

# Appropriations for FY1998: VA, HUD, and Independent Agencies

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Appropriations are one part of a complex federal budget process that includes budget resolutions, appropriations (regular, supplemental, and continuing) bills, rescissions, and budget reconciliation bills. The process begins with the President's budget request and is bounded by the rules of the House and Senate, the Congressional Budget and Impoundment Control Act of 1974 (as amended), the Budget Enforcement Act of 1990, and current program authorizations. In addition, the line item veto takes effect for the first time in 1997.

This report is a guide to one of the 13 regular appropriations bills that Congress passes each year. It is designed to supplement the information provided by the House and Senate Subcommittees on VA, HUD, and Independent Agencies Appropriations. It summarizes the current legislative status of the bill, its scope, major issues, funding levels, and related legislative activity. The report lists the key CRS staff relevant to the issues covered and related CRS products.

This report is updated as soon as possible after major legislative developments, especially following legislative action in the committees and on the floor of the House and Senate.

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# Appropriations for FY1998: VA, HUD, and Independent Agencies

## Summary

The President signed H.R. 2158 (P.L. 105-65), appropriations for the Departments of Veterans Affairs (VA) and Housing and Urban Development (HUD), and several independent entities including the Environmental Protection Agency (EPA), National Aeronautics and Space Administration (NASA), National Science Foundation (NSF), the Federal Emergency Management Agency (FEMA), and the Corporation for National and Community Service (CNCS). After subtracting for FY1998 rescissions to HUD housing reserves, Congress approved \$90.7 billion for the VA-HUD bill, compared to the Administration's request of \$91.0 billion, and FY1997's \$85.9 billion (which reflects \$3.65 billion in rescissions in P.L. 105-18).

Presidential line item vetoes canceled funding for 7 projects totaling \$14 million, including \$10 million for 2 planned NASA telescopes. Also vetoed were 3 environmental cleanup projects, a veterans' cemetery, an economic development grant, and a facility to train Arab, Alabama police to meet weather emergencies.

Veterans programs will increase by \$350 million to a FY1998 level of \$40.4 billion; \$355 million more is required for mandatory spending, mostly for cost-of-living adjustments to income programs. Total VA discretionary spending, mostly for medical care programs, actually appears to be slightly less. However, P.L. 105-33 gave VA authority to keep medical cost reimbursements, raising total FY1998 VA discretionary spending about \$600 million over FY1997.

The bill provides \$9.4 billion for prevention of resident displacement and for Section 8 renewals, HUD programs to provide housing assistance to families in need. H.R. 2158 also provides \$4.6 billion for Community Development Block Grants; conferees added to amounts in previous versions of the bill that were to be set aside from the grants for various activities and projects to assist in revitalizing communities, and to help them adjust to the effects of welfare reform.

Funding for NASA continues to decline; the Administration requested a decline of \$209 million from \$13.7 billion in FY1997, mostly from space flight and mission support; Congress mitigated that proposed cut, adding \$148 million to the request for a total of \$13.64 billion. However, research and education programs of NASA will receive increases. Congressional commitment to research and education are elsewhere evident: both Houses added to the request for NSF and VA research funds.

The President proposed a 36% increase in the Corporation for National and Community Service, mostly for AmeriCorps; both Houses had proposed substantial cuts (the House bill cut the appropriation to one-half of FY1997 levels). Conferees approved a \$25 million increase, and a total of \$428 million.

Most administrative budgets increased only slightly or decreased. Congress approved Administration requests for program administration increases for HUD, FEMA, and the National Science Foundation (NSF), and for Inspector General offices, but appropriated less than requested for VA and EPA.

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# Appropriations for FY1998: VA, HUD, and Independent Agencies

## Most Recent Developments

*On October 27, 1997, the President signed H.R. 2158 (P.L. 105-65), the bill to fund VA, HUD, and Independent Agencies during FY1998. The House bill had approved \$91.5 billion in appropriations for FY1998 for VA/HUD, \$1.1 billion more than contained in the Senate bill, after adjusting for differences between the bills in FY1998 rescissions from appropriations of previous years. The Administration had requested \$91.0 billion in appropriations in its FY1998 budget. After all action was completed P.L. 105-65 contains \$90.7 billion for VA-HUD for FY1998.*

***Line Item Vetoes.** On November 1, 1997, the President exercised his line item veto authority to eliminate 7 projects in the VA-HUD bill totaling \$14 million. Among the vetoed projects were 2 NASA telescopes costing \$10 million, and waste water treatment projects in Alabama, Vermont, and Pennsylvania. Also struck down were plans for a veterans cemetery in Oklahoma City, a weather emergency training facility in Alabama, and trade and development assistance in Montana.*

## Status

**Table 1** shows the key legislative steps necessary for the enactment of the FY1998 VA, HUD, Independent Agencies appropriation.

**Table 1. Status of FY1998 Appropriations for VA, HUD, and  
Independent Agencies**

Subcommittee Markup		House Report	House Passage	Senate Report	Senate Passage	Conference Report	Conference Report Approval		P.L. 105-65	Line Item Veto
							House	Senate		
6/25	7/15	7/8	7/16	7/17	7/22	10/6	10/8	10/9	10/27	11/1

## Total Appropriations in H.R. 2158 (P.L. 105-65)

Total VA/HUD and Independent Agencies appropriations are \$90.7 billion for FY1998. About 45% of the appropriations will go to support the nation's veterans. About 27% will fund housing and various urban renewal programs administered by HUD. NASA and its space flight and education programs will receive about 15%. About 8% will be used for environmental protection programs. Research and education programs of the National Science Foundation will receive about 4% of the bill. Emergency management under FEMA will receive about 1% of the bill. The remaining independent agencies receive less than 1% of the total funding provided by H.R. 2158.

**Table 2. Summary Table: VA, HUD and Independent Agencies Appropriations**  
(budget authority in billions of \$)

Bureau or Agency	FY1998				
	FY1997 Final	Request	H.R. 2158		P.L. 105-65
			House	Senate	
Veterans Affairs	40.087	40.215	40.448	40.309	40.437 <sup>a</sup>
Housing and Urban Development	16.303	24.573	25.123	24.836	24.352 <sup>a</sup>
Environmental Protection Agency	6.799	7.645	7.205	6.976	7.361 <sup>a</sup>
Federal Emergency Management Agency	5.104	.839	1.028	0.789	0.806
National Aeronautics and Space Administration	13.709	13.500	13.648	13.500	13.638 <sup>a</sup>
National Science Foundation	3.270	3.367	3.487	3.377	3.429
Other Independent Agencies	0.624	0.850	0.523	0.580	0.698
<b>Total Appropriations</b>	<b>85.896</b>	<b>90.989</b>	<b>91.462</b>	<b>90.368</b>	<b>90.721<sup>a</sup></b>

<sup>a</sup>Presidential line item vetoes canceled a total of \$14 million; \$1 million from VA, \$1 million from HUD, \$2 million from EPA, and \$10 million from NASA.

**Source:** H.Rept. 105-175; S.Rept. 105-53; H.Rept. 105-297; Special Line Item Veto Message, November 1, 1997.

\* Rounded; may not add.



## Key Policy Issues

### Department of Veterans Affairs

Conferees approved \$40.4 billion for VA, \$350 million more than appropriated for FY1997, and \$222 million more than requested by the Administration. The final amount was \$9 million less than the House bill, but \$128 million more than proposed by the Senate. P.L. 105-65 provides \$355 million in additional funds for cash benefits, compared to FY1997. Discretionary funds, mostly medical care, would be about \$3 million less than the previous year. However, language in the Balanced Budget Act of 1997 (P.L. 105-33) means VA can retain medical care cost recoveries rather than pass those revenues on to the general treasury, as before. The appropriations bill “guarantees” that at least \$579 million of an estimated \$604 million will be collected in FY1998, making effective spending authority for VA medical care \$17.636 billion for FY1998, an increase of \$623 million over the previous year, and \$98 million more than the Administration’s request, after adding the guaranteed cost recovery to the amount specified in the President’s budget.

**Table 3. Department of Veterans Affairs Appropriations,  
FY1994 to FY1998**

(budget authority in billions of current \$)

FY1994	FY1995	FY1996	FY1997	FY1998
\$36.83	\$37.48	\$38.37	\$40.09	\$40.44

**Source:** House Appropriations, Subcommittee on VA, HUD and Independent Agencies.

**VA Entitlements.** VA cash benefit programs, i.e., compensation for service-connected disabilities and pensions for totally-disabled and poor wartime veterans (and their eligible survivors); readjustment benefits (education and training, special assistance for the disabled); veterans insurance and indemnities, and home loan guarantees are *mandatory* (entitlement) spending, although required amounts are annually appropriated. Veterans entitlement benefits, once increasing rapidly, but now a relatively stable federal obligation to a declining population, constitute 53% of total VA spending. The FY1998 budget estimates \$21.5 billion will be necessary for VA cash entitlement benefits, and P.L. 105-65 reflects that estimate.

**Program Administration.** The remaining VA expenditures, primarily those associated with medical care, facility construction, and medical research are annual *discretionary* appropriations, as are general administrative costs. Unlike the ratio of entitlement spending to discretionary spending in the rest of the federal budget, the discretionary portion of VA is increasing as a percent of total VA spending. In FY1976, entitlements constituted 73% of VA’s budget, with the remaining 27% discretionary appropriations. By FY1996, VA discretionary spending for health and VA administrative costs had risen to 47% of VA’s total budget. For the entire federal budget, about one-third of spending is discretionary.

**Medical care.** VA operates the largest health care system in the nation, encompassing 173 hospitals, 175 nursing home and long-term care facilities, and 448 outpatient clinics. The FY1998 caseload is expected to increase by 135,000 veterans; VA will serve 3.1 million different patients. VA health care continues to place increasing emphasis on outpatient care: the inpatient caseload in FY1998 will decline by nearly 19,000 patients to 891,000 while outpatient visits will increase by 2.5 million to 33.2 million, according to VA's budget documentation.

