

CRS Report for Congress

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Appropriations for FY2000: 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.

This report is a guide to one of the 13 regular appropriations bills that Congress considers 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 or Senate.

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Appropriations for FY2000: VA, HUD, and Independent Agencies

Summary

The President's FY2000 budget, according to projections of the House Committee on Appropriations, requested \$99.6 billion 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 (CNS). Of the requested amounts, \$4.2 billion are advance FY2001 appropriations for HUD programs, and \$2.5 billion are for FEMA disaster relief contingency funding; other appropriations for FY2000 total \$92.9 billion.

As the House and Senate Appropriations Committees specified discretionary spending limits, known as "302(b)" allocations, it became apparent that it will be difficult to reach agreement on the relative shares of the allocation to be given to the various programs under the jurisdiction of the subcommittees responsible for VA-HUD appropriations.

The Administration's FY2000 Budget. For FY2000, the Administration's request for VA would require \$42.5 billion, including \$17.3 billion for VA medical care programs, plus an additional \$608 million from funds collected from insurance plans with joint coverage of veterans treated in VA facilities, and from veterans with cost-sharing obligations. The Administration proposes further steps be taken in consolidating HUD's large housing subsidy programs, and proposes spending approximating current levels. EPA spending would be about 5% less under the President's budget. NASA funding would continue to support space flight and work on the space station, but funding limitations and an aging NASA work force are increasing concerns about mission safety. In spite of continued resistance in Congress, the Administration again proposes expansion of CNS's AmeriCorps.

FY1999 Appropriations. President Clinton signed P.L. 105-276 on October 21, 1998, completing action on the FY1999 VA-HUD appropriations bill, H.R. 4194. According to data included with the conference report (H.Rept. 105-769), Congress provided \$93.4 billion for these agencies for FY1999; the Administration had requested \$93.7 billion. (Subsequent additional funds of \$110 million for various programs covered by the VA, HUD, and Independent Agencies bill were included in the bill providing appropriations for Transportation and related agencies, P.L. 105-277, and current estimates indicate that various supplementals, rescissions, accounting changes, and actuarial updates, will bring final FY1999 appropriations to \$92.7 billion). Appropriations for the VA-HUD agencies had been \$88.4 billion in FY1998. The final bill for FY1999 also included the Quality Housing and Work Responsibility Act, a sweeping reform of federal public housing programs.

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Division abbreviations: DSP=Domestic Social Policy; G&F=Government and Finance; RSI=Resources, Science and Industry.

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Total Appropriations for FY1999 for VA, HUD, and Independent Agencies

Introduction. The appropriations for VA, HUD, and NASA comprised 86% of the total appropriations for VA, HUD, and Independent Agencies in the FY1999 appropriations bill. The FY2000 request for appropriations would approximate this distribution: VA would receive approximately 43% of the total appropriation, HUD would receive 28%, and NASA would receive 14%.

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

Department or Agency	FY1999	FY2000			
		Admin. request	House bill	Senate bill	Final
Veterans Affairs	42.625	42.538	—	—	—
Housing and Urban Development	24.659	28.048	—	—	—
Environmental Protection Agency	7.590	7.207	—	—	—
Federal Emergency Management Agency	1.740	3.402	—	—	—
National Aeronautics; Space Administration	13.665	13.578	—	—	—
National Science Foundation	3.671	3.921	—	—	—
Other Independent Agencies	0.763	0.909	—	—	—
Total Appropriations (rounded, may not add)	94.713	99.603	—	—	—
Total, after adjustments:[*]	92.737	92.913	—	—	—
<i>(Mandatory)</i>	<i>22.313</i>	<i>23.338</i>	—	—	—
<i>(Discretionary)</i>	<i>70.424</i>	<i>69.574</i>	—	—	—

*Adjustments may include various supplementals, rescissions, prior year outlays, advance appropriations, accounting changes, and reestimates for actuarial gains and losses.

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

Key Policy Issues

Department of Veterans Affairs

The Administration's FY2000 budget requested \$42.54 billion for VA programs, estimated by the House Appropriations Subcommittee for VA, HUD, and Independent Agencies, to be \$87 million less than enacted for FY1999.

Congress approved \$42.63 billion in appropriations for VA for FY1999, up from \$40.98 billion for FY1998 (after incorporating supplemental appropriations, and various reestimates of mandatory spending for that year). The Administration had requested \$42.15 billion for FY1999; the Senate approved \$42.52 billion; the House, \$42.65 billion. The Administration recommended a slight decrease in medical care funding — the House and Senate called for increases, and conferees settled on \$278 million more than provided in FY1998. Both houses approved almost identical amounts for new construction projects, an amount about \$80 million more than requested — conferees accepted the levels in the bills passing the two chambers. The final bill also added to the Administration's request for grants to states to help fund veterans' facility projects at the state level.

For additional information on VA programs, see CRS Report RL30099, *Veterans Issues in the 106th Congress*, by Dennis Snook.

**Table 3. Department of Veterans Affairs Appropriations,
FY1995 to FY1999**

(budget authority in billions of current \$)

FY1995	FY1996	FY1997	FY1998	FY1999
\$37.48	\$38.37	\$40.09	\$40.98	\$42.63

Source: CRS Report 98-204; House Subcommittee on VA, HUD, and Independent Agencies.

VA Cash Benefits. Spending for VA cash benefit programs is mandatory, and amounts requested by the budget are based on projected caseloads. Definitions of eligibility and benefit levels are in law. For FY2000, the subcommittee projects that \$23.3 billion will be required for these entitlements, mostly service-connected compensation, means-tested pensions, and Montgomery GI-Bill education payments. For the most part, declining caseloads for pensions and education benefits have been decreasing program obligations from year-to-year. For FY2000, however, this lower trend for education programs is largely offset because P.L. 105-178 increased Montgomery GI-Bill benefits by 20%. For FY1999, Congress appropriated \$23.4 billion for VA entitlement programs. VA appropriations for FY1998 included \$22.1 billion for VA cash benefits.

Medical Care. The Administration requested \$17.3 billion for VA medical programs for FY2000, the same amount as had been appropriated for FY1999. In addition, the Administration assumed that \$608 million more medical care funding would be provided in FY2000 from the Medical Care Cost Recovery (MCCF) fund,

which collects payments from insurance companies with joint coverage of veterans receiving care in VA facilities, and from veterans obligated for cost-sharing of their VA medical care (MCCF collections for FY1999 are estimated to be \$583 million). Congress appropriated \$17.057 billion in funds for VA medical care for FY1998.

FY2000 Congressional Budget Resolution. The House approved an amendment to its version of the FY2000 budget resolution that called for an increase of \$1.1 billion over the amount that the Administration requested for medical care; the Senate approved an amendment calling for \$3 billion more for those programs. Final passage of the Budget Resolution contained language calling for \$1.7 billion more in medical care funding.

For additional information on VA medical care, see CRS Report 97-786, *Veterans Medical Care: Major Changes Underway*, by Dennis Snook.

VA Construction. The Administration requested \$235 million for new construction projects, comprised of \$60 million for major construction (projects with an estimated cost above \$4 million) and \$175 million for minor construction. Most of the larger project funds would be used to improve existing facilities: \$13 million for a surgical suite to be added to the Kansas City facility, and \$17.5 million for spinal cord injury treatment and rehabilitation capabilities at the Tampa, Florida hospital. Many of the minor construction projects would continue VA's overall strategy of expanding outpatient access, although \$50 million would fund needed rehabilitation and improvements for inpatient services in several VA hospitals.

