jurisdiction nationwide over the civil actions against the United States, its agencies and officers, and certain civil actions brought by the United States arising out of import transactions and the administration as well as enforcement of federal customs and international trade laws.

The FY2013 request is $22.9 million, a $1.4 million (6.7%) increase over the FY2012 appropriation of $21.4 million. The House-reported level is $21.4 million, equivalent to the FY2012 level. The Senate-reported level is $22.9 million, equivalent to the request.

Courts of Appeals, District Courts, and Other Judicial Services

The FY2013 funding request of $6,787.9 million covers 12 of the 13 courts of appeals and 94 district judicial courts located in the 50 states, District of Columbia, Commonwealth of Puerto Rico, territories of Guam and the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands. The FY2013 request represents a $184.1million (2.8%) increase over the FY2012 appropriation of $6,602.9 million. The House-reported level is $6,589.9 million (a decrease of $13.1 million, -0.2%). The Senate-reported level is $6,763.2 million (an increase of $160.3 million, 2.4%).

The account is divided among salaries and expenses, the Vaccine Injury Compensation Trust Fund, court security, defender services, and fees of jurors and commissioners.

Salaries and Expenses

The FY2013 request for this account is $5,148.8 million, an increase of $133.8 million (2.7%) over the FY2012 appropriation of $5,015.0 million. The House-reported level is $4,989.1 million (a decrease of $25.9 million, -0.5%). The Senate-reported level is $5,142.0 million (an increase of $127.0 million, 2.5%).

Vaccine Injury Compensation Trust Fund

Established to address a perceived crisis in vaccine tort liability claims, the Vaccine Injury Compensation Program funds a federal no-fault program that protects the availability of vaccines in the nation by diverting substantial number of claims from the tort arena. The FY2013 request was $5.4 million, a $354,000 (7.1%) increase from the FY2012 appropriation of $5.0 million. The House-reported level is $5.1 million (an increase of $100,000, 2.0%). The Senate-reported level is $5.4 million, equivalent to the request.

Court Security

This account provides for protective guard services, security systems, and equipment needs in courthouses and other federal facilities to ensure the safety of judicial officers, employees, and visitors. Under this account, the majority of funding for court security is transferred to the U.S. Marshals Service to pay for court security officers under the Judicial Facility Security Program. The FY2013 request was $514.7 million, a $14.7 million (2.9%) increase over the FY2012 appropriation of $500.0 million. The House-reported bill would provide $510.0 million (an increase of $10.0 million, 2.0%). The Senate-reported bill would provide $512.7 million (an increase of $12.7 million, 2.5%). The Senate report also contains language encouraging the judiciary to consider opportunities to expand a pilot perimeter security project following the completion of a review.

Defender Services

This account funds the operations of the federal public defender and community defender organizations, and compensation, reimbursements, and expenses of private practice panel attorneys appointed by federal courts to serve as defense counsel to indigent individuals. The cost for this account is driven by the number and type of prosecutions brought by U.S. Attorneys. The FY2013 request for these services was $1,063.5 million, a $32.5 million (3.2%) increase over the FY2012 appropriation of $1,031.0 million. The House-reported bill would continue funding at the FY2012 level. The Senate-reported bill would provide $1,048.5 million (an increase of $17.5 million, 1.7%). The House report stated that funding was not provided for an increase in the hourly panel attorney rate, while the Senate, in its report, indicated that its bill contained this increase. The House report also contains language related to increased cost containment scrutiny for this account.

Fees of Jurors and Commissioners

This account funds the fees and allowances provided to grand and petit jurors, and compensation for jury and land commissioners. The FY2013 request was $54.6 million, a $2.7 million (5.3%) increase over the FY2012 appropriation of $51.9 million. The House- and Senate-reported bills would provide funding at the requested level.

Administrative Office of the U.S. Courts

As the central support entity for the judiciary, the AOUSC provides a wide range of administrative, management, program, and information technology services to the U.S. courts. AOUSC also provides support to the Judicial Conference of the United States, and implements conference policies and applicable federal statutes and regulations. The FY2013 request for AOUSC was $85.1 million, a $2.2 million (2.7%) increase over the FY2012 appropriation of $82.9 million. The House-reported bill would continue funding at the FY2012 level. The Senate-reported bill would provide funding at the requested level.

Federal Judicial Center

As the judiciary's research and education entity, the Federal Judicial Center undertakes research and evaluation of judicial operations for the Judicial Conference committees and the courts. In addition, the center provides judges, court staff, and others with orientation and continuing education and training. The center's FY2013 request was $27.7 million, a $729,000 (2.7%) increase over the FY2012 appropriation of $27.0 million. The House-reported bill would continue funding at the FY2012 level. The Senate-reported bill would provide $27.5 million (an increase of $519,000, 1.9%).

United States Sentencing Commission

The commission promulgates sentencing policies, practices, and guidelines for the federal criminal justice system. The FY2013 request was $17.1 million, a $561,000 (3.4%) increase over the FY2012 appropriation of $16.5 million. The House-reported bill would provide $16.0 million (a decrease of $500,000, -3.0%). The Senate-reported bill would provide the requested level.

Judiciary Retirement Funds

This mandatory account provides for three trust funds that finance payments to retired bankruptcy and magistrate judges, retired Court of Federal Claims judges, and the spouses and dependent children of deceased judicial officers. The FY2013 request would provide $125.5 million (an increase of $21.7 million, 20.9%). Both the House and Senate would provide funding at the requested level. The House-reported bill provides for these funds in Title VI (General Provisions) of the FSGG bill, rather than in Title III (the Judiciary). The Senate-reported bill provides these funds in Title III of the bill.

Administrative Provisions

The House- and Senate-reported FSGG bills each contained new and continuing administrative provision language.

House Language Continued from FY2012

- Section 301, which would continue language to permit funds for salaries and expenses to be available for employment of experts and consultant services (as authorized by 5 U.S.C. 3109). (The judiciary also proposed this section.)
- Section 302, which would continue language to permit up to 5% of any appropriation made available for FY2013 to be transferred between judiciary appropriations accounts, provided that no appropriation shall be decreased by more than 5% or increased by more than 10% by any such transfer except in certain circumstances. In addition, the language would provide that any such transfer shall be treated as a reprogramming of funds under Sections 604 and 608

of the bill and shall not be available for obligation or expenditure except in compliance with the procedures set forth in those sections. (The judiciary also proposed this section.)

- Section 303, which would continue language authorizing not to exceed $11,000 to be used for official reception and representation expenses incurred by the Judicial Conference of the United States. (The judiciary also proposed this section.)
- Section 304, which would continue language to authorize a court security pilot program. (The judiciary also proposed this section.)

House Proposed New Language

- Section 305, which would extend temporary judgeships. One of these, in Kansas, was previously extended in the FY2012 act.
- Section 306, which would require a plan for freezing the number of square feet covered by certain appropriations and reducing the number of square feet occupied by the judiciary overall by at least 1% in each of the next four fiscal years. The House report also indicated a continued concern with the cost and amount of space occupied by the judicial branch, and it estimated that the amount of space would increase by 728,000 square feet in FY2013.
- Section 307, which would address boundaries between the eastern district of Missouri and the northern district of Mississippi.
- Section 308, which would prohibit the use of funds for circuit judicial conferences in FY2013, and requiring future budget justification to contain an explanation of the costs of proposed conferences. On July 13, 2012, the Ninth Circuit Public Information Office announced that it "will reschedule its 2013 Circuit Conference to 2014" due to "current budget constraints facing the federal judiciary and the federal government in general."[35]

Senate Language Continued from FY2012

The Senate committee recommended the language continued from FY2012 listed above.

Senate Proposed New Language

- Senate Section 304, which would grant the judicial branch the same tenant alteration authorities as the executive branch. The Senate included this language in FY2012.
- Senate Section 306 extends temporary judgeships.

Senate Section 307 authorizes four additional district judgeships in response to increased caseloads and converts two temporary judgeships, in California and Arizona, to permanent status.

[35] "Ninth Circuit to Reschedule 2013 Circuit Conference," Ninth Circuit Public Information Office, July 13, 2012, available at http://www.ce9.uscourts.gov/absolutenm/templates/template_ce9.aspx?articleid=487&zoneid=1

Title IV: District of Columbia[36]

The authority for congressional review and approval of the District of Columbia's budget is derived from the Constitution and the District of Columbia Self-Government and Government Reorganization Act of 1973 (Home Rule Act).[37] The Constitution gives Congress the power to "exercise exclusive Legislation in all Cases whatsoever" pertaining to the District of Columbia. In 1973, Congress granted the city limited home rule authority and empowered citizens of the District to elect a mayor and city council. However, Congress retained the authority to review and approve all District laws, including the District's annual budget. As required by the Home Rule Act, the city council must approve a budget within 56 days after receiving a budget proposal from the mayor.[38] The approved budget must then be transmitted to the President, who forwards it to Congress for its review, modification, and approval.[39]

Both the President and Congress may propose financial assistance to the District in the form of special federal payments in support of specific activities or priorities. **Table 6** lists the enacted amounts for FY2012, the President's FY2013 request, and amounts recommended by the House and Senate appropriations committees for FY2013.

Table 6. District of Columbia Special Federal Payments, FY2012-FY2013

(in millions of dollars)

	FY2012 Enacted	FY2013 Request	FY2013 House Committee	FY2013 Senate Committee	FY2013 Enacted
Resident Tuition Support	$30	$35	$30	$35	
Emergency Planning and Security	15	25	25	25	
District of Columbia Courts	233	220	232	225	
Defender Services	55	50	50	50	
Court Services and Offender Supervision Agency	213	216	214	215	
Public Defender Service	37	39	38	39	
Criminal Justice Coordinating Council	2	2	2	2	
Judicial Commissions	0.5	0.5	0.5	0.5	
St. Elizabeth Hospital Campus	—	10	10	10	
HIV/AIDS Prevention	5	5	5	5	
Water and Sewer Authority	15	12	—	15	
School Improvement	60	60	60	54	
D.C. National Guard	0.4	0.5	0.4	0.5	

[36] This section was authored by Eugene Boyd (x7-8689).

[37] See Article I, §8, clause 17 of the U.S. Constitution and Section 446 of P.L. 93-198, 87 Stat. 801.

[38] 120 Stat. 2028.

[39] 87 Stat. 801.

	FY2012 Enacted	FY2013 Request	FY2013 House Committee	FY2013 Senate Committee	FY2013 Enacted
Job Training Pilot Program	—	2	—	—	
Arts and Humanities	—	3	—	—	
Total	**$665**	**$678**	**$667**	**$676**	

Sources: H.R. 6020; H.Rept. 112-550; S. 3301, S.Rept. 112-177.

The District of Columbia Budget and General Provisions

The President's Budget Request

On February 13, 2012, the Obama Administration released its detailed budget requests for FY2013. The Administration's proposed budget includes $677.8 million in special federal payments to the District of Columbia, which is $2.2 million less than the District's FY2012 appropriation of $665.6 million. Approximately 78% ($526.7 million) of the President's proposed budget request for the District would be targeted to the courts and criminal justice system. This includes

- $219.6 million in support of court operations;
- $49.9 million for Defender Services;
- $215.5 million for the Court Services and Offender Supervision Agency for the District of Columbia, an independent federal agency responsible for the District's pretrial services, adult probation, and parole supervision functions;
- $1.8 million for the Criminal Justice Coordinating Council;
- $39.4 million for the public defender's office; and
- $500,000 to cover costs associated with investigating judicial misconduct complaints and recommending candidates to the President for vacancies to the District of Columbia Court of Appeals and the District of Columbia Superior Court.[40]

The President's budget request also includes $95.6 million in support of education initiatives, including $60 million to support elementary and secondary education, $500,000 to support D.C. National Guard college access program, and $35.1 million for college tuition assistance. This represents 14% of the Administration's federal payment budget request for the District of Columbia.

District's Budget

On March 23, 2012, the mayor of the District of Columbia submitted a proposed budget to the District of Columbia Council. On May 15, 2012, the council approved a FY2013 budget that

[40] This includes $295,000 to the Commission on Judicial Disabilities and Tenure and $205,000 to the Judicial Nomination Commission.

included $11.4 billion in operating funds and $1.1 billion in capital outlays. The mayor signed the measure (A19-0381) on June 15, 2012. Of the $11.4 billion budgeted for operating expenses, $998.2 million is projected to be derived from federal grants and $1.672 billion from Medicaid payments. Included in the act was a provision that would grant the District some level of budget autonomy in the expenditure of local funds if Congress failed to pass and the President failed sign a District of Columbia appropriations act before the beginning of the 2013 fiscal year. The provision would allow the District to obligate and expend local funds at the rate set forth in the act during the period in which there is an absence of a federal appropriations act authorizing the expenditure of local funds. Similar language was included in the Senate bill, S. 3301, reported by the Senate Appropriations Committee.[41] The provision is also supported by the Administration.[42] Both the House and Senate bills (H.R. 6020 and S. 3301) include language that references the District's FY2013 budget submission.

