

# CRS Report for Congress

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## **Appropriations for FY2005: VA, HUD, and Independent Agencies**

**July 6, 2004**

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The annual consideration of appropriations bills (regular, continuing, and supplemental) by Congress is part of a complex set of budget processes that also encompasses the consideration of budget resolutions, revenue and debt-limit legislation, other spending measures, and reconciliation bills. In addition, the operation of programs and the spending of appropriated funds are subject to constraints established in authorizing statutes. Congressional action on the budget for a fiscal year usually begins following the submission of the President's budget at the beginning of the session. Congressional practices governing the consideration of appropriations and other budgetary measures are rooted in the Constitution, the standing rules of the House and Senate, and statutes, such as the Congressional Budget and Impoundment Control Act of 1974.

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 Appropriations Subcommittees on the Department of Veterans Affairs, Housing and Urban Development, and Independent Agencies. It summarizes the status of the bill, its scope, major issues, funding levels, and related congressional activity, and is updated as events warrant. The report lists the key CRS staff relevant to the issues covered and related CRS products.

**NOTE: A Web version of this document with active links is available to congressional staff at [<http://www.crs.gov/products/appropriations/apppage.shtml>].**

# Appropriations for FY2005: VA, HUD, and Independent Agencies

## Summary

On February 2, 2004, the Administration presented its proposed FY2005 budget to Congress for the Departments of Veterans Affairs (VA) and Housing and Urban Development (HUD), and several Independent Agencies, including the Environmental Protection Agency (EPA), the National Aeronautics and Space Administration (NASA), and the National Science Foundation (NSF). The \$130.6 billion request is \$7.1 billion or 5.75% above the FY2004 appropriations of \$123.5 billion, and includes \$92.0 billion in discretionary funds and \$38.6 in mandatory spending for VA cash benefits (entitlements).

The request for VA is for \$68.1 billion, \$6.3 billion more than provided in FY2004, and includes \$27.1 billion for the Veterans Health Administration (VHA), an increase of \$289 million over the FY2004 level. The Administration is proposing several changes for the Medical Care program including a \$250 user fee and higher pharmaceutical copayments for certain veterans. These were also proposed but not approved by Congress in FY2004.

The budget requests \$31.5 billion for HUD for FY2005, an increase of about \$300 million above the \$31.2 billion enacted for FY2004. While the Administration continues to emphasize homeownership opportunities for lower-income families, most of the proposed budget continues to support rental housing assistance. HUD's largest program, the Housing Certificate Fund that contains the Section 8 voucher program, would receive \$18.5 billion, a reduction of \$790 million from last year's level. Central to HUD's proposed FY2005 budget is a controversial initiative, the Flexible Voucher Program (FVP), which is intended to control spending under the existing Section 8 voucher program. No funding is proposed for the HOPE VI public housing rehabilitation program. A Zero Downpayment Initiative (H.R. 3755) is proposed to help 150,000 first-time buyers a year purchase homes with no money down and financing for all settlement costs.

The request for EPA is \$7.8 billion, a reduction of almost \$600 million from the FY2004 funding level of \$8.4 billion. Prominent issues include a proposed decrease in funding for wastewater infrastructure, a proposed cut in funding for scientific research, and the adequacy and source of funding to clean up hazardous waste sites under the Superfund program. A stand-alone bill (H.R. 4421) would provide \$8.8 billion for EPA in FY2005.

NASA is requesting \$16.2 billion, a 5.6% increase or \$800 million over its FY2004 appropriations. The increase is primarily associated with new space goals announced by President Bush in January 2004 that call for NASA to reorient its activities towards returning humans to the Moon by 2020 and someday sending them to Mars and "worlds beyond." The FY2005 request of \$5.7 billion for the National Science Foundation, up by about \$167 million, provides support for several interdependent priority areas including biocomplexity in the environment (\$99.8 million), mathematical sciences (\$89.1 million), and nanoscale science and engineering (\$305.1 million). This report will be updated.

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

# Contents

Most Recent Developments .....	1
Budget Resolution Reported .....	1
Administration Submits Budget .....	1
Status .....	1
Total Appropriations Enacted for FY2004 and Requested for FY2005 for VA, HUD, and Independent Agencies .....	2
Title I: Department of Veterans Affairs .....	3
Agency Mission .....	3
Key Budget Issues .....	5
VA Cash Benefits .....	5
Medical Care .....	5
Title II: Department of Housing and Urban Development .....	6
Agency Mission .....	6
Key Budget Issues .....	8
Budget Level .....	8
Section 8 Vouchers .....	9
Flexible Voucher Program (FVP) Initiative .....	9
HOPE VI .....	9
Zero Downpayment Program .....	9
Payment Incentives Program .....	10
Title III: Independent Agencies .....	10
Environmental Protection Agency .....	10
Agency Mission .....	10
Key Funding Issues .....	12
Water Infrastructure .....	12
Scientific Research .....	13
Superfund .....	13
National Aeronautics and Space Administration .....	14
Agency Mission .....	14
Key Budget Issues .....	15
Agency Mission .....	17
Key Budget Issues .....	18
Overview of the FY2005 Budget Request .....	18
Policy Issues .....	19
Other Independent Agencies .....	19
Agency for Toxic Substances and Disease Registry .....	20
American Battle Monuments Commission .....	20
Cemeterial Expenses, Army .....	20
Chemical Safety and Hazard Investigation Board .....	20
Community Development Financial Institutions (CDFI) Fund .....	21
Consumer Product Safety Commission (CPSC) .....	21
Corporation for National and Community Service (CNCS) .....	21

Court of Appeals for Veterans Claims .....	22
Federal Citizen Information Center (FCIC) .....	22
Federal Deposit Insurance Corporation (FDIC) .....	22
Interagency Council on the Homeless .....	22
National Credit Union Administration (NCUA) .....	22
National Institute of Environmental Health Sciences .....	23
Neighborhood Reinvestment Corporation (NRC) .....	23
Office of Science and Technology Policy .....	23
Selective Service System (SSS) .....	23
 Selected World Wide Websites .....	 24
 Additional Reading .....	 24
HUD .....	24
EPA .....	25
NSF .....	25
CNCS .....	25

## List of Tables

Table 1. Status of VA, HUD and Independent Agencies Appropriations, FY2005 .....	1
Table 2. Summary of VA, HUD, and Independent Agencies Appropriations, FY2004 to FY2005 .....	2
Table 3. Department of Veterans Affairs Appropriations, FY2000 to FY2004 ..	3
Table 4. Appropriations: Department of Veterans Affairs, FY2004 to FY2005 .....	4
Table 5. Department of Housing and Urban Development Appropriations, FY2000 to FY2004 .....	6
Table 6. Appropriations: Housing and Urban Development, FY2004 to FY2005 .....	7
Table 7. Environmental Protection Agency Appropriations, FY2000 to FY2004 .....	10
Table 8. Appropriations: Environmental Protection Agency, FY2004 to FY2005 .....	11
Table 9. National Aeronautics and Space Administration Appropriations, FY2000 to FY2004 .....	14
Table 10. Appropriations: National Aeronautics and Space Administration, FY2004 to FY2005 .....	15
Table 11. National Science Foundation Appropriations, FY2000 to FY2004 ..	17
Table 12. Appropriations: National Science Foundation, FY2004 to FY2005 .....	18
Table 13. Appropriations: Other Independent Agencies, FY2004 to FY2005 ..	20