For FY1999, Congress provided \$317 million in new construction project funding. For FY1998, Congress appropriated \$353 million for new construction, and redirected to outpatient access projects, \$32.1 million that had been previously authorized and appropriated for a new hospital in California.

Program Administration. The Administration requested \$912 million to fund the General Operating Expenses (GOE) account for administering VA benefit programs during FY2000, and \$61 million for administering the medical programs. Congress provided \$856 million for GOE, and \$63 million for medical care administration, for FY1999. For FY1998, Congress appropriated \$786 million for GOE, and \$60 million for medical administration.

VA employment estimates. The Administration projects overall VA employment will average 197,909 in FY2000, down from an estimated average of 205,413 in FY1999, and 207,066 in FY1998. Most of the decline is in medical staff: VA estimates 176,000 medical care staff positions for FY2000, down from an estimated 182,000 in FY1999, and 185,000 in FY1998. Medical care staff positions will have declined by 14% from a high of 204,000 at the end of FY1993, if these estimates hold.

Capital Asset Fund (proposed legislation). The Administration included a legislative proposal in its FY2000 budget, for the creation of a 5-year pilot Capital Asset Fund (CAF) that would allow VA to "sell, transfer, or exchange excess and underutilized properties," collecting the proceeds in this asset fund for use in the disposal or conversion to other uses of superfluous assets, primarily hospital facilities.

Ten percent of the CAF proceeds would be transferred to HUD to be used for homeless assistance programs. VA estimates that the CAF would receive \$18 million annually from 2001 through 2004, and requested \$10 million in start-up funds for FY2000.

Table 4. Appropriations: Department of Veterans Affairs, FY2000
(budget authority in billions of \$)

Program	FY1999	FY2000			
		Admin. request	House bill	Senate bill	Final
Comp., pension, burial	21.857	21.568	—	—	—
Insurance/indemnities	0.046	0.029	—	—	—
Housing programs	0.300	0.282	—	—	—
Readjustment benefits	1.175	1.469	—	—	—
<i>Subtotal: Mandatory</i>	<i>23.379</i>	<i>23.348</i>	—	—	—
Medical care ^a	17.306	17.306	—	—	—
Med.-prosthetic research	0.316	0.316	—	—	—
Construction, major	0.142	0.060	—	—	—
Construction, minor	0.175	0.175	—	—	—
Grants for state facilities	0.090	0.040	—	—	—
State veteran cemeteries	0.010	0.011	—	—	—
Nat'l Cemetery Admin.	0.092	0.097	—	—	—
General operating exp.	0.856	0.912	—	—	—
Admin. expenses (housing program)	0.160	0.158	—	—	—
Inspector General	0.036	0.043	—	—	—
Medical Administration	0.063	0.061	—	—	—
Capital asset fund	—	0.010	—	—	—
Subtotal: Discretionary	19.246	19.190	—	—	—
Subtotal: (Veterans Affairs)	42.625	42.538	—	—	—

Note: Rounding may cause discrepancies in subtotals.

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

^a Medical Care Collections Fund (MCCF) receipts are added to the Medical Care account; \$583 million in additional funds from this source are estimated for FY1999; \$608 million for FY2000.

Department of Housing and Urban Development

The Administration requested \$28.05 billion for the Department of Housing and Urban Development (HUD) in FY2000. This amount is estimated by the House Appropriations Subcommittee for VA-HUD and Independent Agencies to be \$3.39 billion more than the appropriation of \$24.66 billion for HUD for FY1999.

For FY1999, President Clinton requested \$24.8 billion for HUD; the House approved \$26.1 billion, and the Senate approved \$24.1 billion. The House and Senate differed in amounts appropriated for components of the Housing Certificate Fund, and in their treatment of Federal Housing Authority (FHA) administrative expenses, as well as in various earmarks and program subcategories. In conference, more funding than was approved by either the House or the Senate for the Housing Certificate Fund was adopted, in part because of reforms in federal housing programs contained in Title V of the legislation. For FY1999, \$10.3 billion was provided for the Housing Certificate Fund, reduced by \$1.65 billion in rescissions.

For additional information on housing issues, see CRS Report RS20045, *Housing Issues in the 106th Congress*, by Richard Bourdon.

Table 5. Department of Housing and Urban Development Appropriations, FY1995 to FY1999

(budget authority in billions of current \$; net after rescissions)

FY1995	FY1996	FY1997	FY1998	FY1999
\$20.09	\$19.13	\$16.30	\$21.44	\$24.66

Source: CRS Report 98-204; House Subcommittee on VA, HUD, and Independent Agencies.

Housing Certificate Fund. The Administration is requesting \$11.5 billion in new budget authority for the Housing Certificate Fund in FY2000. This includes \$4.2 billion in advanced appropriations for use beginning in October 2000. With \$2.2 billion in recaptured funds and carryovers from previous years, and \$183 million transferred from the Annual Contributions for Assisted Housing Account, if the Administration's funding request were granted, when added to the recaptured funds and carryover funds, \$13.9 billion would be available for the Housing Certificate Fund in FY2000.

The largest portion of the Administration's request for new funding is for Section 8¹ contract renewals, \$6.4 billion in FY2000 and \$4.2 billion to be used after October 1, 2000. Of the remainder, \$347 million would be set aside for incremental vouchers for Section 8 families and the homeless; \$144 million for welfare-to-work vouchers; \$156 million for tenant protection assistance; \$209 million for contract

¹ Section 8 of the Housing Act of 1937 (as amended), provides subsidies for rental housing for low-income families.

administration; \$6 million for administrative fees, and \$20 million for regional opportunity counseling.

Expiring Rental Contracts. The Administration proposes \$10.64 billion for the renewal of all Section 8 contracts due to expire in FY2000, assuming the cooperation of the project owners. For FY1999, Congress approved \$9.6 billion for Section 8 contract renewals. HUD has identified approximately \$2.4 billion in recaptured and carryover monies from FY1999, including \$183 million transferred from the Annual Contributions for Assisted Housing Account, which could also be used to renew Section 8 contracts in FY2000, bringing the total available for renewals to \$13 billion. HUD estimates that this amount is sufficient to renew expiring contracts for 2,383,687 units.² However, the 1999 Emergency Supplemental Appropriations Act (P.L. 106-31) rescinded \$350 million of the Section 8 reserve fund. Congress said that it would restore these funds to HUD when needed for the FY2000 Section 8 contract renewals.

HUD would continue to renew these contracts through the “mark-to-market” restructuring program established in the VA-HUD 1998 Appropriations Act, and estimates that millions of dollars will be saved that otherwise would be expended on contracts inflated beyond market rates. Final regulations for this restructuring are expected to be issued by HUD in July 1999.

For more information on expiring contracts and the restructuring program, please see the following CRS reports: Report 97-264, *The Problem of Section 8 Expiring Contracts*, by Susan Vanhorenbeck, and Report 97-1002, *HUD Multifamily Reform: Section 8 Restructuring*, by Susan Vanhorenbeck.

Section 8 Contract Amendments. The need for Section 8 contract amendments resulted because funding was insufficient to maintain projects built through long-term project-based contracts (usually written for terms up to 40 years) in the 1970's and 1980's. The current practice of providing contracts for a 1-year term should eliminate the need for amendments to these contracts. However, some older contracts remain and in many cases, managers cannot maintain their housing inventory without additional funds provided through amendments to existing contracts.