Congressional Action

Congress not only appropriates federal payments to the District to fund certain activities, but also reviews, and may modify, the District's entire budget, including the expenditure of local funds as outlined in the District's Home Rule Act.

Senate Bill, S. 3301

On June 14, 2012, the Senate Appropriations Committee reported S. 3301, its version of the Financial Services and General Government Appropriations Act for FY2013, with an accompanying report (S.Rept. 112-177). As reported, the bill recommended $676.2 million in special federal payments to the District. This was $10.6 million more than appropriated for FY2012, and $1.6 million more than requested by the Administration. The bill includes $5.7 million more in funding for court operations than requested by the Administration, but $7.4 million less than appropriated in FY2012. It would appropriate $6.5 million less for elementary and secondary education initiatives. These funds would be allocated among three specific initiatives: public school improvements, support for public charter schools, and funding a private school voucher program. The Administration's budget request did not including funding the school voucher program. As noted above, S. 3301 includes the provision that would allow the District to obligate and expend locally raised funds in the absence of congressional approval of a District of Columbia appropriations act.

General Provisions

The Senate bill's general provisions mirrors some of the language included in the House bill. Like the House bill, S. 3301 included provisions governing budgetary and fiscal operations and controls. It also included provisions restricting or prohibiting the use of federal funds to support District statehood or congressional voting representation, including provisions that would continue prohibiting the use of *federal funds* to

[41] S. 3301, Title VIII, § 815.

[42] Executive Office of the President, U.S. President (Obama), "Statement of Administration Policy*: H.R. 6020 – Financial Services and General Government Appropriations Act, 2013;"* June 28, 2012), p. 4, http://www.whitehouse.gov/sites/default/files/omb/legislative/sap/112/saphr6020r_20120628.pdf.

- support or defeat any legislation being considered by Congress or a state legislature;
- cover salaries expenses and other costs associated with the office of Statehood Representative and Statehood Senator for the District of Columbia; and
- support efforts by the District of Columbia Attorney General or any other officer of the District government to provide assistance for any petition drive or civil action seeking voting representation in Congress for citizens of the District.

The bill also included changes in two provisions that city officials have sought to eliminate or modify. The bill would

- lift the prohibition on the use of District funds to provide abortion services, but would continue the prohibition against the use of federal funds;
- prohibit the use of federal funds to regulate and decriminalize the medical use of marijuana; and
- maintain the current prohibition on the use of federal funds to support a needle exchange program.

House Bill H.R. 6020

The House bill included $673.7 million in special federal payments to the District. This is $12.2 million than appropriated for FY2012, $4.1 million less than requested by the Administration, and $2.5 million less than recommended by the Senate bill. The bill included a substantial increase ($12.5 million) in the amount requested by the Administration for court operations, and a $5.1 million reduction in the amount that would be appropriated for the Resident Tuition Support (college access) program. The bill also would direct $60 million in funding to support the District of Columbia Public Schools ($36.6 million) and public charter schools ($23.4 million). Unlike its Senate counterpart, the bill did not include funding recommendations for private school vouchers.

General Provisions

Like its Senate counterpart, the House bill included several general provisions governing budgetary and fiscal operations and controls, including prohibiting deficit spending within budget accounts, establishing restrictions on the reprogramming of funds, and allowing the transfer of local funds to capital and enterprise fund accounts. In addition, the bill would require the city's Chief Financial Officer to submit a revised operating budgets for all District government agencies and the District public schools within 30 days after the passage of the bill.

The House bill also included several general provisions relating to statehood or congressional representation for the District, including provisions that would continue prohibiting the use of *federal funds* to

- support or defeat any legislation being considered by Congress or a state legislature;

- cover salaries, expenses, and other costs associated with the office of Statehood Representative and Statehood Senator for the District of Columbia; and
- support efforts by the District of Columbia Attorney General or any other officer of the District government to provide assistance for any petition drive or civil action seeking voting representation in Congress for citizens of the District.

Unlike the Senate bill, H.R. 6020 would prohibit the use of both District and federal funds for abortion service. In addition, the bill would continue to prohibit the use of federal funds to administer needle exchange or to decriminalize or regulate the medical use of marijuana. Despite the federal prohibition, on June 12, 2012, the city announced the certification of four medical marijuana dispensaries.[43] The dispensaries are set to open in fall 2012.

The Obama Administration issued a Statement of Administration Policy on H.R. 6020, on June 28. 2012.[44] The Statement urged the House to include language that would allow the District to expend its own funds should Congress fail to approve the District budget before the beginning of the fiscal year. The Statement also included language objecting to general provisions that would prohibit the use of federal funds to support the District's needle exchange program noting that the restriction "is contrary to current law and the Administration's policy to allow funds to be used in locations where local authorities deem needle exchange programs to be effective and appropriate." The Statement also objected to a provision that would prohibit the use of District funds for abortion services noting that the restriction undermines the principle of home rule.

Title V: Independent Agencies

Title V provides funding for more than two dozen independent agencies which perform a wide range of functions, including the management of federal real property (GSA), the regulation of financial institutions (SEC), and mail delivery (USPS). **Table 7** lists the enacted amounts for FY2012, the President's FY2013 request, and amounts recommended by the House and Senate appropriations committees for FY2013.

---

[43] District of Columbia Department of Health, "DC Department of Health Notifies Applicants Eligible to Register for Medical Marijuana Dispensaries," press release, June 12, 2012, http://newsroom.dc.gov/show.aspx/agency/doh/section/2/release/23453/year/2012.

[44] Executive Office of the President, U.S. President (Obama), "Statement of Administration Policy*: H.R. 6020 – Financial Services and General Government Appropriations Act, 2013"*, June 28, 2012), p. 4, http://www.whitehouse.gov/sites/default/files/omb/legislative/sap/112/saphr6020r_20120628.pdf .

Table 7. Independent Agencies Appropriations, FY2012-FY2013
(in millions of dollars)

	FY2012 Enacted	FY2013 Request	FY2013 House Committee	FY2013 Senate Committee	FY2013 Enacted
Administrative Conference of the United States	$3	$3	—	$3	
Christopher Columbus Fellowship Foundation	0.5	—	—	0.5	
Civilian Property Realignment Board	—	57	—	—	
Commodity Futures Trading Commission[a]	205	308	180	308	
Consumer Product Safety Commission	115	122	115	122	
Election Assistance Commission	12	12	6	12	
Federal Communications Commission[b]	(340)	(347)	(323)	(348)	
Federal Deposit Insurance Corporation: Office of Inspector General (by transfer)[c]	(45)	(35)	(35)	(35)	
Federal Election Commission	66	66	66	68	
Federal Labor Relations Authority	25	25	25	25	
Federal Trade Commission	183	170	156	170	
General Services Administration[d]	-971	-799	-1,518	-786	
Harry S. Truman Scholarship Foundation	1	—	1	1	
Merit Systems Protection Board	43	41	41	43	
Morris K. Udall Foundation	6	6	6	6	
National Archives and Records Administration	377	370	369	372	
National Credit Union Administration	1	1	0.5	1	
Office of Government Ethics	14	13	14	20	
Office of Personnel Management (total)	21,128	20,880	20,878	20,880	
Office of Special Counsel	19	19	19	19	
Postal Regulatory Commission	14	14	14	14	
Privacy and Civil Liberties Oversight Board[e]	-1	—	-1	—	
Recovery and Accountability Transparency Board	28	32	32	32	
Securities and Exchange Commission[b]	(1,321)	(1,566)	(1,371)	(1,566)	
Selective Service System	24	24	12	24	
Small Business Administration	919	1,115	1,158	1,124	
United States Postal Service	320	331	331	331	
United States Tax Court	51	53	51	53	
Total: Independent Agencies	**$22,581**	**$22,864**	**$21,955**	**$22,844**	

Sources: H.R. 6020; H.Rept. 112-550; S. 3301, S.Rept. 112-177.

Notes: All figures are rounded, and columns also may not equal the total due to rounding.

a. The CFTC is funded in the House through the Agriculture appropriations bill and in the Senate through the Financial Services and General Government bill.

b. The FCC, and the SEC received all of their FY2012 funding through the collection of regulatory fees in resulting in no direct appropriation. Therefore, the amounts shown for the FCC and SEC represent budgetary resources made available by Congress but those amounts are not included in the table totals.

c. Budget authority transferred to FDIC is not included in total FSGG appropriations; it is counted as part of the budget authority in the appropriation account from which it came.

d. GSA's real property activities are funded through the Federal Buildings Fund (FBF), a multi-billion dollar revolving fund into which rental payments from federal agencies that lease GSA space are deposited. Revenue in the FBF is then made available by Congress each year to pay for GSA's real property activities. A negative total for the FBF occurs when the amount of funds made available for expenditure in a fiscal year is less than the amount of new revenue expected to be deposited.

e. The House recommended no funding for FY2013 and a $1 million rescission of prior year unobligated balances.

Civilian Property Realignment Board[45]

The President requested $57.0 million for a new Civilian Property Realignment Board (CPRB), which would develop recommendations as to which civilian federal properties should be consolidated, reconfigured, redeveloped, leased, sold, or conveyed. No funding was provided in FY2012, and neither the House nor the Senate Appropriations Committees recommended funding for FY2013. There are two bills that have been introduced in the 112th Congress, H.R. 1734 and S. 2232, which would establish such a board and provide it with funding.[46] The bills are not identical, but they do share the same title—the Civilian Property Realignment Act of 2012—and each would provide $82.0 million for the CPRB.

Commodity Futures Trading Commission[47]

The Commodity Futures Trading Commission (CFTC) is the independent regulatory agency charged with oversight of derivatives markets. The CFTC's functions include oversight of trading on the futures exchanges, registration and supervision of futures industry personnel, prevention of fraud and price manipulation, and investor protection. Although most futures trading is now related to financial variables (interest rates, currency prices, and stock indexes), congressional oversight remains vested in the agriculture committees because of the market's historical origins as an adjunct to agricultural trade. Appropriations for the CFTC are under the jurisdiction of the Agriculture Subcommittee in the House, and the Financial Services and General Government Subcommittee in the Senate. The CFTC received $205.0 million for FY2012. The President has requested, and the Senate Appropriations Committee has recommended, $308.0 million for FY2013, which is $103.0 million above FY2012 enacted appropriations. The House

[45] This section was authored by Garrett Hatch (x7-7822).

[46] For more information on federal real property reform legislation in the 112th Congress, including H.R. 1734 and S. 2232, see CRS Report R42646, *Disposal of Unneeded Federal Buildings: Legislative Proposals in the 112th Congress*, by Garrett Hatch.

[47] This section was written by Garrett Hatch (x7-7822).

Appropriations Committee recommended $180.0 million, which is $128.0 million below the Administration's request and $25.0 million less than FY2012 enacted amounts.

Consumer Product Safety Commission[48]

The Consumer Product Safety Commission (CPSC) is an independent federal regulatory agency whose mission is to reduce the risk of harm from the use of consumer products. In carrying out its mission, the commission creates mandatory safety standards for products to lower the risk of injury to consumers; works with industries to develop voluntary safety standards; bans products it deems unsafe when voluntary safety standards are not feasible; monitors recalls of defective products; informs and educates consumers about product hazards; conducts research on and develops testing methods for product safety; collects and publishes data on injuries and product hazards; and promotes uniform product regulations among state and local governments.

For FY2012, the CPSC was provided $114.5 million in appropriated funds, the same amount as provided in FY2011. CPSC funding has increase significantly since FY2007, when it received about $62.0 million. From FY2008 through FY2010, Congress approved significant increases in funding for the agency, largely to support major reforms initiated by Consumer Product Safety Improvement Act of 2008 (CPSIA, P.L. 110-314). The 110th Congress passed the act partly as a response to a series of highly publicized recalls of imported products, particularly unsafe toys and other items manufactured for children. Among other things, the act enhanced the commission's recall authority, simplified the rulemaking process, established a new searchable database for consumer product complaints, and mandated product certification.

President's Budget Request

For FY2013, the Obama Administration requested $122.4 million in appropriations for the CPSC. Of this amount, $116.4 million would be used for its operating expenses and the remaining $6.0 million would be available through the end of FY2014 to finance a relocation of CPSC headquarters after its current lease expires in August 2013. In its budget request, CPSC allocates the requested funding among the five strategic goals set forth in its strategic plan for the FY2011-FY2016: leadership in safety ($13.8 million), commitment to prevention ($23.6 million), rigorous hazard identification ($28.0 million), decisive response ($42.0 million), and raising public awareness ($9.0 million).