# Appropriations for FY2005: VA, HUD, and Independent Agencies

## Most Recent Developments

**Budget Resolution Reported.** The conference agreement on the FY2005 budget resolution was reported on May 19, 2004. The House agreed to the resolution on May 19 but the Senate has not yet voted. Based on the House-passed conference agreement, the House Appropriations Committee Chairman announced subcommittee allocations on June 2, including \$92.9 billion of discretionary spending for the HUD-Veterans Affairs (VA) Appropriations Subcommittee. This amount is \$2.1 billion above the FY2004 enacted level and \$801 million higher than the President’s request. In announcing these allocations, Chairman Young noted, “The austere funding levels for the [non-defense] subcommittees will make it challenging to move bills through the legislative process.”<sup>1</sup>

**Administration Submits Budget.** On February 2, 2004, the President submitted the Administration’s FY2005 budget to Congress, requesting \$130.6 billion for VA, HUD, and Independent Agencies.

## Status

**Table 1** will be updated to reflect developments in the legislative process on the FY2005 appropriations bill.

**Table 1. Status of VA, HUD and Independent Agencies Appropriations, FY2005**

Subcommittee markup		Committee markup	Passed House	Committee markup	Passed Senate	Conference reported	Conference report		Signed
House	Senate						House	Senate	

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<sup>1</sup>U.S. Congress, Committee on Appropriations, Chairman Young Releases Subcommittee Allocations, June 2, 2004.

## Total Appropriations Enacted for FY2004 and Requested for FY2005 for VA, HUD, and Independent Agencies

**Table 2. Summary of VA, HUD, and Independent Agencies  
Appropriations, FY2004 to FY2005**  
(budget authority in billions)

Department or Agency	FY2004 enacted	FY2005 request	FY2005 House	FY2005 Senate	FY2005 Conf
Department of Veterans Affairs	\$61.8	\$68.1			
Department of Housing and Urban Development	31.2	31.5			
Environmental Protection Agency	8.4	7.8			
National Aeronautics and Space Administration	15.4	16.2			
National Science Foundation	5.6	5.7			
Other Independent Agencies	1.1	1.2			
<i>mandatory</i>	32.7	38.6			
<i>discretionary</i>	90.8	92.0			
<b>Total: VA, HUD, and Independent Agencies (net)</b>	<b>\$123.5</b>	<b>\$130.6</b>			

**Source:** VA, HUD and Independent Agencies Subcommittee of the House Appropriations Committee budget estimate tables. FY2004 amounts reflect the 0.59% across-the-board rescission in most discretionary accounts, as called for in P.L. 108-199.



## Title I: Department of Veterans Affairs

**Table 3. Department of Veterans Affairs Appropriations,  
FY2000 to FY2004**

(budget authority in billions)

	FY2000	FY2001	FY2002	FY2003	FY2004
VA	\$44.26	\$47.95	\$52.38	\$58.10	\$61.84

**Source:** Amounts for FY2000-FY2003 are from reports of the Appropriations Committees accompanying the appropriations bills for the following years. The amount for FY2004 is an estimate from the VA, HUD and Independent Agencies Subcommittee of the House Appropriations Committee. Actual final spending levels for any fiscal year include all supplemental appropriations or rescissions. Final totals remain uncertain until all program experience has been recorded, a process that may not be completed for several months after the end of the fiscal year.

### Agency Mission

Federal policy toward veterans recognizes the importance of their service to the nation and the effect that service may have on their subsequent civilian lives. The Department of Veterans Affairs (VA) administers, directly or in conjunction with other federal agencies, programs that provide benefits and other services to veterans and their dependents and beneficiaries. The three primary organizations in VA that work together to accomplish this mission are the Veterans Benefits Administration (VBA), the Veterans Health Administration (VHA), and the National Cemetery Administration (NCA). The benefits provided include compensation for disabilities sustained or worsened as a result of active duty military service; pensions for totally disabled, poor war veterans; cash payments for certain categories of dependents and/or survivors; education, training, rehabilitation, and job placement services to assist veterans upon their return to civilian life; loan guarantees to help them obtain homes; free medical care for conditions sustained during military service as well as medical care for other conditions, much of which is provided free to low-income veterans; life insurance to enhance financial security for their dependents; and burial assistance, flags, grave sites, and headstones when they die.

**Table 4. Appropriations: Department of Veterans Affairs,  
FY2004 to FY2005**

(budget authority in billions)

<b>Program</b>	<b>FY2004 enacted</b>	<b>FY2005 request</b>	<b>FY2005 House</b>	<b>FY2005 Senate</b>	<b>FY2005 Conf</b>
Compensation, pension, burial	\$29.845	\$35.699			
Readjustment benefits	2.530	2.852			
Insurance/indemnities	0.029	0.039			
Housing program (net, indefinite)	0.306	-0.144			
<b>Subtotal: Mandatory</b>	<b>32.710</b>	<b>38.446</b>			
Medical services	17.762	—			
Medical administration	4.971	—			
Medical facilities	3.976	—			
Medical prosthetic research	0.406	0.770			
Medical care	0.000	24.968			
Two year funding	0.000	1.396			
Rescission	-0.270	—			
Medical care cost collect. <sup>a</sup> (offsetting receipts)	-1.555	-2.002			
(appropriations indefinite)	1.555	2.002			
<b>Subtotal: Medical programs and administration (appropriations)</b>	<b>26.844</b>	<b>27.133</b>			
General administration expenses (total)	1.276	1.325			
National Cemetery Administration	0.143	0.181			
Inspector General	0.062	0.065			
Construction	0.522	0.690			
Grants; state facilities	0.101	0.105			
State veteran cemeteries	0.032	—			
Housing program admin.	0.154	0.154			

Program	FY2004 enacted	FY2005 request	FY2005 House	FY2005 Senate	FY2005 Conf
Other loan funds	0.001	0.001			
<b>Subtotal: Discretionary (including Medical programs and administration)</b>	<b>29.135</b>	<b>29.654</b>			
<b>Total</b>	<b>\$61.845</b>	<b>\$68.101</b>			

**Source:** VA, HUD and Independent Agencies Subcommittee of the House Appropriations Committee estimate tables. FY2004 amounts include effects of the .59% across-the-board reduction in most discretionary accounts, as called for in P.L. 108-199.

- a. Medical Care Collections Fund (MCCF) receipts are restored to the VHA as an indefinite budget authority equal to the revenue collected, estimated to be \$2 billion in FY2005.

## Key Budget Issues

The budget submitted by the Administration in February 2004 called for funding VA at a level of \$68.1 billion for FY2005. This would be an increase of \$6.3 billion or 10.1% over FY2004. Most of the increase would be in entitlement or mandatory spending with \$0.5 billion more in discretionary appropriations for a 1.8% increase.