The Administration has not requested any additional funding for Section 8 amendments in FY2000, contending that recaptured Section 8 funds from previous years will be sufficient to fund any necessary amendments to Section 8 contracts in FY2000. In FY1999, the Administration requested \$1.3 billion in funding for Section 8 amendments. Congress disagreed with this request, and no funding was provided for amendments to contracts in FY1999.

Section 8 Tenant-Protection Assistance. The Administration anticipates that not all owners of Section 8 assisted housing may be willing to renew their contracts. The Housing Certificate Fund would provide assistance to affected families when a contract renewal does not take place. The Administration requests \$134 million for

² U.S. Department of Housing and Urban Development: *Congressional Justifications for 2000 Estimates*. p. P-2.

housing tenants' protection in FY2000, which would be used to subsidize tenants displaced through opt-outs, termination of contracts, or property dispositions. The Administration estimates that this amount would aid approximately 27,000 families. Another \$22 million was requested for Multifamily Enforcement, which provides protection for tenants facing additional costs of revised policies in multifamily housing. This funding is used for enhanced vouchers, relocation assistance, and similar support, bringing the total FY2000 request for tenant protection in FY2000 to \$156 million. In FY1999, \$434 million was appropriated for this purpose.

Section 8 Vouchers. The Administration is requesting a total of \$491 million to fund 85,000 incremental vouchers in FY2000, including \$243 million for 42,000 Section 8 vouchers to help those renters in "worst case" need, such as those whose rent is more than 50% of their incomes, or who are living in substandard housing; \$144 million for 25,000 Section 8 vouchers to help families make the transition from welfare-to-work; and \$104 million for 18,000 Section 8 vouchers to help homeless persons making the transition from continuum of care facilities to permanent housing. In FY1999, \$283 million was provided for 50,000 housing vouchers. All of these were used for the welfare-to-work initiative.

Contract Administration. The Administration is requesting \$209 million to provide the services of contract administrators who would assume many of the duties HUD staff have performed in the past. These would include conducting annual physical inspections of properties, reviewing financial statements, conducting management and occupancy reviews, releasing replacement reserves, and other duties. In recent years, HUD staff has been reduced in number, and the Administration would like to reserve the remaining HUD staff for duties which it believes only a government agency can perform.

The Administration is also asking for \$6 million for an anticipated administrative fee increase for the Section 8 program. This increase was approved in the Quality Housing and Work Responsibility Act of 1998.

Regional Opportunity Counseling. The President requested \$20 million for the Regional Opportunity Counseling (ROC) program in FY2000. The program, which seeks to expand the housing opportunities of low-income families living in high poverty neighborhoods, funds special counseling conducted by public housing agencies in partnership with local non-profit agencies. In FY1999, \$10 million was provided for Regional Counseling.

Public Housing Programs. The Quality Housing and Work Responsibility Act of 1998 consolidated all public housing capital programs (except HOPE VI) into one Public Housing Capital Fund. The Act also directs HUD to develop a new formula to allocate resources of the Public Housing Operating Fund for FY2000. In the event that a new formula for that Fund has not been completed in time, FY2000 funds would be distributed using the existing formula. For FY2000, the Administration requested \$3.003 billion for the Public Housing Operating Fund; \$2.55 billion for the Public Housing Capital Fund; \$310 million for Drug Elimination Grants; and \$625 million for the HOPE VI program.

The FY1999 appropriations provided \$2.818 billion for the Public Housing Operating Fund; \$3 billion for Public Housing Capital Fund; \$310 million for the Drug Elimination Grant program; and \$625 million for the HOPE VI program.

Quality Housing and Work Responsibility Act. During House floor action on the FY1999 VA-HUD appropriations bill, an amendment was adopted that attached the essential language of the Housing Opportunity and Responsibility Act, a sweeping reform of federal housing assistance programs that had passed both chambers but had not been reported from a conference committee. Conferees on the VA-HUD appropriations bill deliberated issues in the two versions of the housing reform language, and with participation of the Administration, completed work on this major authorization of federal housing programs.

Under the new law, well-run public housing agencies will have more freedom to operate; poorly run agencies will be held more accountable; more working families with higher incomes will live in public housing that is now largely occupied by the poorest of the poor; and some residents will be required to perform 8 hours a month of community service. In both public housing and Section 8 programs, it will be easier to evict tenants who commit crimes and cause problems. A home rule flexible grant demonstration program will allow some local governments (rather than public housing agencies) to receive federal housing funds to develop creative approaches for providing affordable housing. A new Section 8 housing voucher program will be more landlord-friendly and more market-driven. Most provisions in the new law become effective October 1, 1999.

For further information on this significant change in federal housing policy, see CRS Report 98-860, *Housing the Poor: Federal Housing Programs for Low-Income Families*, by Morton J. Schussheim; and CRS Report 98-868, *Public Housing and Section 8 Reforms: The Quality Housing and Work Responsibility Act of 1998*, by Richard Bourdon.

Lead-based Paint Reduction. The Administration requested \$80 million for the Lead-based Paint Reduction program for FY2000, the same amount that was appropriated for the program in FY1999. In FY1997 and 1998, this program was funded as a set-aside of the Community Development Block Grant (CDBG) fund, and earlier, it was funded under the Annual Contribution for Assisted Housing Account. The FY2000 budget proposal requests that all lead hazard balances from these accounts be transferred to the Lead Hazard Account.

Housing for the Elderly and Disabled. The President requested \$660 million for housing assistance for the elderly in FY2000. The Administration has proposed combining new and existing HUD programs to help subsidize a full range of housing options for the elderly. Of the \$660 million requested for FY2000, \$510 million would be used for the Section 202 Supportive Housing program; \$100 million for a new initiative which would provide capital grants to convert projects to assisted living facilities; and \$50 million to expand the service coordinator program and provide renewal money for congregate housing services. In FY1999, \$660 million was appropriated for housing for the elderly under the Section 202 Supportive Housing program.

The budget request also proposes \$87 million in new mandatory spending to be used for 15,000 vouchers for the elderly. If funded, these vouchers would be given to states to subsidize units developed under the Low-Income Housing Tax Credit program.³

The Administration requested \$194 million for housing for the disabled (Section 811) in FY2000. This is the same amount as appropriated for the program in FY1999. In order to provide flexibility and choice in housing the disabled, no less than 25% and no more than 50% of the funding may be used to provide the disabled with tenant-based vouchers. A total of \$854 million was requested for housing for the elderly and disabled in FY2000.

For more information on housing for the elderly, see CRS Report RS20160, *Housing for the Elderly: Legislation in the 106th Congress*, by Susan Vanhorenbeck.

Homeless Assistance Grants. The President's budget requests \$1.129 billion for homeless assistance. Of this total, \$1.020 billion is for competitive Homeless Assistance Grants, an increase of \$45 million or 4.4% over that enacted for FY1999. There is also \$104 million recommended for 18,000 additional Section 8 vouchers for the homeless.⁴ These new vouchers would serve both disabled and nondisabled homeless families or individuals who are ready to make the transition from temporary to permanent housing after counseling. The homeless assistance budget also proposes to use up to 1% of appropriated funds for technical assistance to help grantees overcome a variety of problems, and for a management information system to automate and integrate homeless assistance programs with other community and economic development programs. In addition, HUD would merge all of the balances from separate homeless assistance program accounts (of past years) into one Homeless Assistance Grants account to more efficiently utilize recaptured funds and streamline the Department.

