

FINANCIAL SERVICES AND GENERAL GOVERNMENT  
 APPROPRIATIONS BILL, 2012

JULY 7, 2011.—Committed to the Committee of the Whole House on the State of  
 the Union and ordered to be printed

Mrs. EMERSON, from the Committee on Appropriations,  
 submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 2434]

The Committee on Appropriations submits the following report in  
 explanation of the accompanying bill making appropriations for finan-  
 cial services and general government for the fiscal year ending  
 September 30, 2012.

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#### HIGHLIGHTS OF THE BILL

The Financial Services and General Government Subcommittee has jurisdiction over a diverse group of agencies responsible for regulating the financial and telecommunications industries; collecting taxes and providing taxpayer assistance; supporting the operations of the White House, the Federal Judiciary, and the District of Columbia; managing Federal buildings; and overseeing the Federal workforce. The activities of these agencies impact nearly every American and are integral to the operations of our government.

However, with the Federal debt exceeding \$14 trillion, the Subcommittee is committed to reducing the cost and size of government. The bill provides a total of \$19,895,000,000 in discretionary budget authority which is nine percent less than fiscal year 2011 and 18 percent less than fiscal year 2010. The discretionary budget authority provided is \$5,788,140,000 or 22.5 percent less than the President's request.

#### TOTAL BUDGET AUTHORITY

[\$ in millions]

	FY 2011 Enacted	FY 2012 Request	FY 2012 Recommendation
Discretionary .....	21,748	25,683	19,895
Mandatory .....	21,160	21,455	21,455

## DISCRETIONARY BUDGET AUTHORITY BY TITLE

[\$ in millions]

Agency	FY 2011 Enacted	FY 2012 Request	FY 2012 Recommendation
Department of the Treasury .....	13,095	14,038	12,166
Executive Office of the President .....	705	739	640
Judiciary .....	6,478	6,856	6,326
District of Columbia .....	699	717	637
Other .....	771	3,333	126
Total .....	21,748	25,683	19,895

The funding priorities in the bill include the Small Business Administration's (SBA) business and disaster loan programs, drug task forces, public safety and education in the District of Columbia, and Treasury's antiterrorism and financial intelligence activities.

In order to assist small business, the bill provides an increase of \$127,795,000 for SBA's business loan program over fiscal year 2011. In addition, the bill requires the Office of Management and Budget and certain regulatory agencies to report to the Committee on their efforts to eliminate duplicative, outdated and burdensome regulations.

For the Office of National Drug Control Policy, the bill provides \$238,522,000 for High Intensity Drug Trafficking Areas which is \$38,522,000 more than the request. In addition, the bill provides \$88,600,000 for the Drug-Free Communities program.

For the District of Columbia, the bill fully funds the request for emergency planning and security. In addition, the bill provides increases above fiscal year 2011 for the operations of the DC Superior Court and the Court Services and Offender Supervision Agency. The bill continues the Committee's commitment to education in the City by providing \$60,000,000 for school improvement, as authorized by the Scholarships for Opportunity and Results Act, and \$30,000,000 for resident tuition support.

For Treasury's Office of Terrorism and Financial Intelligence, the bill provides \$100,000,000 to combat drug lords, terrorists, weapons of mass destruction proliferators, rogue nations and other threats. This amount is \$7,400,000 above the request, and recognizing the importance of these activities, funding for this office is provided in a separate appropriation from other Treasury offices.

In order to pay for these priorities while still significantly reducing overall spending, the Committee has reduced the operating expenses for all non-security related Department of Treasury offices and bureaus, the Executive Office of the President, the Federal courts, and nearly every independent agency funded by this bill. In addition, the Committee has eliminated funding for new construction and major renovations of Federal buildings. The Committee believes before new space is added to the Federal inventory, the Executive Branch should make better use of its existing space.

In addition to reducing the operating costs of nearly every agency in the bill, the Committee has prohibited funding for specific activities that the Committee believes inhibit economic recovery and fiscal sustainability. These funding limitations prohibit funds for im-

plementation of the individual mandate from the healthcare reform act, operating an unverified consumer complaint database, imposing burdensome regulations on the Internet, executing the outdated Presidential Election Campaign Fund, hiring certain unconfirmed Czars, and reinstating the Fairness Doctrine.

The bill also provides for increased transparency and Congressional oversight of recently created agencies such as the Office of Financial Stability, the Office of Financial Research, and the Consumer Financial Protection Bureau. These reforms will allow Congress and the American people to better understand the activities of these organizations which currently have significant authority to spend taxpayer funds without oversight.

#### OPERATING PLAN AND REPROGRAMMING PROCEDURES

The Committee will continue to evaluate reprogrammings proposed by agencies. Although reprogrammings may not change either the total amount available in an account or any of the purposes for which the appropriation is legally available, they represent a significant departure from budget plans presented to the Committee in an agency's budget justification and supporting documents, which are the basis of this appropriations Act. The Committee expects agencies' reprogramming requests to explain thoroughly the reasons for the reprogramming and to include an assessment of whether the reprogramming will affect budget requirements for the subsequent fiscal year.

Section 608 of this Act requires agencies or entities funded by the Act to notify the Committee and obtain prior approval from the Committee for any reprogramming of funds that: (1) creates a new program; (2) eliminates a program, project, or activity; (3) increases funds or personnel for any program, project, or activity for which funds have been denied or restricted by the Congress; (4) proposes to use funds directed for a specific activity by either the House or Senate Committees on Appropriations for a different purpose; (5) augments existing programs, projects, or activities in excess of \$5,000,000 or 10 percent, whichever is less; (6) reduces existing programs, projects, or activities by \$5,000,000 or 10 percent, whichever is less; or (7) creates or reorganizes offices, programs, or activities.

Additionally, the Committee expects to be promptly notified of all reprogramming actions which involve less than the above-mentioned amounts if such actions would have the effect of significantly changing an agency's funding requirements in future years, or if programs or projects specifically cited in the Committee's reports are affected by the reprogramming. Reprogrammings meeting these criteria must be approved by the Committee regardless of the amount proposed to be moved.

Section 608 also requires agencies to consult with the Committees on Appropriations prior to any significant reorganization or restructuring of offices, programs, or activities. This provision applies regardless of whether the reorganization or restructuring involves a reprogramming of funds. Agencies are encouraged to consult with the Committees early in the process so that any questions or concerns the Committees may have can be addressed in a timely manner.

Agencies are directed under section 608 to submit operating plans for the Committee's review within 60 days of the bill's enactment. Each operating plan should include: (1) a table for each appropriation with a separate column to display the President's budget request, adjustments made by Congress, adjustments due to enacted rescissions, if appropriate, and the fiscal year enacted level; (2) a delineation in the table for each appropriation both by object class and program, project, and activity as detailed in the budget appendix for the respective appropriation; and (3) an identification of items of special congressional interest.

## TITLE I—DEPARTMENT OF THE TREASURY

### DEPARTMENTAL OFFICES

#### SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$306,388,000
Budget request, fiscal year 2012 .....	324,889,000
Recommended in the bill .....	185,749,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	– 120,639,000
Budget request, fiscal year 2012 .....	– 139,140,000

The Departmental Offices' function in the Treasury Department is to support the Secretary of the Treasury in his capacity as the chief operating executive of the Department and in his role in determining the tax, economic, and financial management policies of the Federal government. The Secretary's responsibilities funded by the Salaries and Expenses appropriation include: recommending and implementing domestic and international economic and tax policy; providing recommendations regarding fiscal policy; governing the fiscal operations of the government; managing the public debt; managing development of financial policy; representing the U.S. on international monetary, trade and investment issues; overseeing Treasury Department overseas operations; directing the administrative operations of the Treasury Department; and providing executive oversight of the bureaus within the Treasury Department.

#### COMMITTEE RECOMMENDATION

The Committee recommends \$185,749,000 for Departmental Offices, Salaries and Expenses, which is \$120,639,000 less than fiscal year 2011 and \$139,140,000 less than the request. Of the funds provided, \$7,000,000 is available until September 30, 2013, for information technology and the Office of Critical Infrastructure Protection and Compliance Policy and \$6,787,000 is for financial statement audits.

Beginning fiscal year 2012, the Committee provides a separate appropriation for the Department's Office of Terrorism and Financial Intelligence (TFI) from the "Departmental Offices" account.

Operating Plan.—The Committee directs the Department to submit an operating plan for the fiscal year 2012 resources provided to the Department, including all offices and bureaus, not more than 60 days after enactment of this Act. The plan must include information on program changes and major procurements at the Department.

**Judgment Fund Transparency.**—The Secretary of the Treasury shall submit to the Committee and make available to the public on its website an annual report about payments made under 31 U.S.C. 1304 for the fiscal year. Unless the disclosure of such information is otherwise prohibited by law or court order, the report shall consist of: (1) the name of the plaintiff or claimant, (2) the name of the counsel for the plaintiff or claimant; (3) the name of the agency that submitted the claim; (4) a brief description of the facts that gave rise to the claim; and (5) the amount paid representing principal, attorney fees, and interest, if applicable. The first report is due within 60 days of enactment of this Act.

**Volcker Rule.**—In Public Law 111–203, subsequent to a study issued by the Financial Stability Oversight Council (FSOC), Congress directed FSOC to coordinate the efforts of the appropriate Federal banking regulators, the U.S. Securities and Exchange Commission, and the U.S. Commodity Futures Trading Commission to promulgate regulations, known as the “Volcker Rule,” that “appropriately accommodate the business of insurance.” The Committee believes that the traditional investment activities of State-regulated insurance companies for their general accounts, including investing in both sponsored and third-party funds, are preserved by the law without constraint.

The Committee is concerned the rule-making process is moving forward without a Senate-confirmed, voting member of the FSOC who can represent the views of the insurance industry. The Committee looks forward to reviewing the proposed regulations to ensure that Congressional intent is fulfilled.

**Economic Warfare and Financial Terrorism.**—Not later than 150 days after the enactment of this Act, the Committee directs the Secretary to submit a report to the House and Senate Appropriations Committees, the House Financial Services Committee, the Senate Banking Committee and other Committees the Department deems necessary regarding the potential risks to U.S. financial markets and economy posed by economic warfare and financial terrorism. The Secretary shall consider what vulnerabilities currently exist and potentially may arise in the future. In preparing the report, the Secretary shall consult with appropriate agencies, departments, bureaus, and commissions that have expertise in terrorism and complex financial instruments. The report may be submitted in classified and unclassified forms.

#### OFFICE OF TERRORISM AND FINANCIAL INTELLIGENCE

##### SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$ ---
Budget request, fiscal year 2012 .....	---
Recommended in the bill .....	100,000,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	+100,000,000
Budget request, fiscal year 2012 .....	+100,000,000

When the Administration was preparing its 2011 budget request during the summer and fall of 2010, it could never have imagined that a desperately discouraged vegetable vendor in Tunisia would give rise to the protests in Tunisia and elsewhere such as Libya, Egypt, Syria, and Yemen. The resulting uncertainty and instability

creates opportunities for organizations and persons who harbor ill-will against America and Americans.

The Arab Spring Uprising warrants both diligence and vigilance. Financial capital has no respect for geographical boundaries; it will flow in the direction of least resistance. Economic and trade sanctions issued and enforced by Office of Terrorism and Financial Intelligence's (TFI) Office of Foreign Assets Control protect the financial system from being polluted with criminal and illicit activities and counteract national security threats from drug lords, terrorists, weapons of mass destruction proliferators, and rogue nations, among others. In addition to the enforcement of sanctions, TFI also produces vital analysis with regards to foreign intelligence and counterintelligence across all elements of the national security community.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$100,000,000 for the Office of Terrorism and Financial Intelligence to carry out TFI's central role in detecting and defeating security threats and separates its appropriation from the "Departmental Offices" account, where it was historically funded. The recommended level is the same as fiscal year 2011 amount provided for these activities within "Departmental Offices" and is \$7,400,000 more than the request also within "Departmental Offices". The Committee is distressed that the Administration would propose reducing financial intelligence activities while proposing increases for other headquarter offices.

The Committee is aware that on January 28, 2011, the Treasury Department's Office of Foreign Asset Control (OFAC) finalized regulations amending the Cuban Assets Control Regulations to implement policy changes announced by the President on January 14, 2011. Among other changes, the new regulations permit OFAC to issue specific licenses on a case-by-case basis authorizing travel related transactions incident to educational exchanges not involving academic study pursuant to a degree program when those exchanges take place under the auspices of an organization that sponsors and organizes such programs to promote people-to-people contacts. The Committee understands that, at present, there is a considerable number of permit applications related to these specific licenses in the queue awaiting a decision on issuance. The Committee directs OFAC to provide the Committee a report on the current number of pending applications seeking specific licenses related to these particular educational exchanges, OFAC's plan for moving through the queue awaiting a decision, the number of these licenses that OFAC has issued to date, and OFAC's plan for expeditiously reviewing these applications in the future.

#### BUREAU OF CONSUMER FINANCIAL PROTECTION

##### ADMINISTRATIVE PROVISIONS—BUREAU OF CONSUMER FINANCIAL PROTECTION

To demonstrate its commitment to doing away with the fine print, the Bureau of Consumer Financial Protection (BCFP) provided a scintilla of budget material to Congress, consisting of broad policy objectives and total budgetary resources. Unlike other agen-

cies, the BCFP does not describe or explain the relationship between its policy objectives and the budgetary resources, performance measures or goals, significant proposals that effect obligations in the five to ten year period and their relationship to the current year and budget year, or the budgetary effect of workload, strategic planning, capital planning, or investments in information technology. In the absence of this fine print, the Committee cannot discern what the BCFP plans to do, how it will do it, or how much it will cost.

The Committee is disappointed that an agency dedicated to transparency and accountability was not more forthcoming about how it plans to spend taxpayer money and remedies this informational vacuum with sections 101 and 102.

Section 101. The Committee includes language limiting the transfer from the Federal Reserve to the BCFP to \$200,000,000 for fiscal year 2012. In addition, language is included limiting the BCFP's authority to obligate funding to \$200,000,000 for fiscal year 2012. These reforms will allow Congress and the American people to understand better the activities of the BCFP, which currently has significant authority to spend taxpayer funds without oversight or input from Congress.

The limitation is \$129,045,000, or 39 percent, less than the request for \$329,045,000 and approximately \$500 million, or 71 percent, less than the \$700 million authorized in the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Section 102. The Committee includes language making the BCFP's funding subject to the annual appropriations process beginning in fiscal year 2013. Under the Dodd-Frank Wall Street Reform and Consumer Protection Act, the BCFP can spend more than half a billion dollars without regard to the Congress. The Committee believes this provision will routinize the exchange of information between the BCFP and Congress. The BCFP needs oversight as much as banks and nonbanks do. Applying a budgetary check and balance to the BCFP is the first step toward repairing a relationship with Congress that can best be described as uneven.

Operating Plan.—The Committee directs the BCFP to submit an operating plan within 60 days of enactment of this Act. The plan shall also include how the BCFP plans to allocate resources, both funds and staff, by type of financial institution, financial product and service, and consumer. The plan will also compare the risks of each category with the resources allocated for it.

Responsible Leadership Structure.—The Committee's experience with the Federal Trade Commission, Securities and Exchange Commission, Federal Communications Commission, Consumer Product Safety Commission, and other Federal agencies with powers to protect consumers or investors leads it to conclude that a five-member commission is more suitable for guiding the BCFP than a single director. A commission ensures that multiple disciplines, experiences, and perspectives are brought to bear on the BCFP's rules, policies, and enforcement actions. The appointment and removal process and staggered terms of the commissioners can provide both a check and balance and measure of continuity that single head cannot. The Committee strongly supports H.R. 1121 as ordered to be reported by the House Financial Services authorizing committee,



which replaces the BCFP's director with a five-member commission.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$29,641,000
Budget request, fiscal year 2012 .....	29,855,000
Recommended in the bill .....	29,641,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	---
Budget request, fiscal year 2012 .....	- 214,000

The Office of Inspector General (OIG) provides agency-wide audit and investigative functions to identify and correct operational and administrative deficiencies that create conditions for fraud, waste, and mismanagement. The audit function provides contract, program, and financial statement audit services. Contract audits provide professional advice to agency contracting officials on accounting and financial matters relative to negotiation, award, administration, repricing, and settlement of contracts. Program audits review and evaluate all facets of agency operations. Financial statement audits assess whether financial statements fairly present the agency's financial condition and results of operations, the adequacy of accounting controls, and compliance with laws and regulations. The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$29,641,000 for the OIG, which is the same as the fiscal year 2011 and \$214,000 less than the request. For the past decade, the OIG has had little time for program audits and investigations because the extraordinary rate of bank failures generated an extraordinary number of material loss reviews. Beginning in 2011, the number of material loss reviews should decline because the Dodd-Frank Wall Street Reform and Consumer Protection Act raised the threshold of a material loss review from \$25 million in losses to \$200 million in 2011, to \$150 million in 2012 and 2013, and \$50 million thereafter. The Committee expects this change in workload to allow the OIG significantly more time for oversight of the Department's programs, expenses, and practices.

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION

SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$151,696,000
Budget request, fiscal year 2012 .....	157,831,000
Recommended in the bill .....	151,696,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	---
Budget request, fiscal year 2012 .....	- 6,135,000

The Internal Revenue Service (IRS) Restructuring and Reform Act of 1998 established the Office of Treasury Inspector General for Tax Administration (TIGTA) and abolished the IRS Office of the Chief Inspector. TIGTA conducts audits, investigations, and evaluations to assess the operations and programs of the IRS and its re-

lated entities, the IRS Oversight Board, and the Office of Chief Counsel. The purpose of those audits and investigations is as follows: (1) to promote the economic, efficient, and effective administration of the Nation’s tax laws and to detect and deter fraud and abuse in IRS programs and operations; and (2) to recommend actions to resolve fraud and other serious problems, abuses, and deficiencies in these programs and operations.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$151,696,000 for the TIGTA, the same as fiscal year 2011 and \$6,135,000 less than the request.

The Committee appreciates TIGTA’s previous work on identity theft and encourages TIGTA to continue working on this issue by evaluating (1) whether the policies of the IRS Office of Privacy, Information Protection and Data Security are integrated into IRS’s division operations, (2) whether the IRS is keeping reliable records for quantifying the number of identity thefts, (3) whether the IRS is developing effective tools for detecting and preventing identity theft, and (4) whether the IRS is providing responsive and courteous victim assistance.

Not later than 60 days after enactment of this Act, TIGTA shall submit a report to the House and Senate Committees on Appropriations on the extent to which IRS employees use tax preparation software or hire tax preparation professionals and how those rates compare to the general public.

SPECIAL INSPECTOR GENERAL FOR THE TROUBLED ASSET RELIEF PROGRAM

SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$36,227,000
Budget request, fiscal year 2012 .....	47,374,000
Recommended in the bill .....	41,801,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	+5,574,000
Budget request, fiscal year 2012 .....	–5,573,000

The Office of the Special Inspector General for the Troubled Asset Relief Program (SIGTARP) was established in the Emergency Economic Stabilization Act of 2008 (Public Law 110–343). Its mission is to conduct, supervise, and coordinate audits and investigations of the purchase, management, and sale of assets by the Secretary of the Treasury under programs established pursuant to the Troubled Asset Relief Program (TARP).

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$41,801,000 for operating expenses of the SIGTARP, which is \$5,574,000 more than fiscal year 2011 and \$5,573,000 less than the request.

SIGTARP’s operating expenses were initially funded with mandatory appropriations in the TARP. These funds, however, were provided for a limited amount, decreasing over time. Therefore, in order to continue vigorous oversight of the outstanding TARP amounts, additional discretionary appropriations are provided. As TARP winds down, the Committee expects the request for discre-

tionary appropriations in this account to also wind down in future years.

**FINANCIAL CRIMES ENFORCEMENT NETWORK**  
SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$110,788,000
Budget request, fiscal year 2012 .....	84,297,000
Recommended in the bill .....	110,788,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	---
Budget request, fiscal year 2012 .....	+26,491,000

The Financial Crimes Enforcement Network (FinCEN) is responsible for implementing Treasury’s anti-money laundering regulations through administration of the Bank Secrecy Act (BSA). It also serves as a U.S. Government source for the systematic collection and analysis of information to assist in the investigation of money laundering and other financial crimes. FinCEN supports law enforcement investigative efforts by Federal, State, local and international agencies, and fosters interagency and global cooperation against domestic and international financial crimes.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$110,788,000 for FinCEN, which is the same as fiscal year 2011 and \$26,491,000 more than the request. Of the amount provided, \$20,000,000 is available until September 30, 2014.

The recommended amount is intended to continue FinCEN’s multi-year effort to modernize its information technology systems and to ensure FinCEN’s information is accessible to the appropriate State and local law enforcement personnel, field representatives, and the intelligence community. The data compiled and analyzed by FinCEN is a critical tool used by law enforcement and the intelligence community for investigating, among other crimes, money laundering, mortgage fraud, drug cartels, and terrorist financing. The Committee is dismayed that the Administration proposed \$3 million in reductions for State and local and intelligence community access to BSA information and rejects these reductions in their entirety. The Committee expects the Department and the Office of Management and Budget to continue to vigorously oversee the information technology modernization effort to ensure its success.

**TREASURY FORFEITURE FUND**  
(RESCISSION)

Appropriation, fiscal year 2011 .....	-\$400,000,000
Budget request, fiscal year 2012 .....	-600,000,000
Recommended in the bill .....	-630,000,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	-230,000,000
Budget request, fiscal year 2012 .....	-30,000,000

The Committee recommends a rescission of \$630,000,000 of unobligated balances in the Treasury Forfeiture Fund, which is \$230,000,000 more than fiscal year 2011 and \$30,000,000 more than the request.

The Committee appreciates the risks and dangers assumed by Internal Revenue Service and Homeland Security law enforcement agents to disrupt and dismantle criminal enterprises. One outcome of their successes is the exceptionally large forfeitures of property and assets in recent years.

#### FINANCIAL MANAGEMENT SERVICE

##### SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$232,786,000
Budget request, fiscal year 2012 .....	218,805,000
Recommended in the bill .....	216,617,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 16,169,000
Budget request, fiscal year 2012 .....	- 2,188,000

The Financial Management Service (FMS) is the Federal government's central financial agent, collecting all Federal revenue and disbursing all Federal payments. FMS also develops and implements reliable and efficient financial methods and systems to operate the government's cash management, credit management, and debt collection programs in order to maintain government accounts and report on the status of the government's finances. In addition, the FMS is the primary agency for collecting Federal non-tax debt owed to the government.

##### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$216,617,000 for the FMS, which is \$16,169,000 less than fiscal year 2011 and \$2,188,000 less than the request. Of the funds provided, \$4,120,000 is available until September 30, 2014, for addressing information system modernization and \$2,500 for official reception and representation expenses.

The Committee notes that this funding reduction is attainable through a number of efficiency savings assumed in the request, such as paperless transactions, space and data consolidation, and the revaluation of new systems. The Committee appreciates the FMS's self-discipline and economy.

#### ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

##### SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$100,798,000
Budget request, fiscal year 2012 .....	97,878,000
Recommended in the bill .....	96,899,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 3,899,000
Budget request, fiscal year 2012 .....	- 979,000

The Alcohol and Tobacco Tax and Trade Bureau (TTB) is responsible for the enforcement of laws designed to eliminate certain illicit activities and to regulate lawful activities relating to distilled spirits, beer, wine and nonbeverage alcohol products, and tobacco. TTB focuses on collecting revenue; reducing taxpayer burden and improving service while preventing diversion; and protecting the public and preventing consumer deception in certain regulated commodities.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$96,899,000 for the TTB, which is \$3,899,000 less than fiscal year 2011 and \$979,000 less than the request. Within the amount provided, the bill includes up to \$6,000 for official reception and representation expenses and up to \$50,000 for cooperative research and development programs, as requested.

The Committee appreciates the Bureau’s restraint and resourcefulness. The recommended reduction is accomplished through the Bureau’s initiatives to simplify reporting requirements and reduce overhead and operations.

UNITED STATES MINT

UNITED STATES MINT PUBLIC ENTERPRISE FUND

The United States Mint manufactures coins, receives deposits of gold and silver bullion, and safeguards the Federal Government’s holdings of monetary metals. In 1997, Congress established the United States Mint Public Enterprise Fund (Public Law 104–52), which authorized the Mint to use proceeds from the sale of coins to finance the costs of its operations and consolidated all existing Mint accounts into a single fund. Public Law 104–52 also provided that, in certain situations, the levels of capital investments for circulating coins and protective services shall factor into the decisions of the Congress.

COMMITTEE RECOMMENDATION

The Committee recommends a spending level for capital investments by the Mint for circulating coinage and protective services of \$20,000,000, which is \$6,700,000 less than the fiscal year 2011 and the same as the request.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

Appropriation, fiscal year 2011 .....	\$184,635,000
Budget request, fiscal year 2012 .....	173,635,000
Recommended in the bill .....	171,979,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	– 12,656,000
Budget request, fiscal year 2012 .....	– 1,656,000

The Bureau of the Public Debt is responsible for the conduct of all public debt operations and the promotion of the sale of U.S. securities.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$171,979,000 for Administering the Public Debt, which is \$12,656,000 less than fiscal year 2011 and \$1,656,000 less than the request. Of this amount, the Committee recommends \$2,500 for official reception and representation expenses and \$10,000,000 is available until September 30, 2013. Language is included that reduces the total amount by no more than \$8,000,000 as definitive security issue fees and Treasury Direct Investor Account Maintenance fees are

collected, so as to result in a final fiscal year 2012 appropriation of \$163,979,000.