The budget request is built around several proposed offsets, reallocations, and net additions. Among other things, $3.7 million would be transferred from the FY2012 budget for IT project development to operations and maintenance, and $0.7 million in FY2012 funding for salaries and certain other expenses would be reallocated to FY2013 "priorities." In addition, $2.6 million in new funding would be used for the import surveillance plan, $0.5 million for compliance investigations, $0.35 million to add model numbers to recalled products in CPSC's database for those products, $0.4 million to develop an agency-wide continuity-of-operations plan, $0.6 million to support CPSC's ongoing contracts for IT applications to improve the efficiency of agency operations, $0.4 million to comply with government-wide standards for electronic

[48] This section was written by Gary Guenther (x7-7742).

document and records management, and $0.8 million to operate and maintain the CPSC's IT security and safety systems.[49]

Action in the House

The House Appropriations Committee recommends an appropriation of $111.5 million for the CPSC in FY2013, or the same amount that was enacted for FY2012 but $7.9 million less than the budget request. Of that amount, $500,000 would be designated for a pool and spa safety education campaign that the CPSC has been conducting under a provision of the Virginia Graeme Baker Poll and Spa Safety Act (Title XIV of P.L. 110-140); the funds would be available until September 30, 2014. Under the act, a total of $5 million in appropriations were authorized for the period from FY2008 to FY2012 to cover the cost of the education campaign.

In its report on H.R. 6020, the Committee points out the advantages of the CPSC establishing cooperative relationships with the private sector in seeking the recall of products the CPSC deems hazardous. It also expresses support for the agency's Import Safety Initiative, which involves placing CPSC investigators at key ports to prevent hazardous products from entering the United States. The effort is being done with the participation of the Bureau of Customs and Border Patrol, resulting in cost savings for both. In addition, the Committee has added a provision to the bill requiring GAO to undertake a cost-benefit analysis of the changes the CPSIA made in the CPSC's mission and operations. Though a CPSIA reform bill (H.R. 2715, P.L. 112-28) enacted in August 2011 addresses some of the Committee's concerns about lead limits in certain consumer products and third-party testing requirements, it believes the reforms do not go far enough and thinks a study of the impact of the CPSIA is needed.

Action in the Senate

The Senate Appropriations Committee recommends that the CPSC receive an appropriation of $122.4 million in FY2013, or $7.9 million more than the amount enacted for FY2012 but the same as the budget request.

In its report on S. 3301, the Committee expresses satisfaction with the results so far of the consumer product safety database authorized by the CPSIA. It notes that more than 8,200 searchable reports, many of which include incidents involving injury or death, have been posted on SaferProducts.gov.

The Committee also expresses concern about the safety hazards posed by button cell batteries and the cords on window coverings. In the case of the former, it recognizes the efforts underway to develop a voluntary safety standard and urges the parties involved to expedite the search for an agreement. In the case of the latter, the Committee adds a provision to the bill (§502) requiring the CPSC to issue a rule that eliminates or greatly reduces the risk of strangulation posed by the cords.

And reflecting continuing concern about the safety hazards associated with the use of flame-retardant chemicals on furniture, the Committee directs the commission to submit a report within 90 days of the enactment of the bill on the status of a proposed rule regarding flammability

[49] For more details on the request, see http://www.cpsc.gov/cpscpub/pubs/reports/2013plan.pdf.

standards for household upholstered furniture. Among other things, the report should discuss the steps needed to complete the rulemaking process.

Election Assistance Commission[50]

The Election Assistance Commission (EAC) was established under the Help America Vote Act of 2002 (HAVA, P.L. 107-252). The commission provides grant funding to the states to meet the requirements of the act and for election reform programs, provides for testing and certification of voting machines, studies election issues, and promulgates voluntary guidelines for voting systems standards and issues voluntary guidance with respect to the act's requirements. The commission was not given new rule-making authority under HAVA, although the law transferred responsibilities for the National Voter Registration Act (NVRA, P.L. 103-31) from the Federal Election Commission to the EAC; these responsibilities include NVRA rule-making authority. The Department of Justice is charged with enforcement responsibility for HAVA.

For FY2013, the President's budget request included \$11.5 million for the EAC, of which \$2.75 million was to be transferred to the National Institute of Standards and Technology (NIST) and \$1.3 million was for the Office of the Inspector General. The House Committee on Appropriations recommended \$5.75 million for the EAC, of which \$1.38 million is to be transferred to NIST. That amount is \$5.75 million less than both the administration request and the enacted amount for FY2012. The Committee report notes that all funds appropriated for grants to the states have been distributed, the agency lacks any commissioners, as well as an executive director and general counsel, it is no longer effectively fulfilling its mission, and its remaining functions could be better accomplished by another agency, such as the Federal Election Commission. On December 1, 2011, the House passed H.R. 3463 that would eliminate the EAC. The report notes that H.R. 6020 includes language to transfer unobligated amounts to other agencies if legislation to eliminate the EAC is enacted. The Senate Committee on Appropriations approved \$11.5 million for the EAC, with \$2.75 million to be transferred to NIST. The amount provided is the same as the budget request and the enacted amount for FY2012.

Federal Communications Commission[51]

The Federal Communications Commission, created in 1934, is an independent agency charged with regulating interstate and international communications by radio, television, wire, satellite, and cable. The FCC is also charged with promoting the safety of life and property through wire and radio communications. The mandate of the FCC under the Communications Act is to make available to all people of the United States a rapid, efficient, nationwide, and worldwide wire and radio communications service. The FCC performs five major functions to fulfill this charge: spectrum allocation, creating rules to promote fair competition and protect consumers where required by market conditions, authorization of service, enhancement of public safety and homeland security, and enforcement.

The FCC obtains the majority—and sometimes all—of its funding through the collection of regulatory fees pursuant to Title I, Section 9, of the Communications Act of 1934; therefore, its

[50] This section was written by Kevin Coleman (x7-7878).

[51] This section was written by Patricia Moloney Figliola (x7-2580).

direct appropriation is generally considerably less than its overall budget. Sometimes, as is the case for FY2012, there is no direct appropriation.

Senate

The Senate Committee on Appropriations recommended $347.8 million for FCC salaries and expenses for FY2013, of which $347.8 million would be derived from the collection of fees. The recommendation is $7.9 million above the FY2012 enacted level and $1.0 million above the budget request. The Office of Inspector General would be provided $1.0 million for the purpose of developing an independent budget to be submitted to the President in FY2014 and each subsequent fiscal year.

Further, S. 3301 would require that up to $99.0 million be retained from spectrum auction activities to fund the administrative expenses of conducting such auctions; included language to extend FCC's exemption from the Anti-Deficiency Act [ADA] until December 31, 2014 (§510); and included a provision that would prohibit the FCC from enacting the recommendation by the Joint Board of FCC members and State utility commissioners that would have limited universal support to one line (§511). The Senate bill also included provisions that would support the FCC's efforts to modernize the Universal Service Fund and put America on a path to universal broadband by the end of the decade, as well as the FCC's new rules addressing "cramming"—the practice of forcing unwanted, unsolicited, or fraudulent charges on consumers' phone bills.

Language in S.Rept. 112-177 expressed concern with the lack of engineering expertise at the FCC, particularly given that the agency will continue to face more technically complex issues under its jurisdiction, and commended the FCC for requiring that broadcasters' public inspection files be made available online and in a searchable format. Report language also noted that while the FCC plays a central role in creating an environment that fosters technological innovation it is also charged with protecting consumer privacy.

House

The House Committee on Appropriations recommended $322.9 million for FCC salaries and expenses, all of which would be derived from the collection of fees. The recommendation is $17.0 below the FY2012 enacted level $23.9 less than the President's FY2013 request.

Further, the House Committee would allows up to $4,000 for official reception and representation expenses; the collection of $322.9 million in Section 9 fees; a prohibition on amounts collected in excess of $322.9 million from being available for obligation; a prohibition on remaining offsetting collections from prior years from being available for obligation; and an increase to the cap on auction administration for the implementation of incentive auctions, as required by the Middle Class Tax Relief and Job Creation Act of 2012 (P.L. 112-96), to $98.7 million.

The Committee also included language that

- commended the FCC for realizing significant savings by re-competing contracts this year;
- expressed concern over the FCC's new rule requiring broadcasters to post the contents of their public file online through a FCC-run database and, accordingly, includes language prohibiting funds from being spent on this rule (§631);

- expressed its belief that the current structure of the FCC does not reflect the convergence in today's telecommunications market and, accordingly, directs the FCC to submit a review of its current structure and a proposal for improvement that is to be submitted to the House and Senate Committees on Appropriations within 180 days of enactment;
- urged the FCC to fulfill its implementation obligations under the 1992 Cable Act concerning program carriage decisions by multi-channel video programming distributors and to establish a process for expedited review of complaints made by independent channels or others of statutory violations;
- expressed concern about the disparity in access to broadband between the territories and the 50 states and encouraging the commission to implement policies that increase broadband accessibility and adoption in the territories, such as adopting the actions proposed in the FCC's Public Notice released on February 15, 2012, in IB Docket No. 11–109 (DA 12–214); and
- expressed concern about the potential impact on Global Positioning Systems (GPS) of planned terrestrial broadband operations in the L Band and stating that it will continue to monitor the FCC's consideration of future licenses and waivers the may have an impact on GPS functionality of terrestrial broadband networks in the L Band.

Federal Deposit Insurance Corporation: Office of the Inspector General[52]

The FDIC's Office of the Inspector General is funded from deposit insurance funds; the OIG has no direct support from federal taxpayers. Before FY1998, the amount was approved by the FDIC Board of Directors; the amount is now directly appropriated (through a transfer) to ensure the independence of the OIG.

The FDIC's OIG received $45.3 million in FY2012. For FY2013, the President requested, and the House and Senate Appropriations Committees recommended, an appropriation of $34.6 million.

Federal Election Commission[53]

The FEC is an independent agency that administers, and enforces civil compliance with, the Federal Election Campaign Act (FECA) and campaign finance regulations. The agency does so through educational outreach, rulemaking, and litigation, and by issuing advisory opinions.[54] The FEC also administers the presidential public financing system.[55] In recent years, FEC appropriations have generally been noncontroversial and subject to limited debate in committee or on the House and Senate floors.[56]

---

[52] This section was written by Darryl Getter (x7-2834).

[53] This section was written by Sam Garrett (x7-6443).

[54] FECA is 2 U.S.C. §431 et seq. The FEC can refer criminal cases to the Justice Department.

[55] The Treasury Department and IRS also have administrative responsibilities for presidential public financing. However, Congress does not appropriate funds for the program. For additional discussion, see CRS Report RL34534, *Public Financing of Presidential Campaigns: Overview and Analysis*, by R. Sam Garrett.

[56] For additional discussion of current campaign finance issues, see CRS Report R41542, *The State of Campaign Finance Policy: Recent Developments and Issues for Congress*, by R. Sam Garrett.

For FY2013, the President requested $67.0 million for the FEC, the same amount appropriated for FY2012. Approximately 92% of the FEC budget is expected to be accounted for by three major expense areas: (1) salaries and benefits; (2) rent; and (3) information technology (IT).[57] Although personnel and rent expenditures are fairly fixed, IT expenditures can vary. They have, however, been consistently prominent in recent years and are expected to again be a major part of the agency's budget in 2013.[58] Among other points, this includes adapting the FEC's widely used filing software, FECFILE, to a web-based platform and other data upgrades to maintain its campaign finance disclosure responsibilities during the 2012 presidential and congressional election cycles.[59]

Separate sections of the FSGG bill also address campaign finance issues. First, Section 738 of the FY2013 bill reported from the House Appropriations Committee contained a prohibition on spending funds to require government contractors to provide information about their or their employees' federal campaign contributions, electioneering communications, or independent expenditures as a condition of receiving the contract. Similar language appeared in the FY2012 FSGG bill. As CRS has noted elsewhere, the Obama Administration has reportedly considered issuing an executive order to require additional disclosure of government contractors' political expenditures. Particularly during the FY2012 appropriations cycle, several measures contained similar language to that appearing in the FY2013 and FY2012 FSGG legislation.[60] Second, Section 631 of the House Appropriations Committee-reported version of the bill would prohibit funds to be spent on a Federal Communications Commission rule, adopted in April 2012, to require broadcasters to post information about political advertising purchases on the FCC website. Additional discussion of the rulemaking appears in another CRS product.[61]

Federal Trade Commission[62]

The Federal Trade Commission (FTC) is an independent agency whose mission is to protect consumers and maintain or enhance competition in a wide range of industries. It does so mainly by enforcing laws that prohibit anticompetitive, deceptive, or unfair business practices, and by educating consumers and business owners to foster informed consumer choices, compliance with the law, and a better understanding of the competitive process.

Operating funds for the agency come from three sources, listed here in descending order of importance: (1) appropriations, (2) pre-merger filing fees under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, and (3) Do-Not-Call Registry fees.

---

[57] Federal Election Commission, *FY2013 Congressional Budget Justification*, Washington, DC, February 13, 2012, p. 6, http://www.fec.gov/pages/budget/fy2013/FY_2013_CBJ_Final_2_13.pdf.