HUD estimates that with this proposed budget, there will be 150,000 transitional beds funded by the end of 2000 in addition to 80,000 permanent beds, all linked to supportive services.

Housing for Persons with AIDS (HOPWA). The President requested \$240 million for HOPWA in FY2000, \$15 million more than provided for the program in FY1999. HOPWA provides grants to states, localities and nonprofit organizations to meet the housing need of individuals with HIV/AIDS and their families. The Administration contends the funding increase is necessary to support the program in several jurisdictions that become newly eligible in FY2000 for assistance under the program formula. It estimates that \$240 million would support approximately 43,990 housing units.

³ For further information on low-income housing tax credits, see CRS Report RS20045, *Housing Issues in the 106th Congress*, by Richard Bourdon.

⁴ The \$104 million for the 18,000 incremental vouchers is shown under the Housing Certificates Fund and is included in the totals for all vouchers.

The HOME Investment Partnership Program. The HOME program makes funds available to participating jurisdictions to increase the supply of housing and homeownership for low-income families. According to the Administration, the HOME program is key to addressing the shortages of affordable rental housing and homeownership in America's cities and rural areas.⁵ The President's budget requests \$1.61 billion for the HOME program in FY2000, a \$10 million increase over the level enacted for FY1999.

The proposal includes \$1.57 billion for HOME grants, \$20 million for housing counseling, and \$25 million for a proposed Regional Affordable Housing Initiative (RAHI). The RAHI pilot program would address critical housing needs in targeted regions. The program would promote the creation and implementation of regional, as opposed to jurisdiction-by-jurisdiction, affordable housing strategies.

The budget request also includes set asides of \$3 million for insular areas, \$7 million for management information systems, and \$22 million for technical assistance.

Native American Block Grants. Under the Native American Block Grant, eligible Indian tribes or their Tribally Designated Housing Entities receive funds which can be used for a variety of activities that would increase their supply of affordable housing. The President requests \$620 million for the Native American Housing Block Grant for FY2000, the same as funded for FY1999. The Administration also requests \$6 million in credit subsidies to support \$5.2 million in loan guarantees.

Rural Housing and Economic Development. The FY1999 HUD Appropriations Act (P.L. 105-276) established within HUD an Office of Rural Housing and Economic Development to support housing and economic development in rural areas. The Administration is requesting \$20 for FY2000, a \$5 million decrease from the level enacted for FY1999.

For more information on rural housing issues, see CRS Report 98-915, *Rural Housing Programs: FY1999 Appropriations and Amendments*, by Bruce E. Foote.

Fair Housing. For FY2000, the Administration requests \$20 million for the Fair Housing Assistance Program, an increase of \$3.5 million over the FY1999 appropriation. The increase would be used to fund a Fair Housing Partnership between state and local government fair housing agencies and private fair housing groups. The Partnership would focus on underserved populations to ensure full protection of the Fair Housing Act to those who face language, cultural, or other barriers.

The Administration proposes \$27 million in FY2000 for the Fair Housing Initiatives Program, an increase of \$3.5 million over the FY1999 appropriation. The increase would be paired with the Fair Housing Partnership mentioned above, and would be used to increase homeownership among under-served groups.

⁵ U.S. Department of Housing and Urban Development: *Congressional Justifications for 2000 Estimates*. p. G-2.

Community Development Block Grant. The Community Development Block Grant (CDBG) program is the largest source of federal assistance to state and local governments for housing rehabilitation, economic development, and neighborhood revitalization. P.L. 105-276 appropriates \$4.750 billion in CDBG assistance for FY1999. For FY2000, the Administration requests \$4.775 billion for CDBG. The Administration's FY2000 CDBG budget request includes \$425 million for set-aside activities, \$101 million less than the \$526 million appropriated for FY1999. These proposed set-asides would provide funding for Indian tribes, empowerment zone related technical assistance, Economic Development Initiative projects, homeownership zones, and the Youthbuild program.

The Administration's budget request for FY2000 also includes \$350 million in CDBG-related assistance, including funding for urban and regional empowerment zones, brownfield development, the redevelopment of abandoned buildings, and support of so-called "smart growth" initiatives under the Administration's Regional Connections proposal.

Regional Connections. This is a new initiative of the Clinton Administration designed to promote comprehensive and coordinated regional development strategies. The Administration is requesting \$50 million in Regional Connections grants to be awarded to state and local governments. The Administration unsuccessfully sought \$100 million in funding for this proposal in its FY1999 budget submission.

Brownfield Redevelopment. For FY2000, the Administration is proposing \$50 million in support of brownfield redevelopment, for an increase of \$25 million over FY1999. These are environmentally contaminated sites in urban and rural communities that the Administration seeks to return to useful economic life through a process of environmental remediation and reuse. Funds are to be used to support Section 108 loan guarantees to help pay for cleanup activities and to assist in financing job-generating economic development projects.

Regional Empowerment Zones. This is a new Administration proposal and part of its "New Markets Initiative" intended to promote economic activities in distressed urban and rural communities. The Regional Empowerment Zone proposal is intended to increase youth employment opportunities by linking urban empowerment zone strategies to broader metropolitan area employment opportunities. The Administration is requesting \$50 million for this proposal.

Urban Empowerment Zones. Current estimates by the House Appropriations Committee show that for FY1999, appropriations for urban empowerment zones will total \$45 million. This assistance was provided under an omnibus appropriation measure, P.L. 105-277. The Administration's FY2000 budget request, as estimated by the House Committee, does not include funding for empowerment zones and enterprise communities. Empowerment zones enable tax credits to eligible private businesses and to state and local governments to be used to encourage economic activity in selected communities.

America's Private Investment Companies. Another component of the Administration's "New Markets Initiative," the America's Private Investment Companies (APIC) proposal is intended to increase the flow of private equity capital

investment into distressed urban and rural communities. The Administration estimates that this credit subsidy could leverage \$1 billion in private capital. The Administration is requesting \$37 million in APIC subsidy for FY2000.

Redevelopment of Abandoned Buildings. This is a component of the Administration's "New Markets Initiative" designed to increase economic activity in distressed urban and rural areas. The Administration is requesting \$50 million to assist communities raze abandoned blighted buildings and redevelop the sites for commercial or residential use.

Section 108 Loan Guarantee Subsidy. The Administration is requesting \$30 million in subsidies to support a loan guarantee commitment of \$1.3 billion for FY2000. CDBG Section 108 loan guarantees allow selected local and state governments to borrow up to five times their annual CDBG allocation to finance large scale economic development projects. For FY1999, \$30 million in subsidies were authorized to support \$1.3 billion in loan guarantee commitments.

Youthbuild. The Youthbuild program, which provides supervised education and job training to teenaged residents in public housing, was funded as a \$42.5 million CDBG set-aside program in FY1999. This includes \$2.5 million for capacity building activities. For FY2000, the Administration requests \$75 million in CDBG funds be set-aside for Youthbuild activities.