**VA Cash Benefits.** Spending for the VA cash benefit programs is mandatory, and the amounts requested in the budget are based on projected caseloads. Eligibility requirements and benefit levels are specified in law. While the number of veterans is declining, VA entitlement spending, mostly service-connected compensation, pensions, and readjustment (primarily education) payments, reached \$28.4 billion in FY2002, \$31.6 billion in FY2003, \$32.7 billion in FY2004, and is projected to reach \$38.4 billion in FY2005. Much of the projected increase in recent years results from cost-of-living adjustments for compensation benefits and from liberalizations to the Montgomery GI Bill, the primary education program.

**Medical Care.** In FY2004 the Administration requested approximately \$25.7 billion for VHA. Congress appropriated approximately \$26.8 billion for VHA to be spent through an account structure comprised of four new accounts: medical services, medical administration, medical facilities, and medical and prosthetic research.

For FY2005, the Administration has submitted its budget request to Congress using a new account structure — consolidating several accounts into two business lines: medical care, and medical and prosthetic research. The Administration is requesting approximately \$27.1 billion for VHA for FY2005.

The Administration is also proposing several legislative and regulatory changes. VA believes that these changes would allow it to focus resources and better serve the highest priority core veterans — those veterans with low incomes, service-connected conditions, and those with special health care needs. These veterans generally fall into categories known as Priority Groups 1 to 6. Among the Administration's proposals are: increasing the veteran's share of pharmaceutical copayments from \$7

to \$15 for each 30-day prescription for all enrolled veterans in Priority Groups 7 and 8; increasing the veteran's share of copayments for outpatient primary care from \$15 to \$20 for each appointment for all enrolled veterans in Priority Groups 7 and 8; establishing an annual user fee of \$250 for all enrolled veterans in Priority Groups 7 and 8; ending pharmacy copayments for veterans in Priority Groups 2 through 5 with incomes between \$9,894 and \$16,509; ending long-term care copayments for former prisoners of war; paying for emergency room care or urgent care in non-VA medical facilities for all enrolled veterans; and ending hospice copayments. The user fee and higher pharmaceutical copayments were proposed in the FY2004 budget request but were not approved by Congress.

## Title II: Department of Housing and Urban Development

**Table 5. Department of Housing and Urban Development Appropriations, FY2000 to FY2004**  
(net budget authority in billions)

	FY2000	FY2001	FY2002	FY2003	FY2004
HUD	\$25.92	\$28.48	\$30.15	\$31.01	\$31.20

**Source:** Amounts for FY2000-FY2003 are from reports of the Appropriations Committees accompanying the appropriations bills for the following years. The amount for FY2004 is an estimate from the VA, HUD and Independent Agencies Subcommittee of the House Appropriations Committee. Actual final spending levels for any fiscal year include all supplemental appropriations or rescissions. Final totals remain uncertain until all program experience has been recorded, a process that may not be completed for several months after the end of the fiscal year.

### Agency Mission

Most of the appropriations for the Department of Housing and Urban Development (HUD) are designed to address housing problems faced by households with very low incomes (for example, the typical recipient of a housing voucher has an income of about \$12,000) or other special housing needs. These include programs of rental assistance for the poor, elderly or disabled, housing assistance for persons with AIDS, and shelter for those who are homeless. The two large HUD block grant programs, HOME and Community Development Block Grants, also help communities finance a variety of activities to address housing needs of disadvantaged populations. In recent years, HUD has focused more attention on efforts to increase the homeownership rates for lower-income and minority households. (At the end of the first quarter of 2004, the national homeownership rate stood at a record 68.6%, while the rates for Black and Hispanic households stood at 49.3% and 47.3% respectively.) HUD's Federal Housing Administration (FHA) insures mortgages made by lenders to lower income homebuyers, and to developers of multifamily rental buildings containing relatively affordable units.

**Table 6. Appropriations: Housing and Urban Development,  
FY2004 to FY2005**

(budget authority in billions)

<b>Program</b>	<b>FY2004 enacted</b>	<b>FY2005 request</b>	<b>FY2005 House</b>	<b>FY2005 Senate</b>	<b>FY2005 Conf</b>
Housing Certificate Fund (HCF) includes advance appropriations	\$19.257	\$18.466			
Public housing capital fund	2.696	2.674			
Public housing operating fund	3.579	3.573			
HOPE VI	0.149	0.000			
Native American housing block grants	0.650	0.647			
Native Hawaiian Block Grant	0.000	0.010			
Housing, persons with AIDS (HOPWA)	0.295	0.295			
Rural Housing Economic Development	0.025	0.000			
Empowerment zones; enterprise communities	0.015	0.000			
Community Development Block Grant (including supplemental)	4.934	4.618			
Brownfields redevelopment	0.025	0.000			
HOME Investment Partnerships	2.006	2.084			
Homeless Assistance Grants	1.260	1.282			
Samaritan Initiative	0.000	0.050			
Housing for the elderly	0.774	0.773			
Housing for the disabled	0.249	0.249			
Housing Counseling Assistance	0.000	0.045			
Research and technology	0.047	0.047			
Fair housing activities	0.048	0.048			
Office, lead hazard control	0.174	0.139			

Program	FY2004 enacted	FY2005 request	FY2005 House	FY2005 Senate	FY2005 Conf
Salaries and expenses	0.544	0.592			
Working capital fund	0.234	0.234			
Inspector General	0.077	0.077			
Loan Guarantees	0.014	0.002			
<b>Subtotal: Appropriations</b>	<b>37.049</b>	<b>35.904</b>			
Section 8 recaptures (rescission)	-2.844	-1.557			
Rental housing assistance (rescission)	-0.303	-0.675			
Other rescissions	-0.030	-0.059			
<b>Subtotal: Rescissions</b>	<b>-3.177</b>	<b>-2.291</b>			
Federal Housing Administration (net)	-2.364	-1.737			
GNMA (net)	-0.305	-0.357			
<b>Subtotal: Offsets</b>	<b>-2.669</b>	<b>-2.094</b>			
<b>Total</b>	<b>\$31.202</b>	<b>\$31.519</b>			

**Source:** VA, HUD and Independent Agencies Subcommittee of the House Appropriations Committee budget estimate tables. FY2004 amounts reflect the 0.59% across-the-board rescission in most discretionary accounts, as called for in P.L. 108-199.

## Key Budget Issues

**Budget Level.** The Administration has proposed a budget for FY2005 of \$31.52 billion, an increase of \$317 million or about 1% above the FY2004 enacted budget of \$31.20 billion.<sup>2</sup> This follows an increase of about \$224 million or 0.7% from FY2003 to FY2004. Affordable housing advocates who argue for larger increases in the HUD budget point to the 2003 report, *The State of the Nation's Housing*, by Harvard's Joint Center For Housing Studies, which found that "A staggering three in ten U.S. households have affordability problems" and that "Progress in tackling the nation's housing challenges has stalled." HUD Deputy Secretary Roy Bernardi acknowledged in a recent interview that "there is not enough money right now in the country to provide housing for all the people who need it,"

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<sup>2</sup> Budget figures in this report are from the House Appropriations Committee as of May 25, 2004 and from HUD's *Congressional Justifications for 2005 Estimates*.

but he cited current budget constraints caused by the demands of homeland security, combating terrorism, and national defense.<sup>3</sup>

**Section 8 Vouchers.** HUD's FY2005 budget proposes to eliminate the Section 8 voucher program (which is the largest component of the Housing Certificate Fund) and replace it with a new grant program called the Flexible Voucher Program (see details below). The funding requested for this new program is about \$1 billion less than the voucher program received last year and it has been estimated by advocates to be more than \$1 billion less than what would be needed to maintain the voucher program at its current level if the FVP proposal is not adopted.<sup>4</sup>

**Flexible Voucher Program (FVP) Initiative.** According to HUD, the FVP proposal would provide an incentive for Public Housing Authorities (PHAs) to control the rapidly rising costs of housing vouchers. Under FVP, PHAs would receive a fixed budget and would be subject to fewer regulations compared to the current program under which PHAs are reimbursed based on their actual costs and are subject to a number of federal rules and regulations. The Administration expects this to save \$1.6 billion in FY2005. A similar initiative was rejected by Congress in FY2004.