Congress appropriated \$17.0 billion for VA medical care for FY1997, and the Administration requested that same amount for FY1998; the House Committee endorsed that request.<sup>1</sup> The budget also projected flat appropriations for VA medical care through FY2002, with a goal of increasing the VA patient load by 20% over the period, offset by a per patient efficiency savings of 30%. The Administration also assumes that by FY2002, 10% of the medical care budget could be funded by non-appropriated funds collected as reimbursements for some of the costs that VA sustains while providing services to veterans with medical insurance, or who are otherwise obligated for some costs of their care. The budget proposed that net receipts (estimated at \$604 million for FY1998) of the Medical Care Cost Recovery (MCCR) fund remain available to VA for veterans medical services rather than be transferred to the Treasury as under current law.

The House accepted an Administration proposal for VA to retain MCCR receipts. In floor action, the House added \$48 million to the medical care account, and guaranteed \$579 million of the \$604 million estimated to be collected by MCCR<sup>2</sup>. The Senate bill added \$68 million to the medical care account request, making the Senate bill, at \$17.027 billion, \$5 million higher than the House bill. Conferees approved \$17.057, reflecting the conferees' intent that VA compensation and pension medical exams continue to be funded through the medical care account, rather than through the General Operating Expenses (GOE) account as requested. Also, conferees dropped language specifying that the MCCR guarantee be transferred from the Superfund, but retained the guarantee of \$579 million, because the language causing the retention had been passed in P.L. 105-33.

**General Operating Expenses.** Conferees reduced the GOE request by the \$68 million for medical exams the Administration assumed, but added \$8 million back to resolve Year 2000 computer problems.

**Medical Care Resource Allocations.** The Veterans Health Administration will continue with its plan to improve the efficiency of VA medical care programs, while expanding access to more veterans. In spite of increased caseload, VA predicted that medical care employment would drop by 6,000 employees during FY1997. This

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<sup>1</sup> Because of accounting changes, a net \$55 million in obligations that was shown as medical care costs in FY1997 has been transferred to General Operating Expenses (GOE) for FY1998. The Administration's proposed freeze level reflects this change. Also, 1996 legislation (P.L. 104-262) capped medical care spending for FY1998 at \$17.9 billion.

<sup>2</sup> Although the guaranteed \$579 million falls within the amount estimated for collections, CBO estimated an additional \$15 million in costs to the medical care account because of the possibility that the estimate could overstate actual net receipts.

efficiency gain can be achieved only if patient care continues to shift more to outpatient facilities. Because inpatient capacity is more concentrated in the older population centers in the Northeast and Midwest, and outpatient demands are increasing in the Southeast and Southwest, efficiency gains have regional implications, as resources shift in response to the changing patterns of care.

The House report to accompany H.R. 2158 (H. Report 105-175) expressed concern that resource shifts have endangered the quality of care received by patients with special needs that may require more inpatient services. The Report called for a General Accounting Office (GAO) review of the Veterans Equitable Resource Allocation (VERA) methodology used by VA to instruct resource shifts, and a 4-month delay in further shifts pending that review. The Senate report (S.Rept. 105-53) accompanying its version of H.R. 2158 endorsed VERA, stating that “the Committee opposes efforts to thwart this new, more equitable system.” Conferees dropped the delay in funding shifts, and extended the GAO report date to 9 months.

**Medical Research.** On the House floor, \$25 million was added for additional research projects to study illnesses reported by Persian Gulf War veterans. The Senate had stricken that language. After VA’s advice that only one-half the amount could reasonable be spent on such research, conferees dropped it to \$12.5 million.

**VA Construction.** Construction appropriations for VA major and minor construction projects over the 10-year period, FY1987-1996, averaged around \$600 million per year. During FY1997, construction appropriations totaled \$426 million (including \$32.1 million for a replacement hospital at Travis, CA, that cannot be obligated until the end of the fiscal year). The House bill recommended \$337 million in major and minor construction projects, \$91 million more than the Administration requested; the Senate proposed \$259 million. Most of the added funds were for construction of outpatient facilities at Asheville, NC and Lyons, NJ and for renovations of facilities in Omaha, NE and Waco, TX. The Senate bill included funds for a renovation at the facility in Pittsburgh, PA. The Administration and both versions of H.R. 2158 provide funds for \$31 million for additions to the VA cemetery system to fund a new national cemetery at Cleveland, and major expansions at Ft. Sam Houston, TX and the National Memorial Cemetery of AZ.

Conferees approved \$353 million in construction funding, adding funds for new outpatient facilities. Conferees redirected funds (\$32 million) from FY1997 that had been appropriated for the Travis hospital, as VA discontinued its plans to build that replacement hospital. Conferees approved \$71 million in new construction for northern California outpatient access, and renovations of an existing facility acquired from the Department of Defense (McClellan Hospital at Mather Field, Sacramento).

**Line Item Veto.** Planning for a national cemetery at Oklahoma City, an appropriation of \$900,000 added to the major construction account by conferees, was canceled by Presidential line item veto.

For further discussion of VA’s budget and program issues, see CRS Report 97-266, *Veterans Issues in the 105<sup>th</sup> Congress*.

**Table 4. Appropriations: Department of Veterans Affairs, FY1998**  
(budget authority in billions of \$)

Department of Veterans Affairs	FY1998				
	FY1997 Final	Request	H.R. 2158		P.L. 105-65
			House	Senate	
Comp., Pension, Burial	18.671	19.933	19.933	19.933	19.933
Supplement (P.L. 105-18)	.928	0	0	0	0
Insurance/Indemnities	0.039	0.051	0.051	0.051	0.051
Housing Programs	0.173	0.192 <sup>a</sup>	0.192 <sup>a</sup>	0.192 <sup>a</sup>	0.192 <sup>a</sup>
Readjustment Benefits	1.377	1.366	1.366	1.366	1.366
<i>Subtotal: Mandatory</i>	<i>21.188</i>	<i>21.543</i>	<i>21.543</i>	<i>21.543</i>	<i>21.543</i>
Medical Care	17.013	16.959 <sup>b</sup>	17.022	17.027	17.057
Med./Prosthetic Research	0.262	0.234	0.292	0.267	0.267
Construction, Major <sup>c</sup>	0.251	0.080	0.160	0.093	0.177 <sup>d</sup>
Construction, Minor	0.175	0.166	0.177	0.166	0.175
Grants for State Facilities	0.047	0.041	0.054	0.080	0.080
State Veteran Cemeteries	0.001	0.010	0.010	0.010	0.010
Parking Garage Fund	0.012	0	0	0	0
Nat'l Cemetery System	0.077	0.084	0.084	0.084	0.084
Gen. Operating Exp.	0.828	0.846	0.853	0.786	0.786
Admn. Exp. (Hsng. Prog.)	0.141	0.161	0.161	0.161	0.161
Inspector General	0.031	0.031	0.031	0.031	0.031
Medical Administration	0.061	0.060	0.060	0.060	0.060
<i>Subtotal: Discretionary</i>	<i>18.899</i>	<i>18.672</i>	<i>18.905</i>	<i>18.766</i>	<i>18.894<sup>d</sup></i>
<b>Subtotal (Veterans Affairs)</b>	<b>40.087</b>	<b>40.215</b>	<b>40.448</b>	<b>40.309</b>	<b>40.437<sup>d</sup></b>

**Source:** H.Rept. 105-175; S.Rept 105-53; H.Rept. 105-297; Special Line Item Veto Message, November 1, 1997.

<sup>a</sup> The FY1998 budget treats housing benefit account receipts as revenue transferred to the Treasury, rather than as receipts offsetting VA's previous year housing obligations, as in past budgets.

<sup>b</sup> Accounting changes for FY1998 reconcile difference between FY1997 medical care appropriation, and amounts shown for Administration's request for frozen level of FY1998 appropriations.

- <sup>c</sup> \$32 million in FY1997 major construction funds are not available for obligation until FY1998. Appropriation Committee reports treat this as an FY1997 appropriation, as does this table; Administration documents treat the amount as an advance appropriation for FY1998.
- <sup>d</sup> Reflects \$900 thousand canceled by presidential line item veto.

## Department of Housing and Urban Development

President Clinton requested \$24.6 billion in budget authority for the Department of Housing and Urban Development (HUD) in FY1998. The enacted appropriation bill for FY1997 provided \$19.45 billion for HUD. This amount was later reduced by rescissions to \$16.3 billion.

The House bill (H.R. 2158) recommends \$25.1 billion for HUD in FY1998, \$550 million more than the President’s request, and \$8.8 billion more than final FY1997 HUD appropriations, after adjusting for supplemental appropriations and the Administration’s request for \$990 million in rescissions of unobligated funds appropriated for various housing programs in previous years. H.R. 2158 rescinds \$700 million of these unobligated funds. The Senate bill recommends \$24.8 billion for HUD in FY1998, and \$135 million in rescissions of previously appropriated spending authority.

**Table 5. Department of Housing and Urban Development Appropriations, FY1994 to FY1998**  
(budget authority in billions of current \$)

FY1994	FY1995	FY1996	FY1997	FY1998
\$24.87	\$20.09	\$19.13	\$16.30	\$24.35

**Source:** House Appropriations, Subcommittee on VA, HUD and Independent Agencies.

**Prevention of Resident Displacement and Section 8 Renewals.** The President’s FY1998 budget request for HUD proposed a new Housing Certificate Fund which would consolidate the existing Section 8 voucher and certificate rental programs, and combine them in one fund with elements of the Prevention of Resident Displacement account. The President requested \$10.7 billion for this fund in FY1998. The fund is to manage spending for the continued prevention of displacement for families in public housing, Section 8, or other assisted housing programs, who would be displaced by demolition, redevelopment, or non-renewal of existing contracts. As passed by both the House and Senate, H.R. 2158 proposed \$9.37 billion for the fund for FY1998.