The Federal Housing Administration. The Administration requests \$120 billion in insurance commitments for the Mutual Mortgage Insurance fund of the Federal Housing Administration (FHA) during FY2000. This is a \$20 billion increase over the FY1999 level. A higher level of FHA loan activity is expected because of the increase in the FHA loan limit enacted in the FY1999 HUD Appropriations Act. In certain parts of the country, eligible borrowers may obtain FHA-insured loans for up to \$208,800 to purchase one-family homes, and the loans may be as high as \$256,500 in Honolulu. The increased commitment limit is intended to avoid the need for supplemental appropriations if the demand for FHA insurance exceeds the projected level.

The Administration requests a direct loan limitation of \$50 million, and proposes that \$30 million would be used to facilitate the sale of multifamily housing projects. The other \$20 million would be used by non-profit and government agencies to make HUD-owned single family properties available for resale to purchasers with income at or below 115% of the median income of the area.

The FY2000 Budget requests \$18.1 billion in loan commitments for the General and Special Risk Insurance funds of FHA. This is the same level as enacted in FY1999. These funds support specialized mortgage finance needs such as hospitals, assisted living and nursing homes, apartment buildings, and home rehabilitation.

For more information on FHA mortgage limits, see CRS Report 98-421, *Raising the FHA Mortgage Limit: Issues and Options*, by Bruce E. Foote.

Table 6. Appropriations: Housing and Urban Development, FY2000
(budget authority in billions of \$)

Program	FY1999	FY2000			
		Admin. request	House bill	Senate bill	Final
Housing certificate fund (HCF)	10.327	7.322	—	—	—
<i>(By transfer)</i>	0	<i>(0.183)</i>	—	—	—
Advance approp. FY2001	0	4.200	—	—	—
<i>Subtotal: HCF funding</i>	<i>10.327</i>	<i>11.522</i>	—	—	—
<i>Housing set-asides:^a</i>			—	—	—
<i>Expiring Section 8 contracts</i>	<i>(9.600)</i>	<i>(10.640)</i>	—	—	—
<i>Sect. 8 tenant protection</i>	<i>(0.434)</i>	<i>(0.156)</i>	—	—	—
<i>Region. opportunity counsel.</i>	<i>(0.010)</i>	<i>(0.020)</i>	—	—	—
<i>Welfare-to-work hsng. vouch.</i>	<i>(0.283)</i>	<i>(0.144)</i>	—	—	—
<i>Contract administration</i>	0	<i>(0.209)</i>	—	—	—
<i>Incremental vouchers</i>	0	<i>(0.347)</i>	—	—	—
<i>Administrative fee change</i>	0	<i>(0.006)</i>	—	—	—
<i>Subtotal: HCF set-asides</i>	<i>(10.327)</i>	<i>(11.522)</i>	—	—	—
Sect. 8 rescissions	-1.650	0	—	—	—
Public housing capital fund	3.000	2.555	—	—	—
Pub. housing operating fund	2.818	3.003	—	—	—
Drug elimination grants	0.310	0.310	—	—	—
Distressed pub. hous. (HOPE)	0.625	0.625	—	—	—
Indian hsng. block grants	0.620	0.620	—	—	—
Indian hsng. loan guar.	0.006	0.006	—	—	—
Rural Hsng.; Econ. Develop.	0.025	0.020	—	—	—
Housing for persons with AIDS	0.225 ^b	0.240	—	—	—
Community Devel. Blk. Grant	4.750	4.775	—	—	—
(CDBG emergency funding)	0.250	0	—	—	—
Homeless Assistance Grants	0.975	1.025 ^c	—	—	—
HOME Invest. Partnerships	1.600	1.610	—	—	—
Brownfields Initiative	0.025	0.050	—	—	—
Regional connections	0	0.050	—	—	—
Emp'ment Zones; Enterprizes ^d	0.045	0	—	—	—
Regional emp'ment zones	0	0.050	—	—	—
Sec.108 loan guar.; subsidy	0.030	0.030	—	—	—
America priv. invest.; subsidy	0	0.037	—	—	—
Redevelopment of aband. bldg.	0	0.050	—	—	—
<i>Subtotal: Pub., Indian Housing (net, excl. advance approp.)</i>	<i>(23.981)</i>	<i>(22.378)</i>	—	—	—

Program	FY1999	FY2000			
		Admin. request	House bill	Senate bill	Final
Office of lead hazard control	0.080	0.080	—	—	—
Housing, elderly and disabled	0.854	0.854	—	—	—
Federal Housing Admin. (net) ^e	-0.033	0.635	—	—	—
Research and technology	0.048	0.050	—	—	—
GNMA (net) ^e	-0.361	-0.407	—	—	—
Fair housing activities	0.040	0.047	—	—	—
Inspector General	0.050	0.038	—	—	—
Salaries and expenses	0.456	0.502	—	—	—
Y2K convers'n (emerg. funds)	0.012	0	—	—	—
Admin. provisions (net) ^d	-0.468	-0.329	—	—	—
<i>Subtotal for HUD for Current Year and FY2000</i>	<i>(24.659)</i>	<i>(23.848)</i>	—	—	—
<i>Appropriations</i>	<i>(26.297)</i>	<i>(23.848)</i>	—	—	—
<i>Rescission</i>	<i>(-1.650)</i>	<i>(0.0)</i>	—	—	—
<i>Emergency appropriations</i>	<i>(0.012)</i>	<i>(0.0)</i>	—	—	—
<i>Advance appropriations</i>	<i>(0.0)</i>	<i>(4.200)</i>	—	—	—
Subtotal (HUD) (rounded, may not add)	24.659	28.048	—	—	—

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

^a Includes \$4.2 billion funded and expected to be spent in FY2001.

^b Includes additional \$10 million provided by P.L. 105-277.

^c Includes \$5 million for homeless assistance demonstration project.

^d Empowerment Zones and Enterprise Communities were funded by P.L. 105-277 for FY1999.

^e Net, interagency transfers and offsetting receipts against appropriations of the current year.

Environmental Protection Agency

The President's FY2000 request for the Environmental Protection Agency (EPA) is \$7.2 billion in spending authority or 5% less than the \$7.6 billion appropriated for FY1999. The FY1999 Omnibus Appropriations Act, P.L. 105-277, added \$30 million to the EPA budget for FY1999; the FY1999 Emergency Supplemental, P.L. 106-31, decreased EPA's FY1999 funds by \$10 million. Three prime issues are the adequacy of funds to capitalize wastewater and drinking water needs; increased funding and EPA's authority to conduct climate change activities; and the Agency's progress in cleaning up toxic waste sites under the Superfund program.

The Administration proposed FY2000 levels in the State and Tribal Assistance Grants would provide one-third less for capitalizing state and local wastewater needs, thereby prompting considerable controversy during hearings before EPA's appropriators this year. Two factors drive this interest: the program's widespread

popularity among all states and many localities, and major remaining capital needs. EPA estimates these remaining needs to be in the \$100 billion to \$200 billion range; the Association of Metropolitan Sewerage Agencies judges the needs to be roughly \$300 billion.

The current controversy does not extend to the other major activity capitalizing state drinking water funds, which would increase under the proposal from \$775 million to \$825 million. Funding for special Mexican Border water quality and drinking water projects would double to \$100 million, and grants for state administration of environmental programs would rise 6% to \$825 million, under the proposal. The budget also proposes a new \$200 million Clean Air Partnership program to fund innovative state and local activities aimed at reducing air pollutants.