The Committee notes that the recommendation, which is below the fiscal year 2011 level and the request, is possible due to a number of efficiency savings assumed in the budget submission. The Committee is pleased with the Bureau’s earnest efforts to reduce costs through data center consolidation, paperless transactions, and decommissioning legacy systems.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND  
PROGRAM ACCOUNT

Appropriation fiscal year 2011 .....	\$226,546,000
Budget request, fiscal year 2012 .....	227,259,000
Recommended in the bill .....	183,000,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 43,546,000
Budget request, fiscal year 2012 .....	- 44,259,000

The Community Development Financial Institutions (CDFI) Fund provides grants, loans, equity investments, and technical assistance, on a competitive basis, to new and existing CDFIs such as community development banks, community development credit unions, and housing and microenterprise loan funds. Recipients use the funds to support mortgage, small business and economic development lending in underserved and distressed neighborhoods and to support the availability of financial services in these neighborhoods. The Fund is also responsible for implementation of the New Markets Tax Credits.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$183,000,000 for the CDFI Fund program, which is \$43,546,000 less than fiscal year 2011 and \$44,259,000 less than the request. Of the amounts provided, \$22,965,000 is for the administrative expenses for all programs. The Committee recommends a set-aside of \$12,000,000 for grants, loans, and technical assistance and training programs to benefit Native American, Alaskan Natives, and Native Hawaiian communities in the coordination of development strategies, increased access to equity investments, and loans for development activities. No funds are designated for either the Bank on USA or Healthy Food Financing Initiative programs.

The Committee notes the strong support for the core CDFI financial and technical assistance and New Markets Tax Credits (NMTC) programs. The presence of these programs is especially evident in urban, metropolitan areas. The Committee directs the General Accountability Office to conduct a study on the concentration of CDFIs and NMTCs in urban areas and to comment on the extent that program design, administration, or history contributed to the early establishment of CDFIs in urban areas by April 2012.

The Committee strongly encourages the CDFI Fund to continue to place a heavy emphasis on efforts related to affordable housing, business assistance, and community services such as child care, health care, education, and job training rather than creating specialized programs, initiatives, or other variations of financial and technical assistance. The Committee includes language to require

the Department to demonstrate the effectiveness of any such assistance in meeting the findings in the Riegle Act.

The Committee requires more detailed information on how the Healthy Food Financing Initiative, which was implemented in 2011, was executed and if providing financing for private investment is the best approach to increase the consumption of targeted foods. Therefore, the Department of Treasury is directed to provide the Committee with a report by May 2012 outlining how this program was administered, including the specific criteria and processes that were used to make grant awards. The report shall also address why this is a better approach, both for the taxpayer and the underserved, than other alternative programs such as food assistance programs.

INTERNAL REVENUE SERVICE

TAXPAYER SERVICES

Appropriations, fiscal year 2011 .....	\$2,274,272,000
Budget request, fiscal year 2012 .....	2,345,133,000
Recommended in the bill .....	2,165,756,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 108,516,000
Budget request, fiscal year 2012 .....	- 179,377,000

The Taxpayer Services appropriation provides for taxpayer services, including forms and publications; processing tax returns and related documents; filing and account services; taxpayer advocacy services; and assisting taxpayers to understand their tax obligations, correctly file their returns, and pay taxes due in a timely manner.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$2,165,756,000 for Taxpayer Services, which is \$108,516,000 less than fiscal year 2011 and \$179,377,000 less than the request. The Committee adopts the Administration’s proposed funding request for the taxpayer services grant programs with the exception of Volunteer Income Tax Assistance (VITA) grants and instead recommends an amount \$4,000,000 more than the request. As such, the bill provides not less than \$5,100,000 for Tax Counseling for the Elderly grants, provides not less than \$9,500,000 for low-income taxpayer clinic grants, and not less than \$12,000,000 for VITA grants. In addition, the Committee recommends not less than \$200,000,000 for operating expenses of the Taxpayer Advocate Service.

The Committee recommends moving the Health Insurance Tax Credit Administration (HITCA) appropriation into the Taxpayer Service appropriations and provides not less than \$15,481,000 for expenses necessary to administer the tax credit included in Title II of Division A of Public Law 107–210, the Trade Act of 2002.

Pre-Filled or “Simple” Tax Returns.—The Committee appreciated the Commissioner’s March 2011 testimony and the assurances that the IRS is not developing a pre-filled or “simple” tax return program. The Committee believes that converting a voluntary compliance system to a bill presentment model would represent a significant change in the relationship between taxpayers and their government. The simple return model would also strain IRS resources

and the data retrieval systems required would create new burdens on employers, particularly small businesses. In addition, a fundamental conflict of interest seems to be inherent in the nation's tax collector and compliance enforcer taking on the simultaneous role of tax preparer and financial advisor. The Committee expects that the IRS will not begin work on a simple tax return pilot program or associated systems without first seeking specific authorization and appropriations from Congress, and should instead focus on helping Congress and the Administration achieve real tax simplification and reform.

#### ENFORCEMENT

Appropriation, fiscal year 2011 .....	\$5,492,992,000
Budget request, fiscal year 2012 .....	5,966,619,000
Recommended in the bill .....	5,226,603,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	– 266,389,000
Budget request, fiscal year 2012 .....	– 740,016,000

The Enforcement appropriation provides for the examination of tax returns, both domestic and international; the administrative and judicial settlement of taxpayer appeals of examination findings; technical rulings; monitoring employee pension plans; determining qualifications of organizations seeking tax-exempt status; examining tax returns of exempt organizations; enforcing statutes relating to detection and investigation of criminal violations of the internal revenue laws; identifying underreporting of tax obligations; securing unfiled tax returns; and collecting unpaid accounts.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$5,226,603,000 for Enforcement, which is \$266,389,000 less than fiscal year 2011 and \$740,016,000 less than the request. Of the funds provided, the Committee recommends not less than \$60,257,000 to support IRS activities under the Interagency Crime and Drug Enforcement program.

**Refundable Tax Credits and Improper Payments.**—Refundable tax credits, such as the Earned Income Tax Credit (EITC) (\$56 billion in outlays in fiscal year 2011), Child Tax Credit (\$24 billion in outlays in fiscal year 2011), and upcoming Healthcare Premium Assistance Credit (\$44 billion in outlays in fiscal year 2016), are among the government's largest transfers of wealth. Consequently, these programs tempt many individuals to make fraudulent claims or to invent tax scams, or worse, lead innocent taxpayers to make mistakes due to the complexity of the programs. Regardless, the resulting improper payments add to the government's debt while reducing its credibility.

The recent experience of the multiple homebuyer tax credits and the persistent rate improper payments in the EITC program weigh heavily on the Committee. The Committee supports the multiple efforts within Treasury and IRS to reduce improper payments. The Committee directs the IRS to submit a report within 180 days of enactment of this Act on actions taken to reduce improper payments in the last year and to plans to further reduce improper payments in the future in the area of refundable tax credits.



Healthcare.—The Committee includes two new administrative provisions, Sections 105 and 106, related to implementation of the healthcare reform act. The healthcare reform act represents the largest set of tax law changes in over 20 years with more than 40 provisions that amend the tax code. Most of the tax provisions become effective in 2014, but some provisions went into effect immediately upon enactment, such as the small business health care tax credit, the qualifying therapeutic discovery credit, and the expanded adoption credit. During fiscal years 2010 and 2011, the Department of Health and Human Services allocated an estimated \$60,000,000 to IRS for healthcare implementation without the Committee's knowledge. The Committee prohibits further such transfers.

The Committee also prohibits the IRS from using funds in this Act to verify that individuals have healthcare coverage and impose penalties on those who do not. Legally requiring Americans to buy health insurance violates the basic principles of freedom and individual choice. No American should be forced to buy or purchase health insurance they neither want nor can afford. The Federal government has never made the purchase of a good or service a condition for being a law-abiding citizen.

Regulation of Paid Tax Preparers.—The Committee commends the IRS for its initiative to register, test, and require continuing education credits from paid tax preparers. The vast majority of paid preparers are well-informed and law abiding, and as Government Accountability Office has reported, inaccuracies on preparers' returns are not necessarily the fault of the preparer. Yet, as the IRS Taxpayer Advocate has noted, a growing amount of qualitative research identifies significant preparer misconduct, including misconduct that would potentially trigger the IRS to impose civil or criminal penalties. All preparers are subject to some oversight, but it varies greatly depending on their professional affiliations and the jurisdiction in which they practice. The use of paid preparers has grown steadily in recent decades to approximately 60 percent. The Committee encourages the IRS to keep the Committee updated on the work the IRS is doing in this area.

Historic Preservation Easements.—The Committee has heard complaints from taxpayers about the Internal Revenue Service's (IRS) administration of laws related to the charitable tax deduction for the donation of preservation easements on certified historic structures. The Committee understands that easement donations are difficult to value and the IRS must be vigilant against tax abuse. Nonetheless, the 2009 IRS Advisory Council Report offered six recommendations for a fair and expeditious resolution of these issues. Recognizing the controversy surrounding this issue, the Committee calls upon the IRS to review its policies related to the historical easement deduction and report to the Committee on its process for implementing the Council's recommendations within 90 days of enactment of this Act.

OPERATIONS SUPPORT

Appropriation, fiscal year 2011 .....	\$4,075,716,000
Budget request, fiscal year 2012 .....	4,620,526,000
Recommended in the bill .....	3,793,379,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	-282,337,000
Budget request, fiscal year 2012 .....	-827,147,000

The Operations Support appropriation provides for overall planning and direction of the IRS, including shared service support related to facilities services, rent payments, printing, postage, and security. Specific activities include headquarters management activities such as strategic planning, communications and liaison, finance, human resources, Equal Employment Opportunity and diversity, research, information technology, and telecommunications.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$3,793,379,000 for Operations Support, which is \$282,337,000 less than fiscal year 2011 and \$827,147,000 less than the request. Of the funds provided, not less than \$2,000,000 is for the IRS Oversight Board and \$25,000 is for official reception and representation expenses.

Information Security.—The Committee has previously expressed concerns about the findings of GAO and TIGTA showing that the IRS continues to have information security vulnerabilities. Since the IRS possesses sensitive taxpayer information for more than 140 million individual taxpayers, the importance of ensuring effective security of information systems at the IRS cannot be overstated. In a matter related to information security, the Committee notes that identity theft is growing with regards to tax fraud. In these cases, taxpayers, who are otherwise complying with their tax obligations, have their refunds delayed and are drawn unwittingly into the IRS examination process. The IRS must report to the Committee within 30 days of enactment of this Act on the number of taxpayers who have had their tax return rejected because their Social Security number was improperly used by another individual to commit tax fraud. The report shall include the average time to resolve the situation and provide innocent taxpayers with their refund, when a refund is due. In addition, the report shall provide the number of these cases which were not resolved within 45 days and discuss the actions the IRS plans to take to expedite resolution for these taxpayers and to prevent similar identity theft issues from taking place in the future.

BUSINESS SYSTEMS MODERNIZATION

Appropriation, fiscal year 2011 .....	\$263,369,000
Budget request, fiscal year 2012 .....	333,600,000
Recommended in the bill .....	330,000,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	+66,631,000
Budget request, fiscal year 2012 .....	-3,600,000

The Business Systems Modernization (BSM) appropriation provides funding to modernize key business systems of the Internal Revenue Service.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$330,000,000 for BSM, which is \$66,631,000 more than fiscal year 2011 and \$3,600,000 less than the request. Consistent with previous years, the release of the funds, with the exception of funding for labor costs, is subject to the approval by the Committees on Appropriations of a GAO-reviewed expenditure plan.

IRS's information technology is frozen in the 1960's. IRS still relies, in part, on magnetic tapes, uploaded on a weekly basis, to process returns. IRS is keenly aware that overdue notices cross paths with checks in the mail and that IRS's delayed reactions aggrive taxpayers. Currently, IRS systems are written in COBOL, a programming language created in 1958. The customer account data engine (CADE2) will move IRS into a mix of COBOL and C++, which is a language created in 1979. After CADE2 is launched in January 2012, IRS will begin re-writing its applications into Java, which was released in 1995 and is among the most popular programming languages in use today.

The current weekly data uploads mean that IRS staff has seven days, or 168 hours, to take actions or make corrections. By contrast, under CADE2, daily data uploads mean that IRS staff will have 24 hours to take action or make corrections. IRS staff and the offices that support them will have to act faster than they have before. CADE2 will not only accelerate the rate of tax return processing, but will also increase IRS staff productivity and satisfaction. The "green screens" that IRS staff currently work with will eventually migrate into contemporary drop-down menus.

The Committee recognizes that the IRS has made progress in implementing BSM milestones. The IRS is currently working on its CADE2 program, to allow 140 million individual account records to be stored in a modern database that has the capability to update taxpayer account information on a daily basis.

At the same time, the Committee notes that while successes have been achieved, other challenges remain, such as preparing and training staff and revising operating procedures in anticipation of CADE2. The Committee expects strong IRS efforts at improvement in all of these problem areas and looks forward to continued progress in the overall BSM effort.

## ADMINISTRATIVE PROVISIONS—INTERNAL REVENUE SERVICE

## (INCLUDING TRANSFER OF FUNDS)

Section 103. The Committee continues a provision that allows for the transfer of five percent (three percent in the case of Enforcement) of any appropriation made available to the IRS to any other IRS appropriation, upon the advance approval of the Committees on Appropriations.

Section 104. The Committee continues a provision that requires the IRS to maintain a training program in taxpayer rights, dealing courteously with taxpayers, and cross-cultural relations.

Section 105. The Committee modifies a provision that requires the IRS to institute and enforce policies and procedures that will safeguard the confidentiality of taxpayer information to include protection against identity theft.

Section 106. The Committee continues a provision that makes funds available for improved facilities and increased staffing to provide efficient and effective 1–800 number help line service for taxpayers.

Section 107. The Committee includes a new provision prohibiting funds made available in this Act to implement the individual mandate in the healthcare reform act.

Section 108. The Committee includes a new provision prohibiting funds made available in the healthcare reform act from being transferred to the IRS for implementing the healthcare reform act.

Section 109. The Committee includes a new provision requiring monthly reports from the Secretary about a proposed regulation. The Committee understands the government’s need to increase transparency and to eliminate cross-border tax evasion. However, the Committee is concerned that regulations proposed by the Treasury Department may result in the flight of foreign capital from U.S. banks as well as jeopardize the safety of certain foreign nationals. These regulations would require all banks to file informational returns with the Internal Revenue Service about interest income earned on accounts owned by all foreigners. According to the Commerce Department, foreigners have \$10.6 trillion passively invested in the American economy, including nearly \$3.6 trillion reported by U.S. banks and securities brokers. Banks stand to lose billions of dollars in foreign investment because many of their customers would rather withdraw their funds and close their accounts than be subjected to the possible disclosure of their ownership of their U.S. accounts to their home country. Many of these customers have concerns and fears about crime and security in their home country and either distrust their governments or financial institutions.

#### ADMINISTRATIVE PROVISIONS—DEPARTMENT OF THE TREASURY

##### (INCLUDING TRANSFER OF FUNDS)

Section 110. The Committee continues a provision that allows the Department to employ experts and consultants, with or without compensation.

Section 111. The Committee continues a provision that authorizes transfers, up to two percent, between “Departmental Offices—Salaries and Expenses”, “Office of Terrorism and Financial Intelligence”, “Office of Inspector General”, “Financial Management Service”, “Alcohol and Tobacco Tax and Trade Bureau”, “Financial Crimes Enforcement Network”, and the “Bureau of the Public Debt” appropriations under certain circumstances.

Section 112. The Committee continues a provision that authorizes transfers, up to two percent, between the Internal Revenue Service and the Treasury Inspector General for Tax Administration under certain circumstances.

Section 113. The Committee continues a provision limiting funds for the purchase of law enforcement vehicles unless the purchase is consistent with vehicle management principles.

Section 114. The Committee continues a provision that prohibits the Department of the Treasury from undertaking a redesign of the one dollar Federal Reserve note.

Section 115. The Committee continues a provision that provides for transfers from and reimbursements to “Financial Management Service, Salaries and Expenses” for the purposes of debt collection.

Section 116. The Committee continues a provision extending the pay demonstration program.

Section 117. The Committee continues a provision that requires congressional approval for the construction and operation of a museum by the United States Mint.

Section 118. The Committee continues a provision prohibiting funds in this or any other Act from being used to merge the Mint and the Bureau of Engraving and Printing without the approval of the House and Senate Committees of jurisdiction.

Section 119. The Committee includes a provision deeming that funds for the Department of the Treasury’s intelligence-related activities are specifically authorized in fiscal year 2012 until enactment of the Intelligence Authorization Act for fiscal year 2012.

Section 120. The Committee continues a provision permitting the Bureau of Engraving and Printing to use \$5,000 from the Industrial Revolving Fund for reception and representation expenses.

Section 121. The Committee includes a new provision that allows currency paper contracts to exceed a period of four years as requested by the Administration.

Section 122. The Committee includes a new provision as requested by the Administration that requires persons who exchange \$10,000 or more in mutilated cash with the Bureau of Engraving and Printing to also report their taxpayer identification number.

Section 123. The Committee includes a new provision as requested by the Administration that allows the Financial Crimes Enforcement Network to share more information with their foreign counterparts.

Section 124. The Committee includes a new provision as requested by the Administration that subjects additional individuals to disclosure prohibitions with regards to Financial Crimes Enforcement Network activities.

Section 125. The Committee includes a new provision as requested by the Administration that prohibits States from disclosing Financial Crimes Enforcement Network information on State websites.

Section 126. The Dodd-Frank Wall Street Reform and Consumer Protection Act created the Office of Financial Research (OFR) to support the Financial Stability Oversight Council by collecting financial data and analyzing market activities. After receiving start up funding from the Federal Reserve, OFR has the authority to charge assessments to financial institutions to fund its operating costs. The Dodd-Frank legislation does not provide for any Congressional review in the operations or funding level of this Office. The Committee believes that neither OFR nor any other agency should have an unchecked ability to charge fees and obligate funding for administrative expenses. Therefore, the Committee has included language limiting OFR’s obligations to \$64,468,000 during fiscal year 2012.

Section 127. The Office of Financial Stability (OFS) administers the Troubled Assets Relief Program for the Department of Treasury. The Emergency Economic Stabilization Act provides unlimited appropriations for the administrative costs of OFS. The Committee

does not believe that agencies should have unlimited spending authority for administrative expenses. In addition, section 129 terminates the Home Affordable Modification Program which should dramatically reduce OFS costs. Therefore, the Committee has included a new provision that limits the obligations of the OFS to \$200,000,000 for fiscal year 2012.

Section 128. The Committee includes a new provision that gives the Financial Crimes Enforcement Network access to a small number of reports of cash payments over \$10,000 received in a trade or business that currently are only filed with the Internal Revenue Service in instances in which bail is posted in cash.

Section 129. The Committee includes a new provision that terminates the unsuccessful Home Affordable Modification Program (HAMP). The Special Inspector General for TARP testified to the Financial Services Authorizing Committee that HAMP “benefits only a small portion of distressed homeowners, offers others little more than false hope, and in certain cases causes more harm than good.” The Committee believes it is critical to stop wasting taxpayer funding on this program.

#### TITLE II—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

Funds appropriated in this title provide for the staff and operations of the White House, along with other organizations within the Executive Office of the President (EOP) which formulate and coordinate policy on behalf of the President such as the National Security Council and the Office of Management and Budget. The title also includes the Office of National Drug Control Policy and certain expenses of the Vice President.

The Committee recommends a total appropriation of \$639,553,000 for this title which is \$65,692,000 less than the fiscal year 2011 level and \$99,784,000 less than the request. The Committee is disappointed that the Administration’s request did not propose additional reductions for the EOP. The Committee believes that the chief executive of any organization experiencing a fiscal crisis should share in the funding sacrifice along with the rest of the organization. Therefore, the Committee has reduced the Salaries and Expenses appropriation for each organization under this heading.

#### THE WHITE HOUSE

##### SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$58,435,000
Budget request, fiscal year 2012 .....	58,374,000
Recommended in the bill .....	55,513,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	– 2,922,000
Budget request, fiscal year 2012 .....	– 2,861,000

The White House Salaries and Expenses account supports staff and administrative services necessary for the direct support of the President.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$55,513,000 for the White House, which is \$2,922,000 less than fiscal year 2011 and \$2,861,000 less than the request. The recommendation includes sufficient funds to support the Office of National AIDS Policy.

## EXECUTIVE RESIDENCE AT THE WHITE HOUSE

## OPERATING EXPENSES

Appropriation, fiscal year 2011 .....	\$13,673,000
Budget request, fiscal year 2012 .....	13,658,000
Recommended in the bill .....	12,989,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	– 684,000
Budget request, fiscal year 2012 .....	– 669,000

These funds provide for the care, maintenance, and operation of the Executive Residence, including official and ceremonial functions of the President.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$12,989,000 for the operating expenses of the Executive Residence, which is \$684,000 less than fiscal year 2011 and \$669,000 less than the request. The bill continues the same restrictions on reimbursable expenses for use of the Executive Residence as were included in past years.

## WHITE HOUSE REPAIR AND RESTORATION

Appropriation, fiscal year 2011 .....	\$2,001,000
Budget request, fiscal year 2012 .....	1,000,000
Recommended in the bill .....	1,000,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	– 1,001,000
Budget request, fiscal year 2012 .....	– — —

Funding in this account provides for the repair, alteration, and improvement of the Executive Residence at the White House.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$1,000,000 for White House Repair and Restoration, which is \$1,001,000 less than fiscal year 2011 and the same as the request.

## COUNCIL OF ECONOMIC ADVISERS

## SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$4,192,000
Budget request, fiscal year 2012 .....	4,403,000
Recommended in the bill .....	3,982,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	– 210,000
Budget request, fiscal year 2012 .....	– 421,000

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

ment, and assists in preparation of the annual Economic Report of the President.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$3,982,000 for the Council of Economic Advisers, which is \$210,000 less than the fiscal year 2011 level and \$421,000 less than the request.

#### NATIONAL SECURITY COUNCIL AND HOMELAND SECURITY COUNCIL

##### SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$13,048,000
Budget request, fiscal year 2012 .....	13,074,000
Recommended in the bill .....	12,396,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 652,000
Budget request, fiscal year 2012 .....	- 678,000

The National Security Council and the Homeland Security Council have been combined to form the National Security Staff which advises and assists the President in the integration of domestic, foreign, military, intelligence, and economic aspects of national security policy, and serves as the principal means of coordinating executive departments and agencies in the development and implementation of national security and homeland security policies.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$12,396,000 for the National Security Council and Homeland Security Council, which is \$652,000 less than fiscal year 2011 and \$678,000 less than the request.

#### OFFICE OF ADMINISTRATION

##### SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$115,049,000
Budget request, fiscal year 2012 .....	115,848,000
Recommended in the bill .....	109,297,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 5,752,000
Budget request, fiscal year 2012 .....	- 6,551,000

The Office of Administration is responsible for providing administrative services to the Executive Office of the President. These services include financial, personnel, procurement, information technology, records management, and general office services.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$109,297,000 for the Office of Administration, which is \$5,752,000 less than fiscal year 2011 and \$6,551,000 less than the request. Of the recommended amount, \$10,670,000 is available until expended for modernization of the information technology infrastructure within the Executive Office of the President.

The Office of Administration is directed to provide an annual report to the Committee at the same time the President's budget is submitted to Congress, detailing its progress on information technology modernization, including the amounts obligated and ex-



pending (and for what purposes), specific milestones achieved, and requirements and specific plans for further investment.

OFFICE OF MANAGEMENT AND BUDGET  
SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$91,750,000
Budget request, fiscal year 2012 .....	91,660,000
Recommended in the bill .....	82,575,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	-9,175,000
Budget request, fiscal year 2012 .....	-9,085,000

The Office of Management and Budget (OMB) assists the President in the discharge of budgetary, economic, management, and other executive responsibilities.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$82,575,000 for OMB, which is \$9,175,000 less than fiscal year 2011 and \$9,085,000 less than the request. The recommendation also continues several long-standing provisos, not requested by the President, limiting certain OMB activities.

The Committee believes it is essential for Federal departments and agencies to find and implement efficiencies in their operations in order to be successful in setting and meeting performance goals and reducing wasteful spending. The Committee believes that use of successful business management techniques including but not limited to continuous process improvement methods can improve the utilization of resources. The Committee encourages OMB and Federal agencies to use them.

In light of increased efforts to identify government-wide efficiencies and properly anticipate the cost of major infrastructure projects, the Committee instructs OMB to examine and revise Circular A-94 as necessary and appropriate to improve the guidance provided to agencies in conducting benefit-cost analysis. The Committee expects OMB's review and modernization of Circular A-94 to emphasize the importance of incorporating life-cycle cost analysis. Moreover, this analysis should be as accurate, complete and reflective of the real costs and lifespans of materials as possible, including the use of material-specific discount rates and maintenance scheduled cost. OMB is directed to report to the Committee within 180 days of enactment of this Act on the status of reviewing Circular A-94.

The Committee directs OMB to provide a spend plan for the Office of the Intellectual Property Enforcement Coordinator (IPEC) within 60 days of enactment of this Act. The spend plan shall include details on the budgetary requirements necessary to ensure IPEC can carry out its statutory mission.

## OFFICE OF NATIONAL DRUG CONTROL POLICY

## SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$27,084,000
Budget request, fiscal year 2012 .....	23,413,000
Recommended in the bill .....	23,000,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	-4,084,000
Budget request, fiscal year 2012 .....	-413,000

The Office of National Drug Control Policy (ONDCP) was established by the Anti-Drug Abuse Act of 1988 and most recently reauthorized in 2006. The Office is the President's primary source of support for counter-drug policy development and program oversight. Its responsibilities include developing and updating a National Drug Control Strategy, developing a National Drug Control Budget, and coordinating and evaluating the implementation of Federal drug control activities.

In addition, ONDCP manages several counter-drug programs which are discussed under the "Federal Drug Control Programs" heading below. These include the High Intensity Drug Trafficking Areas program and Drug-Free Communities grants.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$23,000,000 for ONDCP salaries and expenses, \$4,084,000 less than fiscal year 2011 and \$413,000 less than the request. Of the amount appropriated, \$250,000 is for policy research and evaluation, the same as the budget request.