In conference, House and Senate conferees agreed to appropriate \$8.18 billion for Section 8 renewals, \$850 million for Section 8 amendments, and \$343 million for resident displacement in FY1998. Also in an effort to further reduce the cost of subsidizing housing to the federal government, the House recommended that the reissuance of Section 8 certificates be delayed by three months, and that the annual adjustment factor paid to owners be reduced when there is no turnover of the unit.

These provisions were agreed to by the Senate and both are contained in the final version of the bill.

For more information on Section 8 expiring contracts, please see CRS Report 97-264, *The Problem of Section 8 Housing Expiring Contracts*.

Also, as passed by the House and Senate, H.R. 2158 rescinds \$550 million of recaptured Section 8 reserve funds. In the past, HUD's accounting methods failed to show a surplus of these reserve funds, and Congress believes that it is not necessary to keep such a large sum in reserve.

The President proposed to renew Section 8 contracts expiring in FY1998 while HUD continued with its portfolio reengineering program (to lower the existing cost of renewals), and evaluated other options to terminate excessive subsidies while bringing Section 8 contracts to market levels. When the House and Senate bills went to conference, a restructuring plan was approved. This plan is Title V of the bill, and is entitled "HUD Multifamily Housing Reform."

The Section 8 restructuring plan established an Office of Multifamily Housing Assistance Restructuring within HUD under the direction of the Secretary. The purpose of this office will be to implement this Act and oversee the multifamily housing restructuring process. (CRS is preparing a separate report on the restructuring plan).

Congress has also shown its concern for the continued affordable housing of disabled persons by including, in the final version of the bill, a \$40 million set-aside of the Housing Certificate Fund for rental assistance to disabled families who are displaced as the result of the public housing projects being designated as "elderly only" projects.

Another HUD program, the HOME Investment Partnership program, provides state and local governments with funding for tenant-based rental assistance, and the construction, acquisition and rehabilitation of affordable rental and ownership housing. The President requested \$1.3 billion for this program in FY1998. The House bill provided \$1.5 billion for the program with a set-aside of \$15 million for housing counseling assistance. The Senate bill provided \$1.4 billion for the program in FY1998.

As passed, H.R. 2158 appropriates \$1.5 million for the program in FY1998. Of this amount, \$20 million is to be used for Housing Counseling and \$10 million for a program designed to demonstrate ways to expand the secondary market for affordable home mortgage credit from private lenders, in urban and rural areas.

**Transformation of Public Housing.** The President's request for public housing funds in FY1998 would further transform public housing through the consolidation of resources for the operation and capital improvements (including modernization) of public housing developments. The budget requested \$2.9 billion in operating funds and \$2.5 billion for the capital improvement fund, including a set-aside of \$50 million for support services and economic development to aid public housing residents seek jobs and training. Another \$5 million would be set aside for the Tenant Opportunity

program, to be used by resident organizations to provide training, support services and economic opportunities for residents affected by welfare-reform.

As passed by the House and Senate, the VA-HUD appropriations bill provides \$2.5 billion for the Public Housing Capital Fund, with \$30 million set-aside for technical assistance, and \$5 million for the Tenant Opportunity Program.

The House and Senate agreed with the President's request and provided \$2.9 billion for public housing operating subsidies in FY1998.

In its administrative provisions, H.R. 2158 extends through FY1998, the provisions included in the FY1997 appropriations which eliminate the one-for-one replacement requirement for public housing, eliminate federal preferences, and permit PHAs to charge a minimum rent.

To continue improving severely distressed public housing, the President's budget requested \$524 million for the HOPE VI program, including \$421 million to be used for site restoration, demolition, or the replacement of obsolete units. The remaining \$103 million would pay for 10,000 additional Section 8 certificates to relocate households occupying severely distressed units.

The House bill funded this program at the requested level, with \$5 million reserved for technical assistance. The Senate bill provided \$550 million for the HOPE VI program, including a \$50 million set-aside for a new demonstration program which would demolish obsolete public housing projects for the elderly, and replace them with housing and supportive services.

As passed by the House and Senate, H.R. 2158 provides \$550 million for the HOPE VI revitalization program in FY1998, with \$26 million to be made available for the demolition, replacement or revitalization of obsolete public housing projects for the elderly, and \$10 million to be used at the Secretary's discretion, for technical assistance and contract expertise.

In its administrative provisions, H.R. 2158 includes language which provides HUD with the flexibility to make rehabilitation grants and loans in disposing of HUD-owned and HUD-held properties.

In recent years, HUD, through the Drug Elimination Grant program, has assisted PHAs and local jurisdictions implement anti-crime and anti-drug initiatives to make public housing developments safer. For FY1998, the President requested \$290 million for the program, the same amount appropriated for FY1997. Both the House and Senate bills funded this program at the requested level.

In the final House- and Senate-passed version of the bill, H.R. 2158 provides \$310 million for the Drug Elimination Grant program, including \$20 million for the new "New Approach Anti-Drug Program". This new program authorizes HUD to make competitive grants to providers of multifamily housing to provide, augment, or assist in the reduction, prevention, and prosecution of drug-related criminal activity in and around low-income housing.

Ten million dollars of the amount appropriated for Drug Elimination Grants is also set-aside for the Office of the Inspector General for the Operation Safe Home Program.

**Development Funding: The Growing Use of Set-Asides.** Conferees agreed to increase the Community Development Block Grant (CDBG) program's overall funding by \$75 million or 1.6% above the \$4.6 billion recommended in House and Senate-passed versions of H.R. 2158. This is the same amount requested by the President. This modest increase in overall appropriations is intended, in the words of the conference report: "to avert decreases in funding allocations that may be caused by the increased number of set asides." The conference agreement would set-aside 10.3% or \$479.8 million for various activities and projects. The amount of the set-asides recommended by the conference committee is substantially higher than the amount requested by the President or recommended in House and Senate-passed versions of H.R. 2158. In addition, despite this increase in funding the overall amount available for allocation to entitlement communities and states will decrease by 2.7% below the FY1997 allocation amount. Under the conference agreement, after funds are set-aside for various activities, \$4.195 billion will be available for allocation to entitlement communities and states. This is \$115.2 million less than was available for allocation in FY1997. In addition, the conference committee's \$479.8 million set-aside is \$190 million more than the \$289.6 million that was set-aside under the program in FY1997.

The President requested that \$289.6 million in CDBG funds be set-aside to aid states and communities in their implementation of welfare reform, home ownership initiatives, economic development, crime reduction in public and assisted housing, lead-based paint reduction, capacity building, and special purpose activities. This is \$6.3% of the President's CDBG budget request of \$4.6 billion, the same overall amount appropriated for the program in FY1997 and recommended by the House and Senate. The House-passed version of H.R. 2158 contains \$314 million in set-asides or 6.8% of the proposed total appropriation for CDBG activities. The total amount recommended by the Senate for various set-asides is \$349.6 million. This is 7.6% of the proposed \$4.6 billion in total CDBG appropriations

The largest CDBG set-aside recommended by the conferees is the Economic Development Initiative, which was not funded in FY1997. The conference agreement recommends a set-aside of \$138 million for Economic Development Initiative (EDI) grants. This is substantially higher than the \$50 million recommended by the House and requested by the Administration or the \$40 million recommended by the Senate. In addition, \$100 million of the EDI set-aside has been earmarked for 119 specific projects identified in the conference report (H.Rept. 105-297.) Further, the conference agreement includes \$67 million for Indian tribes, as requested by the Administration. This is the same amount recommended by the House and Senate. The conference committee bill includes \$55 million for public housing supportive services. This is \$5 million more than recommended by the House. The Senate bill did not provide a set aside for this program. The conferees, in concurrence with the Senate bill, approved a \$35 million set-aside for Youthbuild activities. The Administration requested a separate appropriation of \$30 million for the program while the House recommended a CDBG set-aside of \$30 million. The conference agreement also includes a \$32 million set-aside for Section 107 Special Purpose



grants. This is more than the \$30 million recommended by the Senate and the \$25 million recommended by the House, but slightly less than the \$32.6 million requested by the Administration.

The conferees approved a number of new set-asides under CDBG including: \$25 million for a new Neighborhood Initiative Program that will test whether housing benefits can be integrated more effectively with welfare reform; \$15 million for a capacity building for community development and affordable housing program; and \$25 million for a job creation and economic development program targeted at rural and tribal areas. The conferees also recommended a \$60 million set-aside for lead-based paint reduction efforts and \$16.7 million for a Habitat for Humanity-linked housing program.

The conference committee rejected a number of CDBG set-asides that were requested by the Administration, recommended in House or Senate versions of H.R. 2158, or received funding in FY1997. These included: the Tenant Opportunity Program, which received \$5 million in FY1997, but in FY1998 may be funded with a \$5 million set-aside under the Public Housing Capital Fund account; community development integrated management information system, which will be funded with a \$14 million set-aside under the HOME program; a public housing crime initiative that received \$20 million in CDBG funds in FY1997, but may be financed with a \$20 million set-aside under a proposed appropriation of \$310 million for the Drug Elimination Grants for Low Income Housing program; and the Administration's Homeownership Zone initiative, which would have been funded with a \$50 million set-aside of CDBG funds. The conference committee provided modest funding of \$5 million for another Administration initiative.— empowerment zones and enterprise communities. These funds would be used to improve planning and implementation efforts in the zones and would be funded under a separate appropriation. The conference committee rejected the Administration's \$100 million request to fund additional zones. The Senate version of the bill would have provided \$25 million under a separate appropriation for empowerment zone activities.

The CDBG program provides the 50 states, Indian tribes, and approximately 975 entitlement communities with flexible funding to rehabilitate homes, improve infrastructure, provide job training activities, support energy conservation and historic preservation, and promote neighborhood revitalization, economic development and job creation activities. Of the amount remaining after proposed set-asides for distribution to the program's core recipients, 70% would be allocated to so called "entitlement communities" and 30% to states for distribution to small nonentitlement communities. The net effect of an increase in the amount of set-asides recommended by the conferees will be a modest decrease of about 2.7% in the program's funds available for allocation to its core recipients. For additional information on CDBG see CRS Report 96-503, *Community Development Block Grants: An Overview*.