[58] Federal Election Commission, *FY2013 Congressional Budget Justification*, Washington, DC, February 13, 2012, pp. 1-2, http://www.fec.gov/pages/budget/fy2013/FY_2013_CBJ_Final_2_13.pdf.

[59] Ibid., pp. 1-6.

[60] For additional discussion, see the "Potential Policy Considerations for Congress" section of CRS Report R41542, *The State of Campaign Finance Policy: Recent Developments and Issues for Congress*, by R. Sam Garrett.

[61] See CRS Report R41542, *The State of Campaign Finance Policy: Recent Developments and Issues for Congress*, by R. Sam Garrett.

[62] This section was written by Gary Guenther (x7-7742).

In FY2012, appropriations for the FTC from the general fund total $182.6 million. Pre-merger filing fees are expected to bring in another $108 million, and fees for the Do-Not-Call Registry could contribute $21 million, producing an operating budget of $311.6 million.

President's Budget Request

For FY2013, the Obama Administration is asking for $163.5 million in appropriations from the general fund for the FTC, or $18.6 million less than the amount enacted for FY2012.[63] Pre-merger filing fees are expected to yield another $117.5 million, and Do-Not-Call fees may add $19 million, giving the FTC an operating budget of $300.0 million in FY2013. The budget request is intended to enable the agency to undertake its planned activities in FY2013 and beyond. These objectives include

- protecting consumers from fraudulent practices in the financial services market;
- protecting consumer privacy in online transactions;
- improving the security of online data; combating identity theft;
- monitoring the advertising of health-care products for false or deceptive claims;
- enforcing compliance with FTC orders;
- promoting competition in health care services and pharmaceuticals;
- challenging anti-competitive mergers;
- increasing its efforts to keep consumers and businesses informed about the benefits of competition; and
- pursuing administrative and federal litigation.

Included in the budget request are a decrease of $25.5 million from $35.2 million that was included in the FY2012 appropriation for replacing a building at 601 New Jersey Avenue, NW, in Washington, DC; an increase of $6.9 million for mandatory expenses like an expected pay hike in 2013 and contracts; an increase of $1.5 million to hire four new employees to work in the area of consumer protection and six new employees to work on matters related to promoting competition; and an increase of $5.5 million to upgrade the FTC's information technology infrastructure and accommodate consumer use of the Sentinel Network Services, which consist of the National Do-Not-Call Registry, the Consumer Response Center, and the Consumer Sentinel Network's online database for complaints.

Action in the House

In a bill (H.R. 6020) it reported on June 26, 2012, the House Appropriations Committee recommends that the FTC receive a total of $285.5 million in appropriations in FY2013, or $26.0 million less than the amount enacted for FY2012 and $14.5 million less than the budget request. Included in the recommendation are an estimated $115 million in pre-merger filing fees and $15 million in Do-Not-Call fees, leaving $155.5 million to be paid for out of the general fund.

---

[63] For more details, see http://www.ftc.gov/ftc/oed/fmo/2013_CBJ.pdf.

The Committee outlines three priorities for the FTC in its report on H.R. 6020. One is avoid engaging in "duplicative rulemaking" with the newly formed Consumer Financial Protection Bureau. Some areas of consumer protection that the FTC once handled now are being handled by the Bureau. The Committee expects the two independent agencies to work together to avoid any duplication in the rules they issue on consumer issues. Another priority is to avoid wasteful spending. The Committee criticizes the FTC for recently purchasing 6,000 beer "koozies" as part of an educational campaign intended to counter the impact on teenagers of the advertising of alcoholic beverages. In its view, the purchase "was a lapse of judgment by the Commission and a waster of taxpayer dollars" that could have been "better spent on uncovering fraud and other FTC priorities." The third priority is for the FTC to continue its efforts to monitor price gouging and anti-competitive behavior in the oil and natural gas markets, and to keep the House and Senate Appropriations Committees informed about any findings of illicit activities.

Action in the Senate

The Senate Appropriations Committee recommends that the FTC receive $300 million in funding in FY2013, or $11.6 million below the amount enacted for FY2012 and the same as the budget request. Of the recommended funding, $115 million comes from expected Hart-Scott-Rodino pre-merger filing fees and $15 million from Do-Not-Call fees, leaving a direct appropriation of $170 million.

In its report (S.Rept. 112-177) on the bill (S. 3301), the Committee commends the commission for its ongoing efforts to protect consumers from fraudulent practices related to mortgage lending, data security, and health care. The Committee also praised the steps taken by the FTC to combat identity theft, which include issuing a victim assistance guide for pro-bono attorneys, training local law-enforcement agencies to detect and prosecute identity theft, and releasing and updating educational materials on medical and children's identity theft. In addition, the Committee expresses appreciation for the FTC's efforts to preserve competition in the marketplace through disseminating information on and enforcing federal anti-trust statutes. It notes that those efforts saved consumers more than $1.7 billion in economic losses the previous three years.

Expressing concern about the potential for price gouging and anti-competitive behavior by oil and gas companies, the Committee encourages the commission to continue its investigations of the price behavior of the oil and gas industry and directs it to keep the Committee informed about any findings from those investigations and planned investigations of the industry.

The FTC is responsible for enforcing Section 1075 of the Dodd-Frank Wall Street Reform and Consumer Protection Act as it affects payment card network companies. In essence, its role is to prevent larger companies in the industry from undermining the small issuer exemption and other benefits for consumers in that section. Mindful of this responsibility, the Committee reminds the FTC of its obligation to submit a report detailing the steps it has taken to enforce compliance by payment card network companies with Section 1075 and related regulations no later than one year after the enactment of the Consolidated Appropriations Act, 2012 (P.L. 112-74). The report should discuss whether any evidence has been found that those companies have been engaging in practices that diminish the ability of small banks and credit unions to compete with large financial institutions in the debit card market, and if so, whether the payment care network companies have been doing so in "collusion or coordination with large financial institutions."

A legislative proposal to transfer control of the FTC's headquarters building to the National Gallery of Art (NGA) is also addressed in the report. In its report on S. 3301, the Committee expresses concern about the cost of such a transfer. That cost can be measured in different ways. One way is the opportunity cost of such a transaction; basically, it would deprive taxpayers of a valuable asset without compensation that could amount to $92 million to $95 million, according to a recent appraisal. Under the proposal, private money would be raised to pay for renovation of the building, but federal money would be needed to cover the cost of maintenance and repairs on the building. A similar arrangement governs the maintenance and report of current NGA buildings which were donated to the NGA. The Committee expressed concern in the report that significant costs could be incurred in building a new facility, or leasing commercial space, for the FTC staff that would be displaced, moving the staff to another facility, and the continuing expenses associated with NGA's use of the headquarters building. The Committee also expressed concern about the direct cost to the federal government of the proposal. It would require the government to buy or lease replacement space for the FTC headquarters; the Congressional Budget Office estimates that it would cost about $300 million to construct a facility larger enough to accommodate the entire operations of the commission. To address these concerns, Section 623 of the bill prohibits the transfer of ownership of the headquarters building to another entity unless the federal government receives fair market value for the property. The Committee also directs the FTC and the General Services Administration to keep it informed of other proposals to change the status of the headquarters building.

General Services Administration[64]

The General Services Administration (GSA) administers federal civilian procurement policies pertaining to the construction and management of federal buildings, disposal of real and personal property, and management of federal property and records. It is also responsible for managing the funding and facilities for former Presidents and presidential transitions.

GSA's real property activities are funded through the Federal Buildings Fund (FBF). The FBF is a revolving fund, into which rental payments from federal agencies that lease GSA space are deposited. Revenue in the fund is then made available by Congress each year to pay for specific activities: construction or purchase of new space, repairs and alterations to existing space, rental payments for space that GSA leases, installment payments, and other building operations expenses. These amounts are referred to as "limitations" because GSA may not obligate more funds from the FBF than permitted by Congress, regardless of how much revenue is available for obligation. Certain debts may also be paid for with FBF funds. A negative total for the FBF occurs when the amount of funds made available for expenditure in a fiscal year is less than the amount of new revenue expected to be deposited. A negative total does not mean that no funds are available from the FBF, only that there is a net gain to the fund under the proposed spending levels.

GSA's operating accounts are funded through direct appropriations, separate from the FBF. The total amount of funding for GSA is calculated by adding the amount of FBF funds made available to the amount of direct appropriations provided. **Table 8** lists the enacted amounts for FY2012, the President's FY2013 request, and amounts recommended by the House and Senate appropriations committees for FY2013.

[64] This section was written by Garrett Hatch (x7-7822).

Table 8. General Services Administration Appropriations, FY2012-FY2013

(in millions of dollars)

Account	FY2012 Enacted	FY2013 Request	FY2013 House Committee	FY2013 Senate Committee	FY2013 Enacted
Federal Buildings Fund	**-$1,205**	**-$1,071**	**-$1,773**	**-$1,051**	
Limitations on Availability of Revenue	8,018	8,619	7,917	8,639	
New Construction	*50*	*56*	*50*	*56*	
Repairs and Alterations	*280*	*495*	*395*	*515*	
Installation payments	*127*	*120*	*120*	*120*	
Rental of Space	*5,210*	*5,549*	*5,210*	*5,549*	
Building Operations	*2,351*	*2,400*	*2,142*	*2,400*	
Repayment of Debt	*80*	*88*	*88*	*88*	
Rental Income to Fund	-9,303	-9,778	-9,778	-9,778	
Operating Accounts	**$234**	**$272**	**$257**	**$266**	
Government-wide Policy	61	84	61	78	
Operating Expenses	70	67	66	67	
Office of Inspector General	58	59	68	59	
e-Government Fund	12	17	17	17	
Presidential Transition	—	9	9	9	
Federal Citizens Services	34	32	32	32	
Former Presidents	4	4	4	4	
Rescission	-5	—	—	—	
Grand Total	**-$971**	**-$799**	**-$1,518**	**-$786**	

Sources: H.R. 6020; H.Rept. 112-550; S. 3301, S.Rept. 112-177.

Note: Figures in columns may not equal totals due to rounding.

The President proposed a limit of $8.619 billion from the FBF's available revenue for GSA's real property activities in FY2013, $601 million more than was provided in FY2012. The President also requested $272 million for GSA's operating accounts, an increase of $38 million above FY2012 enacted levels.

The House Appropriations Committee recommended $7.916 billion from the FBF be made available to GSA for FY2013, $702 million less than the President's request and $101 million below the amount provided for FY2012. The House committee also recommended $257 million for GSA's operating accounts, $15 million less than the President requested and $23 million more than FY2012 enacted amounts.

The Senate Appropriations Committee recommended $8.639 billion from the FBF be made available to GSA for FY2013, $20 million more than the President requested and $621 million more than was enacted for FY2012. The Senate committee also recommended $266 million for

GSA's operating accounts, $6 million less than the President requested and $32 million more than was enacted for FY2012.

Electronic Government Fund[65]

Originally unveiled in advance of the President's proposed budget for FY2002, the Electronic Government Fund (E-Government Fund) and its appropriation have been a somewhat contentious matter between the President and Congress. The E-Government Fund was created to support interagency e-government initiatives approved by the Director of OMB.[66] The fund and the projects it sustains historically have been closely scrutinized by congressional appropriators. The President's initial $20 million request for FY2002 was cut to $5 million, which was the amount provided for FY2003, as well. Funding thereafter was held at $3 million for FY2004, FY2005, FY2006, FY2007, and FY2008. In FY2009, President George W. Bush requested $5 million for the E-Government Fund. Congress, however, provided no appropriation to the E-Government Fund in FY2009.[67] In FY2010, Congress appropriated $34 million to the fund. In FY2011, the appropriation dropped to $8 million.

For FY2012, House and Senate appropriators recommended the Electronic Government Fund be combined with the Federal Citizen Services Fund and renamed the "Information and Engagement for Citizens" account.[68] House appropriators recommended the new joint fund be appropriated $50 million and Senate appropriators recommended $39.1 million. The FY2012 conference report contained appropriations for the Electronic Government Fund and the Federal Citizen Service Fund as separate entities.[69] The $12.4 million appropriated to the Electronic Government Fund for

---

[65] This section was written by Wendy Ginsberg (x7-3933).

[66] Pursuant to 44 U.S.C. § 3604, the E-Government Fund projects "may include efforts to make Federal Government information and services more readily available to members of the public (including individuals, businesses, grantees, and State and local governments); make it easier for the public to apply for benefits, receive services, pursue business opportunities, submit information, and otherwise conduct transactions with the Federal Government; and enable Federal agencies to take advantage of information technology in sharing information and conducting transactions with each other and with State and local governments." According to the President's FY2013 budget request, the Electronic Government Fund "provides for inter-agency electronic government, or E-Gov, initiatives and projects, which use the Internet or other electronic methods to provide individuals, businesses, and other government agencies with simpler and more timely access to Federal information, benefits, on-line services, and business opportunities. The appropriation also furthers the implementation of the Government Paperwork Elimination Act of 1998, which calls upon agencies to provide the public with optional use and acceptance of electronic information, services, and signatures, when practicable, and fosters increased accountability and transparency of Government." *The Budget for 2013: Appendix*, p. 1227.