The recommended level is lower than fiscal year 2011 and the request because ONDCP activities are either reprioritized or eliminated. The combination of these efforts reduces the need for personnel and other resources funded under the salaries and expenses account to manage ONDCP's activities. The Committee expects ONDCP to focus resources on the counter-drug policy development, coordination and evaluation functions which are the primary mission of the Office and the original reason for its existence.

## FEDERAL DRUG CONTROL PROGRAMS

The Committee is recommending a significant change in funding levels for several Federal drug control programs managed by ONDCP, based on evaluations and assessments of relative effectiveness. No appropriation is provided for the anti-drug media campaign and related activities. Instead, resources are redirected to restore funding for the High-Intensity Drug Trafficking Areas Program to the fiscal year 2011 level.

## HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM

## (INCLUDING TRANSFER OF FUNDS)

Appropriation, fiscal year 2011 .....	\$238,522,000
Budget request, fiscal year 2012 .....	200,000,000
Recommended in the bill .....	238,522,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	---
Budget request, fiscal year 2012 .....	+38,522,000

The High Intensity Drug Trafficking Areas (HIDTA) Program provides resources to Federal and State, local, and tribal agencies in designated HIDTAs to combat the production, transportation and distribution of illegal drugs; to seize assets derived from drug trafficking; to address violence in drug-plagued communities; and to disrupt the drug marketplace.

Currently, 28 HIDTAs operate in 45 States plus the District of Columbia, Puerto Rico, and the Virgin Islands. Each HIDTA is managed by an Executive Board composed of equal numbers of Federal, State, local or tribal officials. Each HIDTA Executive Board is responsible for designing and implementing initiatives for the specific drug trafficking threats in its region. Intelligence and information sharing are key elements of all HIDTA programs.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$238,522,000 for the HIDTA Program, the same as the fiscal year 2011 level and \$38,522,000 more than the request. The Committee believes that the HIDTA program has demonstrated its effectiveness and can serve as an important tool in combating problems of drug trafficking and drug-related violence.

The Committee includes language requiring that existing HIDTAs receive funding at least equal to the fiscal year 2011 base allocation level unless the Director submits a justification for doing otherwise to the Committees on Appropriations, based on clearly articulated priorities and published performance measures.

The recommendation includes language directing ONDCP to notify the Committees on Appropriations of the initial allocation of HIDTA funds not later than 45 days after enactment, and to notify the Committees of the proposed use of discretionary funds not later than 90 days after enactment. The language directs the ONDCP Director to work in consultation with the HIDTA Directors in determining the uses of that discretionary funding.

Finally, the Committee recommendation specifies that up to \$2,700,000 may be used for auditing services and related activities.

OTHER FEDERAL DRUG CONTROL PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

Appropriation, fiscal year 2011 .....	\$140,618,000
Budget request, fiscal year 2012 .....	143,600,000
Recommended in the bill .....	101,978,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 38,640,000
Budget request, fiscal year 2012 .....	- 41,622,000

This account supports a variety of other drug control activities managed or undertaken by ONDCP.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$101,978,000 for Other Federal Drug Control Programs, which is \$38,640,000 less than fiscal year 2011 and \$41,622,000 less than the request. The recommended level for fiscal year 2012 is distributed among specific programs and activities as follows:

Drug-Free Communities .....	\$88,600,000
Media and outreach activities .....	--
Anti-Doping activities .....	8,982,000
World Anti-Doping Agency dues .....	1,896,000
Discretionary grants .....	2,500,000

Within the total for the account, the Committee recommends \$88,600,000 for the Drug-Free Communities program, \$6,210,000 less than fiscal year 2011 and the same as the request. This program makes grants of up to \$125,000 per year to support local coalitions to develop and implement community-based plans to reduce drug abuse among youth. These coalitions are required to include participants from a wide range of interests, including local government agencies, schools, the media, service organizations, law enforcement, parents, youth, and the business community. Local matching contributions are required. Grants are awarded on a competitive basis, and may be renewed for up to five years, after which time the coalition must compete again for any further funding.

Within this account, the Committee recommends no funding for media and outreach, rather than the \$34,930,000 appropriated in fiscal year 2011 or the \$45,000,000 included in the request for the National Youth Anti-Drug Media Campaign. While the goals of this program are laudable, the Committee's recommendation is guided by the results of evaluations of the media campaign which indicate that its effectiveness has been limited. The Committee directs resources where they are likely to do the most good, and thus recommends an increase above the request for the High-Intensity Drug Trafficking Areas program which the Committee believes is a better use of scarce funds.

Additionally, the Committee includes \$2,500,000 for ONDCP for a competitive discretionary grant program to implement programs authorized by the Office of National Drug Control Policy Reauthorization Act of 2006 (Public Law 109-469).

INTEGRATED, EFFICIENT AND EFFECTIVE USES OF INFORMATION  
TECHNOLOGY

(INCLUDING TRANSFER OF FUNDS)

Appropriation, fiscal year 2011 .....	\$--
Budget request, fiscal year 2012 .....	60,000,000
Recommended in the bill .....	5,000,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	+5,000,000
Budget request, fiscal year 2012 .....	-55,000,000

These funds support efforts to improve the Federal Government's investments in information technology (IT).

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$5,000,000 for this new appropriation account managed by the Office of Management and Budget. The recommendation is \$55,000,000 less than the request.

The Committee appreciates the Administration's efforts to improve program and contract management of IT investments as well as the Administration's efforts to utilize cloud computing and consolidate data centers. However, much more needs to be done to improve the management of the Federal government's

\$80,000,000,000 annual investment in IT. The recommendation only provides \$5,000,000 of the amount requested because the Committee is wary that providing additional funding for this program will result in real budget savings. In order to better understand the results of the Administration's IT reform efforts and the savings generated, bill language is included requiring the submission of monthly reports on savings identified by fiscal year, agency and appropriation. This information will not only inform the Committee on the results of OMB's IT reforms but will also inform the Committee's decisions on funding IT projects in agencies across the Federal government.

SPECIAL ASSISTANCE TO THE PRESIDENT

SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$4,549,000
Budget request, fiscal year 2012 .....	4,328,000
Recommended in the bill .....	4,322,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 227,000
Budget request, fiscal year 2012 .....	- 6,000

These funds support the executive functions of the Office of the Vice President.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$4,322,000 for the Office of the Vice President, which is \$227,000 less than fiscal year 2011 and \$6,000 less than the request.

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Appropriation, fiscal year 2011 .....	\$326,000
Budget request, fiscal year 2012 .....	307,000
Recommended in the bill .....	307,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 19,000
Budget request, fiscal year 2012 .....	- - -

These funds support the care and operation of the Vice President's residence and specifically support equipment, furnishings, dining facilities, and services required to perform and discharge the Vice President's official duties, functions and obligations.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$307,000 for the Operating Expenses of the Vice President's residence, which is \$19,000 less than fiscal year 2011 and the same as the request.

ADMINISTRATIVE PROVISIONS—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

(INCLUDING TRANSFER OF FUNDS AND RESCISSION)

Section 201. The Committee continues language permitting the transfer of not to exceed ten percent of funds between various ac-

counts within the Executive Office of the President, after notifying the Committees on Appropriations at least 15 days in advance.

Section 202. The Committee includes new language rescinding \$11,328,000 in unobligated prior year balances from the Counterdrug Technology Assessment Center. This rescission was proposed in the budget request.

Section 203. The Committee includes new language prohibiting funds to prepare, sign or approve statements abrogating legislation passed by the House of Representatives and the Senate and signed by the President.

Section 204. The Committee includes new language requiring the Director of the Office of Management and Budget to submit quarterly reports to the Committee on the implementation of Executive Order 13563 relating to improving regulation and regulatory review.

Section 205. The Committee includes new language requiring the Director of the Office of Management and Budget to report on the costs of implementing the Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203).

### TITLE III—THE JUDICIARY

The funds recommended by the Committee in title III of the accompanying bill are for the operation and maintenance of United States Courts and include the salaries of judges, probation and pre-trial services officers, public defenders, court clerks, law clerks, and other supporting personnel, as well as security costs, information technology, and other expenses of the Federal Judiciary.

The Committee recommends a total of \$6,326,318,000 in discretionary funding for the Judiciary in fiscal year 2012, which is \$151,256,000 less than fiscal year 2011 and \$529,729,000 less than the request. The Committee recognizes that the number of cases filed and the number of persons under supervision is not under the control of the Judiciary. However, the Committee believes the Judiciary needs to continue its cost containment efforts and identify ways to reduce staffing, travel, space and other financial requirements through the use of technology and best practices.

In addition to direct appropriations, the Judiciary collects various fees and has certain multiyear funding authorities. The Judiciary uses these non-appropriated funds to offset its direct appropriation requirements. Consistent with prior year practices and section 608 of this Act, the Committee expects the Judiciary to submit a financial plan, within 60 days of enactment of this Act, allocating all sources of available funds including appropriations, fee collections, and carryover balances. This financial plan will be the baseline for purposes of reprogramming notification. The Committee notes that a bill language section included in prior years requiring a Judiciary financial plan was dropped as it is redundant to the requirement established in section 608.

## SUPREME COURT OF THE UNITED STATES

## SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$73,921,000
Budget request, fiscal year 2012 .....	75,551,000
Recommended in the bill .....	74,819,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	+898,000
Budget request, fiscal year 2012 .....	- 732,000

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$74,819,000 for fiscal year 2012 for the salaries and expenses of personnel and the cost of operating the Supreme Court, excluding the care of the building and grounds. The recommendation is \$898,000 more than fiscal year 2011 and is \$732,000 less than the request. The increased funding provided above the fiscal year 2011 level is for twelve additional police officers requested by the Court to meet security requirements.

The Committee continues to include bill language making \$2,000,000 available until expended for the purpose of making information technology investments. The Committee requests that the Court include an annual report with its budget justification materials, showing information technology carryover balances and describing expenditures made in the previous fiscal year and planned expenditures in the budget year.

## CARE OF THE BUILDING AND GROUNDS

Appropriation, fiscal year 2011 .....	\$8,159,000
Budget request, fiscal year 2012 .....	8,504,000
Recommended in the bill .....	8,159,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	---
Budget request, fiscal year 2012 .....	- 345,000

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$8,159,000 for fiscal year 2012, to remain available until expended, for personnel and other services relating to the structural and mechanical care of the Supreme Court building and grounds. The Architect of the Capitol has responsibility for these functions and supervises the use of this appropriation. The recommendation is equal to fiscal year 2011 and \$345,000 less than the request.

## UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

## SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$32,511,000
Budget request, fiscal year 2012 .....	35,139,000
Recommended in the bill .....	31,472,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 1,039,000
Budget request, fiscal year 2012 .....	- 3,667,000

## COMMITTEE RECOMMENDATION

The Court of Appeals for the Federal Circuit has exclusive national jurisdiction over a large number of diverse subject areas, in-

cluding government contracts, patents, trademarks, Federal personnel, and veterans' benefits. The Committee recommends an appropriation of \$31,472,000 for fiscal year 2012, which is \$1,039,000 less than fiscal year 2011 and \$3,667,000 less than the request.

#### UNITED STATES COURT OF INTERNATIONAL TRADE

##### SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$21,447,000
Budget request, fiscal year 2012 .....	22,891,000
Recommended in the bill .....	20,628,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 819,000
Budget request, fiscal year 2012 .....	- 2,263,000

##### COMMITTEE RECOMMENDATION

The Court of International Trade has exclusive nationwide jurisdiction of civil actions against the United States and certain civil actions brought by the United States, arising out of import transactions and administration and enforcement of the Federal customs and international trade laws. The Committee recommends an appropriation of \$20,628,000 for fiscal year 2012, which is \$819,000 less than fiscal year 2011 and \$2,263,000 less than the request.

#### COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

##### SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$5,004,221,000
Budget request, fiscal year 2012 .....	5,236,166,000
Recommended in the bill .....	4,790,855,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 213,366,000
Budget request, fiscal year 2012 .....	- 445,311,000

##### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$4,790,855,000 for the operations of the regional courts of appeals, district courts, bankruptcy courts, the Court of Federal Claims, and probation and pretrial services offices. The recommendation is \$213,366,000 less than fiscal year 2011 and \$445,311,000 less than the request.

The Committee understands that the Judiciary's staffing, operations and maintenance, and information technology resources are allocated to the courts according to formulas that are approved by the Judicial Conference of the United States and equitably distribute resources based on the workload of each district. The Committee believes this is the optimal method of making such allocations and expects the Judiciary to continue to allocate its resources using this system. The Committee also expects the Administrative Office to periodically update the formulas to ensure their accuracy.

#### VACCINE INJURY COMPENSATION TRUST FUND

Appropriation, fiscal year 2011 .....	\$4,775,000
Budget request, fiscal year 2012 .....	5,011,000
Recommended in the bill .....	4,775,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- - -
Budget request, fiscal year 2012 .....	- 236,000



## COMMITTEE RECOMMENDATION

The Committee recommends a reimbursement of \$4,775,000 for fiscal year 2012 from the Vaccine Injury Compensation Trust Fund to cover expenses of the United State Court of Federal Claims associated with processing cases under the National Childhood Vaccine Injury Act of 1986. This amount is the same as fiscal year 2011 and \$236,000 less than the request.

## DEFENDER SERVICES

Appropriation, fiscal year 2011 .....	\$1,025,693,000
Budget request, fiscal year 2012 .....	1,098,745,000
Recommended in the bill .....	1,050,000,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	+24,307,000
Budget request, fiscal year 2012 .....	-48,745,000

## COMMITTEE RECOMMENDATION

This account provides funding for the operation of the Federal Public Defender and Community Defender organizations and for compensation and reimbursement of expenses of panel attorneys appointed pursuant to the Criminal Justice Act for representation in criminal cases. The Committee recommends an appropriation of \$1,050,000,000 for fiscal year 2012 which is \$24,307,000 more than fiscal year 2011 and \$48,745,000 less than the request. The recommendation does not provide an increase in the hourly panel attorney pay rate.

The sixth amendment to the Constitution provides for the right to counsel for those who can not afford it. This is a very important Constitutional protection. The Committee understands that the costs associated with this program are driven by: (1) the hourly rate paid to panel attorneys, which has grown substantially in the years prior to fiscal year 2011; (2) the costs of operating Federal defender organizations; and (3) the number of defendants and case complexity. The appropriation for this account has grown from \$709,830,000 in fiscal year 2006 to a request of \$1,098,745,000 in fiscal year 2012, more than a 50 percent increase. While the Committee believes that attorneys must be adequately compensated and defendants must be competently represented, the rapid rate of increase to this program cannot continue indefinitely. The Judiciary has had some success in recent years implementing cost control measures in other Judiciary programs. The Judicial Conference must find ways to substantially reduce the level of resources proposed in future years for the Defender Services program. The Committee expects the fiscal year 2013 budget request to identify significant savings in this program.

## FEES OF JURORS AND COMMISSIONERS

Appropriation, fiscal year 2011 .....	\$52,305,000
Budget request, fiscal year 2012 .....	59,727,000
Recommended in the bill .....	57,305,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	+5,000,000
Budget request, fiscal year 2012 .....	-2,422,000

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$57,305,000 for payments to jurors, which is \$5,000,000 more than fiscal year 2011 and \$2,422,000 less than the request.

## COURT SECURITY

## (INCLUDING TRANSFERS OF FUNDS)

Appropriation, fiscal year 2011 .....	\$466,672,000
Budget request, fiscal year 2012 .....	513,058,000
Recommended in the bill .....	500,000,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	+33,328,000
Budget request, fiscal year 2012 .....	- 13,058,000

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$500,000,000 for Court Security in fiscal year 2012 to provide for necessary expenses of security and protective services in courtrooms and adjacent areas. This is \$33,328,000 more than fiscal year 2011 and \$13,058,000 less than the request.

The recommended increase over fiscal year 2011 will provide for additional court security officers and equipment to address the highest priority security needs identified by the courts and the U.S. Marshals Service.

The Committee is aware of significant security deficiencies that exist in many older courthouses which in the past have only been corrected by constructing a new facility. Given the current fiscal climate, the cost of constructing new facilities to address these security concerns is in many cases too expensive. As a more cost effective way to address these security concerns, the Committee has included \$20,000,000 in the General Services Administration's Federal Buildings Fund specifically for security alterations to courthouses. The Committee directs the Judiciary to work collaboratively with the General Services Administration and the U.S. Marshals Service to identify and fund cost effective security solutions to ensure the safety of court staff and the public.

## ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

## SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$82,909,000
Budget request, fiscal year 2012 .....	88,455,000
Recommended in the bill .....	80,007,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 2,902,000
Budget request, fiscal year 2012 .....	- 8,448,000

## COMMITTEE RECOMMENDATION

The Administrative Office of the United States Courts (AO) provides administrative and management support to the United States Courts, including the probation and bankruptcy systems. It also supports the Judicial Conference of the United States in determining Federal Judiciary policies, in developing methods to assist the courts to conduct business efficiently and economically, and in enhancing the use of information technology in the courts. The

Committee recommends an appropriation of \$80,007,000 for the AO, which is \$2,902,000 less than fiscal year 2011 and \$8,448,000 less than the request.

#### FEDERAL JUDICIAL CENTER

##### SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$27,273,000
Budget request, fiscal year 2012 .....	29,029,000
Recommended in the bill .....	26,318,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	– 955,000
Budget request, fiscal year 2012 .....	– 2,711,000

##### COMMITTEE RECOMMENDATION

The Federal Judicial Center (FJC) improves the management of Federal Judicial dockets and court administration through education for judges and staff, and research, evaluation, and planning assistance for the courts and the Judicial Conference. The Committee recommends an appropriation of \$26,318,000 for the FJC for fiscal year 2012, which is \$955,000 less than fiscal year 2011 and \$2,711,000 less than the request.

#### UNITED STATES SENTENCING COMMISSION

##### SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$16,803,000
Budget request, fiscal year 2012 .....	17,906,000
Recommended in the bill .....	16,215,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	– 588,000
Budget request, fiscal year 2012 .....	– 1,691,000

##### COMMITTEE RECOMMENDATION

The purpose of the Commission is to establish, review, and revise sentencing guidelines, policies, and practices for the Federal criminal justice system. The Commission is also required to monitor the operation of the guidelines and to identify and report necessary changes to the Congress. The Committee recommends \$16,215,000 for the Commission for fiscal year 2012, which is \$588,000 less than fiscal year 2011 and \$1,691,000 less than the request.

#### ADMINISTRATIVE PROVISIONS—THE JUDICIARY

##### (INCLUDING TRANSFER OF FUNDS AND RESCISSION)

Section 301. The Committee continues language to permit funds for salaries and expenses to be available for employment of experts and consultant services as authorized by 5 U.S.C. 3109.

Section 302. The Committee continues language that permits up to five percent of any appropriation made available for fiscal year 2012 to be transferred between Judiciary appropriations accounts provided that no appropriation shall be decreased by more than five percent or increased by more than ten percent by any such transfer except in certain circumstances. In addition, the language provides that any such transfer shall be treated as a reprogramming of funds under sections 604 and 608 of the accompanying bill

and shall not be available for obligation or expenditure except in compliance with the procedures set forth in those sections.

Section 303. The Committee continues language authorizing not to exceed \$11,000 to be used for official reception and representation expenses incurred by the Judicial Conference of the United States.

Section 304. The Committee continues language enabling the Judiciary to contract for repairs under \$100,000.

Section 305. The Committee continues language to authorize a court security pilot program.

Section 306. The Committee continues language extending a temporary judgeship in Kansas.

Section 307. The Committee includes language rescinding \$100,000 of prior year unobligated balances from the United States Sentencing Commission.

Section 308. The Committee includes new language requiring the President submit to Congress, without change, proposed supplemental appropriations submitted to the President by the legislative branch and the judicial branch.

TITLE IV—DISTRICT OF COLUMBIA

FEDERAL FUNDS

FEDERAL PAYMENT FOR RESIDENT TUITION SUPPORT

Appropriation, fiscal year 2011 .....	\$35,030,000
Budget request, fiscal year 2012 .....	35,100,000
Recommended in the bill .....	30,000,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	– 5,030,000
Budget request, fiscal year 2012 .....	– 5,100,000

The Resident Tuition Support program was created by the District of Columbia College Access Act of 1999 to provide District college-bound students the opportunity to expand their higher education choices. The program receives its funding through a Federal appropriation which is deposited into a dedicated account under the control of the District of Columbia Chief Financial Officer. This program awards grants up to \$10,000 annually for undergraduate District students to attend eligible four-year public universities and colleges nationwide at in-state tuition rates. Grants up to \$2,500 per year are available for students to attend private institutions in the D.C. metropolitan area as well as public two-year community colleges.

COMMITTEE RECOMMENDATION

The Committee recommends a Federal payment of \$30,000,000 for the resident tuition support program, which is \$5,030,000 less than fiscal year 2011 and \$5,100,000 less than the request. The funding recommendation, along with unobligated prior year balances, is sufficient to fully fund the program’s proposed expenditure plan.

FEDERAL PAYMENT FOR EMERGENCY PLANNING AND SECURITY COSTS  
IN THE DISTRICT OF COLUMBIA

Appropriation, fiscal year 2011 .....	\$14,970,000
Budget request, fiscal year 2012 .....	14,900,000
Recommended in the bill .....	14,900,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 70,000
Budget request, fiscal year 2012 .....	- - -

As the seat of the national government, the District of Columbia has a unique and significant responsibility for protecting the property and personnel of the Federal government. The Federal Payment for Emergency Planning and Security Costs is provided to help address the impact of the Federal presence on public safety in the District of Columbia.

COMMITTEE RECOMMENDATION

The Committee recommends a Federal payment of \$14,900,000 for emergency planning and security costs, which is \$70,000 less than fiscal year 2011 and the same as the request.

The Committee continues to require a detailed justification be submitted with the budget request each year, as well as a report detailing any deviation from the plan outlined in the justification no later than 60 days after the end of the fiscal year.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA COURTS

Appropriation, fiscal year 2011 .....	\$242,933,000
Budget request, fiscal year 2012 .....	229,068,000
Recommended in the bill .....	224,394,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 18,539,000
Budget request, fiscal year 2012 .....	- 4,674,000

COMMITTEE RECOMMENDATION

The Committee recommends a Federal payment of \$224,394,000 for operation of the District of Columbia Courts, which is \$18,539,000 less than fiscal year 2011 and \$4,674,000 less than the request. This amount includes \$11,998,000 for the Court of Appeals, \$109,307,000 for the Superior Court, \$64,984,000 for the Court System, and \$38,105,000 for capital improvements to courthouse facilities.

The recommended level includes funding at the fiscal year 2011 level for the Court of Appeals and the Court System accounts. For the Superior Court, the Committee recommendation includes a \$1,000,000 increase above fiscal year 2011 levels to meet pressing public safety needs. The recommendation does not continue bill language from prior years requiring the Court to use the General Services Administration for payroll and financial services. Under the Defender Services in the District of Columbia Courts account, new language permits the transfer of funds from the Defender Services to the District of Columbia Courts Capital Improvements account as requested. This will provide up to an additional \$10,000,000 for improvements to courthouse facilities.

FEDERAL PAYMENT FOR DEFENDER SERVICES IN THE DISTRICT OF COLUMBIA COURTS

Appropriation, fiscal year 2011 .....	\$54,890,000
Budget request, fiscal year 2012 .....	55,000,000
Recommended in the bill .....	54,890,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	---
Budget request, fiscal year 2012 .....	- 110,000

COMMITTEE RECOMMENDATION  
(INCLUDING TRANSFER OF FUNDS)

The Committee recommends \$54,890,000 for Defender Services in District of Columbia Courts, which is the same as fiscal year 2011 and \$110,000 less than the request. The Committee includes new language permitting the transfer of up to \$10,000,000 to the District of Columbia Courts for capital improvements of courthouse facilities.

FEDERAL PAYMENT TO THE COURT SERVICES AND OFFENDER SUPERVISION AGENCY FOR THE DISTRICT OF COLUMBIA

Appropriation, fiscal year 2011 .....	\$211,983,000
Budget request, fiscal year 2012 .....	216,846,000
Recommended in the bill .....	212,983,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	+1,000,000
Budget request, fiscal year 2012 .....	- 3,863,000

COMMITTEE RECOMMENDATION

The Committee recommends a Federal payment of \$212,983,000 for the Court Services and Offender Supervision Agency, which is \$1,000,000 more than fiscal year 2011 and \$3,863,000 less than the request. Of the amounts provided, \$153,548,000 is for Community Supervision and Sex Offender Registration and \$59,435,000 is for the Pretrial Services Agency (PSA).

The recommended level includes funding at the fiscal year 2011 level for the Community Supervision and Sex Offender Registration. For the PSA, the Committee includes \$1,000,000 more than fiscal year 2011 for the relocation of the Forensic Toxicology and Drug Testing Laboratory.

FEDERAL PAYMENT TO THE PUBLIC DEFENDER SERVICE FOR THE DISTRICT OF COLUMBIA

Appropriation, fiscal year 2011 .....	\$37,241,000
Budget request, fiscal year 2012 .....	41,486,000
Recommended in the bill .....	37,241,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	---
Budget request, fiscal year 2012 .....	- 4,245,000

COMMITTEE RECOMMENDATION

The Committee recommends a Federal payment of \$37,241,000 for the Public Defender Service for the District of Columbia, which is the same as fiscal year 2011 and \$4,245,000 less than the request.

FEDERAL PAYMENT TO THE CRIMINAL JUSTICE COORDINATING COUNCIL

Appropriation, fiscal year 2011 .....	\$1,796,000
Budget request, fiscal year 2012 .....	1,800,000
Recommended in the bill .....	1,796,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	---
Budget request, fiscal year 2012 .....	- 4,000

The Criminal Justice Coordinating Council (CCJC) provides a forum for District of Columbia and Federal law enforcement to identify criminal justice issues and solutions, and improve the coordination of their efforts. In addition, the CCJC had developed and maintains the Justice Integrated Information System which provides for the seamless sharing of information with Federal and local law enforcement.