**Expanding Affordable Housing for Persons with Special Needs.** Included in this section are the President's requests for funding for three programs: Housing Opportunities for Persons with AIDS (HOPWA), Homeless Assistance Grants, and Housing for Special Populations (the elderly and disabled).

***Housing Opportunities for Persons with AIDS.*** For FY1998, the President requested that the HOPWA program be funded with an appropriation of \$204 million, an 19% increase over the FY1997 appropriation of \$171 million.

As passed by the House and Senate, H.R. 2158 appropriates \$204 million for HOPWA in FY1998. The bill further provides that the Secretary of HUD may designate grants to one or more nonprofit organizations that provide meals to homebound persons with AIDS. These grants are to be given on a competitive basis, but are not to exceed \$250,000 per grant.

While in conference on H.R. 2158, the House and Senate agreed that there are problems with the existing formula for funding the HOPWA program, which can result in a loss of funds to a state when the incidence of AIDS in a large city or metropolitan area increases. In this final version of the bill, administrative provisions recommend improvements to the HOPWA program.

***Homeless Assistance Grants.*** The President requested, and both the House and Senate bills recommended \$823 million for Homeless Assistance Grants in FY1998, the same level funded by Congress in FY1996 and FY1997.

The Senate had requested that all unobligated balances from programs designed to assist the homeless be merged into one consolidated account, but this provision was not adopted in conference. It is believed that the issue will be addressed when a consolidated homeless assistance program is authorized and enacted.

H.R. 2158 also rescinds \$6 million of funds recaptured in FY1998 for the Supportive Housing Demonstration Program, and \$4 million recaptured in FY1998 for Shelter Plus Care Program.

***Housing for Special Populations.*** Through the Housing for Special Populations program, HUD provides eligible nonprofit organizations with grants to finance acquisition, rehabilitation, or construction of housing for elderly and disabled persons. The President requested for \$474 million for this program in FY1998: \$300 million for housing for the elderly, and \$174 million for housing for the disabled. The Administration's request was 44% below the FY1997 funding level of \$839 million (\$645 for elderly, and \$194 million for disabled persons).

Both the House and Senate bills restored funding for housing the elderly and disabled to their FY1997 levels. Also, in conference, the House and Senate agreed that supportive services should be provided to tenants receiving Section 202 or Section 811 assistance, and that funds appropriated for the Section 202 and Section 811 programs should be used in providing these services.

The bill, in its final version, also states that the Secretary of HUD may designate up to 25% of the funding for housing the disabled to be used for vouchers and certificates.

***Native American Housing Block Grants.*** The Native American Housing Block Grant program was created by the Native American Housing Assistance and Self Determination Act of 1996 (P.L. 104-330). The Act requires that each eligible

Indian tribe or its designated housing entity (TDHE) receive annual block grants to meet tribal community housing needs previously funded by several federal programs.

The Administration's budget proposed to consolidate all current Indian housing modernization and development, operating subsidies, homeless assistance, supportive services, tenant opportunities, HOME investment partnership, and Section 8 programs. The budget also proposed that all balances from the Annual Contributions, Development of Additional New Subsidized Housing, Preserving Existing Housing Investment, HOME Investment Partnerships Program, Emergency Shelter Grants, and Homeless Assistance Funds accounts be transferred to, and merged with the Native American Housing Block Grant program. The Administration estimated that the categorical programs received about \$485 million in FY1997 and requested that amount for the new block grant program in 1998. The Senate recommendation is the same as the budget request. The Senate Committee noted its concern that the Administration's request may be inadequate for the program. The House raised the funding level to \$650 million. The House adopted the Administration's consolidation proposal. The conferees agreed to fund the program at \$600 million and provide \$5 million for the loan guarantee program authorized under section 601 of P.L. 104-330.

**Increasing Home Ownership Opportunities.** To increase home ownership opportunities, the budget proposed modernizing the Federal Housing Administration (FHA), creating a new, targeted home ownership program, funding home ownership counseling, and establishing home ownership zones. The Administration's National Homeownership Strategy has the goal of boosting the national home ownership rate to an all-time high of 67.5% by the year 2000. About 60 national housing organizations are participating in the program.

HUD's FY1998 budget requested \$110 billion of loan authority for the FHA single family home loan insurance program. The House and the Senate funded this request. To educate consumers about the home buying process and prepare first-time home buyers for the responsibilities of home ownership, \$23 million is being requested for home ownership counseling. The House and Senate did not fund home ownership counseling. The House and Senate both approved a set-aside of \$15 million for housing counseling under the HOME program. This is the same amount set-aside in FY1997.

**Changes to FHA.** The President proposed that the FHA loan limit for all areas be increased to equal the loan limit for the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac). Under present law FHA-insured home loans are limited to the lesser of 95% of the median home price in the area or 60% of the Fannie Mae limit.

***The Targeted Urban Ownership Initiative.*** Ginnie Mae is spearheading the Targeted Urban Ownership Initiative. Under this new program, Ginnie Mae will reduce (up to 50%), the fees it charges lenders who make loans in one of the 72 empowerment zones or enterprise communities. HUD estimates that the new initiative will stimulate at least \$1 billion in new mortgages annually to help about 15,000 families buy homes in the inner cities. A commitment limit of \$130 billion for mortgage-backed securities was proposed, \$20 billion more than in FY1997. Conferees approved this proposal.

***The Homeownership Zone Initiative.*** The President's budget requested \$50 million in CDBG funds be set-aside for the Homeownership Zone Initiative. Cities would leverage these grants with public and private investment to create large-scale home ownership developments in abandoned and distressed areas within cities. Funds could be used for infrastructure costs, site preparation, land acquisition, or deferred-payment mortgages for working families. The bill does not fund this program.

***Fair Housing.*** The HUD budget proposed \$39 million for the Fair Housing Initiatives program; the House and Senate bills approved \$30 million. This program provides funding to help fair housing organizations carry out programs that enhance compliance with fair housing laws.

The budget also proposed \$15 million for the Fair Housing Assistance program. This program enables HUD to certify state or local fair housing agencies. The program also reimburses the fair housing agencies for handling the fair housing cases filed in their jurisdiction. The House bill approved the request, while the Senate bill reduced funding to \$20 million. Conferees provided \$15 million.

***Other Housing Finance Provisions.*** HUD requested authority to guarantee up to \$36.9 million in guaranteed housing loans on Indian trust lands, and \$3 million for the cost of such loan guarantees. The House bill agrees with this request. The Senate bill approved \$6 million for the cost of guaranteeing up to \$73.8 million in loans. The conferees agreed to appropriate \$5 million for the cost of guaranteeing up to \$73.8 million in loans.

HUD requested and the House approved \$39 million in appropriations for research and technology, an increase of \$5 million over the FY1997 level. The Senate provided funding at the FY1997 of \$34 million. The conferees agreed to provide \$36.5 million for FY1998.

The Administration proposed that a single appropriation fund the salaries and related costs associated with administering HUD programs, except for the Office of Inspector General, and the Office of Federal Housing Oversight. HUD requested and the House bill approved the proposal and appropriated \$1,005.8 million for salaries and expenses, \$29 million more than the FY1997 level. The Senate bill approved \$910.4 million, \$95.4 million less than the budget request and \$66.5 million less than the FY1997 amount. The conferees agreed to appropriate \$1,000.8 million for salaries and expenses.

For salaries and expenses of the Office of Inspector General, the House proposed \$66.9 million and the Senate proposed \$57.9 million. The conferees agreed to appropriate \$66.9 million.

For salaries and expenses of the Office of Federal Housing Enterprise Oversight, HUD requested and the House bill approved appropriations of \$16.3 million, an \$812,000 increase over the FY1997 level. The Senate bill approved funding at the FY1997 level of 15.5 million. The conferees agreed to appropriate \$16 million for this purpose.

The budget requested and the conferees approved commitment authority for up to \$17.4 billion in general and special risk FHA loans; the Administration requested and the conferees appropriated \$81 million in subsidies to support loan guarantees. HUD requested and the conferees approved \$222 million in administrative expenses of these guaranteed and direct loans.

**Line Item Vetoes.** President Clinton used his line item veto authority to cancel 2 projects financed through Community Development Block Grants. Canceled were a police training facility in Arab, Alabama (\$15 thousand); and a trade and development grant intended for the Carter County, Montana Chamber of Congress (\$ 1 million).