[67] The E-Gov Fund, in previous years, was not spending its full appropriation. For FY2009, therefore, House appropriators recommended no additional funding for the account, and Senate appropriators recommended $1 million for the fund. The consolidated continuing appropriations act temporarily returned the E-Gov Fund to a $3 million appropriation for FY2009. The omnibus budget, however, eliminated all FY2009 E-Gov Fund appropriations. The E-Gov Fund received no FY2009 appropriation.

[68] H.Rept. 112-136, p. 52; and S.Rept. 112-79, p. 86. According to S.Rept. 111-238, the Federal Citizen Services Fund provides salaries and expenses for the Office of Citizen Services, which "provides citizens, businesses, other governments, and the media with access points to easily obtain Government information and services," including USA.gov. See U.S. Congress, Senate Committee on Appropriations, *Financial Services and General Government Appropriations Bill, 2011*, 111th Cong., 2nd sess., July 29, 2010, S.Rept. 111-238 (Washington: GPO, 2010), p. 98.

[69] H.Rept. 112-331, p. 128.

FY2012 was $4.4 million (55%) more than the $8 million appropriated in FY2011 and $21.6 million (63.5%) less than the $34 million requested by President Obama for FY2012.[70]

In FY2013, President Obama requested $16.7 million for the Electronic Government Fund, $17.3 million (50.9%) less than his FY2012 request.[71] House and Senate appropriators recommended the same funding level as the President.[72] The House included language in its report related to the operations of *USAspending.gov*, an online database that seeks to make federal spending more transparent and accessible to the public. The language stated that "if the responsibility" to administer *USAspending.gov* were "changed by statute," all Electronic Government Funds would be transferred to the agency assigned the responsibility to administer the website.[73] Additionally as in previous years, the House report would require GSA and OMB to provide Congress "a detailed expenditure plan" that includes "the budget, timeline, objectives and expected benefits and savings realized for each project" prior to any funding being allocated to the agencies.[74]

Independent Agencies Related to Personnel Management Appropriations

The FSGG appropriations bill includes funding for four agencies with personnel management functions: the Federal Labor Relations Authority (FLRA), the Merit Systems Protection Board (MSPB), the Office of Personnel Management (OPM), and the Office of Special Counsel (OSC). **Table 9** lists the enacted amounts for FY2012, the President's FY2013 request, and amounts recommended by the House and Senate appropriations committees for FY2013, for each of these agencies.

---

[70] The Federal Citizen Services Fund received an individual appropriation of $34.1 million for FY2012. The combined appropriation for the Electronic Government Fund and the Federal Citizen Services Fund for FY2012 is $46.5 million, $3.5 million (7%) less than House appropriators recommended—but $7.4 million (14.8%) more than recommended by Senate appropriators. At a September 21, 2011, hearing before the House Committee on Science, Space, and Technology's Subcommittee on Technology and Innovation, David McClure, associate administrator at the General Services Administration—the federal agency that serves as a steward for many Electronic Government Fund projects, testified that a reduction in the agency's appropriation could force the federal government to limit work to "existing projects rather than fueling new creative ways to save money for the government." U.S. Congress, House Committee on Science, Space, and Technology, Subcommittee on Technology and Innovation, *The Next IT Revolution?: Cloud Computing Opportunities and Challenges*, 112th Cong., 1st sess., September 21, 2011. A webcast of the hearing is available at the House Science, Space, and Technology's website: http://science.house.gov/hearing/technology-and-innovation-subcommittee-hearing-cloud-computing. Mr. McClure's comment was made during the question and answer period of the hearing, soon after the 1 hour, 8 minute mark.

[71] *The Budget for 2013: Appendix*, p. 1227.

[72] H.Rept. 112-550, p. 58; S.Rept. 112-177, p. 87.

[73] H.Rept. 112-550, p. 58.

[74] H.Rept. 112-331, p. 128.

Table 9. Independent Agencies Related to Personnel Management Appropriations, FY2012-FY2013

(in millions of dollars)

Agency	FY2012 Enacted	FY2013 Request	FY2013 House Committee	FY2013 Senate Committee	FY2013 Enacted
Federal Labor Relations Authority	$24.7	$24.8	$24.5	$25.2	
Merit Systems Protection Board (total)	42.6	41.0	41.0	43.4	
Salaries and Expenses	*40.3*	*38.6*	*38.6*	*41.1*	
Limitation on Administrative Expenses	*2.3*	*2.3*	*2.3*	*2.3*	
Office of Personnel Management (total)	21,127.6	20,879.7	20,877.7	20,879.7	
Salaries and Expenses	*97.8*	*90.5*	*89.6*	*90.5*	
Limitation on Administrative Expenses	*112.5*	*114.7*	*114.0*	*114.7*	
Office of Inspector General (salaries and expenses)	*3.1*	*4.2*	*4.0*	*4.2*	
Office of Inspector General (limitation on administrative expenses)	*21.2*	*21.2*	*21.2*	*21.2*	
Government Payments for Annuitants, Employee Health Benefits[a]	*10,467.0*	*10,818.0*	*10,818.0*[b]	*10,818.0*	
Government Payments for Annuitants, Employee Life Insurance[a]	*50.0*	*51.0*	*51.0*[b]	*51.0*	
Payment to Civil Service Retirement and Disability Fund[a]	*10,076.0*	*9,780.0*	*9,7800*[b]	*9,780.0*	
Office of Special Counsel	$18.5	$18.7	$19.0	$19.0	

Sources: Division C of P.L. 111-117, P.L. 112-74, *FY2013 Budget, Appendix,*, pp. 1345-1346, 1357, 1251-1263, and 1385, the respective agency FY2013 congressional budget submissions, H.Rept. 112-550, and S.Rept. 112-177. Amounts are rounded.

Notes: All figures are rounded, and columns also may not equal the total due to rounding.

a. Mandatory appropriations. For FY2012, the appropriations act provides "such sums as may be necessary" for the health benefits, life insurance, and retirement accounts. The Office of Personnel Management's *Congressional Budget Justification* for FY2012 states the FY2012 amounts for these accounts as $10,817.0 million (health benefits), $47 million (life insurance), and $10,978.0 million (retirement) at pp. 161-163. The *FY2012 Budget Appendix*, at pp. 1151-1153, states the same amounts as the budget justification. OPM's *Congressional Budget Justification* for FY2013 states the FY2013 amounts for these accounts as $11,027.0 million (health benefits), $45 million (life insurance), and $9,176.0 million (retirement) at pp. 147-149. The *FY2013 Budget Appendix*, at pp. 1253-1254, states the same amounts as the budget justification.

b. For FY2012 and FY2013, the House Appropriations Committee did not include funding for three OPM accounts—health benefits, life insurance, and retirement—in Title V of the FSGG bill, as it had in previous years. Instead, funding for these accounts—which are mandatory—was provided in Section 628 of H.R. 2434 (FY2012) and Section 626 of H.R. 6020 (FY2013). In this report, funding for health benefits, life insurance, and retirement is included in Title V to be consistent with prior year calculations. According to the House Committee on Appropriations report, "These are accounts where authorizing language requires the payment of funds." The FY2012 report stated that the Congressional Budget Office estimated the following costs: $10,862.0 million for the Government Payment for Annuitants, Employee Health Benefits; $52 million for the Government Payment for Annuitants, Employee Life Insurance; and $9,979.0 million for Payment to the Civil Service Retirement and Disability Fund. The FY2013 report stated the following estimated costs: $10,818.0 million for the Government Payment for Annuitants, Employee Health Benefits; $51 million for the Government Payment for Annuitants, Employee Life Insurance; and $9,780.0 million for Payment to the Civil Service Retirement and Disability Fund.

Federal Labor Relations Authority[75]

The FLRA is an independent federal agency that administers and enforces Title VII of the Civil Service Reform Act of 1978. Title VII is also called the Federal Service Labor-Management Relations Statute (FSLMRS). The FSLMRS gives federal employees the right to join or form a union and to bargain collectively over the terms and conditions of employment. Employees also have the right not to join a union that represents employees in their bargaining unit. The statute excludes specific agencies and gives the President the authority to exclude other agencies for reasons of national security. Agencies that are excluded from the statute include the Federal Bureau of Investigation (FBI), Central Intelligence Agency (CIA), Government Accountability Office (GAO), National Security Agency (NSA), Tennessee Valley Authority (TVA), Federal Labor Relations Authority (FLRA), Federal Service Impasses Panel (FSIP), and the Secret Service.

The FLRA consists of a three-member authority, the Office of General Counsel, and the FSIP. The three members of the authority and the General Counsel are appointed to five-year terms by the President with the advice and consent of the Senate.

The authority resolves disputes over the composition of bargaining units, charges of unfair labor practices, objections to representation elections, and other matters. The General Counsel's office conducts representation elections, investigates charges of unfair labor practices, and manages the FLRA's regional offices. The FSIP resolves labor negotiation impasses between federal agencies and labor organizations.

The President's FY2013 budget proposed an appropriation of $24.8 million for the FLRA, $0.1 million, or 0.3%, more than the agency's FY2012 appropriation of $24.7 million.

The House Appropriations Committee bill provides the FLRA with $24.5 million in funding for FY2013, which is $0.2 million less than the FY2012 appropriation and $0.3 million less than the amount requested by the President. The Senate Appropriations Committee funded the FLRA at $25.2 for FY2013, an increase of $0.5 million above the funding level for FY2012, $0.4 million more than the President's request, and $0.7 million more than the amount recommended by the House Appropriations Committee.

[75] This section was written by Gerald Mayer (x7-7815) and Barbara L. Schwemle (x7-8655).

Merit Systems Protection Board[76]

The Merit Systems Protection Board (MSPB) is an independent, quasi-judicial agency established to protect the civil service merit system. The MSPB adjudicates appeals primarily involving personnel actions, certain federal employee complaints, and retirement benefits issues.

The President's budget requested an FY2013 appropriation of $41 million (including $38.6 million for salaries and expenses) for the MSPB, an amount that was $1.6 million (-3.8%) below the FY2012 funding of $42.6 million. The agency's FTE employment level was estimated to be 211 for FY2013, the same as the FY2012 enacted level.

MSPB's authorization expired on September 30, 2007.[77] The 110th Congress considered, but did not act upon, legislation (S. 2057, H.R. 3551) that would have reauthorized the MSPB for three years and enhanced the agency's reporting requirements. Legislation to reauthorize the agency was not introduced in the 111th Congress and has not been introduced in the 112th Congress.

H.R. 6020, as reported, provided an appropriation of $41 million (including $38.6 million for salaries and expenses) that was $1.6 million (-3.8%) less than the FY2012 enacted amount and the same as the President's request.

S. 3301, as reported, provided an appropriation of $43.4 million (including $41 million for salaries and expenses) which was the $797,000 (+1.9%) more than the FY2012 enacted amount, and $2.4 million (+5.9%) more than the President's request.

Office of Personnel Management[78]

The President's budget requested an FY2013 appropriation of $90.5 million for OPM salaries and expenses, a decrease of $7.2 million (-7.4%) from the FY2012 enacted appropriation of $97.8 million. This amount included funding of $6 million for the Enterprise Human Resources Integration (HRI) project and $1.4 million for the Human Resources Line of Business (HRLOB) project. The budget also requested appropriations of $114.7 million for trust fund transfers; $4.2 million for Office of Inspector General (OIG) salaries and expenses; and $21.2 million for OIG trust fund transfers for FY2013. These amounts are $2.2 million (+1.9%) more, $1 million (+34.7%) more, and $2,000 less, respectively, than the FY2012 enacted appropriations. The agency's FTE employment level was estimated to be 5,261 for FY2013, 411 less than the FY2012 enacted level of 5,672.

The agency's budget submission stated that the budget "will permit OPM to pursue long-term human resources strategies that deliver results and enhance the values of the civil service," and "permits increased staffing levels ... to maintain timely processing of retirement claims and provide services to annuitants."[79] In addition, it allowed the Office of Inspector General to "continue to advance its prescription drug audit program, which includes audits of pharmacy benefit managers," and to continue the Federal Employees' Health Benefits Program (FEHBP)

[76] This section was written by Barbara L. Schwemle (x7-8655).

[77] 5 U.S.C. §5509.

[78] This section was written by Barbara L. Schwemle (x7-8655).

[79] *FY2013 Budget, Appendix*, pp. 1251-1252.