COMMITTEE RECOMMENDATION

The Committee recommends a Federal payment of \$1,796,000 to the CJCC, which is the same as fiscal year 2011 and \$4,000 less than the request. Similar to prior years, the Committee directs the CJCC to submit performance measures in an annual report.

FEDERAL PAYMENT FOR JUDICIAL COMMISSIONS

Appropriation, fiscal year 2011 .....	\$499,000
Budget request, fiscal year 2012 .....	500,000
Recommended in the bill .....	499,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	---
Budget request, fiscal year 2012 .....	- 1,000

The account provides funding for the two judicial commissions. The first is the Judicial Nomination Commission (JNC) which recommends a panel of three candidates to the President for each judicial vacancy in the District of Columbia Court of Appeals and Superior Court. From the panel selected by the JNC, the President nominates a person for each vacancy and submits their name for confirmation to the Senate. The second commission is the Commission on Judicial Disabilities and Tenure (CJDT) which has jurisdiction over all judges of the Court of Appeals and Superior Court to determine whether a judge's conduct warrants disciplinary action and whether involuntary retirement of a judge for health reasons is warranted. In addition, the CJDT conducts evaluations of judges seeking reappointment and judges who retire and wish to continue service as a senior judge.

COMMITTEE RECOMMENDATION

The Committee recommends a Federal payment of \$294,000 for the Commission on Judicial Disabilities and Tenure, and \$205,000 for the Judicial Nomination Commission. This is the same as fiscal year 2011 and \$1,000 less than the request.

FEDERAL PAYMENT FOR SCHOOL IMPROVEMENT

Appropriation, fiscal year 2011 .....	\$77,545,000
Budget request, fiscal year 2012 .....	67,000,000
Recommended in the bill .....	60,000,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 17,545,000
Budget request, fiscal year 2012 .....	- 7,000,000

As authorized by the Scholarships for Opportunity and Results Act, this account provides an equal amount of funding to District of Columbia Public Schools, Public Charter Schools and Opportunity Scholarships.

COMMITTEE RECOMMENDATION

The Committee recommends a Federal payment of \$60,000,000, the authorized amount, for school improvement. This amount is \$17,545,000 less than fiscal year 2011 and \$7,000,000 less than the request.

FEDERAL PAYMENT FOR THE DISTRICT OF COLUMBIA NATIONAL GUARD

Appropriation, fiscal year 2011 .....	\$375,000
Budget request, fiscal year 2012 .....	2,000,000
Recommended in the bill .....	375,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	---
Budget request, fiscal year 2012 .....	- 1,625,000

COMMITTEE RECOMMENDATION

The Committee recommends a Federal payment of \$375,000, which is the same as fiscal year 2011 and \$1,625,000 less than the request. The Committee acknowledges the unique role of the D.C. National Guard in addressing emergencies that may occur as a result of the presence of the Federal Government. The Committee's recommendation includes \$375,000 for the Major General David F. Wherley, Jr. District of Columbia National Guard Retention and College Access Program to pay the costs of a tuition assistance program for guard members who are non-District residents.

DISTRICT OF COLUMBIA FUNDS

This bill provides local funds for the operation of the District of Columbia as approved by the District of Columbia Council and the Mayor.

TITLE V—INDEPENDENT AGENCIES

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$2,744,000
Budget request, fiscal year 2012 .....	3,200,000
Recommended in the bill .....	2,608,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 136,000
Budget request, fiscal year 2012 .....	- 592,000

The Administrative Conference of the United States (ACUS) is an independent agency and advisory committee which was created



to study administrative processes in order to recommend improvements to Congress and Federal agencies.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$2,608,000 for ACUS, which is \$136,000 less than fiscal year 2011 and \$592,000 less than the request. After a 15-year hiatus, ACUS resumed operations in April 2010 upon the confirmation of the Chairman by the Senate. Funding provided will enable ACUS to fund, supervise, and review a full program of research projects with the aim of improving the fairness and effectiveness of procedures by which Federal agencies administer regulatory, benefit, and other government programs.

#### CONSUMER PRODUCT SAFETY COMMISSION

##### SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$114,788,000
Budget request, fiscal year 2012 .....	122,000,000
Recommended in the bill .....	111,288,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 3,500,000
Budget request, fiscal year 2012 .....	- 10,712,000

The Consumer Product Safety Act established the Consumer Product Safety Commission (CPSC), an independent Federal regulatory agency, to reduce the risk of injury associated with consumer products.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$111,288,000 for the CPSC for fiscal year 2012, which is \$3,500,000 less than fiscal year 2011 and \$10,712,000 less than the request.

The Committee has strong concerns regarding the consumer product complaint database required by the Consumer Product Safety Improvement Act of 2008. The Committee believes that the construction of this database is flawed and, therefore, is of little value to consumers and manufacturers. While the intent of the database is to protect consumers from harm, the information required to submit an incident report of harm through the database is insufficient. Additional information is needed to improve the accuracy and reliability of the database. The Committee believes the \$3,000,000 annual investment in the database would be more effectively spent elsewhere and has included language in section 622 prohibiting funds from being spent on this database. The fiscal year 2011 year-long continuing resolution requires the Government Accountability Office (GAO) to conduct an analysis of the database. The Committee hopes the CPSC will implement any GAO recommendations and improve the reliability of the information provided. If the CPSC takes sufficient actions to improve the database, the Committee will reconsider the funding prohibition.

The Committee believes that implementation of the Consumer Product Safety Improvement Act of 2008 (CPSIA) law has been both non-risk-based and expensive for the CPSC, and in some cases, onerous and costly to manufacturers. The CPSC should focus its resources where they can make the most impact for consumers,

which are in the areas of risk assessment and enforcement. The Committee includes section 624 requiring GAO to conduct a quantitative and qualitative cost benefit analysis of the CPSIA.

The Committee has included section 630 prohibiting the implementation of Section 101(b) of the CPSIA as it relates to lead in off-highway vehicles. The Committee believes that Section 101(b) calls for non-risk based testing and content requirements. The Committee notes that the Commission currently has a stay on these requirements; however, the Committee remains concerned about the impact this mandate would have on children should the Commission’s stay expire at the end of the current year. The Committee believes that should the stay on both lead testing and content expire, children are more likely to be hurt due to use of adult off-highway vehicles than due to lead exposure found in components of these vehicles, such as valve stems and battery cables.

The Committee supports the Import Safety Initiative which positions CPSC investigators at key ports of entry in order to stop defective products from entering the United States. The CPSC’s coordination with U.S. Customs and Border Protection (CBP) is a cost efficient way to increase enforcement capabilities at our borders and the Committee believes that resources in this area are being spent in a targeted and effective way. The Committee notes that most of the CPSC’s product recalls in recent years have been imported products and once products are in the marketplace, it is often difficult to recall them. By targeting products prior to purchase, the Commission is making an impact in an area that will substantially protect consumers. The Committee urges CPSC to continue its efforts in working with CBP to ensure the safety of imported products.

The Committee is also supportive of the CPSC’s efforts in establishing a regional office in China. Many of the consumer products that Americans use every day come from China, and the CPSC’s efforts to establish a presence in this region, along with efforts at our ports, suggests increased effectiveness in stemming the flow of defective and harmful products coming in from overseas.

The Committee recommends \$500,000 be available until September 30, 2013, for the pool and spa safety grants program established by the Virginia Graeme Baker Pool and Spa Safety Act. In addition, the Committee directs the CPSC to continue its successful pool and spa safety information campaign.

ELECTION ASSISTANCE COMMISSION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Appropriation, fiscal year 2011 .....	\$16,267,000
Budget request, fiscal year 2012 .....	13,716,000
Recommended in the bill .....	6,858,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	-9,409,000
Budget request, fiscal year 2012 .....	-6,858,000

The Election Assistance Commission (EAC) was established by the Help America Vote Act of 2002 (HAVA) and is charged with implementing provisions of that Act relating to the reform of Federal election administration.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$6,858,000 for EAC salaries and expenses, which is \$9,409,000 less than fiscal year 2011 and \$6,858,000 less than the request. The recommendation also provides for the transfer of \$1,625,000 to the National Institute of Standards and Technology for election reform activities, which is \$1,825,000 less than the transfer in fiscal year 2011 and \$1,625,000 less than the request. The Committee also recommends \$1,500,000 for the Office of Inspector General for the Election Assistance Commission.

The Committee believes that while the request is less than fiscal year 2011, it does not go far enough in realizing efficiencies within the EAC. The EAC is close to the end of distributing all of the Section 251 Requirements grant payments under HAVA and no additional election reform grant funding is provided this year that requires administration. The Committee remains concerned that the EAC's operating costs are too high. The Commission's fiscal year 2012 requested amount for management expenses is 40 percent higher than the requested amount for grants programs to be managed. The Committee believes there are efficiencies yet to be realized within the Commission's administrative operations.

The Committee notes that the National Association of Secretaries of State (NASS) has once more adopted a resolution encouraging dissolving the EAC. The Committee finds this especially concerning as NASS is the constituency that the EAC should be serving most. The Committee believes it is possible that the EAC has outgrown its utility in this area. While the Committee strongly supports the successful administration of Federal elections, it has significant concerns about the effectiveness of the EAC in this regard.

## FEDERAL COMMUNICATIONS COMMISSION

## SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$335,794,000
Budget request, fiscal year 2012 .....	358,801,000
Recommended in the bill .....	319,004,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 16,790,000
Budget request, fiscal year 2012 .....	- 39,797,000

The mission of the Federal Communications Commission (FCC) is to implement the Communications Act of 1934 and assure the availability of high quality communications services for all Americans.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$319,004,000 for the salaries and expenses of the FCC for fiscal year 2012, all of which is to be derived from offsetting collections. This level is \$16,790,000 less than fiscal year 2011 and \$39,797,000 less than the request.

The Committee recommendation includes bill language, similar to that included in previous Appropriations Acts, which allows: (1) up to \$4,000 for official reception and representation expenses; (2) purchase and hire of motor vehicles; (3) special counsel fees; (4) collection of \$319,004,000 in section 9 fees; (5) a prohibition on

amounts collected in excess of \$319,004,000 from being available for obligation; (6) a prohibition on remaining offsetting collections from prior years from being available for obligation; and (7) retention of \$85,000,000 of proceeds from the use of a competitive bidding system.

The Committee remains concerned with the Commission's decision to begin regulating the Internet, specifically the precedent that this decision sets and its impact on future innovation. Therefore, the Committee has included section 621 to prohibit funds for implementation of the Commission's net neutrality order.

The Committee is aware of concerns related to possible interference to Global Positioning System (GPS) devices due to terrestrial broadband service. The Committee remains engaged on this issue and awaits the final report by the Technical Working Group.

The Committee believes that FCC involvement in cybersecurity should not result in regulations or activities that duplicate or contradict the multi-agency cybersecurity mitigation and response efforts being lead by the Departments of Defense and Homeland Security.

The Committee understands the FCC is promulgating a rule to address abuses in intercarrier compensation related to the modernization of the Universal Service Fund. The Committee recognizes the important service that local exchange carriers provide to rural America and encourages the Commission to maintain a reasonable intercarrier compensation system for rural local exchange carriers.

The Committee is concerned about the disparity in access to broadband between Puerto Rico and the 50 states. Recent studies have found that only 31–37 percent of residents of Puerto Rico have adopted broadband measured at the lowest speed tracked by the Commission. The Committee encourages the Commission to implement policies that increase broadband accessibility and adoption in Puerto Rico.

The Committee notes that the FCC has not completed its 4-year proceeding to improve the carriage complaint process for independent channels, including expedited review, as mandated by statute. The Committee urges the FCC to promptly complete this proceeding to provide an effective complaint process for independent channels.

The advancement of wireless broadband technology has had a significant and beneficial impact on both consumers and businesses. However, in order for it to reach its full potential, consumers and businesses must be assured that wireless broadband systems are secure and sensitive data are not vulnerable to intentional or unintentional capture. The FCC is directed to report to the Committee within 180 days of enactment of this Act on its activities to deter, prevent and investigate allegations of privacy violations regarding the use of wireless broadband networks. The Committee expects the Commission to vigorously and expeditiously investigate such violations.

FEDERAL DEPOSIT INSURANCE CORPORATION  
OFFICE OF THE INSPECTOR GENERAL

Appropriation, fiscal year 2011 .....	\$42,942,000
Budget request, fiscal year 2012 .....	45,261,000
Recommended in the bill .....	45,261,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	+2,319,000
Budget request, fiscal year 2012 .....	-- --

Funding for the Office of the Inspector General (OIG) at the Federal Deposit Insurance Corporation (FDIC) is provided pursuant to 31 U.S.C. 1105(a)(25), which requires a separate appropriation account for appropriations for each Office of Inspector General established under section 11(2) of the Inspector General Act of 1978.

COMMITTEE RECOMMENDATION

The Committee recommends \$45,261,000 from the Deposit Insurance Fund and the Federal Savings and Loan Insurance Corporation (FSLIC) Resolution Fund to finance the OIG for fiscal year 2012, which is \$2,319,000 more than fiscal year 2011 and the same as the request. The increase is provided to enable the OIG to oversee workload associated with the increase in bank failures, the increase in resolution and receivership activity, and new FDIC programs and activities established in response to the downturn in the economy that impact the Deposit Insurance Fund.

FEDERAL ELECTION COMMISSION  
SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$66,367,000
Budget request, fiscal year 2012 .....	67,014,000
Recommended in the bill .....	66,367,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	-- --
Budget request, fiscal year 2012 .....	- 647,000

The Federal Election Commission (FEC) administers the disclosure of campaign finance information, enforces limitations on contributions and expenditures, and performs other tasks related to Federal elections.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$66,367,000 for the FEC, the same as fiscal year 2011 and \$647,000 less than the request.

FEDERAL LABOR RELATIONS AUTHORITY  
SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$24,723,000
Budget request, fiscal year 2012 .....	26,440,000
Recommended in the bill .....	24,105,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 618,000
Budget request, fiscal year 2012 .....	- 2,335,000

Established by title VII of the Civil Service Reform Act of 1978, the Federal Labor Relations Authority (FLRA) serves as a neutral

arbitrator in the labor activities of non-postal Federal employees, Departments and agencies, and Federal unions on matters outlined in the Act, including collective bargaining and the settlement of disputes. Establishment of the FLRA gives full recognition to the role of the Federal Government as an employer. Under the Foreign Service Act of 1980, the FLRA also addresses similar issues affecting Foreign Service personnel by providing full staff support for the Foreign Service Impasse Disputes Panel and the Foreign Service Labor Relations Board.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$24,105,000 for the FLRA, which is \$618,000 less than fiscal year 2011 and \$2,335,000 less than the request.

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$291,363,000
Budget request, fiscal year 2012 .....	326,000,000
Recommended in the bill .....	284,067,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 7,296,000
Budget request, fiscal year 2012 .....	- 41,933,000

The mission of the Federal Trade Commission (FTC) is to enforce a variety of Federal antitrust and consumer protection laws. Appropriations for both the Antitrust Division of the Department of Justice and the Commission are partially financed with Hart-Scott-Rodino Act pre-merger filing fees. The Commission's appropriation is also partially offset by Do-Not-Call registry fees.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$284,067,000 for the salaries and expenses of the FTC for fiscal year 2012, which is \$7,296,000 less than fiscal year 2011 and \$41,933,000 less than the request. The Congressional Budget Office estimates \$108,000,000 of collections from Hart-Scott-Rodino premerger filing fees and \$21,000,000 of collections from Do-Not-Call list fees will partially offset the appropriation requirement for this account.

The Committee understands and appreciates the current and future impact of the increase in childhood obesity in this country and believes that the early adoption of healthy eating habits is critical to the long-term health of our nation. The Committee believes the Federal Trade Commission, either as part of the Interagency Working Group on Food Marketed to Children or acting independently, should not issue principles or guidelines governing food marketed to children unless a peer-reviewed scientific study conclusively demonstrates that regulating food marketing directed to children is the most effective way of changing long-term eating behavior and reducing obesity. Furthermore, the FTC should not rely on any guidance issued by the Interagency Working Group on Food Marketed to Children to engage in enforcement actions under its existing authority.

GENERAL SERVICES ADMINISTRATION  
REAL PROPERTY ACTIVITIES  
FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

Limitations on Availability of Revenue:	
Limitation on availability, fiscal year 2011 .....	\$7,597,540,000
Limitation on availability, budget estimate, fiscal year 2012 .....	9,508,511,000
Recommended in the bill .....	7,223,801,000
Bill compared with:	
Availability limitation, fiscal year 2011 .....	- 373,739,000
Availability limitation, fiscal year 2012 request .....	- 2,284,710,000

The Federal Buildings Fund (FBF) finances the activities of the Public Buildings Service, which provides space and services for Federal agencies in a relationship similar to that of landlord and tenant. The FBF, established in 1975, replaces direct appropriations by using income derived from rent assessments, which approximate commercial rates for comparable space and services. The Committee makes funds available through a process of placing limitations on obligations from the FBF as a way of allocating funds for various FBF activities.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation on the availability of funds of \$7,223,801,000 for the Fund, which is \$373,739,000 less than the fiscal year 2011 and \$2,284,710,000 less than the request.

To carry out the purposes of the Federal Buildings Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 592), the revenues and collections deposited into the Fund, shall be available for necessary expenses in the aggregate amount of \$7,223,801,000 of which: \$0 is for construction (including funds for sites and expenses and associated design and construction services), \$280,000,000 is for repairs and alterations, \$126,801,000 is for installment acquisition payments (including payments on purchase contracts), \$4,700,000,000 is for rental of space, and \$2,117,000,000 is for building operations.

CONSTRUCTION AND ACQUISITION

Limitations on Availability of Revenue:	
Limitation on availability, fiscal year 2011 .....	\$82,000,000
Limitation on availability, budget estimate, fiscal year 2012 .....	839,642,000
Recommended in the bill .....	---
Bill compared with:	
Availability limitation, fiscal year 2011 .....	- 82,000,000
Availability limitation, fiscal year 2012 request .....	- 839,642,000

The construction and acquisition activity funds site, design, construction, and management and inspection costs for construction of new Federal facilities.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of \$0 for construction and acquisition, which is \$82,000,000 less than fiscal year 2011 and \$839,642,000 less than the request. Adding to the Federal inventory of buildings is not welcomed at a time when the management and use of the current inventory is less than optimal.

Civilian Property BRAC.—The Committee supports the concept of applying a BRAC-like process to disposing unneeded civilian Federal buildings and land. Multiple Administrations have tried to reduce the cost and liability associated with owning vacant, contaminated, excess, or otherwise unusable assets, but without success. The solution is neither quick nor simple because the problem is time-consuming and complicated, involving multiple agencies, Congressional jurisdictions, levels of government, expenses, and stakeholders. Moreover, the revenues and expenses may not coincide with the costs and benefits however much a proposal is put forward as budget-neutral. Nonetheless, the Committee believes a Civilian Property BRAC is a meritorious idea and deserving of serious consideration. Should the Congress move forward with legislation to create a Civilian Property BRAC, the Committee will lend its support as able.

The Committee prohibits any funding appropriated for any courthouse project that has yet to be completed to be used by GSA for any purpose other than to complete the courthouse project. Further, should the land purchased for the courthouse project be sold, the Committee prohibits the GSA from using the proceeds of the sale of the land to be used for any purpose than courthouses.

REPAIRS AND ALTERATIONS

Limitations on Availability of Revenue:	
Limitation on availability, fiscal year 2011 .....	\$280,000,000
Limitation on availability, budget estimate, fiscal year 2012 .....	868,902,000
Recommended in the bill .....	280,000,000
Bill compared with:	
Availability limitation, fiscal year 2011 .....	---
Availability limitation, fiscal year 2012 request .....	- 588,902,000

The repairs and alterations activity funds design, construction and management and inspection for the repair, alteration, and modernization of existing real estate assets in addition to various special programs.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of \$280,000,000 for repairs and alterations, which is the same as fiscal year 2011 and \$588,902,000 less than the request.

Special Emphasis Programs.—The limitation consists of \$15,000,000 for the Fire Prevention program; \$245,000,000 for Basic Repairs and Alterations; and \$20,000,000 for a new U.S. Courthouse Capital Security program. Recent events, such as the 2010 shooting at the Las Vegas courthouse, continue to highlight the security needs of all Federal facilities. Many Federal courthouses do not meet current security standards. Rather than address these risks with the construction of new courthouses, the Committee directs GSA, the Judiciary, and the U.S. Marshals Service to begin improving the security of existing courthouses with a new special emphasis program. GSA and the Judiciary should assess the condition and usage of courthouses and identify cost-efficient and timely alternations. GSA and the Judiciary shall submit a report to the Committee within 90 days of enactment of this Act that outlines its plan to allocate this funding.

Energy Saving Lighting Technologies.—The Committee has been told that GSA discourages the use of LED lights for general office



lighting. The Committee directs the GSA to provide a report about the costs and benefits of using of LED lights for general office lighting within 90 days of enactment of this Act. If benefits exceed costs, then the Committee expects GSA to incorporate LED lights into GSA's building specifications.

#### INSTALLMENT ACQUISITION PAYMENTS

Limitations on Availability of Revenue:	
Limitation on availability, fiscal year 2011 .....	\$135,540,000
Limitation on availability, budget estimate, fiscal year 2012 .....	126,801,000
Recommended in the bill .....	126,801,000
Bill compared with:	
Availability limitation, fiscal year 2011 .....	-8,739,000
Availability limitation, fiscal year 2012 request .....	- - -

The installment acquisition payments are interest payments to the Federal Financing Bank for facilities constructed under the Public Building Amendment of 1972 and lease-purchase agreements since 1987, a total of 80 projects.

#### COMMITTEE RECOMMENDATION

The Committee recommends a limitation of \$126,801,000 for installation acquisition payments, which is \$8,739,000 less than fiscal year 2011 and the same as the budget request.

#### RENTAL OF SPACE

Limitations on Availability of Revenue:	
Limitation on availability, fiscal year 2011 .....	\$4,830,000,000
Limitation on availability, budget estimate, fiscal year 2012 .....	5,285,198,000
Recommended in the bill .....	4,700,000,000
Bill compared with:	
Availability limitation, fiscal year 2011 .....	-130,000,000
Availability limitation, fiscal year 2012 request .....	-585,198,000

The rental of space program funds lease payments made to privately-owned buildings, temporary space for Federal employees during major repair and alteration projects, and relocations from Federal buildings due to forced moves and relocations as a result of health and safety conditions.

#### COMMITTEE RECOMMENDATION

The Committee recommends a limitation of \$4,700,000,000 for rental of space, which is \$130,000,000 less than fiscal year 2011 and \$585,198,000 less than the request.

#### BUILDING OPERATIONS

Limitations on Availability of Revenue:	
Limitation on availability, fiscal year 2011 .....	\$2,270,000,000
Limitation on availability, budget estimate, fiscal year 2012 .....	2,387,968,000
Recommended in the bill .....	2,117,000,000
Bill compared with:	
Availability limitation, fiscal year 2011 .....	-153,000,000
Availability limitation, fiscal year 2012 request .....	-270,968,000

The building operations activity funds, among other things, cleaning, maintenance, utilities, landscaping, snow removal, and pest control for government-owned facilities and in leased space when not provided by the lessor.

## COMMITTEE RECOMMENDATION

The Committee recommends a limitation of \$2,117,000,000 for building operations, which is \$153,000,000 less than fiscal year 2011 and \$270,968,000 less than the request.

## GENERAL ACTIVITIES

## GOVERNMENT-WIDE POLICY

Appropriation, fiscal year 2011 .....	\$66,488,000
Budget request, fiscal year 2012 .....	105,140,000
Recommended in the bill .....	64,826,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	– 1,662,000
Budget request, fiscal year 2012 .....	– 40,314,000

The Office of Government-Wide Policy provides Federal agencies with guidelines, best practices, and performance measures for complying with all the laws, regulations, and executive orders related to: acquisition and procurement, personal and real property management, travel and transportation management, electronic customer service delivery, and use of Federal advisory committees.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$64,826,000, which is \$1,662,000 less than fiscal year 2011 and \$40,314,000 less than the request.

**Federal Vehicles.**—The Federal Government manages the largest vehicle fleet in United States consisting of 662,164 motor vehicles that cost taxpayers \$4.6 billion (e.g., depreciation, maintenance, fuel, and indirect costs) in fiscal year 2010. Each Federal agency is responsible for independently managing their fleet in accordance with Federal motor vehicle management regulations. Within the constraints of their budgets, agencies determine the number of vehicles needed to accomplish their missions, what types of vehicles their missions require, and whether it is better to own or lease those vehicles.

The General Services Administration (GSA) is responsible for reporting on the size, composition, and condition of the fleet and providing agencies with guidance on how to achieve the optimal inventory to accomplish their mission, eliminate unnecessary and non-essential vehicles, and operate a cost-effective fleet through its expected lifecycle. A recent report on the increased acquisition of limousines, however, is evidence that GSA's annual Federal Fleet Performance report is unreliable. GSA collects information about limousines, but does not provide a definition for a limousine. Consequently, some agencies reported buses and sedans in this category, when its is traditionally used to report on full-size sedans equipped with armor for the security of officials and dignitaries.

Reducing the size and cost of the Federal fleet begins with a thorough understanding of the size and cost of the Federal fleet. In order to the make the Federal Fleet Performance a reliable and useful document for making informed decisions, the Committee directs the GSA to review how data for the report is collected, compiled, and analyzed, beginning with providing a definition of a limousine and creating a category for armored passenger vehicles. In addition, the Committee directs GSA to require agencies to study

their vehicle usage and management, including vehicles used for home-to-work transportation, starting with light-duty vehicles to be followed by medium and heavy-duty trucks. These studies must be posted on agency websites along with GSA commentary and recommendations no later than June 1, 2012.