**Table 6. Appropriations: Housing and Urban Development, FY1998**  
(budget authority in billions of \$)

Housing and Urban Development	FY1998				
	FY1997 Final	Request	H.R. 2158		P.L. 105-65
			House	Senate	
Prevention of Resident Displacement <sup>a</sup>	4.640	0	0	0	0
Housing Certificate Fund <sup>a</sup>	0	10.676	10.393	10.159	9.373
<i>Expiring Section 8 contracts</i>	<i>(3.600)</i>	<i>(9.320)</i>	<i>(9.200)</i>	<i>(8.700)</i>	<i>(8.180)</i>
<i>Section 8 amendments</i>	<i>(0.850)</i>	<i>(0.850)</i>	<i>(0.950)</i>	<i>(1.110)</i>	<i>(0.850)</i>
<i>Section 8 relocation assistance</i>	<i>(0.190)</i>	<i>(0.594)</i>	<i>(0.343)</i>	<i>(0.343)</i>	<i>(0.343)</i>
Public housing capital fund	2.900	2.900	2.900	2.900	2.900
Public housing capital and modernization fund	2.500	2.500	2.500	2.500	2.500
Preservation	0.350	0	0	0	0.010
Prepayment authority	0.002	0	0	0	0
Rescissions	-0.150	-0.990	-0.700	-0.135	-0.550
Drug Elimination Grants	0.290	0.290	0.290	0.290	0.310
Severe Distressed Pub. Housing (HOPE)	0.550	0.524	0.524	0.550	0.550
Native American Block Grants	0	0.485	0.650	0.485	0.600

Housing and Urban Development	FY1998				
	FY1997 Final	Request	H.R. 2158		P.L. 105-65
			House	Senate	
Indian Housing Loan Guarantee	0.003	0.003	0.003	0.006	0.005
Opp. for Persons with AIDS	0.171	0.204	0.204	0.204	0.204
Comm. Develop. Blck. Grants	4.600	4.600	4.600	4.600	4.674 <sup>b</sup>
Homeless Assistance Grants	0.823	0.823	0.823	0.823	0.823
HOME Invest. Partnerships	1.400	1.309	1.500	1.400	1.500
Brownfields Initiative	0	0.025	0	0	0.025
Youthbuild	0	0.030	(0.030)	(0.030)	(0.035)
Housing Counseling	0	0.023	0	0	(0.020)
Empower Zones & Econ. Initiatives	0	0.100	0	0	0.005
FHA Credit subsidy	0.085	0.081	0.081	0.081	0.081
Hsng. for Spec. Needs Pop.	1.039	0.474	0.839	0.839	0.839
FHA Funds	0.132	0.145	0.145	0.145	0.145
Research and Technology	0.034	0.039	0.039	0.034	0.037
GNMA Funds	0.009	0.009	0.009	0.009	0.009
Enterprise Communities	0.016	0.016	0.016	0.016	0.016
Fair Housing	0.030	0.039	0.030	0.030	0.030
Inspector General	0.037	0.037	0.046	0.037	0.041
Salaries and Expenses	0.420	0.451	0.451	0.400	0.455
Offsetting receipts	-0.234	-0.220	-0.220	-0.220	-0.230
Administrative savings	-0.198	0	0	-0.317	0
<i>Net: Rescissions &amp; Suppl. Approp. of P.L. 105-18</i>	<i>-3.146</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Subtotal (HUD) (net)</b>	<b>16.303</b>	<b>24.573</b>	<b>25.09</b>	<b>24.806</b>	<b>24.352<sup>b</sup></b>

**Source:** H.Rept. 105-175; S.Rept. 105-53; H.Rept. 105-297; Special Line Item Veto Message, November 1, 1997.

<sup>a</sup> For FY1997, Section 8 renewals, amendments, and resident relocation assistance were funded through the Resident Displacement Prevention account; for FY1998, these programs are funded through the Housing Certificate Fund, and from transfers from remaining reserves.

<sup>b</sup> Reflects cancellation of 2 projects (\$ 1 million) by presidential line item veto

## **Environmental Protection Agency**

The budget for the Environmental Protection Agency (EPA) has remained fairly constant in recent years, requiring the agency to prioritize and optimize its resources to address problems posing the greatest risk to human health and the environment. Two prominent FY1998 appropriations issues were whether to significantly expand Superfund and whether the level of assistance to states and localities is adequate. On February 6, 1997 the President requested \$7.6 billion for the EPA in FY1998; on July 16, the House approved \$7.2 billion, about \$440 million less than requested; and, on July 17, the Senate recommended \$7.0 billion, about \$665 million less than requested. The conferees approved \$7.36 billion, a significant increase over the FY1997 funding level of \$6.8 billion and an increase over both the House and Senate versions of the bill. While House and Senate totals would have increased funding over current year funding for the Agency, both actions disapproved the Administration's requested 50% expansion of Superfund and increased funds for state assistance above the requested level. However, in response to a belated veto threat, conferees agreed to provide EPA with the requested additional \$650 million for Superfund in FY1999 but only if the Superfund program is reauthorized by May 15, 1998. Another key issue for conferees was to come to agreement on the roughly \$225 million difference between the House and Senate versions of H.R. 2158.

The full FY1998 EPA Justification of Appropriation Estimates is available online at: <http://www.epa.gov/ocfopage>. For a more in depth discussion, see CRS Issue Brief 97019, *Environmental Protection Agency: FY1998 Budget*.

Beginning in FY1996, the appropriations committees established a new account structure for EPA. For the Science and Technology account, the FY1998 budget requested \$614 million, as well as a \$40 million transfer from the Superfund program. The House Committee recommended \$656 million, \$42 million more than requested, but proposed lowering the transfer from the Superfund to \$35 million. On the floor, an amendment was approved reducing the committee recommendation by \$27 million to \$629 million. The Senate Committee on Appropriations recommended, and the Senate approved, \$600 million and the \$35 million transfer from Superfund. Increases in both the House and Senate would be directed to new health effects research related to particulate matter (PM) and ozone; there has been significant controversy and congressional interest in EPA's promulgation of new ozone and PM air quality standards, promulgated July 18. The conferees recommended \$631 million for the Science and Technology account, including \$49.6 million for a PM research program and health effects research plan. For further information on the new EPA regulation, please see CRS Issue Brief 95034, *Clean Air Issues*.

Regulatory and standard setting activities, funded through the Environmental Programs and Management Account, are the core of the Agency's activities. The Administration's budget sought \$1.9 billion, about 8% more than current year

funding; the House passed \$1.8 billion and the Senate roughly the same. The conferees approved \$1.8 billion.

Of the media (air, water, etc.) programs funded through that account, all but the radiation program would receive increases under the President's budget; the exact amounts of the House and Senate recommendations for specific media programs are not available because major discretionary reductions are to be decided later by the EPA Administrator. Both actions include numerous recommendations for remixing the allocations within this account.

- The budget requested \$313 million for air quality programs, \$60 million, or 24%, more than current year funding.
- The water quality program and the pesticide program would increase marginally.
- The budget requested a 10% increase in the drinking water program, directed to new responsibilities under the 1996 Safe Drinking Water Act Amendments.
- The budget requested \$497 million for EPA's management and support of these programs, an increase of 3%.
- Because EPA's programs have been increasingly viewed as crossing many media, the Administration requested \$307 million for Multi-Media programs, an increase of 12%.

How the Agency is pursuing alternative strategies for implementing and managing its many regulatory programs is of major interest. The Agency has embarked on numerous regulatory reinvention activities as well as innovative alternatives to its traditional ways of doing things. These include special partnerships with businesses, states and communities and special focus on small businesses.

The Agency's progress in cleaning up toxic waste sites and its efficiency in managing the Superfund program remains a prime appropriation issue. The FY1998 proposal sought a 50% increase to accelerate cleanup, while congressional authorization committees are considering reform legislation. The GAO has continued to place the Superfund program as a high risk for fraud, waste and abuse; many Members are reluctant to grant significant increases in the absence of program reforms. Please see CRS Issue Brief 97025, *Superfund Reauthorization Issues*.

To clean up toxic waste sites under the Superfund program, the budget proposal sought \$2.0 billion, \$706 million or 52% more than current year funding; the House did not approve the request, recommending \$1.5 billion, \$589 million less than requested. The request had reflected the program's increased emphasis on actual cleanup work at sites. The Senate also did not approve the Superfund request; it recommended \$1.4 billion. However, as noted, conferees agreed to provide EPA with the requested additional \$650 million for Superfund in FY1999, contingent on reauthorization of the Superfund program by May 15, 1998. The House, Senate, and conferees approved the Administration's \$85 million request for the Brownfields program to clean up low level toxic waste sites with economic development potential, but prohibited the use of Brownfields monies for revolving loan funds unless specifically authorized in subsequent legislation. For the Leaking Underground Storage Tank Fund, the budget sought \$71 million; the House recommended \$60 million; the Senate \$65 million. Conferees recommended \$65 million.



Another issue is how to meet the significant capital requirements of states and localities needing to build and maintain wastewater and drinking water facilities. To assist states and tribal governments, the budget sought \$2.8 billion, 4% less than current year funding; the House recommended \$3.0 billion, about \$226 million more than requested. The Senate approved \$3.1 billion, and the conferees increased the assistance to states and tribes to \$3.2 billion. The request included about \$1.1 billion for Clean Water State Revolving funds (CWSRFs), \$725 million for the newly established (P.L. 104-182) Drinking Water State Revolving Funds (DWSRFs), \$715 million for state and tribal grants, \$113 million for special needs grants, \$100 million for the U.S.-Mexico Border Program, \$50 million for Texas *colonias* water and wastewater needs, and \$15 million for rural Alaska water and wastewater needs. The House and Senate recommended changes in the various allocations within this account; conferees approved \$1.35 billion for CWSRFs, \$725 million for DWSRFs, \$745 million for state and tribal grants, \$253 million for special needs infrastructure grants, \$75 million for the U.S.-Mexico Border Program, \$50 million for Texas *colonias*, and \$15 million for rural Alaska water and wastewater needs. Please see CRS Report 96-910, *Clean Water Issues in the 105th Congress*.

House and Senate versions of H.R. 2158 differed in proposed funding for buildings and facilities. The House proposed \$182 million, the Senate roughly \$19 million, declining to provide \$122 million for continued funding of the construction of a consolidated research facility in Research Triangle Park, North Carolina. The conferees approved \$109 million for this account, including \$90 million for the new facility. Conferees also included bill language which raises the authorized construction cost ceiling for this project to \$273 million, but directed EPA to provide a cost/benefit analysis justifying the inclusion of certain facilities in the original construction plan prior to expenditure of funds for those facilities.

The House passed an amendment to H.R. 2158 which would prohibit EPA from allowing the import of polychlorinated biphenyls (PCBs) from Canada and Mexico for treatment and destruction in the United States. The Senate did not include such an amendment. In July, 1997, the U.S. Ninth Circuit Court of Appeals overturned an EPA rule permitting the import of PCBs for disposal. EPA responded by prohibiting PCB imports, and the conferees took no further action on this issue.

The Senate adopted an amendment to fund the Chemical Safety Board, an independent board for investigating chemical accidents authorized under the 1990 Clean Air Act Amendments; a similar amendment was withdrawn in the House. The conferees agreed to fund the Board at a level of \$4 million for FY1998.