**Table 7. Environmental Protection Agency Appropriations,
FY1995 to FY1999**

(budget authority in billions of current \$)

FY1995	FY1996	FY1997	FY1998	FY1999
\$6.7	\$6.5	\$6.8	\$7.4	\$7.6

Source: CRS Report 98-204; House Subcommittee on VA, HUD, and Independent Agencies.

EPA's climate change activities continue to be controversial. The Administration supports the yet-to-be ratified Kyoto Protocol to reduce greenhouse gases as an international response to global warming. Congress approved no additional research funds for FY1999, denied most of the requested increase of roughly \$80 million for climate change activities, and included bill language prohibiting EPA from spending funds on activities that would implement the Protocol. At about the same time, the Omnibus Appropriations Act (P.L. 105-277), added \$10 million to the existing appropriation for global climate activities; on May 21, 1999, the FY1999 Emergency Supplemental (P.L. 106-31) rescinded \$10 million for that same account.

Climate change programs are funded through the Science and Technology, and the Environmental Compliance accounts. The Administration's FY2000 request of \$239 million for EPA's climate change activities would be a 90% increase if adopted. About 30% of this amount is for science and technology activities, and the remaining 70% is for activities to encourage voluntary reduction of greenhouse gases. Some Members assert that EPA does not have the legal authority to conduct activities to reduce carbon emissions, a primary cause of such gases. CRS' *Climate Change Briefing Book* [<http://www.congress.gov/brbk/html/ebgcctop.html>] discusses many aspects of the climate change issue.

Another issue is administration of the Superfund program, aimed at cleaning up toxic waste sites. Unlike the last three years, the FY2000 budget does not seek a major increase in the program; the \$1.5 billion requested is the same as appropriated in FY1999. In addition to the current appropriation, P.L. 105-276 authorized an additional \$650 million if Superfund is reauthorized by August 1, 1999.

Committee oversight of the Superfund focuses on improving the efficiency of the program's administration and the progress EPA is making in cleaning up all major hazardous waste sites. The General Accounting Office (GAO) continues to place this program on its list of troubled federal programs and there are ongoing efforts in both the House and Senate to legislatively reform this program.

For more detailed information on the Superfund, see: CRS Issue Brief IB10011, *Superfund Reauthorization Issues in the 106th Congress*, by Mark Reisch.

Table 8. Appropriations: Environmental Protection Agency, FY2000
(budget authority in billions of \$)

Program	FY1999	FY2000			
		Admin. request	House bill	Senate bill	Final
Science and Technology (including transfers from Superfund)	0.700 ^a	0.680	—	—	—
Environmental programs, compliance (management)	1.848	2.046	—	—	—
Office of Inspector General	0.043	0.040	—	—	—
Buildings and facilities	0.057	0.063	—	—	—
Superfund (net, after transfers)	1.448	1.452	—	—	—
Leaking Underground Storage Tank Trust Fund	0.073	0.072	—	—	—
Oil spill response	0.015	0.016	—	—	—
State and tribal assistance grants	3.407 ^b	2.838	—	—	—
Subtotal (EPA) (rounded, may not add)	7.590	7.207	—	—	—

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

^a Also includes \$10 million added for FY1999 by P.L. 105-277.

^b Also includes \$20 million added for FY1999 by P.L. 105-277.

For information on wastewater treatment issues, see CRS Report 98-323, *Wastewater Treatment: Overview and Background*, by Claudia Copeland; for clean air issues, see CRS Issue Brief IB10004, *Clean Air Act Issues in the 106th Congress*, by James McCarthy. For additional detail on clean air issues, see: CRS Report 97-8, *Air Quality: EPA's Proposed New Ozone and Particulate Matter Standards*, by John Blodgett and James McCarthy. For more detailed information on EPA and its budget, see: CRS Issue Brief IB10038, *Environmental Protection Agency: Analysis of Key FY2000 Budget Issues*, by Martin Lee.

Federal Emergency Management Agency

The Federal Emergency Management Agency (FEMA) helps states and localities prepare for and cope with disasters that overwhelm their own capabilities. FEMA administers policies related to emergency management and planning, disaster relief, fire prevention, earthquake hazard reduction, emergency broadcasting services, flood insurance, mitigation programs, and dam safety.

Table 9. Appropriations: Federal Emergency Management Agency, FY2000
(budget authority in billions of \$)

Program	FY1999	FY2000			
		Admin. request	House bill	Senate bill	Final
Disaster relief	0.308	0.300	—	—	—
Emergency funding	0.906	2.480	—	—	—
Pre-disaster mitigation	0	0.030	—	—	—
Disaster loan subsidy	0.002	0.002	—	—	—
Salaries and expenses	0.171	0.190	—	—	—
Inspector General	0.005	0.008	—	—	—
Emergency management, planning assistance	0.241	0.251	—	—	—
Emergency food, shelter	0.100	0.125	—	—	—
Flood map modernize.	0	0.005	—	—	—
Flood mitigation fund	0	0.012	—	—	—
Radiological emerg. preparedness (net)	0	-0.001	—	—	—
Emergency funds for Y2K conversion	0.007	0	—	—	—
Subtotal* (FEMA) (rounded, may not add)	1.740	3.402	—	—	—

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

Disaster relief is authorized by the Robert T. Stafford Disaster Relief and Emergency Assistance Act. The Act authorizes the President to declare major disasters or emergencies (the latter provide considerably less federal assistance than the former), sets out eligibility criteria, and specifies types of assistance that may be authorized. Funding varies from year-to-year by the severity and frequency of declared catastrophes. In recent years, billions have been appropriated to help communities recover from tornados, hurricanes, floods, earthquakes, and other incidents. For further information on FEMA appropriations, see: CRS Report

RS20094, *FEMA Funding Overview: Current and Historical Data for the Federal Emergency Management Agency*, by Keith Bea.

Members of Congress have voiced general support for the Administration's emphasis in recent years on disaster mitigation, but disagree on specifics. Instead of agreeing to the request for separate funding for the Project Impact mitigation efforts, for FY1999, House and Senate panels set aside roughly half the amount requested in the existing account that funds state and local emergency preparedness activities ("emergency management, planning and assistance," or EMPA). Also, the House subcommittee has raised concerns about the process used by FEMA to identify mitigation priorities. The Senate Appropriations Committee report noted concern with the administration of existing mitigation authority, and has requested that the General Accounting Office review federal and non-federal mitigation activities.

Another difference between the Administration and Congress on FEMA funding concerns disaster relief. As in previous years, the Administration has requested that contingency funding be made available for future disasters; for FY2000, \$2.5 billion has been requested for this emergency funding. Congress historically has rejected this approach, providing a smaller initial appropriation than requested for meeting unknown emergencies, preferring instead to consider supplemental disaster relief funding as needed.

National Aeronautics and Space Administration

For FY2000, the Administration is requesting \$13.578 billion for NASA compared to an appropriation of \$13.665 billion for FY1999. This request includes \$8.17 billion for research and development, among which are the specific allocations of \$2.483 billion for the International Space Station (ISS), \$2.197 billion for Space Science, \$1.459 billion for Earth Science, and \$1.006 billion for Aero-Space Technology. In FY1999, Congress appropriated \$2.270 billion for the ISS, \$2.119 billion for Space Science, \$1.414 billion for Earth Science, and \$1.338 billion for Aero-Space Technology. Also for FY2000, NASA is requesting \$2.986 billion for Space Shuttle operations, compared to \$3.028 billion approved in FY1999, and \$2.181 billion for Research and Program Management compared to \$2.121 billion approved in FY1999.