**HOPE VI.** No funding is proposed for HOPE VI, a public housing rehabilitation program that received \$149 million in FY2004 and \$570 million in FY2003. The Administration points to more than \$2 billion of unspent funds in the pipeline that will keep the program going for years and complete its goals. Advocates for the program, including many Members of Congress, contend that this program has been very successful in replacing some of the most dilapidated housing projects with new mixed-income housing, and that it needs to be continued.

**Zero Downpayment Program.** A new Federal Housing Administration (FHA) Zero Down Payment Program (H.R. 3755) is proposed to help an estimated 150,000 first-time homebuyers annually purchase with no money down and finance all settlement costs. On June 3, 2004, the House Financial Services Committee passed an amended H.R. 3755. The Administration says homeownership for low-income and minority families helps create a stable living environment for children, and allows these families to accumulate wealth. Critics contend that the Administration's focus on homeownership is unbalanced and political; that too many lower income families are being enticed to purchase a home with little or no savings, with little or no financial knowledge about budgets or home repair contracts, and that they are especially vulnerable to layoffs and a variety of financial, and mortgage and housing — related scams. They point to very high FHA mortgage delinquency rates — currently above 12%.

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<sup>3</sup> Interview with Roy Bernardi. *The Post-Standard* (Syracuse, NY), June 20, 2004.

<sup>4</sup>See Barbara Sard and Will Fischer, *Administration Seeks Deep Cuts in Housing Vouchers and Conversion of Program to a Block Grant*, Center on Budget and Policy Priorities, May 24, 2004.

**Payment Incentives Program.** A new FHA sub-prime mortgage insurance product is proposed to help 60,000 families a year reduce unnecessarily high interest rates after making timely mortgage payments for a period of time. Many of these families must now rely on high-cost sub-prime loans due to poor credit records, although evidence shows many are unfairly being charged these rates (predatory lending). Housing advocacy groups generally applaud this effort but say that much more anti-predatory lending protections are needed.

For a more detailed discussion of the HUD budget, see CRS Report RL32443, *The Department of Housing and Urban Development: FY2005 Budget*.

## Title III: Independent Agencies

### Environmental Protection Agency

**Table 7. Environmental Protection Agency Appropriations,  
FY2000 to FY2004**  
(budget authority in billions)

FY2000	FY2001	FY2002	FY2003	FY2004
\$7.59	\$7.83	\$8.08	\$8.08	\$8.37

**Source:** Amounts for FY2000 to FY2003 are from reports of the Appropriations Committees accompanying the appropriations bills for the following years. The amount for FY2004 is an estimate from the VA, HUD and Independent Agencies Subcommittee of the House Appropriations Committee. Actual final spending levels for any fiscal year include all supplemental appropriations or rescissions. Final totals remain uncertain until all program experience has been recorded, a process that may not be completed for several months after the end of the fiscal year.

### Agency Mission

The Nixon Administration established the Environmental Protection Agency (EPA) in 1970 in order to consolidate federal pollution control responsibilities that had been divided among several agencies. Since that time, EPA's responsibilities have grown as Congress has enacted an increasing number of environmental laws, as well as major amendments to these statutes, over three decades. Annual appropriations provide the funds necessary for EPA to carry out its responsibilities under these laws. Among its primary responsibilities are the regulation of air quality and water quality, pesticides and toxic substances, the management and disposal of solid and hazardous wastes, and the cleanup of environmental contamination. EPA also awards grants to assist state and local areas in controlling pollution. EPA's funding trends generally reflect an increase in overall appropriations to fulfill a rising number of statutory responsibilities, as Congress has enacted more environmental laws over time. Historically, the agency's appropriation has risen from \$1.0 billion when the agency was established in FY1970 to \$8.4 billion in FY2004.



**Table 8. Appropriations: Environmental Protection Agency,  
FY2004 to FY2005**

(budget authority in billions of dollars)

<b>Program</b>	<b>FY2004 enacted</b>	<b>FY2005 request</b>	<b>FY2005 House</b>	<b>FY2005 Senate</b>	<b>FY2005 Conf</b>
Science & Technology (total)	0.826	0.725			
<i>direct appropriation</i>	<i>0.782</i>	<i>0.689</i>			
<i>transfer in from Superfund</i>	<i>0.044</i>	<i>0.036</i>			
Environmental Programs and Management	2.280	2.317			
Office of Inspector General (total)	0.050	0.051			
<i>direct appropriations</i>	<i>0.037</i>	<i>0.038</i>			
<i>transfer in from Superfund</i>	<i>0.013</i>	<i>0.013</i>			
Buildings and facilities	0.040	0.043			
Hazardous substance Superfund (net, after transfers)	1.200	1.332			
<i>direct appropriations</i>	<i>1.258</i>	<i>1.381</i>			
<i>transfers out from Superfund</i>	<i>-0.058</i>	<i>-0.049</i>			
Leaking underground storage tank program	0.076	0.073			
Oil spill response	0.016	0.016			
Pesticide registration fund <sup>a</sup>	—	0.019			
Pesticide registration fees <sup>a</sup>	—	-0.019			
State and tribal assistance grants (total)	3.878	3.232			
<i>State and tribal assistance</i>	<i>2.706</i>	<i>1.980</i>			
<i>Omnibus appropriations (P.L. 108-199, Section 167)</i>	<i>0.004</i>	—			
<i>Categorical grants</i>	<i>1.168</i>	<i>1.252</i>			
<b>Total</b>	<b>8.366</b>	<b>7.789 <sup>b</sup></b>			

**Source:** VA, HUD and Independent Agencies Subcommittee of the House Appropriations Committee budget estimate tables. FY2004 amounts reflect the 0.59% across-the-board rescission in most discretionary accounts, as called for in P.L. 108-199.

- a. The Pesticide Registration Fund is a revenue fund rather than an appropriations account. The amount indicated for it reflects EPA's estimate of anticipated collection of pesticide registration service fees as authorized in FY2004 appropriations. In including this fund in the budget tables, the committee treated the amount as an offset, as it represents revenue collections rather than new appropriations that EPA has requested. No reference is made regarding any other EPA estimates for existing or proposed FY2005 "user-fee" revenues, including expected \$27 million in revenues from related "pesticide maintenance fees" also authorized in FY2004 appropriations.
- b. In EPA's budget justification document, the Administration has proposed a \$30 million offset, resulting in \$7.76 billion for the FY2005 request, reflecting anticipated revenues from two "user-fee" proposals: \$4 million from an increase to existing fee levels for Premanufacture Notices (PMNs) under the Toxic Substances Control Act, and \$26 million to implement Pesticide Registration Fee authority promulgated in 1988 but prohibited by Congress. These fees would be deposited into a special fund in the U.S. Treasury, available to EPA but subject to appropriation. The Administration's total for EPA does not appear to distinguish an offset for other user-fee revenue estimates.