"claims data warehouse initiative" that "streamlines and enhances the various administrative and analytical procedures involved in the oversight of the FEHBP."[80]

H.R. 6020, as reported, provided appropriations of $89.6 million for OPM salaries and expenses, $114 million for trust fund transfers, $4 million for OIG salaries and expenses, and $21.2 million for OIG trust fund transfers. These amounts were, respectively, $921,000 (-1%) less, $708,000 (-0.6%) less, $232,000 (-5.5%) less, and the same, as the President's request.

Section 626(a)(3)(4)(5) of H.R. 6020 provided the mandatory appropriations for the health benefits, life insurance, and retirement accounts. According to the House Committee on Appropriations report, "These are accounts where authorizing language requires the payment of funds." The report stated that the budget request assumed the following estimated costs: $10,818.0 million for the Government Payment for Annuitants, Employee Health Benefits; $51 million for the Government Payment for Annuitants, Employee Life Insurance; and $9,780.0 million for Payment to the Civil Service Retirement and Disability Fund.[81]

The House committee report directed OPM to adopt a GAO recommendation "to improve transparency of the costs of background investigations, including" data "the main cost drivers." The committee "encourage[d] Federal agencies to increase recruitment efforts within the United States territories."

S. 3301, as reported, provided appropriations of $90.5 million for OPM salaries and expenses, $114.7 million for trust fund transfers, $4.2 million for OIG salaries and expenses, and $21.2 million for OIG trust fund transfers. These amounts were the same as the President's request.

The Senate report directed OPM "to inform the Committee of developments to improve" the rates for processing retirement claims and "to continue providing reports and status update briefings, as developments and milestones occur, and future plans are determined" for modernization of the retirement records system.

Office of Special Counsel[82]

The President's budget requested an FY2013 appropriation of $18.7 million for the Office of Special Counsel (OSC), an amount that was $280,000 (-1.5%) less than the FY2012 funding of almost $19 million. The agency's FTE employment level was estimated to be 107 for FY2013, 3 less than the estimated FTE level of 110 for FY2012. The agency's budget submission projected an increase of between 6% and 8% in the number of whistleblower disclosure, Hatch Act, and prohibited personnel practice cases received. In addition, "several hundred additional cases" are expected to be received under the new Uniformed Services Employment and Reemployment Rights Act (USERRA) demonstration project. According to OSC, the requested funding will enable the agency "to maintain the staffing level necessary to operate the agency, pursue its mission, and keep case backlogs low."

OSC's authorization expired on September 30, 2007.[83] The 110th Congress considered, but did not act upon, legislation (S. 2057, H.R. 3551) that would have reauthorized the agency for three years

---

[80] Ibid, p. 1253.

[81] H.Rept. 112-550, p. 83.

[82] This section was written by Barbara L. Schwemle (x7-8655).

and included provisions to enhance OSC's reporting requirements. Legislation to reauthorize the agency was not introduced in the 111th Congress and has not been introduced in the 112th Congress.

H.R. 6020, as reported, and S. 3301, as reported, provided an appropriation of almost $19 million that was the same as the FY2012 enacted amount and $280,000 (+1.5%) more than the President's request. The Senate report included the committee's acknowledgement that the agency continues to experience rapid growth in its caseload.

National Archives and Records Administration[84]

President Obama requested $386.8 million in FY2013 appropriations for the National Archives and Records Administration (NARA), which is almost $5.2 million (13.3%) less than NARA's FY2012 appropriation ($392.0 million).[85] Operating expenses account for the largest portion of the appropriation, 96.1% or $371.7 million. Similar to the FY2012 request, President Obama combined his requests for operating expenses with that for the Electronic Records Archive (ERA) because development of ERA was largely completed.[86] In addition, the administration requested $17 million from the operating expenses be used to reduce debt accumulated as a result of the construction of its Archives II facility in College Park, MD.[87] The President recommended maintaining the Office of Inspector General's $4.1 million appropriation, reducing the appropriation for repairs and restorations by $1.1 million (12.1% decrease, from more than $9.1 million in FY2012 to $8.0 million in FY2013), and reducing by $2 million (40.0%) the appropriation for the National Historic Publications and Records Commission (NHPRC) (from $5.0 million in FY2012 to $3.0 million for FY2013).

House appropriators recommended NARA receive nearly $385.7 million in FY2013, which is $2.7 million (<1%) less than the $388.4 million it received in FY2012.[88] The committee recommended NARA receive nearly $371.1 million in operating expenses, with $17 million of that appropriation to be used to reduce accumulated debt related to the construction of Archives II—as requested by the Administration. Operating expenses would include operation of ERA.

(...continued)

83 5 U.S.C. §5509.

84 This section was written by Wendy Ginsberg (x7-3933).

85 *The Budget for 2013: Appendix*, p. 1359.

86 Appropriation levels for the ERA were reduced in FY2011. In FY2010, the ERA was appropriated $85.5 million. In FY2011, the appropriation was reduced to $71,856,000. The reduction in ERA appropriation levels for FY2011 followed the release of two Government Accountability Office (GAO) reports that raised serious concerns about the implementation of the ERA. One report said that NARA's oversight of the acquisition processes related to creating the Electronic Record Archive had "weaknesses … in most areas." See U.S. Government Accountability Office, *Electronic Records Archive: National Archives Needs to Strengthen Its Capacity to Use Earned Value Techniques to Manage and Oversee Development*, GAO 11-86, January 2011, Highlights, http://www.gao.gov/new.items/d1186.pdf; and U.S. Government Accountability Office, *Electronic Government: National Archives and Records Administration's Fiscal Year 2011 Expenditure Plan*, GAO 11-299, March 4, 2011, Highlights, http://www.gao.gov/new.items/d11299.pdf.

87 P.L. 100-440; 102 Stat. 1743-44. Enacted in 1988, P.L. 100-440 provided NARA the authority to "contract for construction and related services" to build a new facility. Pursuant to the law, NARA is to "lease" or make "installment payments payable out of annual appropriations over a period not to exceed 30 years." See National Archives and Records Administration, "2012 Performance Budget—Congressional Justification," p. III-12, at http://www.archives.gov/about/plans-reports/performance-budget/2011/2012-performance-budget.pdf.

88 H.Rept. 112-550, pp. 65-66.

This amount is nearly $2.2 million (<1%) less than the FY2012 appropriation for repairs and restorations ($373.3 million), and nearly $600,000 less than from the President's FY2013 budget request. House appropriators matched both the President's request for the Office of Inspector General and his request for repairs and restoration. No appropriation is recommended for any new construction projects; all of the appropriation is to maintain existing facilities. House appropriators recommended the NHPRC be appropriated $2.5 million, which is $0.5 million (16.7%) less than the President recommended for FY2013, $2.5 million (50%) less than NHPRC was appropriated in FY2012, but $1.5 million (150%) more than House appropriators recommended for FY2012. In its report, House appropriators included the following language:

> The Committee is concerned about recent reports regarding missing classified material. The Committee is aware that the Archivist is working to address these concerns and will continue to monitor NARA's progress on this matter.[89]

House appropriators also praised NARA's efforts to make available records related to the Katyn Forest during WWII.[90]

Senate appropriators recommended $388.8 million in FY2013 appropriations for NARA, which is $2 million (<1%) more than the President's budget request and $2.7 million (<1%) less than the $391.5 million FY2012 appropriation.[91] The Senate committee recommended the same amount as the President for operating expenses, although they included language requiring NARA to prioritize ERA. The committee also matched the President's request for the Office of Inspector General as well as for repairs and restoration. The $2 million difference between the Administration's request and the appropriators' recommendation is for the NHPRC. Senate appropriators recommended $5 million for the commission, while the President requested $3 million for FY2013.

Like House appropriators, Senate appropriators stated some concerns about NARA's security and inventory controls, and included the following language:

> The Committee directs and expects NARA to institute and enforce effective inventory controls and adequate levels of security within its facilities to reduce the risk of loss, damage, or destruction of irreplaceable historic documents and artifacts…. [The Committee recommends NARA] explore bar-coding and other innovative alternatives for cataloging boxed materials entrusted to NARA's care, institute enhanced quality controls, regain accountability for the security of classified records in its custody, and institute more stringent management controls at the Washington National Records Center and any other facilities in which NARA is the custodian of Federal records.[92]

---

[89] Ibid., p. 63. For more information on the security of classified materials at NARA, see the National Archives and Records Administration Office of the Inspector General, "Audit Report 12-02: Management of Records at the Washington National Records Center, Report #1," at http://www.archives.gov/oig/pdf/2012/audit-report-12-02.pdf.

[90] Eliminating the backlog on the Katyn Forest records was listed as a priority in NARA's Open Government Plan. For more information see, "Open Government Plan, National Archives and Records Administration," 2012-2014, p. 36, at http://www.archives.gov/open/open-government-plan-2.0.pdf.

[91] S.Rept. 112-177, pp. 92-95.

[92] S.Rept. 112-177, p. 93.

National Credit Union Administration[93]

The NCUA is an independent federal agency funded largely by the credit unions that the agency charters, insures, and regulates. The NCUA manages the Community Development Revolving Loan Fund Program (CDRLF). Established in 1979, the CDRLF assists officially designated "low-income" credit unions in providing basic financial services to low-income communities. Low-interest loans and deposits are made available to assist these credit unions. Loans or deposits are normally repaid in five years, although shorter repayment periods may be considered. Technical assistance grants are also available to low-income credit unions. Earnings generated from the CDRLF are available to fund technical assistance grants in addition to funds provided for specifically in appropriations acts. Grants are available for improving operations as well as addressing safety and soundness issues.

The NCUA received $1.25 million for grants in FY2012. The President requested, and the House Committee on Appropriations recommended, $1.19 million for FY2013, a decrease of approximately $60,000 from FY2012 appropriations. The Senate Committee on Appropriations recommended $500,000 for FY2013, a decrease of approximately $750,000 from FY2012 enacted amounts.

Privacy and Civil Liberties Oversight Board[94]

Originally established in 2004 by the Intelligence Reform and Terrorism Prevention Act as an agency within the EOP,[95] the Privacy and Civil Liberties Oversight Board (PCLOB) was reconstituted as an independent agency within the executive branch by the Implementing Recommendations of the 9/11 Commission Act of 2007 (P.L. 110-53).[96] The board assumed its new status on January 30, 2008; its FY2009 appropriation was its first funding as an independent agency.[97] Among its responsibilities, the five-member board is to (1) ensure that concerns with respect to privacy and civil liberties ar appropriately considered in the implementation of laws, regulations, and executive branch policies related to efforts to protect the nation against terrorism; (2) review the implementation of laws, regulations, and executive branch policies related to efforts to protect the nation from terrorism, including the implementation of information sharing guidelines; and (3) analyze and review actions the executive branch takes to protect the nation from terrorism, ensuring that the need for such actions is balanced with the need to protect privacy and civil liberties. The board is to advise the President and the heads of executive branch departments and agencies on issues concerning, and findings pertaining to, privacy and civil liberties. The board is to provide annual reports to Congress detailing its activities during the year, and board members appear and testify before congressional committees upon request.

On August 2, 2012, four members of the PCLOB were confirmed by the Senate, although the length of the term varies for each member: Patricia M. Wald's term ends in January 2013;

---

[93] This section was written by Darryl Getter (x7-2834).

[94] This section was written by Garrett Hatch (x7-7822).

[95] 118 Stat. 3638 at 3684.

[96] 121 Stat. 266 at 352.

[97] See CRS Report RL34385, *Privacy and Civil Liberties Oversight Board: New Independent Agency Status*, by Garrett Hatch.

Elisabeth C. Cook's in January 2014; James X. Dempsey's in January 2016; and Rachel L. Brand's in January 2017.[98]

The PCLOB received $900,000 for FY2012, and had $1 million in unobligated funds from FY2011 rescinded. The President requested, and the Senate Appropriations Committee recommended, $1 million for the PCLOB in FY2013. The House Appropriations Committee recommended no new appropriations for FY2013 and a rescission of the $900,000 appropriated for FY2012.

Recovery Accountability and Transparency Board[99]

The Recovery Accountability and Transparency Board (Recovery Board) was established by the American Recovery and Accountability Act of 2009 (P.L. 111-5) to provide oversight and transparency in the expenditure of Recovery Act funds. The Recovery Board was funded through the FSGG appropriations bill for the first time in FY2012, receiving $28 million in enacted appropriations. In previous fiscal years, the board was funded by a Recovery Act appropriation which is now exhausted. The President requested, and the Senate and House Appropriations Committees both recommended, $32 million for the Recovery Board for FY2013, which would be $4 million above FY2012 enacted levels.

Securities and Exchange Commission[100]

The Securities and Exchange Commission (SEC) administers and enforces federal securities laws to protect investors from fraud, to ensure that sellers of corporate securities disclose accurate financial information, and to maintain fair and orderly trading markets. The SEC's budget is set through the normal appropriations process, but under the Dodd-Frank Act the agency's appropriations must be offset by fees it collect from securities exchanges on the sales of stock and certain other securities transactions on those exchanges. The collections go directly to the Treasury Department. To achieve the offset, the act requires the agency to adjust the rates its charges for those fees, making the agency's budget deficit-neutral.