NASA projects eight Space Shuttle flights in FY2000 including seven for the ISS. The reliability of Russian commitments to the ISS is a critical issue for FY2000, as it could affect ISS construction costs. Assuming successful launch of the Russian Service Module before the end of 1999, NASA expects 10 ISS missions in FY2000, to continue construction and outfitting of the ISS, and to install the first ISS crew. Continued consolidation of Space Shuttle contract operations under the Space Flight Operations Contract is also expected in FY2000.

The request for additional ISS funding during FY2000 assumes some of the additional costs would be offset by savings in the Aero-Space Technology programs. The Office of Aero-Space Technology plans to terminate two major aeronautics research programs in FY2000, high speed research and advanced subsonic engine technology. In addition, with the end of NASA's share of contract costs, funding for

the X-33 project, a joint effort with Lockheed Martin to develop technology for a reusable launch vehicle, will decline.

**Table 10. National Aeronautics and Space Administration
Appropriations, FY1995 to FY1999**
(budget authority in billions of current \$)

FY1995	FY1996	FY1997	FY1998	FY1999
\$14.00	\$13.88	\$13.71	\$13.65	\$13.67

Source: CRS Report 98-204; House Subcommittee on VA, HUD, and Independent Agencies.

The Office of Space Science will develop small Mars exploration missions, including the use of robotic aircraft. Two major missions and an upgrade of the Hubble Space Telescope are also expected in FY2000, along with four launches in the Explorer program. The next two satellites in Earth Science's Earth Observing System (EOS) program are scheduled to be launched in FY2000, assuming successful launch of the Terra (formerly the EOS AM-1) mission in FY1999.

**Table 11. Appropriations: National Aeronautics and Space
Administration, FY2000**
(budget authority in billions of \$)

Program	FY1999	FY2000			
		Admin. request	House bill	Senate bill	Final
Human space flight	5.480	5.638	—	—	—
Science, aeronaut., tech.	5.654	5.425	—	—	—
Mission support	2.511	2.494	—	—	—
Inspector General	0.020	0.021	—	—	—
Subtotal (NASA) (rounded, may not add)	13.665	13.578	—	—	—

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

The aging of the NASA work force, coupled with budget constraints, makes the overall safety of Space Shuttle operations a growing NASA concern. In all science areas, analysts claim that NASA's "better, faster, cheaper" policy for mission spacecraft threatens the reliability of such missions. In addition, because a vehicle for the crew's return will be needed when habitation of the ISS begins, there is growing concern about the slow pace of development of that vehicle. Other issues include the consequences for the EOS program of reducing the capability of the EOS data information system, uncertainties about development of a reusable launch vehicle to replace the Space Shuttle, and effects of delays in cost-savings from the Combined Space Operations Contract.

The House has approved a NASA authorization bill (H.R. 1654) that would authorize \$13.626 billion for FY2000, specifying \$2.482 billion for the ISS, \$3.173 billion for Launch Vehicles and Payload Operations, \$5.453 billion for Science, Aeronautics, and Technology, and \$2.495 billion for Mission Support. The Senate Commerce Committee approved a NASA authorization bill (S. 342) that would authorize \$13.378 billion for FY2000, specifying \$2.283 billion for the ISS, \$3.155 billion for Launch Vehicles and Payload Operations, \$5.425 billion for Science, Aeronautics, and Technology, and \$2.495 billion for Mission Support.

For a more detailed discussion of NASA and its FY2000 request, see: CRS Report RL30154, *The National Aeronautics and Space Administration's FY2000 Budget: Description and Analysis*, by Richard Rowberg. For more discussion on the ISS, see: CRS Issue Brief 93017, *Space Stations*, by Marcia S. Smith.

National Science Foundation

The FY2000 request for the National Science Foundation (NSF) is \$3.9 billion, a 6.8% increase over FY1999's estimated spending of \$3.7 billion. The FY2000 request is part of the Administration's commitment to basic research, and \$3 billion of the request is for Research and Related Activities (R&RA), an increase of 6.9% (\$234 million) over the FY1999 estimate of \$2.8 billion. The R&RA includes an activity created in FY1999 — Integrative Activities (IA). IA's request of \$161 million would provide support for cross-disciplinary research, major research instrumentation, intellectual infrastructure, and the Science and Technology Policy Institute (which supercedes the Critical Technologies Institute). The request also includes funding for examining "biocomplexity" in the environment (\$50 million), and new and comprehensive approaches to education and work force development (\$475 million).

The President designated NSF as the lead agency for 6 federal agencies involved in information technology. NSF's FY2000 request provides \$146 million for the Information for the Twenty-First Century (IT²) initiative. The investment will support research in areas such as software systems, high-end computing, and terra-scale computing systems. In addition, IT² builds on the NSF's current investments in Knowledge and Distributive Intelligence (KDI) and other information technology-related activities. The KDI also supports the Next Generation Internet, a multi-agency effort. The integration of research and education is a key theme of NSF's efforts in the area of Educating for the Future, which includes such programs as Grant Opportunities for Academic Liaison with Industry, the Integrative Graduate Education and Research Training program, Faculty Early Career Development program, and Research Experiences for Undergraduates.

**Table 12. National Science Foundation Appropriations,
FY1995 to FY1999**

(budget authority in billions of current \$)

FY1995	FY1996	FY1997	FY1998	FY1999
\$3.23	\$3.22	\$3.27	\$3.43	\$3.67

Source: CRS Report 98-204; House Subcommittee on VA, HUD, and Independent Agencies.

The FY2000 request for the Education and Human Resources Directorate (EHR) is \$678 million. Major programs receiving funding include precollege, (\$358 million); undergraduate (\$115 million); and graduate (\$81.9 million) support programs. Precollege support includes funds for two new activities, the internet-based National Science, Mathematics, Engineering, and Technology Education Digital Library (NSDL) and the NSF Graduate Teaching Fellows in K-12 Education. Major programs at the undergraduate level are Advanced Technological Education, Louis Stokes Alliances for Minority Participation, Minority Institution, and Course, Curriculum, and Laboratory Improvement. The request assumes an overall decrease in graduate level support for programs supporting Graduate Research Fellowship, Graduate Research Traineeship, Minority Graduate Education, and Postdoctoral Fellowships in Science, Mathematics, Engineering, and Technology Education. Funding for the Experimental Program to Stimulate Competitive Research would continue at current levels (\$48.4 million).

Table 13. Appropriations: National Science Foundation, FY2000

(budget authority in billions of \$)

Program	FY1999	FY2000			
		Admin. request	House bill	Senate bill	Final
Research, related activities	2.770	3.004	—	—	—
Education, human resources	0.662	0.678	—	—	—
Major research equipment	0.090	0.085	—	—	—
Salaries and expenses	0.144	0.149	—	—	—
Office of Inspector General	0.005	0.005	—	—	—
Subtotal (NSF) (rounded, may not add)	3.671	3.921	—	—	—

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

For additional information on NSF, see: CRS Report 95-897, *National Science Foundation, Directorate for Social, Behavioral, and Economic Sciences — A Fact Sheet*; and, CRS Report 95-307, *U.S. National Science Foundation: An Overview*, both by Christine M. Matthews.