## Key Funding Issues

The President's budget would provide \$7.8 billion for EPA, nearly \$600 million less than the FY2004 funding level of \$8.4 billion. The total reductions that the President has proposed for EPA are greater than this amount. However, increases requested for certain activities offset a portion of these cuts to yield the \$600 million reduction overall. While there are varying levels of interest in proposed funding for specific activities, prominent issues include a proposed decrease in funding for water infrastructure and the earmarking of funding for such projects, a proposed cut in funding for scientific research, and the adequacy and source of funding to clean up hazardous waste sites under the Superfund program.

At the time of this writing, committee action has not occurred on the VA-HUD appropriations bill for FY2005, which traditionally includes funding for EPA. Representative Obey, Ranking Minority Member of the House Appropriations Committee, introduced H.R. 4421 on May 20, 2004. It would fund EPA in FY2005 as a stand-alone measure, rather than in a VA-HUD bill. The bill has been referred to the House Appropriations Committee and the House Ways and Means Committee. It would provide \$8.8 billion for EPA in FY2005, about \$1.0 billion more than requested. The proposed increase would be allocated primarily to wastewater infrastructure projects and science and technology activities. Further discussion of the President's FY2005 budget is provided below.

**Water Infrastructure.** The President's budget would cut funding for the clean water State Revolving Fund (SRF) by about \$500 million, from \$1.3 billion in FY2004 to \$850 million in FY2005. This fund provides seed monies for state loans to local communities for wastewater infrastructure projects. The proposed decrease has been contentious, as there is disagreement over the adequacy of funding to meet these needs. This issue was addressed in floor debate of the Senate FY2005 budget resolution (S.Con.Res. 95). An amendment increased budget authority for the Natural Resource and Environment Function by \$3 billion for the clean water and drinking water SRFs that EPA administers. As passed by the House, this provision was not adopted in the conference agreement on S.Con.Res. 95 (H.Rept. 108-498). Even if the provision had been adopted in conference, whether that amount would have been provided is uncertain, as the budget resolution is a guidance and policy

document and does not provide actual funding. Rather, actual funding is determined in the appropriations process.

The President's proposed decrease for water infrastructure also reflects funding not being requested to continue projects for which Congress earmarked funding for FY2004. Congress allocated the majority of EPA's FY2004 earmarked funding within the State and Tribal Assistance Grants (STAG) account, \$325 million, to specific communities for drinking water, wastewater, and stormwater infrastructure projects. While the non-earmarked funding for these types of projects is provided for clean water and drinking water SRFs from which loans are given to local communities, earmarked funding is provided as grants that do not require repayment. As the trend in the amount of funding earmarked for water infrastructure projects has risen, the extent to which these needs should be met with SRF loan monies or grant assistance has become controversial.

**Scientific Research.** The Administration's requested decrease of \$100 million for the Science and Technology Account has also received attention. The proposed reduction is a part of a larger decrease for non-defense scientific research among several federal agencies, including EPA. Numerous scientific organizations, such as the American Association for the Advancement of Science, have expressed opposition to the proposed funding cuts, arguing that critical areas of knowledge needed for public policy decisions would be compromised. Such critics argue that reducing funding for EPA's scientific research activities could result in a poorer understanding of the effects of pollution on human health and make it more difficult to assess the level of protection provided by existing regulatory standards or intended for future ones. The Administration counters that it would maintain research activities in numerous key areas, and that the proposed cut in funding is due primarily to cost-savings that it expects to realize from consolidating and realigning certain research areas to improve the efficiency and effectiveness of these efforts.

**Superfund.** Another prominent issue is the adequacy of funding for the Superfund program to clean up the nation's most hazardous waste sites. Some have argued that more funds than have been appropriated are necessary to speed the pace of remediating contamination at these sites. The President's budget would provide \$1.38 billion (prior to transfers) for the Superfund program in FY2005, about \$120 million more than the appropriation of \$1.26 billion for FY2004. The Administration would devote the increase to selecting and constructing final cleanup remedies, and completing the assessment of contamination, at additional sites. Some Members, states, and environmental organizations argue that even more funding is needed to speed the pace of cleanup beyond what the Administration has proposed, in order to ensure that human health and the environment are protected.

The source of funding for the Superfund program has been an ongoing issue as well. The President's proposed funding level for the program would be provided entirely from general U.S. Treasury revenues. Three dedicated taxes (on petroleum, chemical feedstocks, and corporate income) historically provided the majority of funding for the Superfund program. However, the taxes expired at the end of 1995, and the remaining revenues were essentially expended by the end of FY2003. Congress funded the program entirely with general Treasury revenues for the first time in FY2004. Some Members advocate reinstating the Superfund taxes and argue

that the use of general U.S. Treasury revenues undermines the “polluter pays principle.” Other Members and the Administration counter that viable parties are still required to pay for the cleanup of contamination and that polluters are therefore not escaping their responsibility. According to EPA, responsible parties pay for the cleanup at more than 70% of Superfund sites.

An amendment to the Senate FY2005 budget resolution (S.Con.Res. 95) proposed to reinstate the Superfund taxes, but it was not adopted. As passed by the House, the conference agreement on S.Con.Res. 95 (H.Rept. 108-498) assumes “full funding” of the Superfund program, which presumably means the Administration’s request of \$1.38 billion, without the reinstatement of the taxes. As discussed above, it is uncertain whether a funding assumption in the budget resolution will be adhered to in the appropriations process.

For more details on the EPA budget, see CRS Report RL32441, *Environmental Protection Agency: Appropriations for FY2005*.

## National Aeronautics and Space Administration

**Table 9. National Aeronautics and Space Administration  
Appropriations, FY2000 to FY2004**

(budget authority in billions)

FY2000	FY2001	FY2002	FY2003	FY2004
\$13.60	\$14.29	\$14.90	\$15.30	\$15.38

**Source:** VA, HUD and Independent Agencies Subcommittee of the House Appropriations Committee budget estimate tables. FY2004 amounts reflect the 0.59% across-the-board rescission in most discretionary accounts, as called for in P.L. 108-199.

## Agency Mission

The National Aeronautics and Space Administration (NASA) was created by the 1958 National Aeronautics and Space Act (P.L. 85-568) to conduct civilian space and aeronautics activities. NASA opened its doors on October 1, 1958, almost exactly one year after the Soviet Union ushered in the Space Age with the launch of the world’s first satellite, Sputnik, on October 4, 1957. In the more than 45 years that have elapsed, NASA has conducted far reaching programs in human and robotic spaceflight, technology development, and scientific research.