**Table 7. Environmental Protection Agency Appropriations,  
FY1994 to FY1998**

(budget authority in billions of current \$)

FY1994	FY1995	FY1996	FY1997	FY1998
\$6.7	\$6.7	\$6.5	\$6.8	\$7.4

Source: House Appropriations, Subcommittee on VA, HUD, and Independent Agencies.

**Line Item Veto.** President Clinton, using his line item veto authority, canceled 3 projects, totaling \$2 million in spending reductions for FY1998. Canceled were the Solar Aquatic Waste Treatment Demonstration Project in Vermont (\$600 thousand); the Alabama Water and Wastewater Institute, a training facility (\$1 million); and a Wastewater and Drinking Water System in an industrial park in Pennsylvania (\$500 thousand). In justifying the first two vetoes, the President cited the fact that they were not requested in his budget, were earmarked for specific purpose, and not prioritized. In vetoing the third item, funding for McConnellsburg, PA industrial park sewer lines, the President thought the funding was for a private entity and outside the scope of EPA programs.

**Table 8. Appropriations: Environmental Protection Agency, FY1998**  
(budget authority in billions of \$)

Environmental Protection Agency	FY1998				
	FY1997 Final	Request	H.R. 2158		P.L. 105-65
			House	Senate	
Science and Technology	0.552	0.614	0.629	0.600	0.631
Transfer from Hazardous Substance Superfund	0.035	0.039	0.035	0.035	0.035
Environmental Programs and Compliance (Management)	1.752	1.888	1.771	1.805	1.800 <sup>a</sup>
Office of Inspector General	0.040	0.040	0.040	0.040	0.040
Buildings and Facilities	0.087	0.141	0.182	0.019	0.109
Superfund (net, after transfers)	1.348	2.043	1.454	1.400	1.500
Leaking Underground Storage Tank Trust Fund	0.059	0.071	0.060	0.065	0.065
Oil Spill Response	0.015	0.015	0.015	0.015	0.015
State and Tribal Assistance	2.910	2.793	3.026	3.047	3.213
<b>Subtotal (EPA)</b>	<b>6.799</b>	<b>7.645</b>	<b>7.205</b>	<b>6.976</b>	<b>7.363<sup>a,b</sup></b>

<sup>a</sup> Does not include \$650 million in appropriated spending authority for the Superfund program which cannot be obligated until FY1999, and which is dependent upon Superfund reauthorization by May 15, 1998.

<sup>b</sup> Incorporates effect of \$2 million in vetoed funds for 3 projects.

**Source:** H.Rept. 105-175; S.Rept. 105-53; H.Rept. 105-297; Special Line Item Veto Message, November 1, 1997.

## Federal Emergency Management Agency

The Federal Emergency Management Agency (FEMA), an independent agency, has principal, but not sole, responsibility for administering federal disaster assistance policies. FEMA loans, grants, and technical assistance are made available to states, localities, and individuals for planning and loss control activities before disasters strike. After disasters have occurred, resources are provided to help save lives and protect property (the response phase) and to rebuild communities (recovery).

Concern with the cost of federal disaster assistance and the absence of affordable private insurance in certain regions has led some to reexamine current policies and consider alternatives. One policy option is to expand the availability of property/casualty insurance policies through legislative action in the 105<sup>th</sup> Congress, such as H.R. 219 (a bill to provide federal reinsurance for state programs that provide insurance for property in peril to natural hazards) or H.R. 230 (a bill to expand the availability of natural disaster insurance). Also, pursuant to investigations conducted by leadership task forces in the House and the Senate during the 103<sup>rd</sup> Congress, policy options have been considered to reduce federal expenditures. To this end, the 104<sup>th</sup> Congress required that FEMA report to the 105<sup>th</sup> Congress on possible ways to reduce federal costs. Legislation (S. 1007) has been introduced (by request) pursuant to this mandate. The Senate had proposed eliminating funding for the replacement of natural features (including trees) on public property, or the restoration of damaged facilities that derive revenue from admission fees. Conferees rejected the Senate proposal.

For FY1998 the Administration proposed the establishment of a contingency fund, to be appropriated to the President, for disaster relief activities carried out by FEMA and other federal agencies. As proposed, Congress would designate funding as emergency spending under the Deficit Control Act of 1985. The funds would only be available, however, when: (1) the President designates part or all of the funding as an emergency requirement and (2) 15 days elapse from the time the President notifies Congress of such a designation. Congress has not acted on this request.

One issue related to the proposal to establish a contingency fund is whether congressional control would be ceded to the President. It may be argued that funds, as needed, should be requested from the Congress through supplemental appropriations, the process followed to date. (See CRS Report 97-159, *FEMA and Disaster Relief*, for historical information on such supplementals.) Others may contend that, rather than relying on supplementals, the President should have the flexibility to make already appropriated funds available for obligation when needed. Following the floods in North and South Dakota in 1997, Congress agreed to provide FEMA a supplemental appropriation of \$3.3 billion for FY1997 (P.L. 105-18).

**Table 9. Appropriations: Federal Emergency Management Agency, FY1998**

(budget authority in billions of \$)

Fed. Emergency Manage. Agency	FY1998				
	FY1997 Final	Request	H.R. 2158		
			House	Senate	P.L. 105-65
Disaster Relief Fund	1.320	.370	.500	.320	.320
Supplemental (P.L. 105-18)	3.300	—	—	—	—
Salaries and Expenses	0.171	0.172	0.172	0.172	0.172
Emergency Management and Planning <sup>a</sup>	0.219	0.202	0.262	0.207	0.244
Disaster Loan Subsidy	0.002	0.002	0.002	0.002	0.002
Inspector General	0.005	0.005	0.005	0.005	0.005
Emergency Food and Shelter	0.100	0.100	0.100	0.100	0.100
<b>Subtotal<sup>b</sup> (FEMA)</b>	<b>5.104</b>	<b>0.839</b>	<b>1.028</b>	<b>0.789</b>	<b>0.806</b>

Source: H.Rept. 105-175; S.Rept. 105-53; H.Rept. 105-297.

<sup>a</sup> The House proposed \$50 million for predisaster mitigation grants; the Senate proposed \$5 million; conferees approved \$30 million.

<sup>b</sup> Does not include request for spending authority for the following loan accounts or fee for service accounts: Working Capital Fund, Direct Loan Financing Account, National Insurance Development Fund, National Flood Insurance Fund, and National Flood Mitigation Fund.

## National Aeronautics and Space Administration

Conferees approved \$13.648 billion for the National Aeronautics and Space Administration (NASA), a decrease of \$61 million from FY1997, but \$148 million more than the \$13.5 billion requested. This is the same level as was approved by the House; the Senate had recommended the request level. President Clinton reduced total NASA spending by \$10 million dollars by exercising his line item veto authority to cancel spending for 2 planned telescopes.

The conferees added \$230 million dollars to the International Space Station (ISS) request for a total of \$2.351 billion. The \$230 million is comprised of \$100 in additional funding, \$50 million from the space shuttle request, and \$80 million from the request for Mission Support activities. In September, NASA announced a \$600 million cost overrun for ISS and that it needs \$430 million more than it expected in FY1998 for the program. The recommended appropriation is \$200 million less than NASA says it needs to keep the space station on schedule. The bill *does not* provide transfer authority from other agency appropriation accounts to cover the shortfall. In report language, conferees also fenced \$851.3 million of the ISS funding until after

March 31, 1998, requiring NASA first to submit a FY1999 budget plan showing that shifting funding to the space station will not hurt other NASA programs and other information relating to cost and schedule issues.

The bill also adds \$48 million to the request for Science, Aeronautics, and Technology (SAT) programs. Conference report language directs \$116 million in several earmarks for SAT programs. If NASA funds those earmarks, the agency will have to find \$68 million in offsets from other SAT programs since only \$48 million was added to the request.

**Table 10. National Aeronautics and Space Administration  
Appropriations, FY1994 to FY1998**  
(budget authority in billions of current \$)

FY1994	FY1995	FY1996	FY1997	FY1998
\$14.55	\$14.00	\$13.88	\$13.71	\$13.64

**Source:** House Appropriations, Subcommittee on VA, HUD and Independent Agencies.

Many in Congress find the space station cost overruns troubling, particularly with the prospect for future declines in NASA's budget. Although not set in law, Congress and the White House had agreed to cap space station funding at \$2.1 billion annually, and \$17.4 billion total from FY1994 to completion of assembly. This was done to add stability to the program and limit the amount of funds that went to ISS versus other NASA programs. Concerns about Russia's ability to fulfill its commitment to the program and the recent cost overruns have caused Congress and the White House to abandon the cost caps. The concern of many in Congress is that, in a declining budget environment, shifting additional funding to the space station would come at the expense of other NASA programs.

This concern is amplified by prospects for lower agency budgets in the outyears. The FY1998 request had an outyear FY1999 level of \$13.2 billion. Press reports indicate that the agency's budget request in FY1999 might be as low as \$12.6 billion. Many agency observers question whether NASA, in a declining budget atmosphere, can continue to fund new programs and initiatives let alone fund all ongoing programs. Space station cost overruns and reports of lower than expected outyear budgets adds further credence to those concerns. NASA asserts that its budget does fund a balanced program and that efforts to undertake its missions "faster, cheaper, and better" have allowed the agency to increase the number of science missions even with a declining budget. NASA Administrator Dan Goldin has committed publicly to maintain a funding balance among the agency's science, technology, aeronautics, and human spaceflight.

**Line Item Veto.** President Clinton canceled 2 NASA projects, the construction of optical telescopes in Arizona and Chile. FY1998 savings from the cancellations total \$10 million.