Federal Travel.—Travel is an inescapable aspect of some government programs, such as bank examinations, food and safety inspections, and disaster assistance. Other travel related to conferences, meetings, and training is more subjective and intangible. Individual agencies determine for themselves if travel is essential to accomplish their mission. Once the decision to travel has been made, however, it should commence in a cost-efficient and convenient manner. To that end, the Committee directs GSA to create the appropriate interdisciplinary and interagency teams to review Federal travel regulations to revise stale and outdated policies, beginning with rental cars followed by meals, incidentals, lodging, airfare, and other ground transportation. GSA shall provide interim reports to the House and Senate Committees on Appropriations by January 30 and May 30, 2012, and a final report by July 30, 2012. After the review is completed and incorporated into Federal travel regulations, Government Accountability Office is directed to report to the House and Senate Committees on Appropriations on whether the revisions result in measurable reductions in cost.

#### OPERATING EXPENSES

Appropriation, fiscal year 2011 .....	\$69,882,000
Budget request, fiscal year 2012 .....	70,022,000
Recommended in the bill .....	68,135,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	-1,747,000
Budget request, fiscal year 2012 .....	-1,887,000

The Operating Expenses account is comprised of two different types of activities: (1) executive leadership offices, such as the Administrator, the Regional Administrators, Congressional and Intergovernmental Affairs, Emergency Response and Recovery, Communications and Marketing, and the Civilian Board of Contract Appeals and (2) reuse and donation programs for excess Federal property (both real and personal).

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$68,135,000, which is \$1,747,000 less than fiscal year 2011 and \$1,887,000 less than the request.

#### OFFICE OF INSPECTOR GENERAL

Appropriation, fiscal year 2011 .....	\$58,882,000
Budget request, fiscal year 2012 .....	62,358,000
Recommended in the bill .....	58,882,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	---
Budget request, fiscal year 2012 .....	-3,476,000

This appropriation provides agency-wide audit and investigative functions to identify and correct GSA management and administrative deficiencies that create conditions for existing or potential instances of fraud, waste, and mismanagement. The audit function provides internal and contract audits. Internal audits review and

evaluate all facets of GSA operations and programs, test internal control systems, and develop information to improve operating efficiencies and enhance customer services. Contract audits provide professional advice to GSA contracting officials on accounting and financial matters relative to the negotiation, award, administration, repricing, and settlement of contracts. The investigative function provides for the detection and investigation of improper and illegal activities involving GSA programs, personnel, and operations.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$58,882,000, which is the same as fiscal year 2011 and \$3,476,000 less than the request.

INFORMATION AND ENGAGEMENT FOR CITIZENS

Appropriation, fiscal year 2011 .....	\$ ---
Budget request, fiscal year 2012 .....	---
Recommended in the bill .....	50,000,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	+50,000,000
Budget request, fiscal year 2012 .....	+50,000,000

The Committee shares the Administration’s enthusiasm for sharing Federal information with citizens—information that was collected and stored at taxpayer expense—and making it easier for citizens to conduct transactions with their government, especially for services where the government has a monopoly, such as patents, passports, and tax administration. In these cases, citizens have no alternative but to subject themselves to the hours, locations, and means that the government chooses, however inefficient, inconvenient, or aggravating.

To that end, the bill creates an “Information and Engagement for Citizens” account by combining the “Electronic Government Fund” and “Federal Citizen Services Fund”. While these funds were created at different periods of time and developed different programs, they share a common objective—making it easier for citizens to understand and interact with their government. Whether that means delivering information in the mail or in a tweet, answering questions on the phone or on-line, or tracking grants and business opportunities, the purpose of “Information and Engagement for Citizens” is to provide electronic or other methods of providing access and understanding of Federal information, benefits, and services to citizens, businesses, other governments, and the media.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$50,000,000, which is \$50,000,000 more than fiscal year 2011 and \$50,000,000 more than the request. In fiscal year 2011, the “Electronic Government Fund” was appropriated \$7,984,000 and the “Federal Citizen Services Fund” was appropriated \$34,116,000. The Committee expects the funds provided for these activities, combined with efficiency gains and resource prioritization, will result in increased delivery of information to the public and in the ease of transaction with the government.

All the income collected by the Office of Citizen Services and Innovative Technologies (OCSIT) in the form of reimbursements from

Federal agencies, user fees for publications ordered by the public, payments from private entities for services rendered, and gifts from the public is available to the OCSIT without regard to fiscal year limitations, but is subject to an annual limitation of \$60,000,000. Any revenues accruing in excess of this amount shall remain in the fund and are not available for expenditure except as authorized in appropriation Acts.

The Committee continues to want to review its performance of “e-initiatives” and expects the Office of Management and Budget to submit a detailed expenditure plan prior to obligation of funds under this account. The plan should describe the projects selected, and the budget, timeline, objectives and expected benefits and savings realized for each project.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

Appropriation, fiscal year 2011 .....	\$3,792,000
Budget request, fiscal year 2012 .....	3,671,000
Recommended in the bill .....	3,671,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 121,000
Budget request, fiscal year 2012 .....	- - -

As authorized by law, this appropriation provides for the pensions, office staffs, and related expenses for former Presidents Jimmy Carter, George H.W. Bush, William Clinton, and George W. Bush. The account also funds postal franking privileges for the widows of former Presidents Gerald Ford and Ronald Reagan. Also, this appropriation is authorized to provide funding for security and travel related expenses for each former President and the spouse of a former President pursuant to section 531 of Public Law 103-329.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$3,671,000 for allowances and office staff of former Presidents, which is \$121,000 less than fiscal year 2011 and the same as the request.

ADMINISTRATIVE PROVISIONS—GENERAL SERVICES ADMINISTRATION

(INCLUDING TRANSFERS OF FUNDS)

(RESCISSION)

Section 501. The Committee continues the provision providing authority for the use of funds for the hire of motor vehicles.

Section 502. The Committee continues the provision providing that funds made available for activities of the Federal Buildings Fund may be transferred between appropriations with advance approval of the Congress.

Section 503. The Committee continues the provision requiring funds proposed for developing courthouse construction requests to meet appropriate standards and the priorities of the Judicial Conference.

Section 504. The Committee continues the provision providing that no funds may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided, to any agency which does not pay the requested rent.

Section 505. The Committee continues the provision that permits GSA to pay small claims (up to \$250,000) made against the government.

Section 506. The Committee continues the provision requiring the Administrator to ensure that the delineated area of procurement for all lease agreements is identical to the delineated area included in the prospectus unless prior notice is given to the Committees.

Section 507. The Committee requires a report from the Administrator about programs, projects, or activities that are funded by appropriations to GSA but are not under the control or direction of the Administrator. Examples include, but are not limited to: the GSA Regulatory Information Service Center, the Federal Real Property Profile database, and various current and former Electronic Government projects. The report shall provide a description of each program, identify the organization approving management decisions and allocating funds, and the amount of GSA funds obligated by each program in fiscal years 2005 through 2011 by GSA appropriation account.

Section 508. The Committee rescinds \$4,600,000 in unobligated balances from Policy and Operations.

#### HARRY S TRUMAN SCHOLARSHIP FOUNDATION

##### SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$748,000
Budget request,* fiscal year 2012 .....	---
Recommended in the bill .....	748,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	---
Budget request, fiscal year 2012 .....	+748,000

\*The President's budget proposed \$0 but the Foundation submitted a request for \$1,400,000.

The Harry S Truman Scholarship Foundation is an independent agency established by Congress in 1975 (Public Law 93-642) to encourage exceptional college students to pursue careers in public service through the Truman Scholarship program. The Truman Scholarship is a merit-based award available to college juniors who plan to pursue careers in government or elsewhere in public service. Truman Scholars receive up to \$30,000 for graduate or professional school, participate in leadership development activities, and have special opportunities for internships and employment with the Federal government.

##### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$748,000 for the Harry S Truman Foundation, which is the same as fiscal year 2011, \$748,000 more than the President's request and \$652,000 less than the Foundation's request.

MERIT SYSTEMS PROTECTION BOARD  
 SALARIES AND EXPENSES  
 (INCLUDING TRANSFER OF FUNDS)

Appropriation, fiscal year 2011 .....	\$42,832,000
Budget request, fiscal year 2012 .....	44,461,000
Recommended in the bill .....	41,761,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 1,071,000
Budget request, fiscal year 2012 .....	- 2,700,000

The Merit Systems Protection Board (MSPB) is an independent, quasi-judicial agency established to protect the civil service merit system. The MSPB adjudicates appeals primarily involving personnel actions, certain Federal employee complaints, and retirement benefits issues. The MSPB reports to the President whether merit systems are sufficiently free of prohibited employment practices.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$41,761,000 for the MSPB, which is \$1,071,000 less than fiscal year 2011 and \$2,700,000 less than the request. The recommendation includes a transfer of \$2,345,000 from the Civil Service Retirement and Disability Fund.

MORRIS K. UDALL SCHOLARSHIP AND STEWART L. UDALL  
 FOUNDATION

Appropriation, fiscal year 2011 .....	\$6,287,000
Budget request, fiscal year 2012 .....	6,000,000
Recommended in the bill .....	3,000,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 3,287,000
Budget request, fiscal year 2012 .....	- 3,000,000

The Morris K. Udall and Stewart L. Udall Foundation was established in honor of the public service of Congressman Morris K. Udall and Congressman and Secretary of the Interior Stewart L. Udall. The Foundation administers scholarship, internship and research grant programs that promote educational opportunities and careers related to the environment, Native health care and tribal public policy. The Foundation also provides leadership training and tribal management as well as environmental conflict resolution services for Federal agencies.

COMMITTEE RECOMMENDATION

The Committee recommends \$3,000,000 for the activities of the Morris K. Udall and Stewart L. Udall Foundation, which is \$3,287,000 less than fiscal year 2011 and \$3,000,000 less than the request.

The bill consolidates the appropriations of the Morris K. Udall and Stewart L. Udall Trust Fund and Environmental Dispute Resolution Fund. The Morris K. Udall and Stewart L. Udall Foundation shall allocate funds among its authorized activities.

## NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

The total fiscal year 2011 amount appropriated to the National Archives and Records Administration (NARA), including funding for the Operating Expenses, Office of Inspector General, Repairs and Restoration, the National Historical Publications and Records Commission, and the Electronic Records Archive, was \$416,799,000. For fiscal year 2012, the Electronic Records Archive (ERA) funding has moved under NARA's Operating Expenses due to the completion of the development of ERA. The Committee recommends a total appropriation of \$359,762,000 for NARA in fiscal year 2012, which is \$57,037,000 less than fiscal year 2011 and \$47,739,000 less than the request.

## OPERATING EXPENSES

Appropriation, fiscal year 2011 .....	\$339,090,000
Budget request, fiscal year 2012 .....	403,742,000
Recommended in the bill .....	360,969,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	+21,879,000
Budget request, fiscal year 2012 .....	-42,773,000

This appropriation provides NARA with funds for its basic operations for management of the Federal government's archives and records, services to the public, operation of Presidential libraries, review for declassification of classified security information, and includes the Electronic Records Archives which preserves, stores, and manages digital Federal records for archival purposes, ensuring long-term access.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$360,969,000 for the operating expenses of NARA, which is \$21,879,000 more than fiscal year 2011 and \$42,773,000 less than the request. The Electronic Records Archive, which has previously been funded separately from Operating Expenses during its development, is now fully operational. Accordingly, while the recommended appropriation for NARA Operating Expenses for fiscal year 2012 is funded above fiscal year 2011, the recommended appropriation for NARA in total is \$57,037,000 less than fiscal year 2011 and \$47,739,000 less than the request.

## OFFICE OF INSPECTOR GENERAL

Appropriation, fiscal year 2011 .....	\$4,241,000
Budget request, fiscal year 2012 .....	4,100,000
Recommended in the bill .....	4,100,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	-141,000
Budget request, fiscal year 2012 .....	- - -

The Office of Inspector General (OIG) provides objective audits and investigations and serves as an independent, internal advocate to promote economy, efficiency, and effectiveness within NARA.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$4,100,000 for the OIG, which is \$141,000 less than fiscal year 2011 and the same as the request.



## REPAIRS AND RESTORATION

Appropriation, fiscal year 2011 .....	\$11,824,000
Budget request, fiscal year 2012 .....	9,659,000
Recommended in the bill .....	8,693,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	-3,131,000
Budget request, fiscal year 2012 .....	-966,000

This appropriation provides for the repair, alteration, and improvement of Archives facilities and Presidential libraries nationwide. It enables the National Archives to maintain its facilities in proper condition for visitors, researchers, and employees, and also maintain the structural integrity of the buildings.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$8,693,000 for repairs and restoration, which is \$3,131,000 less than fiscal year 2011 and \$966,000 less than the request. The Committee directs cost savings realized during the construction of the John F. Kennedy Library, as well as savings from the Military Personnel Records Center, toward priorities in NARA's Capital Improvement Plan for the critical repairs, alterations, and improvements to Archives facilities and Presidential Libraries nationwide.

## NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

## GRANTS PROGRAM

Appropriation, fiscal year 2011 .....	\$6,986,000
Budget request, fiscal year 2012 .....	5,000,000
Recommended in the bill .....	1,000,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	-5,986,000
Budget request, fiscal year 2012 .....	-4,000,000

The National Historical Publications and Records Commission (NHPRC) program provides for grants to preserve and publish records that document American history. Administered within the National Archives and Records Administration, the NHPRC helps State, local, and private institutions preserve non-Federal records, helps publish the papers of major figures in American history, and helps archivists and records managers improve their techniques, training, and ability to serve a range of information users.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$1,000,000 for the NHPRC grants program, which is \$5,986,000 less than fiscal year 2011 and \$4,000,000 less than the request.

## NATIONAL CREDIT UNION ADMINISTRATION

## COMMUNITY DEVELOPMENT REVOLVING LOAN FUND

Appropriation, fiscal year 2011 .....	\$1,247,000
Budget request, fiscal year 2012 .....	2,000,000
Recommended in the bill .....	500,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	-747,000
Budget request, fiscal year 2012 .....	-1,500,000

The Community Development Revolving Loan Fund Program (CDRLF) was established in 1979 to assist officially designated “low-income” credit unions in providing basic financial services to low-income communities. Low-interest loans and deposits are made available to assist these credit unions. Loans or deposits are normally repaid in five years, although shorter repayment periods may be considered. Technical assistance grants are also available to low-income credit unions. Earnings generated from the CDRLF are available to fund technical assistance grants in addition to funds provided for specifically in appropriations acts. Grants are available for improving operations as well as addressing safety and soundness issues.

COMMITTEE RECOMMENDATION

For fiscal year 2012, the Committee recommends an appropriation of \$500,000 for the National Credit Union Administration’s CDRLF for technical assistance grants, which is \$747,000 less than fiscal year 2011 and \$1,500,000 less than the request. The Committee expects the CDRLF to continue making loans from their available funds derived from repaid loans and interest earned on previous loans to designated credit unions.

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$13,972,000
Budget request, fiscal year 2012 .....	13,664,000
Recommended in the bill .....	13,483,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	– 489,000
Budget request, fiscal year 2012 .....	– 181,000

The Office of Government Ethics (OGE) established by the Ethics in Government Act of 1978, partners with other executive branch Departments and agencies to foster high ethical standards. The OGE issues and monitors rules, regulations, and memoranda pertaining to the prevention and resolution of conflicts of interest, post-employment restrictions, standards of conduct, and financial disclosure for executive branch employees.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$13,483,000 for the OGE, which is \$489,000 less than fiscal year 2011 and \$181,000 less than the request.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

Appropriation, fiscal year 2011 .....	\$210,290,000
Budget request, fiscal year 2012 .....	232,550,000
Recommended in the bill .....	210,290,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	– – –
Budget request, fiscal year 2012 .....	– 22,260,000

The Office of Personnel Management (OPM) is the Federal agency responsible for management of Federal human resources policy and oversight of the merit civil service system. Although individual agencies are increasingly responsible for personnel operations, OPM provides a government-wide policy framework for personnel matters, advises and assists agencies (often on a reimbursable basis), and ensures that agency operations are consistent with requirements of law, with emphasis on such issues as veterans preference. OPM oversees examining of applicants for employment; issues regulations and policies on hiring, classification and pay, training, investigations, and many other aspects of personnel management; and operates a reimbursable training program for the Federal government's managers and executives. OPM is also responsible for administering the retirement, health benefits and life insurance programs affecting most Federal employees, retired Federal employees, and their survivors.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$97,774,000 for the General Fund, which is the same as fiscal year 2011 and \$2,253,000 less than the request. The Committee also recommends \$112,516,000 for administrative expenses, the same as fiscal year 2011 and \$20,007,000 less than the request to be transferred from the appropriate trust funds.

The Committee notes that OPM is responsible for promoting diversity and inclusion in the Federal workforce by pursuing recruitment and retention efforts focused on attracting diverse talent. To further OPM's goal of promoting diversity and inclusion in the Federal workforce, the Committee directs OPM to provide a report on their ongoing activities to promote workforce, management, and executive diversity. The Director shall submit this report to the Committees on Appropriations of the House of Representatives and the Senate 180 days after enactment of this Act.

Additionally, as part of OPM's mission to recruit and hire the most talented and diverse Federal workforce, the Committee encourages Federal agencies to increase recruitment efforts within the United States territories.

No funds are provided for the environmental manager proposed in the request.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

Appropriation, fiscal year 2011 .....	\$24,316,000
Budget request, fiscal year 2012 .....	25,363,000
Recommended in the bill .....	24,316,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	---
Budget request, fiscal year 2012 .....	- 1,047,000

This appropriation provides for the Office of Inspector General's (OIG) agency-wide audit, investigative, evaluation, and inspection functions, which identify management and administrative deficiencies, fraud, waste and mismanagement. The OIG performs internal agency audits and insurance audits, and offers contract

audit services. Internal audits review and evaluate all facets of agency operations, including financial statements. Evaluation and inspection services provide detailed technical evaluations of agency operations. Insurance audits review the operations of health and life insurance carriers, health care providers, and insurance subscribers. Contract auditors provide professional advice to agency contracting officials on accounting and financial matters regarding the negotiation, award, administration, repricing, and settlement of contracts. The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations.

COMMITTEE RECOMMENDATION

The Committee recommends a general fund appropriation of \$3,142,000 for the OIG, which is the same as fiscal year 2011 and \$662,000 less than the request. In addition, the recommendation provides \$21,174,000 from appropriate trust funds, which is the same as fiscal year 2011 and \$385,000 less than the request.

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$18,458,000
Budget request, fiscal year 2012 .....	19,486,000
Recommended in the bill .....	17,997,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	– 461,000
Budget request, fiscal year 2012 .....	– 1,489,000

The Office of Special Counsel (OSC): (1) investigates Federal employee allegations of prohibited personnel practices (including reprisal for whistleblowing) and, when appropriate, prosecutes before the Merit Systems Protection Board; (2) provides a channel for whistleblowing by Federal employees; and (3) enforces the Hatch Act. The Office may transmit whistleblower allegations to the agency head concerned and require an agency investigation and a report to the Congress and the President when appropriate. Additionally, the Office enforces the civilian employment and reemployment rights of military service members under the Uniformed Services Employment and Re-employment Rights Act.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$17,997,000 for the OSC, which is \$461,000 less than fiscal year 2011 and \$1,489,000 less than the request.

POSTAL REGULATORY COMMISSION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Appropriation, fiscal year 2011 .....	\$14,304,000
Budget request, fiscal year 2012 .....	14,450,000
Recommended in the bill .....	13,946,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	– 358,000
Budget request, fiscal year 2012 .....	– 504,000

The Postal Accountability and Enhancement Act (PAEA) of 2006, Public Law 109–435, authorized the Postal Regulatory Commission to receive appropriations by transfer from the Postal Service Fund beginning in fiscal year 2009, and required the Commission to submit to Congress a budget of its expenses. The Commission establishes and maintains the U.S. Postal Service’s ratemaking systems, measures service and performance, ensures accountability, and has enforcement mechanisms, including the authority to issue subpoenas.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation, out of the Postal Fund, of \$13,946,000 for the Postal Regulatory Commission, which is \$358,000 less than fiscal year 2011 and \$504,000 less than the request.

RECOVERY ACCOUNTABILITY AND TRANSPARENCY BOARD

SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$- - -
Budget request, fiscal year 2012 .....	31,543,000
Recommended in the bill .....	25,000,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	+25,000,000
Budget request, fiscal year 2012 .....	- 6,543,000

The Recovery Accountability and Transparency Board (Recovery Board) was authorized in the American Recovery and Reinvestment Act of 2009 (Public Law 111–5) (Recovery Act). The Recovery Board is composed of Inspectors General of agencies administering programs and overseeing spending authorized in the Recovery Act. The Recovery Board conducts and coordinates activities related to the accountability, transparency, and oversight of spending under the Recovery Act and oversees the administration of Recovery.gov, a website providing detailed information on the implementation of the Recovery Act. Through fiscal year 2011, the costs of the Recovery Board were funded by a Recovery Act appropriation. These funds have expired and new funding is required to continue the Recovery Board’s oversight responsibilities.

COMMITTEE RECOMMENDATION

The Committee recommends \$25,000,000 for the Recovery Accountability and Transparency Board, which is \$25,000,000 more than fiscal year 2011 and \$6,543,000 less than the request.

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$1,185,000,000
Budget request, fiscal year 2012 .....	1,407,483,000
Recommended in the bill .....	1,185,000,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- - -
Budget request, fiscal year 2012 .....	- 222,483,000

The primary mission of the Securities and Exchange Commission (SEC) is to protect investors, maintain the integrity of the securities markets, and assure adequate information on the capital mar-

kets is made available to market participants and policy makers. This includes monitoring the rapid evolution of the capital markets, ensuring full disclosure of all appropriate financial information, regulating the Nation's securities markets, and preventing fraud and malpractice in the securities and financial markets.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$1,185,000,000 for the SEC, which is the same as fiscal year 2011 and \$222,483,000 less than the request. The Committee designates \$6,790,000 as the minimum funding for the SEC Office of Inspector General.

The Committee remains troubled with the SEC's management of its operating budget. The Commission has a troubled past with regard to its information technology procurement, renting of leased space, as well as its ability to produce accurate financial statements. The Committee believes that these lapses demonstrate a concerning lack of ability to manage funds. This Committee is reticent to provide more funding for the Commission until efficiencies outlined in the Boston Consulting Group (BCG) report are enacted.

The Committee concurs with the recommendation put forth in the BCG report stating that the Commission needs to reorganize in order to become more efficient and remains concerned about the number of offices directly reporting to the Chairman. The Committee is encouraged that the SEC consolidated the Office of the Executive Director with the Office of the Chief Operating Officer, as recommended in the BCG study, in order to realize greater efficiencies. However, the Committee believes there are more efficiencies to be realized by providing additional authorities to the Chief Operating Officer (COO). Specifically, the Committee encourages the Commission to establish a coordinating council, chaired by the COO, with the authority to resolve disputes among divisions and offices. Along with a redesign of the Commission's organizational structure, the Committee supports the BCG recommendation that the Commission implement a continuous improvement program in order to systematically reduce costs throughout the Commission.

The Committee supports continued funding for high priority information technology programs within the Commission. However, the Committee is concerned with past technology acquisition decisions which used sole-source contracts and resulted in the waste of taxpayer dollars. This failure in acquisition management was easily avoidable had the Commission used its Capital Planning and Investment Control process. The Committee agrees with the Inspector General's report and urges the Commission's Office of Information Technology to institute appropriate procedures to ensure future technology acquisitions undergo a comprehensive review in order to avoid past mistakes.

The Commission made poor decisions recently with regard to their leasing practices. With the passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Commission was given elevated funding levels that were authorized but never appropriated. The Commission chose to rent over 900,000 square feet of office space at Constitution Center in Southwest Washington, D.C., instead of using its resources to invest in needed IT upgrades

or hire staff with priority skill sets. The Committee has taken note of the Commission's leased space at Constitution Center and remains concerned with the Commission's ability to prioritize and budget its funding resources. While the Commission has responded to the Inspector General's recommendations, the Committee remains interested in seeing tangible changes to the SEC's leasing practices. The Committee bill includes section 629 to begin addressing leasing reforms.

The Committee believes the Commission should target its recruiting toward persons with expertise in capital markets operations and the business operations of the entities that the SEC regulates. Experts in these areas can play a key role in the Commission's work to maintain free, orderly, and properly functioning markets.

The Committee remains concerned with the SEC's track record in dealing with Ponzi schemes. The Committee strongly supports the SEC's determination that certain individuals who invested money through the Stanford Group Company are entitled to the protections of the Securities Investor Protection Act of 1970 (SIPA). Furthermore, the Committee fully supports the SEC's request to the Securities Investor Protection Corporation (SIPC) to initiate a court proceeding under SIPA to liquidate the broker-dealer. The Committee expects the SIPC to proceed accordingly.

The Committee is interested in the Commission's proposed rulemaking to establish a registration program for municipal financial advisors under Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The Committee is concerned that the Commission's proposed rule may be overly broad. The Committee expects that the final rule will be consistent with legislative intent and will not duplicate existing regulations. Accordingly, the Committee encourages the Commission to take into consideration comments submitted in response to the temporary rule and consult with bank regulators to ensure that the final rule incorporates the existing bank supervisory and examination system to achieve the goals of Section 975.

The Commission has a number of joint rulemakings with the Commodity Futures Trading Commission as required by the Dodd-Frank Wall Street Reform and Consumer Protection Act. Given the broad scope and depth of rules required to be issued under the Dodd-Frank Act, the Committee directs all regulatory bodies to move in unison and properly address market concerns when issuing all rules, especially with regard to joint rulemakings.

The Committee takes note that the SEC is proceeding to implement Section 417 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, related to studies of short selling, and will continue to monitor its progress.

#### SELECTIVE SERVICE SYSTEM

##### SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$24,226,000
Budget request, fiscal year 2012 .....	24,500,000
Recommended in the bill .....	23,620,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 606,000
Budget request, fiscal year 2012 .....	- 880,000

The Selective Service System was established by the Selective Service Act of 1948. The mission of the System is to be prepared to supply manpower to the Armed Forces adequate to ensure the security of the United States during a time of national emergency. Since 1973, the Armed Forces have relied on volunteers to fill military manpower requirements, but selective service registration was reinstated in July 1980.

#### COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$23,620,000 for the Selective Service System, which is \$606,000 less than fiscal year 2011 and \$880,000 less than the request.

#### SMALL BUSINESS ADMINISTRATION

The Small Business Administration (SBA) assists small businesses through programs involving loans, grants, and contracting preferences. These programs maintain and strengthen an economy that depends on small businesses for 60 to 80 percent of job creation. SBA programs also serve disadvantaged populations so that their small business enterprises may overcome economic and social obstacles to success.

The recommendation provides a total of \$978,306,000 for the Small Business Administration. This amount is \$7,133,000 less than the budget request and \$248,568,000 more than fiscal year 2011. Detailed guidance for the SBA appropriations accounts is presented below.

#### SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$432,571,000
Budget request, fiscal year 2012 .....	427,296,000
Recommended in the bill .....	422,296,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	- 10,275,000
Budget request, fiscal year 2012 .....	- 5,000,000

#### COMMITTEE RECOMMENDATION

The Committee recommends \$422,296,000 for the salaries and expenses of the SBA, which is \$10,275,000 less than fiscal year 2011 and \$5,000,000 less than the request. Within the amounts made available under this heading, the Committee recommendation provides \$170,750,000 for the SBA non-credit business assistance programs, which is \$10,500,000 more than the request and \$11,207,000 less than fiscal year 2011.

The Committee recommendations for non-credit business assistance, by program, are displayed in the following table:



## NON-CREDIT BUSINESS ASSISTANCE PROGRAMS

[In thousands of dollars]

Small Business Development Centers .....	\$112,000
Veterans Business Development .....	2,500
SCORE .....	7,000
Women's Business Centers .....	14,000
National Women's Business Council .....	920
Microloan Technical Assistance .....	14,480
PRIME .....	5,000
Native American Outreach .....	1,250
7(j) Technical Assistance .....	3,100
HUBZone .....	2,500
Clusters .....	8,000
Total, non-credit initiatives .....	170,750

The SBA shall not reduce these non-credit programs from the amounts specified above and the SBA shall not merge any of the non-credit programs without advance written approval from the Committee. The Committee recommendation includes an increase of \$10,500,000 above the request level for non-credit programs. Funding above the request level was provided for the Small Business Development Center (SBDC) Program, Microloan Technical Assistance and PRIME which are programs that provide critical support to small business, facilitate job creation, and strengthen our economy.

The Committee encourages the SBA to support small business development and entrepreneurship throughout the country by funding non-profit organizations and institutions of higher education that train and educate an entrepreneurial work force and provide business development services designed to accelerate industry sectors that build regional assets.

The Committee strongly supports the SBA's Historically Underutilized Business Zone (HUBZone) program and believes that it is a critical resource for distressed communities, especially during the current economic downturn. The Committee is aware that there are certain rural areas that are underutilized business areas, but are excluded from HUBZone designation based on the current program authorization. The Committee encourages the SBA to continue to examine ways to incorporate underutilized business areas into any future revisions of the Small Business Act.

The Committee recognizes the value of the 8(a) program in assisting small and disadvantaged businesses compete in the marketplace and provides sufficient amount of funding to execute the mission of the 8(a) program.

A recent Government Accountability Office (GAO) report studying duplicative programs in the Federal government identified 80 economic development programs at four agencies, including the SBA, that appeared to overlap with at least one other program in the economic development activities that they are authorized to fund. GAO found that the SBA has taken only limited steps to implement collaborative practices with other Federal agencies. The Committee expects the SBA to seek more opportunities for resource sharing across economic development programs, identify ways to leverage each program's strengths to improve existing collaborative efforts, and provide the greatest benefit to small businesses at the least cost to taxpayers. The Committee directs the SBA to report

to the Committee on its efforts to collaborate with other agencies in the area of economic development within 60 days of enactment of this Act.

OFFICE OF INSPECTOR GENERAL

Appropriation, fiscal year 2011 .....	\$16,267,000
Budget request, fiscal year 2012 .....	18,400,000
Recommended in the bill .....	16,267,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	---
Budget request, fiscal year 2012 .....	-2,133,000

COMMITTEE RECOMMENDATION

The Committee recommends \$16,267,000 for the Office of Inspector General of the SBA, which is the same as fiscal year 2011 and \$2,133,000 less than the request. In addition, \$1,000,000 is made available by transfer from the Disaster Loans Program Account.

OFFICE OF ADVOCACY

(INCLUDING TRANSFER OF FUNDS)

Appropriation, fiscal year 2011 .....	\$---
Budget request, fiscal year 2012 .....	9,120,000
Recommended in the bill .....	9,120,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	+9,120,000
Budget request, fiscal year 2012 .....	---

COMMITTEE RECOMMENDATION

The Committee recommends \$9,120,000 for the Office of Advocacy of the SBA. The Small Business Jobs Act of 2010 (Public Law 111-240) requires this office to be funded through a separate appropriation. Funding provided for the Office of Advocacy, which was previously included in the salaries and expenses appropriation, is equal to fiscal year 2011 and the same as the request. In addition, the Committee provides transfer authority allowing funds to be transferred from SBA's operating budget to cover additional costs associated with the administrative and rental expenses of the Office of Advocacy. The Committee does not believe that the cost of this office should be budgeted for in two separate accounts. The Committee supports the Office's mission to reduce regulatory burdens that Federal policies impose on small businesses and maximize the benefits small businesses receive from the government.

BUSINESS LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

Appropriation, fiscal year 2011 .....	\$235,528,000
Budget request, fiscal year 2012 .....	363,323,000
Recommended in the bill .....	363,323,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	+127,795,000
Budget request, fiscal year 2012 .....	---

The SBA Business Loans Program serves as an important source of capital for America's small businesses. The recommendation supports the 7(a) business loan program, the 504 certified development company program, Small Business Investment Company (SBIC) debentures, and the Secondary Market Guarantee Program.

## COMMITTEE RECOMMENDATION

The Committee recommends a total of \$363,323,000 for the Business Loans Program Account, which is \$127,795,000 more than fiscal year 2011 and the same as the request. Of the amount appropriated, \$147,958,000 is for administrative expenses related to business loan programs. The amount provided for administrative expenses may be transferred to and merged with the appropriation for SBA salaries and expenses to cover the common overhead expenses associated with business loans.

The recommendation includes \$211,600,000 for the subsidy cost of the 7(a) business loan guarantee program and the 504 certified development program. This funding will help to stimulate small business investment and will contribute to economic growth. The effect of small businesses on the economy is considerable. Firms employing fewer than 500 employees comprise about 99.7 percent of all businesses in the nation and employ roughly half of all private sector employees. The subsidy funding provided in this account will help to ensure the continued strength of the small business sector.

The recommendation also includes \$3,765,000 in loan subsidy for the Microloan Program. The amount provided is estimated to support \$25,000,000 in microloans.

## DISASTER LOANS PROGRAM ACCOUNT

## (INCLUDING TRANSFERS OF FUNDS)

Appropriation, fiscal year 2011 .....	\$45,372,000
Budget request, fiscal year 2012 .....	167,300,000
Recommended in the bill .....	167,300,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	+121,928,000
Budget request, fiscal year 2012 .....	---

## COMMITTEE RECOMMENDATION

As required by the Federal Credit Reform Act of 1990, the Congress is required to appropriate an amount sufficient to cover the subsidy costs associated with all direct loan obligations and loan guarantee commitments made in fiscal year 2012, as well as the administrative expenses of the loan programs. The Committee recommends a total of \$167,300,000 for administrative expenses for fiscal year 2012, which is \$121,928,000 more than fiscal year 2011 and the same as the request. Carryover from prior year supplemental acts previously supported costs associated with administering the Disaster Loan account, however by fiscal year 2012, this funding will be exhausted; therefore, new appropriated dollars are needed. The Committee provides \$1,000,000 for the Office of Inspector General for audits and reviews of the disaster loans program and \$9,000,000 may be transferred to Salaries and Expenses for administrative expenses.

When the budget request was submitted, it assumed sufficient prior year funds would be available to cover estimated subsidy costs. In light of the destructive storms and serious flooding that have occurred this year, the Committee wants to ensure that there are sufficient funds available to meet the lending needs of eligible victims. Therefore, the Committee directs the Small Business Ad-

ministration to continue providing updates on available resources for the disaster loans program on a monthly basis.

ADMINISTRATIVE PROVISIONS—SMALL BUSINESS ADMINISTRATION  
(INCLUDING TRANSFER OF FUNDS)

Section 509. The Committee continues a provision for the SBA authorizing transfers of up to five percent of any SBA appropriation to other appropriations, provided that transfers do not increase an appropriation by more than 10 percent. The provision also requires that transfers be treated as reprogrammings of funds.

Section 510. The Committee includes a new provision extending the length of time that a business that can obtain credit elsewhere can repay a disaster loan from three to seven years.

Section 511. The Committee includes a new provision detailing information to be provided in the SBA's annual budget request.

UNITED STATES POSTAL SERVICE  
PAYMENT TO THE POSTAL SERVICE FUND

Appropriation, fiscal year 2011 .....	\$86,681,000
Budget request, fiscal year 2012 .....	78,153,000
Recommended in the bill .....	78,153,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	-8,528,000
Budget request, fiscal year 2012 .....	---

The United States Postal Service (USPS) is funded almost entirely by Postal ratepayers rather than taxpayers. Funds provided to the Postal Service in the Payment to the Postal Service Fund include appropriations for revenue forgone in providing free mail for the blind, people with disabilities, and for overseas absentee voting.

COMMITTEE RECOMMENDATION

The Committee recommends appropriations totaling \$78,153,000 for Payment to the Postal Service Fund, which is \$8,528,000 less than fiscal year 2011 and the same as the request. This is an advance appropriation for fiscal year 2013. The bill includes language specifying that 6-day delivery and rural delivery of mail shall continue at not less than the 1983 level. Language is also included prohibiting funds in this Act from being used to consolidate or close small rural and other small post offices.

The Committee commends the efforts of the USPS to be fiscally responsible. However, when the USPS considers changes in local delivery service, the Committee strongly urges the USPS to hold public meetings, take into consideration the input of residents, and provide fiscal justification before any major changes in delivery service are made. The USPS is one of the few Federal government entities that every American depends on a daily basis and it is important that their service is reflective of the world's premier mail delivery organization. The Committee urges the USPS to continue its efforts at achieving cost reductions without compromising services.

## OFFICE OF INSPECTOR GENERAL

## SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Appropriation, fiscal year 2011 .....	\$243,908,000
Budget request, fiscal year 2012 .....	244,397,000
Recommended in the bill .....	237,810,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	– 6,098,000
Budget request, fiscal year 2012 .....	– 6,587,000

The Postal Accountability and Enhancement Act (PAEA) of 2006, Public Law 109–435, authorized the Postal Service Office of Inspector General (OIG) to receive funding by transfer out of the Postal Service Fund beginning in fiscal year 2009. The OIG conducts audits, reviews and investigations, and keeps Congress informed on the efficiency and economy of Postal Service programs and operations.

## COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$237,810,000, which is \$6,098,000 less than fiscal year 2011 and \$6,587,000 less than the request.

## UNITED STATES TAX COURT

## SALARIES AND EXPENSES

Appropriation, fiscal year 2011 .....	\$51,989,000
Budget request, fiscal year 2012 .....	59,996,000
Recommended in the bill .....	50,689,000
Bill compared with:	
Appropriation, fiscal year 2011 .....	– 1,300,000
Budget request, fiscal year 2012 .....	– 9,307,000

The U.S. Tax Court adjudicates controversies involving deficiencies in income, estate, and gift taxes. The Court also has jurisdiction to determine deficiencies in certain excise taxes to issue declaratory judgments in the areas of qualifications of retirement plans, exemption of charitable organizations, and to decide certain cases involving disclosure of tax information by the Commissioner of the Internal Revenue Service.

## COMMITTEE RECOMMENDATION

The Committee recommends \$50,689,000 for the U.S. Tax Court, which is \$1,300,000 less than fiscal year 2011 and \$9,307,000 less than the request.

## TITLE VI—GENERAL PROVISIONS, THIS ACT

## (RESCISSION)

Section 601. The Committee continues the provision prohibiting pay and other expenses for non-Federal parties in regulatory or adjudicatory proceedings funded in this Act.

Section 602. The Committee continues the provision prohibiting obligations beyond the current fiscal year and prohibits transfers of funds unless expressly so provided herein.

Section 603. The Committee continues the provision limiting procurement contracts for consulting service expenditures to contracts that are matters of public record and available for public inspection.

Section 604. The Committee continues the provision prohibiting transfer of funds in this Act without express authority.

Section 605. The Committee continues the provision prohibiting the use of funds to engage in activities that would prohibit the enforcement of section 307 of the 1930 Tariff Act.

Section 606. The Committee continues the provision concerning compliance with the Buy American Act.

Section 607. The Committee continues the provision prohibiting the use of funds by any person or entity convicted of violating the Buy American Act.

Section 608. The Committee continues the provision specifying reprogramming procedures. The provision requires that agencies or entities funded by the Act notify the Committee and obtain prior approval from the Committee for any reprogramming of funds that: (1) creates a new program; (2) eliminates a program, project, or activity; (3) increases funds or personnel for any program, project, or activity for which funds have been denied or restricted by the Congress; (4) proposes to use funds directed for a specific activity by either the House or Senate Committees on Appropriations for a different purpose; (5) augments existing programs, projects, or activities in excess of \$5,000,000 or 10 percent, whichever is less; (6) reduces existing programs, projects, or activities by \$5,000,000 or 10 percent, whichever is less; or (7) reorganizes offices, programs, or activities. The provision also directs the agencies funded by this Act to submit operating plans for the Committee's review within 60 days of the bill's enactment.

Section 609. The Committee continues the provision providing that fifty percent of unobligated balances may remain available for certain purposes.

Section 610. The Committee continues the provision prohibiting funding for the Executive Office of the President to request a Federal Bureau of Investigation background investigation except with the express consent of the individual involved or in extraordinary circumstances involving national security.

Section 611. The Committee continues the provision regarding cost accounting standards for contracts under the Federal Employee Health Benefits Program.

Section 612. The Committee continues the provision regarding non-foreign area cost of living allowances.

Section 613. The Committee continues the provision prohibiting the expenditure of funds for abortion under the Federal Employees Health Benefits Program.

Section 614. The Committee continues the provision making exceptions to the preceding section where the life of the mother is in danger or the pregnancy is a result of an act of rape or incest.

Section 615. The Committee continues the provision waiving restrictions on the purchase of non-domestic articles, materials, and supplies in the case of acquisition by the Federal government of information technology.

Section 616. The Committee continues the provision prohibiting officers or employees of any regulatory agency or commission fund-

ed by this Act from accepting travel payments or reimbursements from a person or entity regulated by such agency or commission.

Section 617. The Committee rescinds \$998,000 from the Privacy and Civil Liberties Oversight Board. While the Committee is supportive of privacy and civil liberties protections, this board has no members and has not incurred any costs.

Section 618. The Committee continues the provision clarifying that, for purposes of agricultural and medical trade with Cuba, during fiscal year 2012 the term “payment of cash in advance” as specified in section 908(b)(1) of the Trade Sanctions Reform and Export Enhancement Act of 2000 shall be interpreted as payment before the transfer of title to, and control of, the exported items to the Cuban purchaser.

Section 619. The Committee continues the provision permitting the Securities and Exchange Commission and Commodities Future Trading Commission to fund a joint advisory committee to advise on emerging regulatory issues, notwithstanding Section 708 of this Act.

Section 620. The Committee includes language prohibiting funds to carry out chapter 95 (Presidential Election Campaign Fund) or 96 (Presidential Primary Matching Campaign Account) of the Internal Revenue Code of 1986.

Section 621. The Committee includes language prohibiting funding to implement the Federal Communications Commission’s net neutrality order (FCC 10–201, adopted by the Commission on December 21, 2010).

Section 622. The Committee includes language prohibiting funding for the Consumer Product Safety Commission to carry out section 6A of the Consumer Product Safety Act related to an unverifiable public consumer product safety complaint database.

Section 623. The Committee prohibits the obligation of funds in fiscal year 2012 from the Securities and Exchange Commission Reserve Fund established by the Dodd-Frank Wall Street Reform and Consumer Protection Act. The Committee does not support mandatory reserve funds. The Committee believes the Commission should request the level of funding it believes is necessary in any given fiscal year and not have access to reserve funding that is outside of the Congressional review process.

Section 624. The Committee includes a provision directing the Comptroller General to conduct a cost-benefit analysis of the Consumer Product Safety Improvement Act of 2008.

Section 625. The Committee includes new language regarding the Fairness Doctrine. The language states that sections 73.1910, 76.209, 76.1612, and 76.1613 of title 47, Code of Federal Regulations, shall have no force or effect after the date of the enactment of this Act and the Federal Communications Commission (FCC) shall take such action as is necessary to remove such sections from the Code of Federal Regulations. The Committee is pleased the Chairman of the FCC has written the Committee on Energy and Commerce that the FCC intends to delete regulations relating to the Fairness Doctrine. The Committee urges the FCC to do so expeditiously.

Section 626. The Committee includes language requiring certain agencies to provide quarterly reports on unobligated prior year balances.

Section 627. The Committee includes language requiring certain regulatory agencies to provide a report on increasing public participation in rulemaking, improving coordination among Federal agencies, and identifying ineffective or excessively burdensome regulations.

Section 628. The Committee includes language providing for several appropriated mandatory accounts. These are accounts where authorizing language requires the payment of funds. The Congressional Budget Office estimates the following costs for the programs addressed in this provision: \$450,000 for Compensation of the President including \$50,000 for expenses, \$99,000,000 for the Judicial Retirement Funds (Judicial Officers' Retirement Fund, Judicial Survivors' Annuities Fund, and the United States Court of Federal Claims Judges' Retirement Fund), \$10,862,000,000 for the Government Payment for Annuitants, Employee Health Benefits, \$52,000,000 for the Government Payment for Annuitants, Employee Life Insurance, and \$9,979,000,000 for Payment to the Civil Service Retirement and Disability Fund.

Section 629. The Committee includes a new provision that requires certain regulatory agencies to consult with the General Services Administration (GSA) before seeking new office space or making alterations to existing office space. The Securities and Exchange Commission's (SEC) calamitous lease of the Constitutional Center has made the Committee question how independent leasing authority improves the safety and soundness of the financial market. Most Federal agencies are required to obtain office space from the GSA. In accordance with the agency's requirements, GSA finds either GSA-owned or leased space for the agency. Some agencies, such as the SEC and Federal Deposit Insurance Corporation, however, have statutory authority to enter into leases without GSA. The Committee recognizes that not every agency is wholly satisfied with GSA as a landlord, but GSA's expertise and experience as the Federal government's primary property manager should not be underestimated. The mission of the SEC is to protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation, not to procure and oversee commercial real estate leases. The mission of the GSA is to deliver and maintain productive work space, including furnishings, technology, supplies, and related services. This division of labor should serve the Federal government and taxpayers well if properly exercised.

Section 630. The Committee includes language that excludes youth off-highway vehicles and bicycles from the lead bans included in the Consumer Product Safety Improvement Act. The Committee believes that children are more likely to be hurt due to use of adult off-highway vehicles than due to lead exposure in components such as tire valves and battery cables.

Section 631. The Committee includes new language prohibiting funds for the Federal Trade Commission to complete the draft report entitled "Interagency Working Group on Food Marketed to Children: Preliminary Proposed Nutrition Principles to Guide Industry Self-Regulatory Efforts" unless the Interagency Working Group on Food Marketed to Children complies with Executive Order 13563, including the requirement in Section 1(c) to provide quantified present and future benefits and costs.



Section 632. The Committee includes language prohibiting funding for certain Czars including the White House Director of the Office of Health Reform, the Assistant to the President for Energy and Climate Change, the Senior Advisor to the Secretary of the Treasury assigned to the Presidential Task Force on the Auto Industry and Senior Counselor for Manufacturing Policy, and the White House Director of Urban Affairs.

Section 633. The Committee includes new language regarding commercial terrestrial operations.

## TITLE VII—GENERAL PROVISIONS, GOVERNMENT-WIDE

### DEPARTMENTS, AGENCIES, AND CORPORATIONS

The Committee requests a report be completed by the Comptroller General of the United States not later than 90 days after the date of the enactment of this Act. The report shall state the percentage of Federal grant dollars (across all agencies) that are awarded to each of the following:

(1) Persistent poverty communities (as defined in section 105 of title I of division A of Public Law 111–5 (123 Stat. 127)).

(2) Empowerment zones and enterprise communities (as designated pursuant to section 1391 of the Internal Revenue Code of 1986).

(3) Renewal communities (as defined in section 1400E of such Code).

Section 701. The Committee continues the provision requiring agencies to administer a policy designed to ensure that all of its workplaces are free from the illegal use of controlled substances.

Section 702. The Committee continues the provision establishing price limitations on vehicles to be purchased by the Federal government with an exemption for the purchase of electric, plug-in hybrid electric, and hydrogen fuel cell vehicles.

Section 703. The Committee continues the provision allowing funds made available to agencies for travel to also be used for quarter allowances and cost-of-living allowances.

Section 704. The Committee continues the provision concerning the employment of noncitizens.

Section 705. The Committee continues the provision giving agencies the authority to pay General Services Administration bills for space renovation and other services.

Section 706. The Committee continues the provision allowing agencies to finance the costs of recycling and waste prevention programs with proceeds from the sale of materials recovered through such programs.

Section 707. The Committee continues the provision providing that funds made available to corporations and agencies subject to 31 U.S.C. 91 may pay rent and other service costs in the District of Columbia.

Section 708. The Committee continues the provision prohibiting interagency financing of groups absent prior statutory approval.

Section 709. The Committee continues the provision prohibiting the use of funds for enforcing regulations disapproved in accordance with the applicable law of the U.S.

Section 710. The Committee continues the provision limiting the amount of funds that can be used for redecoration of offices under certain circumstances.

Section 711. The Committee continues the provision to allow for interagency funding of national security and emergency telecommunications initiatives.

Section 712. The Committee continues the provision requiring agencies to certify that a Schedule C appointment was not created solely or primarily to detail the employee to the White House.

Section 713. The Committee continues the provision prohibiting the payment of any employee who prohibits, threatens or prevents another employee from communicating with Congress.

Section 714. The Committee continues the provision prohibiting Federal training not directly related to the performance of official duties.

Section 715. The Committee continues the provision prohibiting the expenditure of funds for implementation of agreements in non-disclosure policies unless certain provisions are included.

Section 716. The Committee continues the provision prohibiting, other than for normal and recognized executive-legislative relationships, propaganda, publicity and lobbying by executive agency personnel in support or defeat of legislative initiatives.

Section 717. The Committee continues the provision prohibiting any Federal agency from disclosing an employee's home address to any labor organization, absent employee authorization or court order.

Section 718. The Committee continues the provision prohibiting funds to be used to provide non-public information such as mailing or telephone lists to any person or organization outside the government without the approval of the Committees on Appropriations.

Section 719. The Committee continues the provision prohibiting the use of funds for propaganda and publicity purposes not authorized by Congress.

Section 720. The Committee continues the provision, with a modification, directing agency employees to use official time in an honest effort to perform official duties.

Section 721. The Committee continues the provision authorizing the use of funds to finance an appropriate share of the Federal Accounting Standards Advisory Board.

Section 722. The Committee continues the provision authorizing agencies to transfer \$17,000,000 to the Government-wide Policy account of General Services Administration to finance an appropriate share of various government-wide boards and councils.

Section 723. The Committee continues the provision that permits breast feeding in a Federal building or on Federal property if the woman and child are authorized to be there.

Section 724. The Committee continues the provision that permits interagency funding of the National Science and Technology Council and provides for a report on the budget and resources of the National Science and Technology Council. The report should include the entire budget of the National Science and Technology Council.

Section 725. The Committee continues the provision requiring documents involving the distribution of Federal funds to indicate the agency providing the funds and the amount provided.

Section 726. The Committee continues the provision prohibiting the use of funds to monitor personal access or use of Internet sites or to collect, review, or obtain any personally identifiable information relating to access to or use of an Internet site.

Section 727. The Committee continues a provision requiring health plans participating in the Federal Employee Health Benefits Program to provide contraceptive coverage and provides exemptions to certain religious plans.

Section 728. The Committee includes language supporting strict adherence to antidoping activities.

Section 729. The Committee continues a provision allowing funds for official travel to be used by departments and agencies, if consistent with OMB Circular A-126, to participate in the fractional aircraft ownership pilot program.

Section 730. The Committee continues a provision prohibiting funds for implementation of Office of Personnel Management regulations limiting detailees to the Legislative Branch, and implementing limitations on the Coast Guard Congressional Fellowship Program.

Section 731. The Committee continues the provision that restricts the use of funds for Federal law enforcement training facilities.

Section 732. The Committee continues the provision concerning transfers or reimbursements for "E-Government" initiatives.

Section 733. The Committee continues a provision that prohibits the use of funds to begin or announce a study or public-private competition regarding the conversion to contractor performance of any function performed by civilian Federal employees pursuant to Office of Management and Budget Circular A-76 or any other administrative regulation, directive, or policy.

Section 734. The Committee continues the provision that prohibits Executive Branch agencies from creating prepackaged news stories that are broadcast or distributed in the United States unless the story includes a clear notification within the text or audio of that news story that the prepackaged news story was prepared or funded by that executive branch agency. This provision confirms the opinion of the Government Accountability Office dated February 17, 2005 (B-304272).

Section 735. The Committee continues the provision prohibiting use of funds in contravention of section 552a of title 5, United States Code (the Privacy Act) and regulations implementing that section.

Section 736. The Committee continues the provision requiring agencies to evaluate the creditworthiness of an individual before issuing the individual a government travel charge card and limits agency actions accordingly.