The agency is managed from NASA Headquarters in Washington, D.C. It has nine major field centers: **Ames Research Center**, Moffett Field, CA; **Dryden Flight Research Center**, Edwards, CA; **Glenn Research Center**, Cleveland, OH; **Goddard Space Flight Center**, Greenbelt, MD; **Johnson Space Center**, Houston, TX; **Kennedy Space Center**, Cape Canaveral, FL; **Langley Research Center**, Hampton, VA; **Marshall Space Flight Center**, Huntsville, AL; **Stennis Space Center**, in Mississippi, near Slidell, LA. The **Jet Propulsion Laboratory**, Pasadena, CA (often counted as a 10<sup>th</sup> NASA center), is a federally funded research and development center operated for NASA by the California Institute of

Technology. NASA employs approximately 19,000 civil servants (full time equivalents), and 40,000 contractors and grantees working at or near NASA centers.

**Table 10. Appropriations: National Aeronautics and Space Administration, FY2004 to FY2005**

(budget authority in billions)

Program	FY2004 enacted	FY2005 request	FY2005 House	FY2005 Senate	FY2005 Conf
Space flight capabilities	7.468	8.456			
Science aeronautics exploration	7.883	7.760			
Inspector General	0.027	0.028			
<b>Subtotal (NASA)</b>	<b>15.378</b>	<b>16.244</b>			

**Source:** VA, HUD and Independent Agencies Subcommittee of the House Appropriations Committee estimate tables.

## Key Budget Issues

NASA is requesting \$16.2 billion for FY2005, a 5.6% increase over its FY2004 appropriations. The increase is primarily associated with new space goals announced by President Bush in January 2004 that call for NASA to reorient its activities towards returning humans to the Moon by 2020 and someday sending them to Mars and “worlds beyond” (see CRS Report RS21720, *Space Exploration: Overview of President Bush’s New Exploration Initiative for NASA, and Key Issues for Congress*). A projected NASA funding chart for FY2004-2020 that accompanied the President’s speech shows NASA’s budget increasing by approximately 5% in FY2005 and FY2006, by approximately 1% for FY2007-2009 (less than the projected rate of inflation), and remain level with inflation (projected at 2%) for the remaining years.

The President’s exploration initiative involves both human and robotic spacecraft. Of the \$16.2 billion FY2005 request, NASA identifies \$4.5 billion as “exploration specific,” including funds for robotic solar system exploration probes and other space science projects, development of a Crew Exploration Vehicle to take astronauts to the Moon, and development of space nuclear power and propulsion systems. The “exploration specific” category does not include \$6.7 billion in FY2005 for the space shuttle and International Space Station (ISS), although both are needed for early steps in the exploration initiative. The shuttle is needed to complete construction of the space station. NASA states that the space station is needed as a research facility to study the effects of long durations in weightlessness.

For the five-year period FY2005-2009, NASA reports that \$12.6 billion would be “added” to its budget to begin achieving the new goals, although most of that (\$11.6 billion) is redirected from other NASA activities; only \$1 billion is new money. The “addition” is to a hypothetical budget level that is lower than what NASA projected in last year’s budget, leading some to question whether it should be characterized as an addition. Because the President envisions little added funding for NASA, concerns that the initiative would increase the deficit or detract from other

national priorities may be mitigated, but issues arise about the impact on other NASA activities and whether the level of funding is adequate to achieve the goals.

Returning the space shuttle to flight status is a key step in the President's initiative, although he also called for terminating the shuttle program in 2010. Today, the space shuttle system is grounded because of the February 2003 space shuttle *Columbia* tragedy (see CRS Report RS21408, *NASA's Space Shuttle Columbia: Quick Facts and Issues for Congress*). NASA hopes to resume shuttle launches in March and April 2005. The shuttle is needed to complete construction of ISS, which is being assembled in orbit. Between 20 and 30 more shuttle flights are required to complete construction. The ISS program is a partnership among the United States, Russia, 10 European countries, Canada, and Japan (see CRS Issue Brief IB93017, *Space Stations*). The President called for ISS construction to be completed, and the space shuttle terminated, in 2010, but he also said the United States would fulfill its obligations to the other partners. How that would be accomplished without the shuttle during the station's operational phase is not clear. One concern is whether schedule pressure to return the shuttle to flight status and finish ISS construction by 2010 could affect shuttle safety. ISS-related schedule pressure was cited as a factor in the *Columbia* tragedy. NASA is requesting \$4.3 billion for the shuttle program in FY2005, compared with \$4 billion appropriated in FY2004.

Under the President's initiative, NASA would redirect its research aboard the space station specifically to support the goals of human exploration of space, instead of the broadly-based research program that was planned, and NASA would complete its use of the space station by FY2017. Between 2010, when the shuttle is retired, and at least 2014, when the new Crew Exploration Vehicle (CEV) is expected to be available for taking crews to Earth orbit, NASA would have to rely on Russia to provide crew access to the space station. (CEV is being designed to take astronauts to the Moon. The extent to which it might be used to take crews to and from ISS is not clear.) Russia is providing U.S. astronauts access to the space station now, while the shuttle is grounded, under an agreement that will expire in 2006. From 2006-2010, when the shuttle presumably will be operating, U.S. crews could be aboard at least when the shuttle is docked. For them to remain for extended stays, as they do now, another agreement would have to be reached with Russia so that U.S. astronauts could use Russia's "lifeboat," a Soyuz spacecraft, in an emergency. (NASA canceled its program to build a U.S. lifeboat so Soyuz is the only option.) After 2010, when the shuttle is retired, only Russia would be able to transport crews to and from ISS for either long or short visits. An agreement for U.S. astronauts to be transported by Russia in that time period has not been negotiated. Questions that arise include the pros and cons of giving Russia control over who can visit the space station and when, not only because the United States has provided most of the funding for ISS (more than \$30 billion since FY1985), but because ISS-based research ostensibly is needed before exposing humans to long duration space voyages. The FY2005 request for the space station is \$2.4 billion (\$1.863 billion for construction and operation, plus \$549 million for research), compared to \$2.3 billion in FY2004.

Funding for NASA's other science and technology activities would increase or decrease largely depending on whether they are part of the exploration initiative or not. Robotic probes to explore the solar system as "trailblazers" for astronauts, and

other space science activities under NASA's "Origins" program to understand the universe, are included in the exploration initiative. The FY2005 budget request includes \$70 million for a new lunar probes program. Funding for NASA's on-going robotic Mars exploration program would increase by almost \$100 million in FY2005, to \$691 million. Space-based astronomy would rise about \$170 million, to \$1 billion, as NASA continues development of the James Webb Space Telescope, which some consider to be a follow on to the Hubble Space Telescope. Space science activities not considered part of the exploration initiative (Structure and Evolution of the Universe, and Sun-Earth Connections) would receive reduced funding, however. Funding for Earth sciences and for aeronautics would decrease. Funding for biological research (related to long term human presence in space) would increase, while that for physical sciences research would decrease. Stakeholders whose programs are targeted for cuts are expected to argue for increased funding.

For more information on NASA's FY2005 budget request, see CRS Report RS21744, *The National Aeronautics and Space Administration: Overview, FY2005 Budget in Brief, and Key Issues for Congress*.