**Table 11. Appropriations: National Aeronautics and Space Administration, FY1998**  
(budget authority in billions of \$)

Nat'l Aeronautics & Space Admin.	FY1998				
	FY1997 Final	Request	H.R. 2158		P.L. 105-65
			House	Senate	
Human Space Flight	5.675	5.326	5.427	5.327	5.506
Science, Aeronautics and Technology	5.453	5.642	5.690	5.642	5.680 <sup>a</sup>
Mission Support	2.564	2.513	2.513	2.513	2.433
Inspector General	0.017	0.018	0.018	0.018	0.018
<b>Subtotal (NASA)</b>	<b>13.709</b>	<b>13.500</b>	<b>13.648</b>	<b>13.500</b>	<b>13.638<sup>a</sup></b>

**Source:** H.Rept. 105-175; S.Rept. 105-53; H.Rept. 105-297; Special Line Item Veto Message, November 1, 1997.

<sup>a</sup> Reflects \$10 million in projects canceled by presidential line item veto.

### National Science Foundation

The Administration's FY1998 budget requested \$3.4 billion for the National Science Foundation (NSF), a 3% (\$97 million) increase over FY1997. (The FY1997 estimate excludes a carryover of \$32.8 million.) The House Committee approved \$120 million more than the request, with the additional amount for the Research and Related Activities (R&RA), and Major Research Equipment (MRE) accounts.

In House floor action, \$174,000 in research funding was removed from the bill before passage, as several Members expressed concerns about a research project that sought information on the decisionmaking process of individuals thinking of running for Congress. The Senate approved funding for NSF at a level \$10 million above the Administration request, with the increase also earmarked for the R&RA account.

**Table 12. National Science Foundation Appropriations, FY1994 to FY1998**  
(budget authority in billions of current \$)

FY1994	FY1995	FY1996	FY1997	FY1998
\$2.99	\$3.23	\$3.22	\$3.27	\$3.43

**Source:** House Appropriations, Subcommittee on VA, HUD, and Independent Agencies.

Conferees recommended \$3.429 billion for the NSF, \$159 million (4.9%) more than the FY1997 estimate and \$62 million (1.8%) above the FY1998 request. Included in the total is \$2.546 billion for the R&RA, \$114 million above the FY1997 level and \$31.3 million above the Administration's request. Conferees directed that in FY1998, \$23 million be used to support NSF activities in the interagency Next Generation Internet program. The MRE was recommended funding at \$109 million, \$29 million above the FY1997 estimate and \$24 million more than the FY1998 request. Of the recommended funding for the MRE, \$70 million is to be directed toward necessary improvements at the South Pole Station. In addition, conferees recommended \$632.5 million for the EHR, \$13.5 million above the FY1997 estimate and \$7 million above the FY1998 request.

The Administration had requested \$2.5 billion for R&RA, a 3.4% (\$82.7 million) increase over the FY1997 estimate of \$2.4 billion. Neal F. Lane, Director of NSF, stated that this level of support is indicative of the Administration's emphasis on giving priority to merit-based research and to the support of the academic enterprise. Of the total FY1998 request for NSF, approximately 56% supports science and engineering research; 20% supports education and training; 20% supports research facilities; and 4% supports administration and management.

The FY1998 request includes significant investments in several emerging areas: knowledge and distributed intelligence (KDI), integration of research and education, and life and earth's environment. The KDI supports, among other things, the next generation internet, a multi-agency effort. Administration's request for KDI is \$58 million. Another emerging area, the integration of research and education effort, a key theme of NSF's strategic plan, includes such programs as Grant Opportunities for Academic Liaison with Industry (\$30 million) and the Faculty Early Career Development program (\$82 million). And the Earth's Environment Activity, with total funding of approximately \$35 million, focuses on the interaction of living organisms and their environment and the use of bioremediation and bioprocessing.

The MRE account, for which the Administration proposed \$85 million for in FY1998 (6.3% above the FY1997 estimate), supports the construction of major research facilities that are at the "cutting edge of science and engineering." Four projects are supported by this account, two existing projects, the Laser Interferometer Gravitational Wave Observatory (LIGO) and the South Pole Station, and two new projects, the Polar Cap Observatory and the Millimeter Array. The Polar Cap Observatory, proposed at \$25 million and to be constructed near the Earth's magnetic pole, would track a number of phenomena in the atmosphere and ionosphere. The Millimeter Array would be the world's most sensitive, highest resolution, millimeter-wavelength telescope. The request provides \$9 million for the design and development phase of this project. In addition, the Administration proposed that \$26 million in MRE funds be used to complete funding LIGO, and \$25 million to begin modernizing the South Pole Station research facility. (The South Pole Safety Project was fully funded in FY1997.) The House Committee bill recommends \$90 million more in funds for maintenance and construction of facilities in Antarctica.

Research project support in the FY1998 request totals \$1.9 billion, a 2.7% increase over the FY1997 estimate. Support is provided individuals and small groups conducting both disciplinary and cross-disciplinary research. Included in that total are

funds for Engineering Research Centers (ERC), proposed at \$204 million in the FY1998 request, approximately 1% below the FY1997 estimate. It is anticipated that three to four ERCs, of the six centers originally proposed, will be initiated, in addition to three new Materials Research Science and Engineering Centers.

The FY1998 budget requested \$625.5 million for the Education and Human Resources Directorate (EHR), a 1% increase above FY1997, with support divided by education level: precollege, \$375 million; undergraduate, \$115 million; and graduate, \$78 million. Support at the precollege level is directed primarily to systemic reform initiatives at state, rural, urban, and school district levels, and to informal science activities. Support at the undergraduate level is focused primarily on reform of undergraduate education and advanced technical training. Reform of laboratory instruction and upgrade of equipment will also continue to receive emphasis. Increased funding at the graduate level would allow NSF to initiate an Integrative Graduate Education and Research Training program, and to provide continued support for the Graduate Research Fellowships and the Science Education Postdoctoral Fellows program. Support for the Experimental Program to Stimulate Competitive Research (EPSCoR) in the FY1998 request remains at the FY1997 level of \$38.4 million. The House approved \$7 million for advanced technical education programs, including \$5 million to increase in the number of advanced degrees pursued by under-represented minorities.

**Table 13. Appropriations: National Science Foundation, FY1998**  
(budget authority in billions of \$)

National Science Foundation	FY1997 Final	FY1998				P.L. 105-65
		Request	H.R. 2158			
			House	Senate		
Research and Related Activities	2.432	2.515	2.538	2.524	2.546	
Education and Human Resources	0.619	0.625	0.633	0.626	0.633	
Major Research Equipment	0.080	0.085	0.175	0.085	0.109	
Salaries and Expenses	0.134	0.137	0.137	0.137	0.137	
Office of Inspector General	0.005	0.005	0.005	0.005	0.005	
<b>Subtotal (NSF)</b>	<b>3.270</b>	<b>3.367</b>	<b>3.487</b>	<b>3.377</b>	<b>3.429</b>	

Source: H.Rept. 105-175; S.Rept. 105-53; H.Rept. 105-297.

### Other Independent Agencies

In addition to funding for VA, HUD, EPA, FEMA, NASA and NSF, H.R. 2158 would appropriate funding for several smaller "sundry independent agencies, boards,



commissions, corporations, and offices” for the fiscal year ending September 30, 1998.

**American Battle Monuments Commission.** This Commission is responsible for the construction and maintenance of memorials honoring Armed Forces battle achievements since 1917. The Administration asked for \$23.9 million for FY1998, the House approved \$26.9 million, with the additional \$3 million to be used to reduce a backlog that the House Appropriations Committee perceived in equipment and maintenance. The Senate Committee endorsed the Administration’s request. Conferees approved the House proposed amount.

**Chemical Safety and Hazard Investigation Board.** The Senate bill had proposed this Board, with no counterpart having been offered by the House. Conferees accepted the Senate proposal, endorsing the \$4 million included in the Senate as start-up operations costs.

**Community Development Financial Institution Fund.** The Community Development Financial Institutions Fund (CDFI) was created by P.L. 103-325. The CDFI is a Clinton Administration initiative to provide credit and investment capital to distressed urban and rural areas. The program also provides technical and training assistance to qualifying financial institutions. The program has survived despite attempts to eliminate it.

P.L. 104-19 modified the original Act by giving the Department of the Treasury the authority to manage the CDFI program, although the CDFI continues to be funded through the VA/HUD bill. The Clinton Administration requested \$125 million for the program in FY1998. This is a \$75 million increase from last year’s appropriated amount. The House bill approved the requested amounts. The Senate provided no funding for FY1998, and requested a GAO audit on how the CDFI program makes awards and tracks the use of awarded funds. Conferees approved \$80 million, and softened the proposed GAO audit of the CDFI to a “review” of its effectiveness.

**Consumer Information Center.** The Center helps federal agencies distribute consumer information and promotes public awareness of existing federal publications. The Administration requested \$2.119 million for the Center. The House-passed bill adds \$300,000 to the Administration’s request, but also transfers to the Center the functions of the Office of Consumer Affairs, currently administered through the Department of Health and Human Services. The House bill then provides no funding for the office, for which the Administration had requested \$1.8 million. The Senate agrees with the House bill; so did conferees.

**Consumer Product Safety Commission.** This Commission is an independent regulatory agency charged with protecting the public from unreasonable product risk and to research and develop uniform safety standards for consumer products. The House bill approved \$44 million for the Commission’s work, \$1 million less than requested by the Administration. The Senate approved the Administration request. Conferees approved \$45 million as originally requested.

**Corporation for National and Community Service (CNCS).** The key issue concerning the Corporation, a program strongly supported by President Clinton, has been budgetary survival. The largest program of the Corporation is AmeriCorps. Congressional inquiries have raised concerns about partisan activities, program costs, financial management issues, and whether government should support a paid “volunteer” program. Congress voted during the FY1996 and FY1997 appropriation process to eliminate funding for the Corporation’s programs under VA/HUD, but funds were eventually restored for both years. The Corporation’s final VA/HUD appropriation for FY1997 was \$402.5, roughly the same as provided for FY1996. Of the FY1997 appropriation, \$2 million was used for expenses of the Corporation’s Inspector General’s Office.