Section 737. The Committee continues a provision prohibiting funds from being used for any Federal government contract with any foreign incorporated entity which is treated as an inverted domestic corporation.

Section 738. The Committee includes language prohibiting funds to require any entity submitting an offer for a Federal contract to disclose political contributions.

Section 739. The Committee continues the provision concerning the non-application of these general provisions to title IV and to title VIII.

Section 740. The Committee includes new language prohibiting funds to any corporation with certain unpaid Federal tax liabilities.

Section 741. The Committee includes new language prohibiting funds to any corporation that was convicted of a felony criminal violation within the preceding 24 months.

Section 742. The Committee includes new language prohibiting funding for hiring new Federal employees that are not verified through the E-Verify program.

## TITLE VIII

### GENERAL PROVISIONS—DISTRICT OF COLUMBIA

Section 801. The Committee continues the provision that appropriates funds for refunding overpayments of taxes collected and for paying settlements and judgments against the District of Columbia government.

Section 802. The Committee includes language prohibiting the use of Federal funds for publicity or propaganda purposes.

Section 803. The Committee continues the provision that establishes reprogramming procedures for Federal funds.

Section 804. The Committee continues the provision prohibiting the use of Federal funds to provide salaries or other costs associated with the offices of United States Senator or Representative.

Section 805. The Committee continues language restricting the use of official vehicles to official duties.

Section 806. The Committee continues the provision that prohibits the use of Federal funds for any petition drive or civil action which seeks to require Congress to provide for voting representation in Congress for the District of Columbia.

Section 807. The Committee includes language prohibiting the use of Federal funds for needle exchange programs.

Section 808. The Committee continues the provision that includes a “conscience clause” on legislation that pertains to contraceptive coverage by health insurance plans.

Section 809. The Committee includes language prohibiting the use of Federal funds to legalize or reduce penalties associated with the possession, use, or distribution on any schedule I substance under the Controlled Substances Act (or any tetrahydrocannabinols derivative).

Section 810. The Committee continues the provision that prohibits the use of funds for abortion except in the cases of rape or incest or if necessary to save the life of the mother as reinstated by Public Law 112–10. The Committee directs the District of Columbia to provide a comprehensive report no later than January 31, 2012 specifying all steps taken to ensure compliance with the reinstated policy.

Section 811. The Committee continues the provision requiring the Chief Financial Officer (CFO) to submit a revised operating budget for all agencies in the D.C. government, no later than 30 calendar days after the enactment of this Act that realigns budgeted data with anticipated actual expenditures.

Section 812. The Committee continues the provision requiring the CFO to submit a revised operating budget for D.C. Public Schools, no later than 30 calendar days after the enactment of this Act that realigns school budgets to actual school enrollment.

Section 813. The Committee continues the provision authorizing the transfer of local funds to capital and enterprise funds.

Section 814. The Committee continues the provision which limits references to “this Act” as referring to only this title and title IV.

#### TITLE IX—ADDITIONAL GENERAL PROVISIONS

##### SPENDING REDUCTION ACCOUNT

Section 901. The Committee includes new language regarding family travel and remittance to Cuba.

Section 902. The Committee includes a new provision that prohibits new budget authority from exceeding the budget allocation in fiscal year 2012.

##### HOUSE OF REPRESENTATIVES REPORT REQUIREMENTS

The following items are included in accordance with various requirements of the Rules of the House of Representatives:

##### FULL COMMITTEE VOTES

## FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 1

Date: June 23, 2011

Measure: Financial Services and General Government Appropriations Bill, 2012

Motion by: Mr. Serrano

Description of Motion: To strike section 622 which prohibits funds for the implementation of a consumer complaint database.

Results: Defeated 21 yeas to 28 nays

*Members Voting Yea*

Mr. Bishop  
 Ms. DeLauro  
 Mr. Dicks  
 Mr. Farr  
 Mr. Fattah  
 Mr. Hinchey  
 Mr. Honda  
 Mr. Jackson  
 Ms. Kaptur  
 Ms. Lee  
 Mrs. Lowey  
 Ms. McCollum  
 Mr. Moran  
 Mr. Olver  
 Mr. Pastor  
 Mr. Price  
 Mr. Rothman  
 Ms. Roybal-Allard  
 Mr. Schiff  
 Mr. Serrano  
 Mr. Visclosky

*Members Voting Nay*

Mr. Aderholt  
 Mr. Alexander  
 Mr. Austria  
 Mr. Bonner  
 Mr. Calvert  
 Mr. Carter  
 Mr. Cole  
 Mr. Crenshaw  
 Mr. Culberson  
 Mr. Dent  
 Mr. Diaz-Balart  
 Mrs. Emerson  
 Mr. Flake  
 Mr. Frelinghuysen  
 Ms. Granger  
 Mr. Graves  
 Mr. Kingston  
 Mr. Latham  
 Mr. LaTourette  
 Mr. Lewis  
 Mrs. Lummis  
 Mr. Nunnelee  
 Mr. Rehberg  
 Mr. Rogers  
 Mr. Simpson  
 Mr. Wolf  
 Mr. Womack  
 Mr. Yoder

## FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 2

Date: June 23, 2011

Measure: Financial Services and General Government Appropriations Bill, 2012

Motion by: Mr. Serrano

Description of Motion: To increase Internal Revenue Service enforcement funding by \$740,016,000.

Results: Defeated 21 yeas to 28 nays

*Members Voting Yea*

Mr. Bishop  
 Ms. DeLauro  
 Mr. Dicks  
 Mr. Farr  
 Mr. Fattah  
 Mr. Hinchey  
 Mr. Honda  
 Mr. Jackson  
 Ms. Kaptur  
 Ms. Lee  
 Mrs. Lowey  
 Ms. McCollum  
 Mr. Moran  
 Mr. Olver  
 Mr. Pastor  
 Mr. Price  
 Mr. Rothman  
 Ms. Roybal-Allard  
 Mr. Schiff  
 Mr. Serrano  
 Mr. Visclosky

*Members Voting Nay*

Mr. Aderholt  
 Mr. Alexander  
 Mr. Austria  
 Mr. Bonner  
 Mr. Calvert  
 Mr. Carter  
 Mr. Cole  
 Mr. Crenshaw  
 Mr. Culberson  
 Mr. Dent  
 Mr. Diaz-Balart  
 Mrs. Emerson  
 Mr. Flake  
 Mr. Frelinghuysen  
 Ms. Granger  
 Mr. Graves  
 Mr. Kingston  
 Mr. Latham  
 Mr. LaTourette  
 Mr. Lewis  
 Mrs. Lummis  
 Mr. Nunnelee  
 Mr. Rehberg  
 Mr. Rogers  
 Mr. Simpson  
 Mr. Wolf  
 Mr. Womack  
 Mr. Yoder

## FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 3

Date: June 23, 2011

Measure: Financial Services and General Government Appropriations Bill, 2012

Motion by: Mr. Fattah

Description of Motion: To direct payment to the United States Postal Service of excess retirement contributions.

Results: Defeated 21 yeas to 28 nays

*Members Voting Yea*

Mr. Bishop  
 Ms. DeLauro  
 Mr. Dicks  
 Mr. Farr  
 Mr. Fattah  
 Mr. Hinchey  
 Mr. Honda  
 Mr. Jackson  
 Ms. Kaptur  
 Ms. Lee  
 Mrs. Lowey  
 Ms. McCollum  
 Mr. Moran  
 Mr. Olver  
 Mr. Pastor  
 Mr. Price  
 Mr. Rothman  
 Ms. Roybal-Allard  
 Mr. Schiff  
 Mr. Serrano  
 Mr. Visclosky

*Members Voting Nay*

Mr. Aderholt  
 Mr. Alexander  
 Mr. Austria  
 Mr. Bonner  
 Mr. Calvert  
 Mr. Carter  
 Mr. Cole  
 Mr. Crenshaw  
 Mr. Culberson  
 Mr. Dent  
 Mr. Diaz-Balart  
 Mrs. Emerson  
 Mr. Flake  
 Mr. Frelinghuysen  
 Ms. Granger  
 Mr. Graves  
 Mr. Kingston  
 Mr. Latham  
 Mr. LaTourette  
 Mr. Lewis  
 Mrs. Lummis  
 Mr. Nunnelee  
 Mr. Rehberg  
 Mr. Rogers  
 Mr. Simpson  
 Mr. Wolf  
 Mr. Womack  
 Mr. Yoder



## FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 4

Date: June 23, 2011

Measure: Financial Services and General Government Appropriations Bill, 2012

Motion by: Ms. DeLauro

Description of Motion: To strike section 631 which prohibits funds for completion of a report on marketing food to children unless the report complies with Executive Order 13563.

Results: Defeated 21 yeas to 27 nays

*Members Voting Yea*

Mr. Bishop  
 Ms. DeLauro  
 Mr. Dicks  
 Mr. Farr  
 Mr. Fattah  
 Mr. Hinchey  
 Mr. Honda  
 Mr. Jackson  
 Ms. Kaptur  
 Ms. Lee  
 Mrs. Lowey  
 Ms. McCollum  
 Mr. Moran  
 Mr. Olver  
 Mr. Pastor  
 Mr. Price  
 Mr. Rothman  
 Ms. Roybal-Allard  
 Mr. Schiff  
 Mr. Serrano  
 Mr. Visclosky

*Members Voting Nay*

Mr. Aderholt  
 Mr. Alexander  
 Mr. Austria  
 Mr. Bonner  
 Mr. Calvert  
 Mr. Carter  
 Mr. Cole  
 Mr. Crenshaw  
 Mr. Culberson  
 Mr. Dent  
 Mr. Diaz-Balart  
 Mrs. Emerson  
 Mr. Flake  
 Mr. Frelinghuysen  
 Ms. Granger  
 Mr. Graves  
 Mr. Kingston  
 Mr. Latham  
 Mr. LaTourette  
 Mrs. Lummis  
 Mr. Nunnelee  
 Mr. Rehberg  
 Mr. Rogers  
 Mr. Simpson  
 Mr. Wolf  
 Mr. Womack  
 Mr. Yoder

## FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 5

Date: June 23, 2011

Measure: Financial Services and General Government Appropriations Bill, 2012

Motion by: Ms. Lee

Description of Motion: To limit the bill's prohibition on the use of funds for abortion so that it would not apply to local District of Columbia funds.

Results: Defeated 20 yeas to 27 nays

*Members Voting Yea*

Ms. DeLauro  
Mr. Dicks  
Mr. Farr  
Mr. Fattah  
Mr. Hinchey  
Mr. Honda  
Mr. Jackson  
Ms. Kaptur  
Ms. Lee  
Mrs. Lowey  
Ms. McCollum  
Mr. Moran  
Mr. Olver  
Mr. Pastor  
Mr. Price  
Mr. Rothman  
Ms. Roybal-Allard  
Mr. Schiff  
Mr. Serrano  
Mr. Visclosky

*Members Voting Nay*

Mr. Aderholt  
Mr. Alexander  
Mr. Austria  
Mr. Bonner  
Mr. Calvert  
Mr. Carter  
Mr. Cole  
Mr. Crenshaw  
Mr. Culberson  
Mr. Dent  
Mr. Diaz-Balart  
Mrs. Emerson  
Mr. Flake  
Ms. Granger  
Mr. Graves  
Mr. Kingston  
Mr. Latham  
Mr. LaTourette  
Mr. Lewis  
Mrs. Lummis  
Mr. Nunnelee  
Mr. Rehberg  
Mr. Rogers  
Mr. Simpson  
Mr. Wolf  
Mr. Womack  
Mr. Yoder

## FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 6

Date: June 23, 2011

Measure: Financial Services and General Government Appropriations Bill, 2012

Motion by: Ms. DeLauro

Description of Motion: To increase funding for the Bureau of Consumer Financial Protection by \$129,045,000.

Results: Defeated 20 yeas to 28 nays

*Members Voting Yea*

Ms. DeLauro  
 Mr. Dicks  
 Mr. Farr  
 Mr. Fattah  
 Mr. Hinchey  
 Mr. Honda  
 Mr. Jackson  
 Ms. Kaptur  
 Ms. Lee  
 Mrs. Lowey  
 Ms. McCollum  
 Mr. Moran  
 Mr. Olver  
 Mr. Pastor  
 Mr. Price  
 Mr. Rothman  
 Ms. Roybal-Allard  
 Mr. Schiff  
 Mr. Serrano  
 Mr. Viseloksy

*Members Voting Nay*

Mr. Aderholt  
 Mr. Alexander  
 Mr. Austria  
 Mr. Bonner  
 Mr. Calvert  
 Mr. Carter  
 Mr. Cole  
 Mr. Crenshaw  
 Mr. Culberson  
 Mr. Dent  
 Mr. Diaz-Balart  
 Mrs. Emerson  
 Mr. Flake  
 Mr. Frelinghuysen  
 Ms. Granger  
 Mr. Graves  
 Mr. Kingston  
 Mr. Latham  
 Mr. LaTourette  
 Mr. Lewis  
 Mrs. Lummis  
 Mr. Nunnellee  
 Mr. Rehberg  
 Mr. Rogers  
 Mr. Simpson  
 Mr. Wolf  
 Mr. Womack  
 Mr. Yoder

## FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

## ROLL CALL NO. 7

Date: June 23, 2011

Measure: Financial Services and General Government Appropriations Bill, 2012

Motion by: Mr. Lewis

Description of Motion: To report the bill to the House, as amended.

Results: Adopted 27 yeas to 21 nays

*Members Voting Yea*

Mr. Aderholt  
 Mr. Alexander  
 Mr. Austria  
 Mr. Bonner  
 Mr. Calvert  
 Mr. Carter  
 Mr. Cole  
 Mr. Crenshaw  
 Mr. Culberson  
 Mr. Dent  
 Mr. Diaz-Balart  
 Mrs. Emerson  
 Mr. Frelinghuysen  
 Ms. Granger  
 Mr. Graves  
 Mr. Kingston  
 Mr. Latham  
 Mr. LaTourette  
 Mr. Lewis  
 Mrs. Lummis  
 Mr. Nunnelee  
 Mr. Rehberg  
 Mr. Rogers  
 Mr. Simpson  
 Mr. Wolf  
 Mr. Womack  
 Mr. Yoder

*Members Voting Nay*

Ms. DeLauro  
 Mr. Dicks  
 Mr. Farr  
 Mr. Fattah  
 Mr. Flake  
 Mr. Hinchey  
 Mr. Honda  
 Mr. Jackson  
 Ms. Kaptur  
 Ms. Lee  
 Mrs. Lowey  
 Ms. McCollum  
 Mr. Moran  
 Mr. Olver  
 Mr. Pastor  
 Mr. Price  
 Mr. Rothman  
 Ms. Roybal-Allard  
 Mr. Schiff  
 Mr. Serrano  
 Mr. Visclosky

## STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the following is a statement of general performance goals and objectives for which this measure authorizes funding:

The Committee on Appropriations considers program performance, including a program's success in developing and attaining outcome-related goals and objectives, in developing funding recommendations.

## RESCISSION OF FUNDS

Pursuant to clause 3(f)(2) of rule XIII of the Rules of the House of Representatives, the following table is submitted describing the rescissions recommended in the accompanying bill:

Treasury Forfeiture Fund .....	\$630,000,000
Counterdrug Technology Assessment Center .....	11,328,000
United States Sentencing Commission .....	100,000
General Services Administration Policy and Operations .....	4,600,000
Privacy and Civil Liberties Oversight Board .....	998,000

## TRANSFER OF FUNDS

Pursuant to clause 3(f)(2), rule XIII of the Rules of the House of Representatives, the following is submitted describing the transfer of funds provided in the accompanying bill.

The Committee recommends the following transfers:

## UNDER TITLE I—DEPARTMENT OF THE TREASURY

Under the Department of the Treasury, “Office of Terrorism and Financial Intelligence, Salaries and Expenses”, unobligated balances associated with these activities under the Departmental Offices heading shall be transferred and merged with this account.

Section 103 allows the transfer of five percent of any appropriation (or three percent of Internal Revenue Service (IRS), “Enforcement”) made available to the IRS to any other IRS appropriation, subject to prior congressional approval.

Section 111 authorizes transfers, up to two percent, between Departmental Offices, Office of Terrorism and Financial Intelligence, Office of Inspector General, Financial Management Service, Alcohol and Tobacco Tax and Trade Bureau, Financial Crimes Enforcement Network, and the Bureau of the Public Debt appropriations under certain circumstances.

Section 112 authorizes transfers, up to two percent, between the IRS and the Treasury Inspector General for Tax Administration under certain circumstances.

Section 115 authorizes the transfer of funds from the “Financial Management Service, Salaries and Expenses”, to the “Debt Collection Fund” as necessary to cover the cost of debt collection.

## UNDER TITLE II—EXECUTIVE OFFICE OF THE PRESIDENT

Language is included under Federal Drug Control Programs, “High Intensity Drug Trafficking Areas Program”, which allows for the transfer of funds to Federal departments or agencies and State and local entities.

Language is included under Federal Drug Control Programs, “Other Federal Drug Control Programs”, allowing the transfer of funds to other Federal departments or agencies.

Language is included under “Integrated, Efficient and Effective Uses of Information Technology”, allowing the transfer of funds to other agencies to carry out projects.

Language is included under the Official Residence of the Vice President, “Operating Expenses”, allowing the transfer of funds to other Federal departments or agencies.

Section 201 permits the Executive Office of the President to transfer up to 10 percent of any appropriation, subject to a 15 day notification period.

#### UNDER TITLE III—THE JUDICIARY

Language is included under “Courts of Appeals, District Courts, and Other Judicial Services, Court Security”, allowing funds to be transferred to the United States Marshals Service for courthouse security.

Section 302 permits the Judiciary to transfer up to five percent of any appropriation with certain limitations.

#### UNDER TITLE IV—DISTRICT OF COLUMBIA

Language is included under “Federal Payment for Defender Services in District of Columbia Courts” allowing \$10,000,000 to be transferred to the District of Columbia Courts.

#### UNDER TITLE V—INDEPENDENT AGENCIES

Under Title V, Independent Agencies, a number of transfers are allowed: (1) the Election Assistance Commission account may transfer \$1,625,000 to the National Institute for Standards and Technology; (2) section 502 allows the transfer of funding within Federal Buildings Fund after approval of the Committee; (3) under Merit Systems Protection Board, an amount is transferred from the Civil Service Retirement and Disability Fund; (4) under Office of Personnel Management, amounts from certain trust funds are transferred to the Salaries and Expenses and Office of Inspector General accounts for administrative expenses; (5) under the Postal Regulatory Commission, amounts are transferred from the Postal Service Fund; (6) under Small Business Administration, Office of Advocacy, funds may be transferred from Salaries and Expenses to cover required administrative and facilities costs; (7) under Small Business Administration, Business Loans Program Account, amounts may be transferred to the Office of Inspector General, and Salaries and Expenses; (8) under Small Business Administration, Disaster Loans Program Account, amounts may be transferred to the Office of Inspector General, and Salaries and Expenses; (9) under Administrative Provision-Small Business Administration, amounts may be transferred between appropriations of the Small Business Administration; and (10) under United States Postal Service, Office of Inspector General, amounts are transferred from the Postal Service Fund.

UNDER TITLE VII—GOVERNMENT-WIDE

Section 722 authorizes departments and agencies to transfer funds to the General Services Administration to support certain financial, information technology, procurement and other management initiatives.

UNDER TITLE VIII—GENERAL PROVISIONS, DISTRICT OF COLUMBIA

Section 803 authorizes the District of Columbia to transfer local funds.

DISCLOSURE OF EARMARKS AND CONGRESSIONALLY DIRECTED SPENDING ITEMS

Neither the bill nor the report contains any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

COMPLIANCE WITH RULE XIII, CL. 3(e) (RAMSEYER RULE)

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

**SECTION 122 OF THE DEPARTMENT OF JUSTICE  
APPROPRIATIONS ACT, 1998**

(Public Law 105-119)

SEC. 122. (a) \* \* \*

\* \* \* \* \*

(g)(1) Notwithstanding any other provision of law and subject to paragraph (2), the Secretary of the Treasury is authorized to establish, for a period of **[12 years]** *14 years* from date of enactment of this provision, a personnel management demonstration project providing for the compensation and performance management of not more than a combined total of 950 employees who fill critical scientific, technical, engineering, intelligence analyst, language translator, and medical positions in the Bureau of Alcohol, Tobacco and Firearms.

\* \* \* \* \*

---

**TITLE 31, UNITED STATES CODE**

\* \* \* \* \*

**SUBTITLE I—GENERAL**

\* \* \* \* \*

**CHAPTER 3—DEPARTMENT OF THE TREASURY**

**SUBCHAPTER I—ORGANIZATION**

\* \* \* \* \*

**§ 310. Financial Crimes Enforcement Network**

(a) \* \* \*

(b) DIRECTOR.—

(1) \* \* \*

(2) DUTIES AND POWERS.—The duties and powers of the Director are as follows:

(A) \* \* \*

\* \* \* \* \*  
(E) Furnish research, analytical, and informational services to financial institutions, appropriate Federal *and foreign* regulatory agencies with regard to financial institutions, and appropriate Federal, State, local, and foreign law enforcement authorities, in accordance with policies and guidelines established by the Secretary of the Treasury or the Under Secretary of the Treasury for Enforcement, in the interest of detection, prevention, and prosecution of terrorism, organized crime, money laundering, and other financial crimes.

\* \* \* \* \*

**SUBTITLE II—THE BUDGET PROCESS**

\* \* \* \* \*

**CHAPTER 11—THE BUDGET AND FISCAL, BUDGET, AND PROGRAM INFORMATION**

\* \* \* \* \*

**§ 1107. Deficiency and supplemental appropriations**

The President may submit to Congress proposed deficiency and supplemental appropriations the President decides are necessary because of laws enacted after the submission of the budget or that are in the public interest. The President shall include the reasons for the submission of the proposed appropriations and the reasons the proposed appropriations were not included in the budget. When the total proposed appropriations would have required the President to make a recommendation under section 1105(c) of this title if they had been included in the budget, the President shall make a recommendation under that section. *The President shall submit to Congress, without change, proposed deficiency and supplemental appropriations submitted to the President by the legislative branch and the judicial branch.*

\* \* \* \* \*

**SUBTITLE IV—MONEY**

\* \* \* \* \*

**CHAPTER 51—COINS AND CURRENCY**

\* \* \* \* \*



SUBCHAPTER II—GENERAL AUTHORITY

\* \* \* \* \*

**§ 5114. Engraving and printing currency and security documents**

(a) \* \* \*

\* \* \* \* \*

(c) The Secretary may make a contract [for a period of not more than 4 years] to manufacture distinctive paper for United States currency and securities. To promote competition among manufacturers of the distinctive paper, the Secretary may split the award for the manufacture of the paper between the 2 bidders with the lowest prices a pound. When the Secretary decides that it is necessary to operate more than one mill to manufacture distinctive paper, the Secretary may—

(1) \* \* \*

\* \* \* \* \*

**SUBTITLE IV—MONEY**

\* \* \* \* \*

**CHAPTER 53—MONETARY TRANSACTIONS**

\* \* \* \* \*

SUBCHAPTER II—RECORDS AND REPORTS ON MONETARY INSTRUMENTS TRANSACTIONS

\* \* \* \* \*

**§ 5318. Compliance, exemptions, and summons authority**

(a) \* \* \*

\* \* \* \* \*

(g) REPORTING OF SUSPICIOUS TRANSACTIONS.—

(1) \* \* \*

(2) NOTIFICATION PROHIBITED.—

(A) IN GENERAL.—If a financial institution or any director, officer, employee, or agent of any financial institution, voluntarily or pursuant to this section or any other authority, reports a suspicious transaction to a government agency—

(i) the financial institution, director, officer, employee, or agent may not notify any person involved in the transaction that the transaction has been reported; [and]

(ii) no officer or employee of the Federal Government or of any State, local, tribal, or territorial government within the United States, who has any knowledge that such report was made may disclose to any person involved in the transaction that the transaction has been reported, other than as necessary to fulfill the official duties of such officer or employee[.];

and

(iii) no other person that the Secretary may prescribe by regulation, who has knowledge that such report was made, may disclose to any person involved in the transaction that the transaction has been reported.

\* \* \* \* \*

**§ 5319. Availability of reports**

The Secretary of the Treasury shall make information in a report filed under this subchapter available to an agency, including any State financial institutions supervisory agency, United States intelligence agency or self-regulatory organization registered with the Securities and Exchange Commission or the Commodity Futures Trading Commission, upon request of the head of the agency or organization. The report shall be available for a purpose that is consistent with this subchapter. The Secretary may only require reports on the use of such information by any State financial institutions supervisory agency for other than supervisory purposes or by United States intelligence agencies. However, a report and records of reports are exempt from disclosure under section 552 of title 5, or under any State law having or intended to have a similar effect.