Other Independent Agencies

In addition to funding for VA, HUD, EPA, FEMA, NASA and NSF, several other smaller “sundry independent agencies, boards, commissions, corporations, and offices” will receive their funding through the bill providing appropriations for VA, HUD, and Independent Agencies for the fiscal year beginning October 1, 1999.

American Battle Monuments Commission. This Commission is responsible for the construction and maintenance of memorials honoring Armed Forces battle achievements since 1917. The Administration requested \$26 million for FY2000, an amount only a few thousand dollars above the amounts appropriated for FY1999.

Chemical Safety and Hazard Investigation Board. The Administration requested \$8 million for the Board for FY2000, which originated in the FY1998 bill, with \$4 million appropriated to meet start-up operations costs. Congress appropriated \$7 million for FY1999.

Community Development Financial Institution Fund. The Administration’s FY2000 budget requested \$125 million for CDFI, the same amount requested by the Administration’s last 2 budgets. Congress appropriated \$80 million in the FY1999 VA-HUD bill (P.L. 105-276) for CDFI, and added \$15 million more in the Transportation appropriations act (P.L. 105-277).

The Community Development Financial Institutions Fund (CDFI) was created by P.L. 103-325. The CDFI is an Administration initiative to provide credit and investment capital to distressed urban and rural areas. The program also provides training and technical 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. After attempts to end funds for the CDFI were defeated, Congress appropriated \$80 million for FY1998, but included a requirement that GAO audit the CDFI to “review” its effectiveness.

For further information on CDFI, see: CRS Report 97-819, *Community Development Financial Institutions (CDFI) Fund*, by Pauline Smale.

Consumer Information Center. The Administration requested \$2.622 million for the Center for FY2000. The Center, administered through the General Services Administration (GSA), helps federal agencies distribute consumer information and promotes public awareness of existing federal publications. Congress appropriated \$2.619 million for the Center for FY1999; \$300,000 of which was for functions of the Office of Consumer Affairs, an entity previously administered through the Department

of Health and Human Services. That federal entity received no appropriations for FY1999.

Consumer Product Safety Commission (CPSC). 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 Administration requested \$51 million for FY2000, up \$3.5 million over FY1999 appropriations. Congress included language in its FY1999 appropriation for CPSC, that requires the Commission to contract with the National Academy of Sciences for a study of the potential toxicologic risks of fire-retardant chemicals that the Commission has proposed be required in residential upholstered furniture, and in children's sleepwear.

Corporation for National and Community Service (CNS). The Corporation administers programs authorized under the National and Community Service Act of 1990 (NCSA) and the Domestic Volunteer Service Act of 1973 (DVSA). Appropriations for the NCSA programs, the largest of which is AmeriCorps, are included in the VA-HUD bill. The Administration's FY2000 budget requested \$545.5 million for the NCSA programs (plus a \$3 million request for the CNS Office of the Inspector General (OIG)). For FY1999, Congress provided \$425.5 million (plus \$3 million for the OIG) for these programs. It then added \$10 million for AmeriCorps in the Omnibus Consolidated and Emergency Appropriations Act, 1999 (P.L. 105-277). Total funding for AmeriCorps for FY1999 was \$237 million; the President has requested \$302 million for FY2000.

The key issue concerning the Corporation and the NCSA programs, which are strongly supported by President Clinton, has been budgetary survival. Some Members have expressed concerns about partisan activities, program costs, financial management, and federally funding a "paid volunteer" program. (The DVSA programs, — e.g., Foster Grandparents Program and Senior Companion Program — are funded under the Labor/HHS Appropriation bill and have been non-controversial.) Authorization for CNS, and programs and activities authorized by NCSA, expired at the end of FY1996. Since then, continued program authority has occurred through the appropriations process.

For further information on the Corporation and its programs see: CRS Report RL30186, *Community Service: A Description of AmeriCorps, Foster Grandparents, and Other Federally Funded Programs*, by Ann Lordeman and Alice D. Butler.

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. Congress appropriated \$2.675 million for these functions in FY1999; the President has requested \$3.02 million for FY2000.

Court of Veterans Appeals. The Court of Veterans Appeals has exclusive jurisdiction to review decisions of the Board of Veterans' Appeals, and has the authority to decide relevant conflicts in the interpretation of law by VA and the Board of Veterans' Appeals, and its decisions constitute precedent to guide subsequent

decisions by that Board. Congress provided \$10.2 million for operations for the Court in FY1999; the President has requested \$11.45 million for FY2000.

Federal Deposit Insurance Corporation. The FDIC's Office of the Inspector General is funded from deposit insurance funds, and 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 to ensure the independence of the IG office. For FY2000, the amount requested is \$33.7 million; Congress approved \$34.7 million for FY1999.

Table 14. Appropriations: Other Independent Agencies, FY2000
(budget authority in billions of \$)

Program	FY1999	FY2000			
		Admin. request	House bill	Senate bill	Final
American Battle Monuments Commission	0.026	0.026	—	—	—
Chem. Safety and Hazard Investigations Board	0.007	0.008	—	—	—
Cemetery Exp., Army	0.012	0.012	—	—	—
Community Development Financial Institutions	0.095 ^a	0.125	—	—	—
Consumer Inform. Center	0.003	0.003	—	—	—
Consumer Product Safety Commission	0.047	0.051	—	—	—
Corporation for National and Community Service ^b	0.439	0.549	—	—	—
Council on Environ. Quality	0.003	0.003	—	—	—
Court of Veterans Appeals	0.010	0.011	—	—	—
<i>Federal Deposit Insurance Corporation (transfer)</i>	<i>(0.035)</i>	<i>(0.034)</i>	—	—	—
Neighborhood Reinvestment Corporation	0.090	0.090	—	—	—
National Credit Union Administration	0.002	0.000	—	—	—
Office, Science & Tech.	0.005	0.005	—	—	—
Selective Service System	0.024	0.025	—	—	—
Subtotal: (rounded, may not add)	0.763	0.909	—	—	—

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

^a Includes \$15 million in additional funds provided by P.L. 105-277

^b Includes \$10 million in additional funds provided by P.L. 105-277 for FY1999; for both years, includes \$3 million for CNS Office of the Inspector General.

National Credit Union Administration. The purpose of this administrative office, created under the National Credit Union Central Liquidity Facility Act (P.L. 95-630), is to improve the general financial stability of credit unions. Subscribing credit unions may borrow from the agency to meet short-term requirements. The Administration proposed a limitation on administrative expenses, which are financed from the revolving fund, of \$257,000 for FY2000. For FY1999, the Administration proposed a limitation of \$176,000 for the agency's functions; Congress accepted that amount, and approved a House proposal for a revolving loan program for credit union risk pooling, with a subsidy of \$2 million.

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 President requested \$90 million for FY2000, the same amount as Congress provided for FY1999.

Office of Science and Technology Policy. The Office of Science and Technology Policy coordinates science and technology policy for the White House. The Office provides scientific and technological information, analysis and advice to the President and executive branch, and reviews and participates in formulation of national policies affecting those areas. The President requested \$5.2 million for FY2000; Congress appropriated \$5.03 million for FY1999.

Selective Service System (SSS). The SSS was created to supply manpower to the U.S. Armed Forces during time of national emergency. Although since 1973, the the Armed Forces have 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. Congress appropriated \$24.4 million for this office for FY1999; the President has requested \$25.3 for FY2000.

Selected World Wide Web Sites

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

Corporation for National and Community Service
[<http://www.cns.gov/>]

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 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>]