The President requested \$549 million for FY1998 for the Corporation’s programs funded through VA-HUD, including \$2.5 million for the Inspector General. The request also earmarked \$162.0 million for the “America Reads” program. This new national service initiative proposes to recruit and train volunteer tutors in an effort to insure that all school children read at their grade level by the third grade. The House bill does not provide earmarked funds for the America Reads program but would not forbid the Corporation from using funds for that program. The House Committee recommended a funding level equal to FY1997, \$147 million below the President’s request. A House floor amendment reduced the amount by \$200 million for a final House total of \$200.5 million.

The Senate funded the program at FY1997 the level, \$400.5 million. A floor amendment earmarked \$20 million of the funds for the America Reads program. The House bill provides \$2 million for the Corporation’s Office of the Inspector General, the Senate approved \$3 million.

Conferees agreed to fund the program at higher levels than proposed in the bills approved by either House, increasing CNCS funding by \$25 million over FY1997. Some additional amounts are to be used for educational grants, including \$10 million specifically earmarked for high school students performing community service. Grants for AmeriCorps were increased to \$227 million from the \$201 proposed by the House and the \$215 million proposed by the Senate. The conferees did not approve specific amounts for America Reads, but included \$25 million for “literacy and mentoring activities.” Conferees also approved \$3 million for the Corporation’s Inspector General.

**Council on Environmental Quality; Office of Environmental Quality.** These two entities are administered by the Executive Office of the President. The Council is responsible for oversight and coordination of interagency decisions in matters affecting the environment; the Office provides the professional and administrative staff for the Council. The Administration requested \$3.02 million for the functions of the Council and the Office, and the House bill approved a decrease of \$514,000, expressing the House Appropriations Committee’s concerns about an American Heritage Rivers initiative. The Senate funded the activity at the FY1997 level, \$2.436 million, \$70,000 less than the House bill. Conferees approved \$2.5 million. In addition, conferees agreed to a special one-time \$1 million appropriation to the Executive Office of the President for “unanticipated needs.” The funds had been requested by the President but excluded from another appropriation.

**Neighborhood Reinvestment Corporation (NRC).** The NRC leverages funds for reinvestment in older neighborhoods through community-based organizations called NeighborWorks. Among projects supported by the financing activities of the NRC are lending activities for home ownership of low-income families. The House bill provides \$70 million for the NRC, \$20 million more than requested by the Administration. The Senate approved the Administration's request. Conferees compromised at \$60 million.

**Selective Service System (SSS).** The SSS was originally created to supply manpower to the U.S. Armed Forces during time of national emergency. Although since 1973, the the Armed Forces has been on voluntary recruitment and incentives, the SSS remains the primary vehicle for conscription should it become necessary. In 1987, the SSS was given the task of developing a postmobilization health care system that would assist with providing the Armed Forces with health care personnel in time of emergency. The Administration requested \$24 million for this office for FY1998; both Chambers approved bills at a level \$.5 million less than requested. Conferees approved that amount.

The remaining appropriation accounts in the bill are for certain national cemetery expenses, the Court of Veterans Appeals, the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Office of Science and Technology Policy. With the exception that the House bill provides \$1,000 less than requested for the Court of Veterans Appeals, these remaining entities are funded by both the House and Senate bills at the levels requested by the Administration. Conferees approved the agreed amounts, and accepted the House proposed amount for the Court of Veterans Appeals.

**Table 14. Appropriations: Other Independent Agencies, FY1998**  
(budget authority in billions of \$)

Other Independent Agencies	FY1998				
	FY1997 Final	Request	H.R. 2158		P.L. 105-65
			House	Senate	
American Battlefield Monuments Commission	0.022	0.024	0.027	0.024	0.027
Chemical Safety and Hazard Investigations Board	—	—	—	0.004	0.004
Cemetery Expenses, Army	0.012	0.012	0.012	0.012	0.012
Community Development Financial Institution Fund	0.050	0.125	0.125	0	0.080
Consumer Information Center	0.002	0.002	0.002	0.002	0.002

<b>FY1998</b>					
<b>H.R. 2158</b>					
<b>Other Independent Agencies</b>	<b>FY1997 Final</b>	<b>Request</b>	<b>House</b>	<b>Senate</b>	<b>P.L. 105-65</b>
Consumer Product Safety Commission	0.043	0.045	0.044	0.045	0.045
Corporation for National and Community Service <sup>a</sup>	0.403	0.549	0.203	0.403	0.428
Council on Environmental Quality	0.002	0.003	0.003	0.002	0.003
Court of Veterans Affairs	0.009	0.009	0.009	0.009	0.009
Federal Deposit Insurance Corporation	0	(0.034)	(0.034)	(0.034)	(0.034)
National Credit Union Administration	0.001	0	0	0	0
Neighborhood Reinvestment Corporation	0.050	0.050	0.070	0.050	0.060
Office of Consumer Affairs	0.002	0.002	0	0	0
Office of Science and Technology Policy	0.005	0.005	0.005	0.005	0.005
Selective Service System	0.023	0.024	0.023	0.023	0.023
<b>Subtotal, Other Independent Agencies</b>	<b>0.624</b>	<b>0.850</b>	<b>0.523</b>	<b>0.580</b>	<b>0.698</b>

<sup>a</sup> Totals include amounts for CNCS Office of the Inspector General.

Source: H.Rept. 105-175; S.Rept. 105-53; H.Rept. 105-297.

### **Supplemental Appropriations (P.L. 105-18)**

On June 12, 1997, President Clinton signed the proposal for supplemental appropriations and rescissions to the budget of FY1997. P.L. 105-18 provided \$3.3 billion in emergency appropriations to FEMA for disaster relief to meet needs created by recent natural disasters such as tornadoes and flooding.

The supplemental appropriations provided an additional \$928 million to VA for costs incurred for cost-of-living adjustments to disability compensation payments, for reestimates of caseloads under that program and the program providing pensions for low-income, totally-disabled wartime veterans, and to the survivors of veteran beneficiaries of both programs.

P.L. 105-18 also transferred \$30 million from HUD's HOPE grant fund to its program of Drug Elimination Grants. The HOPE grant fund is used to improve HUD-held properties, and in recent years, use of this program has been decreasing. Drug elimination grants have increased in recent years to combat drug-related and other crime prevention activities in federally assisted low-income housing areas.

The Act rescinded \$325 million in FY1997 funds from the assisted housing programs of HUD. P.L. 105-18 rescinds \$250 million from the recapture of excess funds available from some long-term Section 8 contracts and other inactive housing programs. In addition \$25 million was transferred to the Housing Opportunities for Persons with AIDS (HOPWA) program, and \$50 million was transferred to the housing preservation program.

P.L. 104-208 (H.R. 3610) the Omnibus FY1997 Appropriations Act included \$87.2 in additional funds for EPA, including \$10 million more for the science and technology account, \$42.2 million more for programs and management, and \$35 million more for state and tribal assistance.

## **For Additional Reading**

### **CRS Issue Briefs**

CRS Issue Brief 97007. *Clean Air Act Issues*, by James McCarthy.

CRS Issue Brief 97019. *Environmental Protection Agency: FY1998 Budget*, by Martin Lee.

CRS Issue Brief 97023. *Research and Development Funding: Fiscal Year 1998*, by Michael E. Davey, Coordinator.

CRS Issue Brief 93062. *Space Launch Vehicles: Government Requirements and Commercial Competition*, by David Radzanowski and Marcia S. Smith.

CRS Issue Brief 93017. *Space Stations*, by Marcia S. Smith.

CRS Issue Brief 97025. *Superfund Reauthorization Issues in the 105th Congress*, by Mark Reisch.

### **CRS Reports**

CRS Report 97-8. *Air Quality: EPA's Proposed New Ozone and Particulate Matter Standards*, by John Blodgett and James McCarthy.

CRS Report 96-503. *Community Development Block Grants: An Overview*, by Eugene Boyd.

CRS Report 97-126. *Federal Research and Development Funding Trends in Five Agencies: NSF, NASA, NIST, DOE (Civilian) and NOAA*, by Michael E. Davey, Coordinator.

CRS Report 97-159. *FEMA and Disaster Relief*, by Keith Bea.

CRS Report 97-169. *Housing Issues in the 105th Congress*, by Richard Bourdon.

CRS Report 96-791. *Low-Income Homeowners Initiatives and Default Risk*, by Richard Bourdon.

CRS Report 95-336. *The National Aeronautics and Space Administration: An Overview with FY1997 and FY1998 Budget Summaries*, by David Radzanowski.

CRS Report 95-897. *National Science Foundation, Directorate for Social, Behavioral, and Economic Sciences- A Fact Sheet*, by Christine M. Matthews.

CRS Report 97-264. *The Problem of Section 8 Expiring Contracts*, by Susan M. Vanhorenbeck.

CRS Report 96-667. *Section 8: Past, Present, and Future*, by Susan M. Vanhorenbeck.

CRS Report 95-307. *U.S. National Science Foundation: An Overview*, by Christine M. Matthews.

CRS Report 97-266. *Veterans Issues in the 105th Congress*, by Dennis Snook.

### **Selected World Wide Web Sites**

Environmental Protection Agency (EPA), Summary and Justification of Budget.  
<http://www.epa.gov/ocfopage>

Department of Housing and Urban Development (HUD).  
<http://www.hud.gov>

Federal Emergency Management Agency (FEMA)  
<http://www.fema.gov>

National Aeronautics and Space Administration (NASA).  
<http://www.hq.nasa.gov>

National Aeronautics and Space Administration (NASA), Legislative Affairs.  
<http://www.hq.nasa.gov/office/legaff>

National Science Foundation (NSF).  
<http://www.nsf.gov>

Office of Management and Budget (OMB).

<http://www.whitehouse.gov/WH/EOP/OMB/html/ombhome.html>

Department of Veterans Affairs (VA).

<http://www.va.gov>