## National Science Foundation

**Table 11. National Science Foundation Appropriations, FY2000 to FY2004**

(budget authority in billions)

FY2000	FY2001	FY2002	FY2003	FY2004
\$4.43	\$4.79	\$4.81	\$5.30	\$5.58

**Source:** Amounts for FY2000-FY2003 are from reports of the Appropriations Committees accompanying the appropriations bills for the following years. The amount for FY2004 is an estimate from the VA, HUD and Independent Agencies Subcommittee of the House Appropriations Committee. Actual final spending levels for any fiscal year include all supplemental appropriations or rescissions. Final totals remain uncertain until all program experience has been recorded, a process that may not be completed for several months after the end of the fiscal year.

## Agency Mission

The National Science Foundation (NSF) was created by the National Science Foundation Act of 1950, as amended (P.L. 81-507). The NSF has the broad mission of supporting science and engineering in general and funding basic research across many disciplines. The majority of the research supported by the NSF is conducted at U.S. colleges and universities. In addition to ensuring the nation's supply of scientific and engineering personnel, the NSF promotes academic basic research and science and engineering education across many disciplines. Also, NSF provides almost 30% of the total federal support for science and mathematics education. Support is provided to academic institutions, industrial laboratories, private research firms, and major research facilities and centers. While the NSF does not operate any laboratories, it does support Antarctic research stations, selected oceanographic vessels, and national research centers. Additionally, the NSF supports university-industry relationships and U.S. participation in international scientific ventures.

The NSF is an independent agency in the executive branch and under the leadership of a presidentially appointed Director and a National Science Board (NSB) composed of 24 scientists, engineers, and university and industry officials involved in research and education. The NSB and the Director make policy for the NSF.

**Table 12. Appropriations: National Science Foundation, FY2004 to FY2005**

(budget authority in billions)

Program	FY2004 enacted	FY2005 request	FY2005 House	FY2005 Senate	FY2005 Conf
Research, related activities	\$4.184	\$4.384			
Defense function	0.068	0.068			
Major research equipment	0.155	0.213			
Education, human resources	0.939	0.771			
Salaries and expenses	0.219	0.294			
National Science Board	0.004	0.004			
Office of Inspector General	0.010	0.010			
<b>Total</b>	<b>\$5.578</b>	<b>\$5.745</b>			

**Source:** VA, HUD and Independent Agencies Subcommittee of the House Appropriations Committee budget estimate tables. FY2004 amounts reflect the 0.59% across-the-board rescission in most discretionary accounts, as called for in P.L. 108-199.

## Key Budget Issues

**Overview of the FY2005 Budget Request.** The NSF has enjoyed considerable growth during a period of constrained research budgets. When measured in current dollars, its total appropriation increased more than 70.6% in 10 years — FY1995, \$3,270.3 million; FY1999, \$3,425.7 million; and FY2004, \$5,577.8 million. Even when inflation is taken into account, its growth increased (in constant FY2003 dollars) by 46.6% during this 10-year period. The FY2005 request for the NSF is \$5,745 million, a 2.9% (\$167.2 million) increase over the FY2004 level of \$5,577.8 million. The FY2005 request provides support for several interdependent priority areas: biocomplexity in the environment (\$99.8 million), human and social dynamics (\$23.3 million), mathematical sciences (\$89.1 million), nanoscale science and engineering (\$305.1 million), and strengthening the workforce (\$20 million). NSF maintains that researchers need access to cutting-edge tools to pursue their research and funding to develop and design the tools critical to 21<sup>st</sup> century research and education. Approximately 26% of the FY2005 request (\$1,472.1 million) represents an investment in infrastructure of all types. Increasing grant size and duration has been a long-term priority for NSF. The FY2005 request devotes \$40 million to increase the annual award size to an annual average of \$142,000, a \$3,000 increase over the FY2004 level. The request provides \$80 million



for the President's Math and Science Partnerships program (MSP). Additional FY2005 highlights include plant genome research (\$89.5 million), climate change research (\$25 million), and international collaborations in science and engineering (\$34 million).

**Policy Issues.** There has been considerable debate in the academic and scientific community and in Congress about the management and oversight of major projects selected for construction and the need for prioritization of potential projects funded in the Major Research Equipment and Facilities Construction (MREFC). In September 2001, NSF released a plan that was an outgrowth of the directive received from the Bush Administration to improve its oversight of large projects. While the implementation plan included anticipated dates for the development of comprehensive guidelines and project oversight review, questions remained. One continuing question focused on the selection process for including major projects in the upcoming budget cycle. The selection process has been described as "ad hoc and subjective." In June 2002, Congress requested the National Academy of Sciences (NAS) to review NSF's management of its large facility projects, including the construction and operation phases. In January 2004, the NAS released the congressional mandated study of the process for prioritization and oversight of projects in the MREFC, *Setting Priorities for Large Research Facility Projects Supported by the National Science Foundation*. Currently, the NSF is reviewing the findings and recommendations of the report in an effort to better fund and manage the most meritorious research projects.

On February 2, 2004, the NSB released a report that was mandated by Section 22 of the NSF Authorization Act of 2002. The report, *Fulfilling the Promise, A Report to Congress on the Budgetary and Programmatic Expansion of the National Science Foundation*, was to address all of the unmet needs of the agency and determine what infrastructure was needed to support NSF's programmatic expansion through FY2007. The recommendations provided in the report are based on the budget levels contained in the authorization. The NSB recommended a total investment of \$19 billion for the NSF to sustain its position in science and technology. Rather than spread funding across all programs and activities, the report suggested that a more productive use was to focus on key strategic areas — \$1.2 billion for advanced tools and cyber infrastructure, \$1 billion to improve research productivity and student opportunities, \$1 billion for exploration and research and education, \$700 million toward building a competitive workforce, \$200 million for maintaining management excellence, and \$200 million to increase the number and diversity of institutions receiving awards. It is the position of the NSB that increasing the size and length of research awards should be one of the highest priorities of the agency.

## Other Independent Agencies

In addition to funding for VA, HUD, EPA, NASA and NSF, several other smaller "sundry independent agencies, boards, commissions, corporations, and offices" will receive their funding through the act providing appropriations for VA, HUD, and Independent Agencies for the fiscal year that begins October 1, 2005. **Table 13** lists appropriations for FY2004 and proposed levels for FY2005 for these agencies.

**Agency for Toxic Substances and Disease Registry.** This agency, which is placed in the Department of Health and Human Services (HHS), manages the Toxic Substances and Environmental Public Health program, which issues toxicological profiles of possible toxic substances. The Agency conducts health studies, evaluations, or other activities, using biomedical testing, clinical evaluations, and medical monitoring.

**American Battle Monuments Commission.** The commission is responsible for the construction and maintenance of memorials honoring Armed Forces battle achievements since 1917. Included among the commission's functions are the maintenance of 24 American military cemeteries and 31 memorializations in 15 foreign countries, as well as five memorials in the United States.

**Cemeterial Expenses, Army.** Arlington National Cemetery and the Soldiers' and Airmen's Home National Cemetery are administered by the U.S. Army. By the end of FY2002, 295,799 persons were interred/inurned in these cemeteries. In addition to 6,700 interments and inurnments estimated for FY2004, Arlington is the site of approximately 3,100 other ceremonies, and 4 million visitors, annually.

**Chemical Safety and Hazard Investigation Board.** The Board, which was authorized by the Clean Air Act Amendments of 1990, investigates hazardous substance spills or releases.