For FY2013, the Administration requested $1.566 billion. The House Appropriations Committee has recommended that the agency's FY2013 budget be $1.371 billion. In S. 3301, the Senate Appropriations Committee recommended that the SEC receive $1.566 billion for FY2013, the same amount requested by the Administration. For FY2012, the agency's appropriated budget is $1.321 billion.

The Dodd-Frank Act also established an SEC Reserve Fund to enable the agency to plan for certain long-term expenses, potentially freeing up other funds for agency use in areas such as enforcement and regulation. The reserve fund is funded by the agency's traditional collections on registration fees. In any single fiscal year, the SEC may not collect more than $50 million in fees for the reserve fund, and it cannot exceed more than $100 million. Collections in excess of these go to the Treasury Department. Arguing that the SEC should request the total amount of annual

[98] U.S. Congress, Senator Patrick Leahy, "Confirmation of Nominees to the Privacy and Civil Liberties Oversight Board," press release, August 2, 2012.

[99] This section was written by Garrett Hatch (7x7822).

[100] This section was written by Gary Shorter (x7-7772).

funding that it deems necessary within the context of the Congressional appropriations process, the House Appropriations Committee also recommended that the SEC be prohibited from using funds in the Reserve Fund during FY2013.

Selective Service System[101]

The Selective Service System (SSS) is an independent federal agency operating with permanent authorization under the Military Selective Service Act.[102] It is not part of the Department of Defense, but its mission is to serve the emergency manpower needs of the military by conscripting personnel when directed by Congress and the President.[103] All males ages 18 through 25 and living in the United States are required to register with the SSS. The induction of men into the military via Selective Service (i.e., the draft) terminated in 1972. In January 1980, President Carter asked Congress to authorize standby draft registration of both men and women. Congress approved funds for male-only registration in June 1980. Efforts are underway to allow women to serve in combat units which may lead to the modification of registration to include women.

Since 1972, Congress has not renewed any President's authority to begin inducting (i.e., drafting) anyone into the armed services. In 2004, an effort to provide the President with induction authority was rejected.[104]

Funding of the Selective Service System has remained relatively stable over the years in terms of absolute dollars, but has decreased in terms of inflation adjusted funding. For FY2011, it received $24.23 million. For FY2012, Congress appropriated $23.98 million. The House passed version recommends a substantial reduction for FY2013: $12.2 million appropriation or $12.2 less then the original budget request.

Small Business Administration[105]

The Small Business Administration (SBA) administers a number of programs intended to assist small firms. Arguably, the SBA's four most important functions are to guarantee—principally through the agency's Section 7(a) and 504/Certified Development Company general business loan programs—loans made by banks and other financial institutions to small businesses; to make long-term, low-interest loans to small businesses, nonprofit organizations, and households that are victims of hurricanes, earthquakes, floods, other physical disasters, and acts of terrorism; to finance training and technical assistance programs for small business owners; and to serve as an advocate for small business within the federal government.

The SBA was provided $918.8 million for FY2012, an increase of $189.1 million (25.9%) over its FY2011 appropriation of $729.7 million (P.L. 112-10, the Department of Defense and Full-Year Continuing Appropriations Act, 2011). The SBA was provided an appropriation of $417.3 million for salaries and expenses. Included in that amount is $172.3 million for the following programs: Veteran's Programs, 7(j) Technical Assistance Programs, Small Business Development

---

[101] This section was written by David Burrelli (x7-8033).

[102] 50 U.S.C. App. §451 et seq.

[103] See http://www.sss.gov/.

[104] See H.R. 163, October 5, 2004, failed by Yeas and Nays (Roll no. 494).

[105] This section was written by Robert Dilger (x7-3110).

Centers, the Service Corps of Retired Executives (SCORE), Women's Business Centers, National Women's Business Council, Native American Outreach, Microloan Technical Assistance, PRIME, Historically Underutilized Business Zones (HUBZones), and the Entrepreneurial Development Initiative. The act also appropriates $16.3 million for the SBA Office of Inspector General (not including $1.0 million to be transferred from the Disaster Loans Program account), $9.1 million for the SBA Office of Advocacy, $358.7 million for general business loans ($3.7 million for Microloans, $207.1 million for business loan credit subsidies, and $148.0 million for business loan administrative costs), and $117.3 million for the SBA's disaster loan program.

The act also authorized up to $28.0 billion in small business loan guarantees ($17.5 billion for the 7(a) loan guaranty program, $7.5 billion for the 504/Certified Development Company loan guaranty program, and $3.0 billion for the Small Business Investment Company Program) and up to $12.0 billion for the secondary market guarantee program.

For FY2013, President Obama requested $1.115 billion for the SBA, an increase of $196.6 million (21.4%) over the FY2012 enacted amount of $918.8 million.[106] The Administration requested $423.6 million for salaries and expenses. Included in that amount was $159.1 million for non-credit programs. The Administration also requested $19.4 million for the SBA's Office of Inspector General (not including $1.0 million to be transferred from the Disaster Loans Program account), $8.9 million for the SBA Office of Advocacy, $496.5 million for general business loans ($2.8 million for Microloans, $348.6 million for business loan credit subsidies, and $145.1 million for business loan administrative costs), and $167.0 million for the SBA's disaster loan program.

The Administration's proposal would authorize up to $25.0 billion in small business loan guarantees ($16.0 billion for the 7(a) loan guaranty program, $6.0 billion for the 504/Certified Development Company loan guaranty program, and $3.0 billion for the Small Business Investment Company Program) and up to $12.0 billion for the secondary market guarantee program.

The Senate Committee on Appropriations approved $1.124 billion for the SBA, an increase of $204.9 million (22.3%) over the FY2012 enacted amount of $918.7 million, and $8.3 million above the Administration's request.107 The Senate Committee approved $445.5 million for salaries and expenses. Included in that amount was $179.7 million for non-credit programs. The Senate Committee also approved $19.4 million for the SBA's Office of Inspector General (not including $1.0 million to be transferred from the Disaster Loans Program account), $9.15 million for the SBA Office of Advocacy, $482.7 million for general business loans ($4.0 million for Microloans, $333.6 million for business loan credit subsidies, and $145.1 million for business loan administrative costs), and $167.0 million for the SBA's disaster loan program.

The Senate Committee would authorize up to $26.0 billion in small business loan guarantees ($16.0 billion for the 7(a) loan guaranty program, $6.0 billion for the 504/Certified Development Company loan guaranty program, and $4.0 billion for the Small Business Investment Company Program) and up to $12.0 billion for the secondary market guarantee program.

---

[106] U.S. Office of Management and Budget, *FY2013, Budget of the United States Government, Appendix*, Washington, DC, pp. 1265-1275.

[107] U.S. Congress, Senate Committee on Appropriations, *Financial Services and General Government Appropriations Bill, 2013*, report to accompany S. 3301, 112th Cong., 2nd sess., June 14, 2012, S.Rept. 112-177 (Washington: GPO, 2012), p. 111.

The Senate bill would also extend for another year the SBA's authority to refinance loans that do not involve business expansions under the 504/CDC loan guarantee program. This temporary authority, provided by P.L. 111-240, the Small Business Jobs Act of 2010, is scheduled to expire on September 27, 2012.

The House Committee on Appropriations approved $1.158 billion for the SBA, an increase of $239.7 million (26.1%) over the FY2012 enacted amount of $918.8 million, and $43.1 million more than the Administration's request.108 The House Committee approved $415.0 million for salaries and expenses. Included in that amount was $178.27 million for non-credit programs. The House Committee also approved $17.3 million for the SBA's Office of Inspector General (not including $1.5 million to be transferred from the Disaster Loans Program account), $9.12 million for the SBA Office of Advocacy, $550.1 million for general business loans ($2.8 million for Microloans, $402.2 million for business loan credit subsidies, and $145.1 million for business loan administrative costs), and $167.0 million for the SBA's disaster loan program.

The House Committee would authorize up to $28.0 billion in small business loan guarantees ($17.5 billion for the 7(a) loan guaranty program, $7.5 billion for the 504/Certified Development Company loan guaranty program, and $3.0 billion for the Small Business Investment Company Program) and up to $12.0 billion for the secondary market guarantee program.

The House bill does not address the SBA's authority to refinance loans that do not involve business expansions under the 504/CDC loan guarantee program.

United States Postal Service[109]

The U.S. Postal Service (USPS) generates nearly all of its funding—about $67 billion annually—by charging users of the mail for the costs of the services it provides.[110] However, Congress does provide an annual appropriation to compensate the USPS for revenue it forgoes in providing free mailing privileges to the blind[111] and overseas voters.[112] Congress authorized appropriations for these purposes in the Revenue Forgone Reform Act of 1993 (RFRA).[113] This act also permitted Congress to provide the USPS with a $29 million annual reimbursement until 2035 to pay for the costs of postal services provided at below-cost rates to not-for-profit organizations in the early

108 U.S. Congress, House Committee on Appropriations, *Financial Services and General Government Appropriations Bill, 2013*, report to accompany H.R. 6020, 112th Cong., 2nd sess., June 26, 2012, H.Rept. 112-550 (Washington: GPO, 2012), p. 75.

109 This section was written by Kevin Kosar (x7-3968). Also see CRS Report RS21025, *The Postal Revenue Forgone Appropriation: Overview and Current Issues*, by Kevin R. Kosar.

110 U.S. Postal Service, *United States Postal Service Annual Report 2011* (Washington: USPS, 2010), p. 3.

111 84 Stat. 757; 39 U.S.C. 3403. See also USPS, *Mailing Free Matter for Blind and Visually Handicapped Persons: Questions and Answers*, Publication 347 (Washington: USPS, May 2005), available at http://www.usps.com/cpim/ftp/pubs/pub347.pdf.

112 Members of the Armed Forces and U.S. citizens who live abroad are eligible to register and vote absentee in federal elections under the provisions of the Uniformed and Overseas Citizens Absentee Voting Act of 1986 (42 U.S.C. 1973ff-ff-6). See CRS Report RS20764, *The Uniformed and Overseas Citizens Absentee Voting Act: Overview and Issues*, by Kevin J. Coleman.

113 P.L. 103-123, Title VII; 107 Stat. 1267, 39 U.S.C. 2401(c)-(d).

1990s.[114] Funds appropriated to the USPS are deposited in the Postal Service Fund, a revolving fund at the U.S. Department of the Treasury.

The Postal Accountability and Enhancement Act (PAEA), which was enacted on December 20, 2006, first affected the postal appropriations process in FY2009.[115] Under the PAEA, both the U.S. Postal Service Office of Inspector General (USPSOIG) and the Postal Regulatory Commission (PRC) must submit their budget requests directly to Congress and to the Office of Management and Budget (120 Stat. 3240-3241). These two agencies must be funded through the Postal Service Fund. The law further requires USPSOIG's budget submission to be treated as part of USPS's total budget, while the PRC's budget, like the budgets of other independent regulators, is treated separately.[116]

For FY2013, the

- USPS requested $153.6 million,[117] and the President has requested $89.1 million.[118] The House Appropriations Committee and the Senate Appropriations Committee have recommended an appropriation of $89.1 million;[119]
- PRC and the President requested $14.5 million.[120] The House Appropriations Committee recommended a $14.2 million appropriation, and the Senate Appropriations Committee recommended a $14.5 million appropriation;[121] and
- USPSOIG and the President requested $244.4 million.[122] The House Appropriations Committee and the Senate Appropriations Committee both have recommended a $241.5 million appropriation.[123]

Both of the House and Senate FY2013 FSGG bills and reports contain postal policy provisions. The House FSGG legislation would require the USPS to continue six-day delivery in FY2013, although the rule providing for the consideration of this legislation would permit a point of order to be raised (H.Res. 717, Section 2).[124] The Senate legislation also would require the USPS to

---

[114] See CRS Report RS21025, *The Postal Revenue Forgone Appropriation: Overview and Current Issues*, by Kevin R. Kosar.

[115] P.L. 109-435; 120 Stat. 3198. On PAEA's major provisions, see CRS Report R40983, *The Postal Accountability and Enhancement Act of 2006*, by Kevin R. Kosar.

[116] While the PAEA did not authorize any additional appropriations to the Postal Service Fund, it did alter the budget submission process for the USPS's Office of Inspector General (USPSOIG) and the Postal Rate Commission (PRC). In the past, the USPSOIG and the PRC submitted their budget requests to the USPS's Board of Governors. Accordingly, past presidential budgets did not include the USPOIG's or PRC's funding requests or appropriations.

[117] U.S. Postal Service, "Fiscal Year 2013 Budget Congressional Submission," undated, p. I-2.

[118] *Budget of the United States Government, Fiscal Year 2013*, Appendix, p. 1388.

[119] The USPS received an appropriation of $78.2 million in FY2011, with no $29 million RFRA reimbursement.