**Table 13. Appropriations: Other Independent Agencies, FY2004 to FY2005**

(budget authority in billions)

Program	FY2004 enacted	FY2005 request	FY2005 House	FY2005 Senate	FY2005 Conf
Agency for toxic substances and disease registry and NIH, environmental health sciences	\$0.151	\$0.157			
American Battle Monuments Commission	0.041	0.041			
Chemical safety and hazard investigations board	0.009	0.010			
Cemetery expenses, Army	0.029	0.030			
Community development financial institutions	0.061	0.048			
Consumer product safety community	0.060	0.063			
Corporation for national and community service	0.581	0.642			
Office, science & technology council, environmental	0.010	0.010			

quality; office, environmental quality					
Court of appeals, veterans claims	0.016	0.018			
Federal consumer information center	0.014	0.015			
Federal deposit insurance corporation (transfer)	0.030	0.030			
Interagency council on homeless	0.001	0.002			
National credit union administration	0.001	0.001			
Neighborhood reinvestment corporation	0.114	0.115			
Selective service system	0.026	0.026			
<b>Total</b>	<b>\$1.114</b>	<b>\$1.178</b>			

**Source:** VA, HUD and Independent Agencies Subcommittee of the House Appropriations Committee budget estimate tables. FY2004 amounts reflect the 0.59% across-the-board rescission in most discretionary accounts, as called for in P.L. 108-199.

**Community Development Financial Institutions (CDFI) Fund.** The CDFI Fund was created by P.L. 103-325. The purpose of the fund is to provide credit, investment capital, and technical assistance to distressed urban and rural areas by investing in and supporting community-based organizations. The fund's programs also encourage banks and thrifts to expand their activities in distressed communities. In addition, the fund administers the New Market Tax Credit program created by P.L. 106-554. Through this program the fund allocates tax credits as part of an effort to expand incentives for business investment in low-income communities. P.L. 104-19 gave the Department of the Treasury the authority to manage the CDFI Fund, although the fund's programs continue to be funded through the VA/HUD bill. The CDFI Fund has survived despite attempts to eliminate it.

**Consumer Product Safety Commission (CPSC).** The 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.

**Corporation for National and Community Service (CNCS).** The Corporation administers programs authorized under the National and Community Service Act of 1990 (NCSA) and the Domestic Volunteer Service Act of 1973 (DVSA). The DVSA programs — e.g., Volunteers in Service to America (VISTA) and the Senior Volunteer Service Corps — are funded under the Labor/HHS Appropriation bill. Authorization for CNCS, and programs and activities authorized

by NCSA, expired at the end of FY1996. Since then, continued program authority has occurred through the appropriations process.

The FY2004 appropriation and the FY2005 request for the NCSA programs administered by the Corporation include funds for the National Service Trust and for the AmeriCorps grants program. The National Service Trust is a special account in the U.S. Treasury from which funds are used to provide educational awards to participants in AmeriCorps grants, the National Civilian Community Corps, and VISTA. The Corporation estimates that 75,000 individuals will participate in these programs in each year, up from an estimated 50,000 participants in FY2003. The FY2004 appropriation for the Trust is \$129.2 million and for AmeriCorps grants is \$312.1 million. The FY2005 request for the Trust is \$160.3 million and for AmeriCorps grants is \$291.9 million.

**Court of Appeals for Veterans Claims.** The U.S. Court of Appeals for Veterans Claims 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. The court's decisions constitute precedent to guide subsequent decisions by that board.

**Federal Citizen Information Center (FCIC).** The center, administered through the General Services Administration (GSA), helps federal agencies distribute consumer information and promotes public awareness of existing federal publications through publication of the quarterly *Consumer Information Catalog*, and the *Consumer Action Handbook*. The center also operates a nationwide toll-free telephone assistance program as well as the FirstGov.gov website.

**Federal Deposit Insurance Corporation (FDIC).** The FDIC's Office of the Inspector General is funded from deposit insurance funds, the IG 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.

**Interagency Council on the Homeless.** The Interagency Council on the Homeless (ICH) is an independent agency established by the McKinney-Vento Homeless Assistance Act of 1987, to oversee the efforts of federal agencies and others involved in addressing the issues of homelessness.

**National Credit Union Administration (NCUA).** The NCUA is an independent federal agency that charters, insures, and regulates credit unions. It is funded entirely by those institutions. The Community Development Revolving Loan Fund (CDRLF) is administered by the National Credit Union Administration. The fund makes low-interest loans and technical assistance grants to low-income credit unions.

The Central Liquidity Facility (CLF) is a mixed ownership government corporation managed by the National Credit Union Administration. The CLF was established to improve the general financial stability of credit unions by serving as a lender of last resort to credit unions experiencing unusual or unexpected liquidity shortfalls. The CLF can finance loans using its assets, and it can also borrow from

the Federal Financing Bank to meet liquidity demands. The borrowing limit is specified by language in the VA-HUD appropriations bill. Congress also determines the level of CLF operating expenses, which are not funded through appropriations but by earned income.

**National Institute of Environmental Health Sciences.** This Institute is within the National Institutes of Health, administered by the Department of Health and Human Services (HHS).

**Neighborhood Reinvestment Corporation (NRC).** The NRC leverages funds for reinvestment in older neighborhoods through community-based organizations often called Neighborhood Housing Services. Together they form the NeighborWorks network. Among projects supported by NRC financing are lending activities for home ownership by low-income families. Nationwide, there are 226 of these organizations, serving over 2,300 communities in 49 states, the District of Columbia, and Puerto Rico, with 70% of the people served living in very low and low-income brackets.

**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 the executive branch, and reviews and participates in the formulation of national policies affecting those areas.

**Selective Service System (SSS).** The SSS was created to supply manpower to the U.S. Armed Forces during time of national emergency. Although the Armed Forces have recruited personnel through voluntary enlistment incentives since 1973, the SSS remains the primary vehicle for conscription should it become necessary. In 1987, the SSS was given the task of developing a post-mobilization health care system that would assist with providing the Armed Forces with health care personnel in time of emergency.

## Selected World Wide Websites

Federal Consumer Information Center (FCIC)  
[<http://www.pueblo.gsa.gov>] and [<http://www.info.gov/>]

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>]

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/omb/>]

Department of Veterans Affairs (VA)  
[<http://www.va.gov>]

## Additional Reading

CRS Report RL31804, *Appropriations for FY2004: VA, HUD and Independent Agencies*, by Richard Bourdon and Paul Graney.

### HUD

CRS Report RL32062, *Housing Issues in the 108<sup>th</sup> Congress*, by E. Richard Bourdon.

CRS Report RL30486, *Housing the Poor: Federal Programs for Low-Income Families*, by Morton J. Schussheim.

CRS Report RL31930, *The Housing Choice Voucher Program: Background, Funding, and Issues in the 108<sup>th</sup> Congress*, by Maggie McCarty.

CRS Report RS20704, *Housing Opportunities for Persons with AIDS (HOPWA)*, by Maggie McCarty.

CRS Report RL30442, *Homelessness: Recent Statistics, Targeted Federal Programs, and Recent Legislation*, by M. Ann Wolfe; updated by Maggie McCarty and Christopher E. Carter.

## **EPA**

CRS Issue Brief IB10114, *Brownfields and Superfund Issues in the 108th Congress*, by Mark Reisch.

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