[120] Postal Regulatory Commission, "Congressional Budget Justification (Performance Budget Plan) Fiscal Year 2013," February 2013, p. 3; and *Budget of the United States Government, Fiscal Year 2013*, Appendix, p. 1392.

[121] The PRC received an appropriation of $14.5 million in FY2012.

[122] U.S. Postal Service Office of Inspector General, "Congressional Justification Fiscal Year 2013," p.6; and *Budget of the United States Government, Fiscal Year 2013*, Appendix, p. 1392.

[123] The USPSOIG received an appropriation of $241.5 million in FY2012.

[124] If a point of order is raised and sustained by the presiding officer, the provision would be stricken. CRS Report R42388, *The Congressional Appropriations Process: An Introduction*, by Jessica Tollestrup.

continue to deliver mail six days per week in FY2013, and forbid it from closing any mail processing facilities before FY2014 (October 1, 2013).[125]

President Obama's FY2013 budget request also proposes changes to postal law, including

- returning the USPS's Federal Employee Retirement System overpayment in two installments in FY2012 and FY2013;[126]
- restructuring the USPS's Retiree Health Benefits Fund (RHBF) payments schedule by reducing the FY2012 and FY2013 payments, recalculating the USPS's unfunded obligation to reflect the USPS's smaller workforce; and permit the USPS to immediately pay its share of current retirees' healthcare premiums from the RHBF;[127]
- ending the six-day delivery mandate on December 31, 2012;[128]
- allowing the USPS to increase collaboration with state and local governments; and
- permitting the USPS to "better align the costs of postage with the costs of mail delivery while still operating within the current price cap" through a 1.8% price increase.

"All together," the *Budget* states, "these reforms would provide USPS with over $25 billion in cash relief over the next two years and produce savings of $25 billion over 11 years."[129]

United States Tax Court[130]

A court of record under Article I of the Constitution, the United States Tax Court (USTC) is an independent judicial body that has jurisdiction over various tax matters as set forth in Title 26 of the *United States Code*. The court is headquartered in Washington, DC, but its judges conduct trials in many cities across the country.

The USTC received $51 million in FY2012. The President requested $53 million for FY2013, an increase of $2 million over FY2012 enacted appropriations. The House Committee on Appropriations recommended $51 million for FY2013, which would be $2 million less than the President's request and the same amount as provided for FY2012. The Senate Appropriations Committee recommended $53 million for the USTC for FY2012, the same as the President requested and $2 million above FY2012 enacted amounts.

---

[125] U.S. Congress, Senate Committee on Appropriations, *Financial Services and General Government Appropriations Bill, FY2013*, 112th Cong., 2nd sess., June 14, 2012, S.Rept. 112-177, pp. 117-118.

[126] On the USPS FERS overpayment issue, see CRS Report R41024, *The U.S. Postal Service's Financial Condition: Overview and Issues for Congress*, by Kevin R. Kosar.

[127] Current law does not permit the USPS to do this until FY2017 (P.L. 109-435, §803; 120 Stat. 3251-3252; 5 U.S.C 8909(d)(3)(A)). On the RHBF, see CRS Report R41024, *The U.S. Postal Service's Financial Condition: Overview and Issues for Congress*, by Kevin R. Kosar.

[128] On six-day mail delivery, see CRS Report R40626, *The U.S. Postal Service and Six-Day Delivery: Issues for Congress*, by Wendy Ginsberg.

[129] *Budget of the United States Government, Fiscal Year 2013*, Appendix, pp. 1388-1394. The Administration's RHBF proposal is detailed on pages 1256-1257.

[130] This section was written by Garrett Hatch (x7-7822).

General Provisions Government-Wide[131]

The Financial Services and General Government Appropriations Act includes general provisions which apply government-wide. Most of the provisions continue language that has appeared under the General Provisions title for several years because Congress has decided to reiterate the language rather than making the provisions permanent. An Administration's proposed government-wide general provisions for a fiscal year are generally included in the Budget Appendix.[132] New provisions proposed in the FY2013 budget follow. These provisions were not included in H.R. 6020, as reported or S. 3301, as reported, except as otherwise noted.

New Government-wide General Provisions Proposed in the Budget for FY2013

- Section 734 would prohibit a pay raise in calendar year 2013 for the Vice President; a political appointee serving in an Executive Schedule position, or in a position for which the rate of pay is fixed by statute at an Executive Schedule rate; a chief of mission or ambassador at large; a noncareer appointee in the Senior Executive Service; and a political appointee paid a rate of basic pay (including locality-based payments) at or above level IV of the Executive Schedule. Included in S. 3301, as reported, at Section 745.
- Section 735 would prohibit the use of funds appropriated, in this or any other act, for FY2013, to provide a pay adjustment to federal blue-collar employees that exceeds: (1) the rate payable for the applicable grade and step of the applicable wage schedule during the period from the date of expiration of the limitation imposed by the comparable section for previous fiscal years until the normal effective date of the applicable wage survey adjustment that is to take effect in FY2013; and (2) as a result of a wage survey adjustment, the rate payable under paragraph (1) by more than the sum of (A) the General Schedule pay adjustment for FY2013 and (B) the difference between the overall average percentage of the locality-based comparability payments taking effect in FY2013, and the overall average percentage of such payments which was effective in the previous fiscal year under such section, during the remainder of FY2013. Included in S. 3301, as reported, at Section 744.
- Section 736 would provide that funds made available and used for Pay for Success projects in this or any other act would support performance-based awards that are designed to promote innovative strategies to reduce the aggregate level of government investment needed to achieve successful outcomes. The awards would impose minimal administrative requirements on service providers to allow for maximum flexibility to improve efficiency and effectiveness. The OMB Director would issue guidance to federal agencies on carrying out such projects. (This provision was also proposed by the Administration in the FY2012 budget request, but was not enacted.)
- Section 737 would provide that federal agencies could use federal discretionary funds, that are made available in this or any other appropriations act for FY2013, to carry out up to a total of 20 Performance Partnership Pilots involving up to a

[131] This section was written by Barbara L. Schwemle (x7-8655).

[132] For FY2013, the provisions are listed in the *Budget, Appendix* at pp. 9-15.

total of $200 million in aggregate federal discretionary budget authority. The pilots would consist of up to 13 pilots (involving up to $130 million in aggregate federal discretionary budget authority) that are designed to improve outcomes for disconnected youth, and involve Federal programs targeted on disconnected youth, or designed to prevent youth from disconnecting from school or work, that provide education, training and employment, and other related social services, and up to 13 pilots (involving up to $130 million in aggregate federal discretionary budget authority) that are designed to support the revitalization of distressed neighborhoods.

- Section 738 would require the OMB Director to report to the House and Senate Committees on Appropriations on at least a quarterly basis on the status of unexpired, unobligated balances of budget authority in executive branch agencies. The reports would, to the extent practicable, separately identify such budget authority for discretionary appropriations and direct spending. With regard to such budget authority for discretionary appropriations, the reports would, to the extent practicable, separately identify those balances that are available to fund reimbursable obligations and all other balances of discretionary budget authority. The reports would be submitted not later than 30 days after the end of a fiscal quarter.

Government Procurement[133]

The financial services appropriations bill often contains provisions that relate to government procurement. With regard to FY2013, S. 3301 includes one such provision. Section 733 prohibits the use of any funds appropriated by this act, or any other appropriations act, to begin or announce a public-private competition for the same fiscal year (FY2013).[134] The prohibition applies to a "public-private competition regarding the conversion to contractor performance of any function performed by Federal employees pursuant to Office of Management and Budget Circular A-76 or any other administrative regulation, directive, or policy."[135] That is, this section apparently applies only to competitions that involve work being performed by federal employees, but it does not apply to public-private competitions involving work being performed by contractor employees. Conversion to contractor performance is only one of the possible outcomes of a public-private competition, however, which might lead some observers to conclude that the provision is somewhat ambiguous. H.R. 6020 does not include a similar provision.

[133] This section was authored by Elaine Halchin (x7-0646).

[134] Section 733 states: "[n]one of the funds appropriated or otherwise made available by this act *or any other Act* may be used.... " (§733 of S. 3301.) (Italics added for emphasis.) The words in this phrase—"or any other act"—are "not words of futurity. They merely refer to any other appropriations act of the same fiscal year." (U.S. Government Accountability Office, *Principles of Federal Appropriations Law, Third Edition, Volume I*, GAO-04-261SP, January 2005, p. 2-36, at http://www.gao.gov/special.pubs/d04261sp.pdf.)

[135] §733, S. 3301.

Author Contact Information

Garrett Hatch, Coordinator
Analyst in American National Government
ghatch@crs.loc.gov, 7-7822

Gary Guenther
Analyst in Public Finance
gguenther@crs.loc.gov, 7-7742

Barbara L. Schwemle
Analyst in American National Government
bschwemle@crs.loc.gov, 7-8655

Ida Brudnick
Analyst in American National Government
ltong@crs.loc.gov, 7-5846

Eugene Boyd
Analyst in Federalism and Economic Development Policy
eboyd@crs.loc.gov, 7-8689

Kevin J. Coleman
Analyst in Elections
kcoleman@crs.loc.gov, 7-7878

Wendy Ginsberg
Analyst in American National Government
wginsberg@crs.loc.gov, 7-3933

Patricia Moloney Figliola
Specialist in Internet and Telecommunications Policy
pfigliola@crs.loc.gov, 7-2508

Darryl E. Getter
Specialist in Financial Economics
dgetter@crs.loc.gov, 7-2834

Gerald Mayer
Analyst in Labor Policy
gmayer@crs.loc.gov, 7-7815

R. Sam Garrett
Specialist in American National Government
rgarrett@crs.loc.gov, 7-6443

Gary Shorter
Specialist in Financial Economics
gshorter@crs.loc.gov, 7-7772

David F. Burrelli
Specialist in Military Manpower Policy
dburrelli@crs.loc.gov, 7-8033

Robert Jay Dilger
Senior Specialist in American National Government
rdilger@crs.loc.gov, 7-3110

Kevin R. Kosar
Analyst in American National Government
kkosar@crs.loc.gov, 7-3968

L. Elaine Halchin
Specialist in American National Government
ehalchin@crs.loc.gov, 7-0646

Mark P. Sullivan
Specialist in Latin American Affairs
msullivan@crs.loc.gov, 7-7689

Key Policy Staff

Area of Expertise	Name	Phone	E-mail
Department of the Treasury	Gary Guenther	7-7742	gguenther@crs.loc.gov
Executive Office of the President	Barbara L. Schwemle	7-8655	bschwemle@crs.loc.gov
Judiciary	Ida Brudnick	7-6460	ibrudnick@crs.loc.gov
District of Columbia	Eugene Boyd	7-8689	eboyd@crs.loc.gov
Election Assistance Commission	Kevin Coleman	7-7878	kcoleman@crs.loc.gov
E-Government Fund in GSA	Wendy Ginsberg	7-3933	wginsberg@crs.loc.gov
Executive Office of the President	Barbara Schwemle	7-8655	bschwemle@crs.loc.gov

Area of Expertise	Name	Phone	E-mail
Federal Communications Commission	Patty Figliola	7-2508	pfigliola@crs.loc.gov
Federal Deposit Insurance Corporation: OIG	Darryl Getter	7-2834	dgetter@crs.loc.gov
Federal Election Commission	R. Sam Garrett	7-6443	rgarrett@crs.loc.gov
Federal Labor Relations Authority	Gerald Mayer	7-7815	gmayer@crs.loc.gov
Federal Trade Commission	Gary Guenther	7-7742	gguenther@crs.loc.gov
General Services Administration	Garrett Hatch	7-8674	ghatch@crs.loc.gov
Merit Systems Protection Board	Barbara Schwemle	7-8655	bschwemle@crs.loc.gov
National Archives and Records Administration	Wendy Ginsberg	7-3933	wginsberg@crs.loc.gov
National Credit Union Administration	Darryl Getter	7-2834	dgetter@crs.loc.gov
Office of Personnel Management	Barbara Schwemle	7-8655	bschwemle@crs.loc.gov
Office of Special Counsel	Barbara Schwemle	7-8655	bschwemle@crs.loc.gov
Securities and Exchange Commission	Gary Shorter	7-7772	gshorter@crs.loc.gov
Selective Service System	David Burrelli	7-8033	dburrelli@crs.loc.gov
Small Business Administration	Robert Dilger	7-3110	rdilger@crs.loc.gov
U.S. Postal Service	Kevin Kosar	7-3968	kkosar@crs.loc.gov
Government-wide General Provisions	Barbara Schwemle	7-8655	bschwemle@crs.loc.gov
Competitive Sourcing	L. Elaine Halchin	7-0646	ehalchin@crs.loc.gov
Cuba	Mark Sullivan	7-7689	msullivan@crs.loc.gov

Author Contact Information

Garrett Hatch
Specialist in American National Government
ghatch@crs.loc.gov, 7-7822