\* \* \* \* \*

**§ 5331. Reports relating to coins and currency received in nonfinancial trade or business**

(a) COIN AND CURRENCY RECEIPTS OF MORE THAN \$10,000.—Any person—

- [(1) who is engaged in a trade or business; and]**
- (1)(A) who is engaged in a trade or business, and*
- [(2)] (B) who, in the course of such trade or business, receives more than \$10,000 in coins or currency in 1 transaction (or 2 or more related transactions), or**
- (2) who is required to file a report under section 6050I(g) of the Internal Revenue Code of 1986,*

\* \* \* \* \*

**SECTION 120 OF THE EMERGENCY ECONOMIC STABILIZATION ACT OF 2008 ± ±**

**SEC. 120. TERMINATION OF AUTHORITY.**

(a) \* \* \*

\* \* \* \* \*

(c) **TERMINATION OF AUTHORITY TO PROVIDE NEW ASSISTANCE UNDER THE HOME AFFORDABLE MODIFICATION PROGRAM.—**

*(1) IN GENERAL.—Except as provided under paragraph (2), after the date of the enactment of this subsection the Secretary may not provide any assistance under the Home Affordable Modification Program under the Making Home Affordable initiative of the Secretary, authorized under this Act, on behalf of any homeowner.*

*(2) PROTECTION OF EXISTING OBLIGATIONS ON BEHALF OF HOMEOWNERS ALREADY EXTENDED AN OFFER TO PARTICIPATE IN THE PROGRAM.—Paragraph (1) shall not apply with respect to*

*assistance provided on behalf of a homeowner who, before the date of the enactment of this subsection, was extended an offer to participate in the Home Affordable Modification Program on a trial or permanent basis.*

**SECTION 203 OF THE JUDICIAL IMPROVEMENTS ACT OF 1990**

**SEC. 203. DISTRICT JUDGES FOR THE DISTRICT COURTS.**

(a) \* \* \*

\* \* \* \* \*

(c) TEMPORARY JUDGESHIPS.—The President shall appoint, by and with the advice and consent of the Senate—

(1) \* \* \*

\* \* \* \* \*

Except with respect to the district of Kansas, the western district of Michigan, the eastern district of Pennsylvania, the district of Hawaii, and the northern district of Ohio, the first vacancy in the office of district judge in each of the judicial districts named in this subsection, occurring 10 years or more after the confirmation date of the judge named to fill the temporary judgeship created by this subsection, shall not be filled. The first vacancy in the office of district judge in the district of Kansas occurring **【20 years】** *21 years* or more after the confirmation date of the judge named to fill the temporary judgeship created for such district under this subsection, shall not be filled. The first vacancy in the office of district judge in the western district of Michigan, occurring after December 1, 1995, shall not be filled. The first vacancy in the office of district judge in the eastern district of Pennsylvania, occurring 5 years or more after the confirmation date of the judge named to fill the temporary judgeship created for such district under this subsection, shall not be filled. The first vacancy in the office of district judge in the northern district of Ohio occurring 19 years or more after the confirmation date of the judge named to fill the temporary judgeship created under this subsection shall not be filled. The first vacancy in the office of the district judge in the district of Hawaii occurring 17 years or more after the confirmation date of the judge named to fill the temporary judgeship created under this subsection shall not be filled. For districts named in this subsection for which multiple judgeships are created by this Act, the last of those judgeships filled shall be the judgeships created under this section.

\* \* \* \* \*

**SECTION 7 OF THE SMALL BUSINESS ACT**

SEC. 7. (a) \* \* \*

\* \* \* \* \*

(d)(1) \* \* \*

\* \* \* \* \*

(5) Notwithstanding the provisions of any other law, the interest rate on the Federal share of any loan made under sub-

section (b)(1) and (b)(2) on account of a disaster commencing on or after October 1, 1982, shall be—

(A) \* \* \*

\* \* \* \* \*

(D) in the case of a business concern able to obtain credit elsewhere, the rate prescribed by the Administration but not in excess of the lowest of (i) the rate prevailing in the private market for similar loans, (ii) the rate prescribed by the Administration as the maximum interest rate for deferred participation (guaranteed) loans under section 7(a) of this Act, or (iii) 8 per centum per annum. Loans under this subparagraph shall be limited to a maximum term of **[three years]** *7 years*.

\* \* \* \* \*

CHANGES IN THE APPLICATION OF EXISTING LAW

Pursuant to clause 3(f)(1)(A) of rule XIII of the Rules of the House of Representatives, the following statements are submitted describing the effect of provisions proposed in the accompanying bill which may be considered, under certain circumstances, to change the application of existing law, either directly or indirectly. The bill provides that appropriations shall remain available for more than one year for a number of programs for which the basic authorizing legislation does not explicitly authorize such extended availability. The bill provides, in some instances, for funding of agencies and activities where legislation has not yet been finalized. In addition, the bill carries language, in some instances, permitting activities not authorized by law, or exempting agencies from certain provisions of law, but which has been carried in appropriations acts for many years.

The bill includes several limitations on official entertainment, reception and representation expenses. Similar provisions have appeared in many previous appropriations Acts. The bill includes a number of limitations on the purchase of automobiles or office furnishings that also have appeared in many previous appropriations Acts. Language is included in several instances permitting certain funds to be credited to the appropriations recommended.

TITLE I—DEPARTMENT OF THE TREASURY

Language is included for Departmental Offices, “Salaries and Expenses”, that provides funds for operation and maintenance of the Treasury Building Annex; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for real properties leased or owned overseas; official reception and representation expenses; Treasury-wide financial audits; the Global Tax Forum; information technology modernization requirements; critical infrastructure protection and compliance policy programs; and the period of availability; and specifying certain amounts for unforeseen emergencies of a confidential nature.

Language is included for the Office of Terrorism and Financial Intelligence that provides funds combating threats to national security and secure space. Language is also included that limits the availability of certain amounts.

Language is included to limit fiscal year 2012 transfers from the Federal Reserve to the Bureau of Consumer Financial Protection (BCFP) to \$200 million and to limit BCFP obligations to \$200 million. Additional language is included to subject the BCFP to the annual appropriations process beginning in fiscal year 2013.

Language is included for the Office of Inspector General, "Salaries and Expenses", that provides funds to carry out the provisions of the Inspector General Act of 1978, including the hire of vehicles and specifies amounts for unforeseen emergencies of a confidential nature.

Language is included for the Treasury Inspector General for Tax Administration, "Salaries and Expenses", that provides funds to carry out the provisions of the Inspector General Act of 1978, including the purchase and hire of motor vehicles and specifies amounts for unforeseen emergencies of a confidential nature.

Language is included for the Financial Crimes Enforcement Network, "Salaries and Expenses", that provides funds for hire of motor vehicles; the travel and training of non-federal and foreign government personnel attending meetings involving domestic or foreign financial law enforcement, intelligence, and regulation; official reception and representation expenses; and assistance to Federal law enforcement agencies with or without reimbursement. Language is also included that limits the availability of certain amounts.

Language is included for the Financial Management Service, "Salaries and Expenses", that provides a certain amount for official reception and representation expenses and limits the availability for systems modernization funds.

Language is included for the Alcohol and Tobacco Tax and Trade Bureau, "Salaries and Expenses", that provides funds for the hire of passenger motor vehicles and laboratory assistance to State and local agencies with or without reimbursement. Language is also included that specifies the amounts for official reception and representation expenses and cooperative research and development.

Language is included for the U.S. Mint, "United States Mint Public Enterprise Fund", that identifies the source of funding for the operations and activities of the U.S. Mint and specifies the level of funding for circulating coinage and protective service capital investments.

Language is included for the Bureau of the Public Debt, "Administering the Public Debt", that specifies funds for official reception and representation expenses; and provides that appropriations from the General Fund will be reduced as fees are collected, and that a portion of the funds are to be derived from the Oil Spill Liability Trust Fund for administration of the Fund. Language is also included that limits the availability of certain amounts.

Language is included for the Community Development Financial Institutions Fund Program Account that provides specific amounts for: Native American initiatives, administrative expenses, and the cost of direct loans. Language is included clarifying the cost of direct loans and the cost of modifying direct loans, and specifying the limitation on gross obligations for the principal amount of direct loans. Language is included to require specialized versions of the financial and technical assistance program to fulfill the findings of the Riegle Act.

Language is included under Internal Revenue Service, “Taxpayer Services” that provides funds for pre-filing assistance and education, filing and account services, and taxpayer advocacy services, implementation of the tax credit in title II of Division A the Trade Act of 2002 (Public Law 107–210), and dedicating funding for the Tax Counseling for the Elderly Program, low-income taxpayer clinic grants, Community Volunteer Income Tax Assistance grants, and operating expenses of the Taxpayer Advocate Service.

Language is included for Internal Revenue Service, “Enforcement” that provides funds to determine and collect owed taxes, provide legal and litigation support, conduct criminal investigations, enforce criminal statutes, purchase and hire of vehicles; and funding for the Interagency Crime and Drug Enforcement program.

Language is included for the Internal Revenue Service, “Operations Support” that provides funds for operating and supporting taxpayer services and tax law enforcement programs; rent; facilities services; printing; postage; physical security; headquarters and other IRS-wide administration activities; research and statistics of income; telecommunications; information technology development, enhancement, operations, maintenance, and security; hire of passenger motor vehicles; and dedicating funding for the IRS Oversight Board and official reception and representation expenses.

Language is included for Internal Revenue Service, “Business Systems Modernization” that provides for the business systems modernization program, including capital asset acquisition of information technology, including management and related contractual costs and IRS labor costs of said acquisitions, contractual costs associated with operations, and places certain restrictions on the use of the funds.

#### TITLE II—EXECUTIVE OFFICE OF THE PRESIDENT

Language under The White House, “Salaries and Expenses”, provides funds for services authorized by 5 U.S.C. 3109 and 3 U.S.C. 105 and 107, subsistence expenses, hire of vehicles, newspapers, periodicals, travel, and official entertainment expenses; and the Office of Policy Development.

Language under the Executive Residence at the White House, “Operating Expenses”, provides funds for official entertainment expenses of the President, and the care, maintenance, repair and alteration, refurbishing, improvement, heating, and lighting, including electric power and fixtures, of the Executive Residence at the White House.

Language under the Executive Residence at the White House, “Reimbursable Expenses”, specifies the authorized use of funds; specifies that reimbursable expenses are the exclusive authority of the Executive Residence to incur obligations and receive offsetting collections; requires the sponsors of political events to make advance payments; requires the national committee of the political party of the President to maintain \$25,000 on deposit; requires the Executive Residence to ensure that amounts owed are billed within 60 days of a reimbursable event and collected within 30 days of the bill notice; authorizes the Executive Residence to charge and assess interest and penalties on late payments; authorizes all reimbursements to be deposited into the Treasury as a miscellaneous receipt; requires a report to the Committee on the reimbursable expenses

within 90 days of the end of the fiscal year; requires the Executive Residence to maintain a system for tracking and classifying reimbursable events; and specifies that the Executive Residence is not exempt from the requirements of subchapter I or II of chapter 37 of title 31, United States Code.

Language under “White House Repair and Restoration” provides funds for the repair, alteration, improvement of the Executive Residence at the White House and allows funds to remain available until expended.

Language under National Security Council and Homeland Security Council “Salaries and Expenses”, provides for services authorized by 5 U.S.C. 3109.

Language under Office of Administration, “Salaries and Expenses”, provides funds for continued modernization of the information technology infrastructure within the Executive Office of the President, to remain available until expended.

Language under Office of Management and Budget, “Salaries and Expenses”, provides funds for expenses, services authorized by 5 U.S.C. 3109, the hire of vehicles; carrying out provisions of chapter 35 of 44 U.S.C.; specifies funds for official representation expense; prohibits the review of agricultural marketing orders; prohibits the use of funds for the purpose of altering the transcript of testimony except for OMB officials; prohibits the use of funds for evaluating or determining if water resource project or study reports submitted by the Chief of Engineers are in compliance with all applicable laws, regulations, and requirements; and specifies the amount of time to perform budgetary policy reviews of water resource matters on which the Chief of Engineers has reported before the report is considered approved, and specifies notification requirements.

Language under the Office of National Drug Control Policy, “Salaries and Expenses”, provides funds for expenses, research, official reception and representation expenses, participation in joint projects, and allows for the acceptance of gifts. Language is also included providing funds for policy research and evaluation and making these funds available until expended.

Language under Federal Drug Control Programs. “High Intensity Drug Trafficking Areas Program”, provides for the transfer of funds to Federal agencies and departments. Language is also included regarding the availability of funds, specifying the amount of funds for auditing and associated activities, requiring each designated High Intensity Drug Trafficking Area to receive not less than the fiscal year 2011 base allocation unless the Director of the Office of National Drug Control Policy determines otherwise and submits a report to the Committees on Appropriations, and requiring reports regarding initial allocations and discretionary funding.

Language under Federal Drug Control Programs, “Other Federal Drug Control Programs” provides funds to support matching grants to drug-free communities (with an amount specified to be made available as directed by section 4 of Public Law 107–82, as amended by Public Law 109–469), anti-doping activities, the U.S. membership dues to the World Anti-Doping Agency and a competitive grant program. Language also limits the availability of funds, and provides for the transfer of some funds to other Federal departments and agencies.

Language under “Integrated, Efficient and Effective Uses of Information Technology” provides funds to remain available until expended; allows funding to be transferred to agencies to carry out projects; and requires monthly reports on identified savings by fiscal year, agency and appropriation.

Language under Special Assistance to the President, “Salaries and Expenses”, enables the Vice President to provide assistance to the President, services authorized by 5 U.S.C. 3109 and 3 U.S.C. 106, subsistence, and the hire for vehicles.

Language under Official Residence of the Vice President, “Operating Expenses”, provides funds for operation and maintenance of the official residence of the Vice President, the hire of vehicles, official entertainment expenses and provides for the transfer of funds as necessary.

#### TITLE III—THE JUDICIARY

Language is included under Supreme Court, “Salaries and Expenses” permitting certain funds to remain available until expended and specifying certain amounts for specific purposes.

Language is included under Supreme Court, “Care of the Building and Grounds” permitting funds to remain available until expended.

Language is included under Courts of Appeals, District Courts, and Other Judicial Services, “Salaries and Expenses” providing funds are for the salaries of certain judges, and all other employees not otherwise provided for, necessary expenses, the purchase, rental, repair and cleaning of uniforms for Probation and Pretrial Services Office staff and specifies certain funds remain available until expended for specific purposes. Language is also included providing funding from the Vaccine Injury Compensation Trust Fund for certain purposes.

Language is included under Defender Services, providing for the compensation and reimbursement of expenses for attorneys, the operation of Federal Defender organizations, training, general administrative expenses and permitting funds to remain available until expended.

Language is included under Fees of Jurors and Commissioners, permitting funds to remain available until expended and specifying limitations for the compensation of land commissioners.

Language is included under Court Security, providing for protective guard services and procurement, installation and maintenance of security systems and equipment, inspection of mail and packages, directed security patrols, perimeter security and services provided by the Federal Protective Services. Language is included permitting certain funds to remain available until expended, which may be transferred to the United States Marshals Service.

Language is included under Administrative Office of the United States Courts, “Salaries and Expenses” providing for travel, the hire of passenger motor vehicles, advertising and rent in the District of Columbia. Language is included specifying certain amounts for official reception and representation expenses.

Language is included under Federal Judicial Center, “Salaries and Expenses” extending the availability of certain funds for education and training, and specifying certain amounts for official reception and representation expenses.



Language is included under United States Sentencing Commission, “Salaries and Expenses” specifying certain amounts for official reception and representation expenses.

TITLE IV—DISTRICT OF COLUMBIA

Language is included under “Federal Payment for Resident Tuition Support” permitting the amount appropriated to remain available until expended; specifying conditions for the use, award, and financial accounting of funds; and requiring a quarterly financial report.

Language is included under “Federal Payment for Emergency Planning and Security Costs in the District of Columbia” providing that the amount appropriated shall remain available until expended for providing public safety at events, including support of the United States Secret Service, and to respond to terrorist threats or attacks.

Language is included under “Federal Payment to the District of Columbia Courts”; (1) providing all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies; (2) specifying certain amounts for specific purposes; (3) allowing funds made available for capital improvements to remain available until September 30, 2013, and (4) providing for the reallocation of funds.

Language is included under “Defender Services in the District of Columbia Courts”: (1) providing that the amount appropriated shall remain available until expended; (2) specifying who shall administer these funds; (3) providing that all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies; and (4) allowing \$10,000,000 to be transferred for courthouse facilities.

Language is included under “Federal Payment to the Court Services and Offender Supervision Agency for the District of Columbia”: (1) specifying certain amounts for specific purposes and programs; (2) providing that all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies; (3) authorizing the Director to accept and use gifts to support offender and defendant programs and equipment and vocational training services to educate and train offenders and defendants, and details for recording the acceptance of such gifts; and (4) authorizing the Director to charge fees to cover the costs of training and materials distributed at conferences.

Language is included under “Federal Payment to District of Columbia Public Defender Service” providing that all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies and authorizing the collection of fees for materials provided at conferences.

Language is included under “Federal Payment to the Criminal Justice Coordinating Council” specifying that the amount appropriated shall remain available until expended to support initiatives related to the coordination of Federal and local criminal justice resources.

Language is included under “Federal Payment for Judicial Commissions” specifying certain amounts for certain commissions and allowing for appropriations to remain available until September 30, 2013.

Language is included under “Federal Payment for School Improvement” allowing for appropriations to remain available until expended for payments authorized under the Scholarship for Opportunity and Results Act.

Language is included under “Federal Payment for the District of Columbia National Guard” providing funds for the National Guard Retention and College Access Program to remain available until expended.

Language is included under “District of Columbia Funds” (1) limiting the amount provided in this Act for the District of Columbia; (2) identifying the source of funds, including a rescission of prior year local funds; (3) establishing the District’s intradistrict authority; (4) setting funds subject to the provisions of and allocated and expended as proposed in the Fiscal Year 2012 Proposed Budget and Financial Plan; (5) providing conditions for increasing the amount provided; and (6) directing the Chief Financial Officer to assure the District of Columbia meets all requirements, but prohibits the reprogramming of capital projects.

#### TITLE V—INDEPENDENT AGENCIES

Language is included for the Administrative Conference of the United States for expenses authorized under 5 U.S.C. 591, and for official reception and representation expenses.

Language is included for the Consumer Product Safety Commission, “Salaries and Expenses” that provides funds for expenses, the hire of motor vehicles, services as authorized by 5 U.S.C. 3109 (with a limitation on rates for individuals), nominal awards, official reception and representation expenses, and allowing \$500,000 to remain available until September 30, 2013 for a grant program authorized by section 1405 of Public Law 110–140 (15 U.S.C. 8004).

Language is included for the Election Assistance Commission, “Salaries and Expenses” that allows for the transfer of funds to the National Institute of Standards and Technology for election reform activities.

Language is included under the Federal Communications Commission, “Salaries and Expenses”, permitting funds for uniforms and allowances therefor, official reception and representation expenses, purchase and hire of motor vehicles, and special counsel fees. Language provides for the assessment and collection of offsetting collections, authorizes retention of such collections, and provides that they remain available until expended. Language removes the availability for obligation of excess collections. Language waives existing law concerning proceeds from the use of a competitive bidding system.

Language is included for the Federal Deposit Insurance Corporation, “Office of Inspector General” that provides for the funds to be

derived from the Deposit Insurance Fund, and the FSLIC Resolution Fund, or any successor to these funds.

Language is included for the Federal Election Commission, “Salaries and Expenses” that specifies funds for reception and representation expenses.

Language is included for the Federal Labor Relations Authority, “Salaries and Expenses” that provides funds for services authorized by 5 U.S.C. 3109, the hire of experts and consultants, hire of motor vehicles, and the rental of conference rooms; authorizes travel payments to public members of the Federal Service Impasses Panel; and allows for fees collected to be transferred to and merged with the appropriation.

Language is included for the Federal Trade Commission, “Salaries and Expenses” permitting funds for uniforms and allowances therefor, services authorized by 5 U.S.C. 3109, official reception and representation expenses, hire of motor vehicles, and contract for collection services. Language provides for the crediting and retention of certain fees. Language also prohibits funds from being used to implement subsection (e)(2)(B) of section 43 of the Federal Deposit Insurance Act.

Language is included for the General Services Administration, “Federal Buildings Fund” that allows for revenues and collections to be deposited in the Fund; specifies the conditions under which funds made available can be used; limits the availability of funds; and requires the approval to change the amounts identified.

Language is included for General Services Administration, “Government-wide Policy” that provides funds for policy and evaluation activities associated with the management of real and personal property assets and certain administrative services; support responsibilities relating to acquisition, telecommunications, information technology management, and related technology activities; and services authorized by 5 U.S.C. 3109.

Language is included for General Services Administration, “Operating Expenses”, that provides funds for expenses for activities associated with personal and real property; technology management and activities; information access activities; agency-wide policy direction and management; other support services; and official reception and representation expenses.

Language is included for the General Services Administration, “Office of Inspector General”, that provides funds for information and detection of fraud; and for awards in recognition of efforts that enhance the office.

Language is included for the General Services Administration, “Information and Engagement for Citizens”, that provides funds for the Office of Citizen Services and to carry out the E-Government Act of 2002. Language is also included for the “Federal Citizen Services Fund” that authorizes funds to be deposited in the Fund and limits the availability of funds in the Fund.

Language is included for the General Services Administration, “Allowances and Office Staff for Former Presidents”, that allows a portion of these funds to be transferred.

Language is included for the Harry S Truman Scholarship Foundation Trust Fund allowing appropriations to remain available until expended.

Language is included for the Merit Systems Protection Board, "Salaries and Expenses", that provides funds for services authorized by 5 U.S.C. 3109, rental of conference rooms, hire of passenger motor vehicles, direct procurement of survey printing, official reception and representation expenses, and administration expenses to adjudicate retirement appeals, and provides for the transfer of some funds.

Language is included for the Morris K. Udall and Stewart L. Udall Foundation to provide funds for tribal leadership and management activities, the Morris K. Udall and Stewart L. Udall Trust Fund, and to carry out the Environment Dispute Resolution Act.

Language is included for National Archives and Records Administration, "Operating Expenses", that provides funds for uniforms or allowances therefor, as authorized by 5 U.S.C. 5901 et seq., including maintenance, repairs, and cleaning, the hire of passenger motor vehicles, activities of the Public Interest Declassification Board, the review and declassification of documents, and the maintenance of the electronic records archive.

Language is included for National Archives and Records Administration, "Office of Inspector General" that provides funds for the hire of motor vehicles.

Language is included for National Archives and Records Administration, "Repairs and Restoration" that provides funds for the repair, alteration, improvement, and provision of adequate storage; allows savings from the John F. Kennedy Presidential Library and Museum to remain available for the Archive's Capital Improvement Plan; and provides that funds remain available until expended.

Language is included for National Archives and Records Administration, "National Historical Publications and Records Commission Grants Program" that provides funds for allocations and grants for historical publications and records; and provides that funds remain available until expended.

Language is included under the National Credit Union Administration, "Community Development Credit Union Revolving Loan Fund" that provides funds for technical assistance and limits the availability of funds.

Language is included under Office of Government Ethics, "Salaries and Expenses" that provides funds for services authorized by 5 U.S.C. 3109, rental of conference rooms, hire of passenger motor vehicles, and official reception and representation expenses.

Language is included under Office of Personnel Management, "Salaries and Expenses" that provides funds for services authorized by 5 U.S.C. 3109, medical examinations for veterans, rental of conference rooms, hire of passenger motor vehicles, official reception and representation expenses, advances for reimbursements, payment of per diem and/or subsistence allowances, the Enterprise Human Resources Integration project, the Human Resources Line of Business project, and the transfer of administrative expenses; limits the availability of some funds; directs that provisions shall not affect other authorities; prohibits funds for the Legal Examining Unit; and authorizes the acceptance of donations under certain conditions.

Language is included for Office of Personnel Management, Office of Inspector General, "Salaries and Expenses" that provides funds for services authorized by 5 U.S.C. 3109, hire of passenger motor

vehicles, rental of conference rooms, and the transfer of administrative expenses.

Language is included for Office of Special Counsel, "Salaries and Expenses" that provides funds for services authorized by 5 U.S.C. 3109, payment of fees and expenses for witnesses, rental of conference rooms, and the hire of passenger motor vehicles.

Language is included for the Postal Regulatory Commission, "Salaries and Expenses" that provides for transfer from the Postal Service Fund.

Language is included for Securities and Exchange Commission, "Salaries and Expenses" that provides for rental of space, reception and representation expenses, a permanent secretariat for the International Organization of Securities Commissions, and consultations and meetings hosted by the Commission. Language is included that provides for the crediting of offsetting collections. Language provides for the assessment and collection of offsetting collections, authorizes retention of such collections, and provides that they remain available until expended.

Language is included for Selective Service System, "Salaries and Expenses" that provides funds for attendance of meetings, training, uniforms, hire of passenger motor vehicles, services authorized by 5 U.S.C. 3109, and official reception and representation expenses; authorizes certain exemptions under certain conditions; and prohibits funds used in connection with the induction of any person into the Armed Forces of the United States.

Language is included for Small Business Administration, "Salaries and Expenses", that provides for hire of motor vehicles and official reception and representation expenses. Language is also included to provide authority to charge fees and credit such fees to the account without further appropriation. Language is also included to fund grants. Language is also included for the Loan Modernization and Accounting System.

Language is included for the Small Business Administration, "Office of Inspector General" that provides funds to carry out the provisions of the Inspector General Act of 1978.

Language is included for the Small Business Administration, "Office of Advocacy" that provides funds to carry out the provisions of the Independent Office of Advocacy Act of 2003 and the Regulatory Flexibility Act of 1980 and allows funds to remain available until expended. Language is also included authorizing the transfer of funds from the "Salaries and Expenses" account to cover required administrative and facilities related expenses.

Language is included for Small Business Administration, "Business Loans Program Account", limiting commitments for certain guaranteed loan programs and for providing for the cost of direct loans and guaranteed loans. Language is also included authorizing the transfer of funds to "Salaries and Expenses" for administrative expenses.

Language is included for the Small Business Administration "Disaster Loan Program Account" that provides for the transfer of funds to the "Office of Inspector General" and to "Salaries and Expenses" and allows funds to remain available until expended.

Language is included for the United States Postal Service, "Payment to the Postal Service Fund" that provides funds for revenue foregone; limits the availability of funds; stipulates that mail for

overseas voting and mail for the blind is free; stipulates that 6-day delivery and rural mail delivery shall continue at not less than the 1983 level; prohibits funds from being used to charge a fee to a child support enforcement agency seeking the address of a postal customer; and prohibits funds from being used to consolidate or close small rural and other small post offices.

Language is included for United States Postal Service, "Office of Inspector General" that provides for transfer from the Postal Service Fund.

Language is included for the United States Tax Court, "Salaries and Expenses" that provides funds for contract reporting and services authorized by 5 U.S.C. 3109; and that travel expenses of the judges shall be paid upon the written certificate of the judge.

#### ADMINISTRATIVE AND GENERAL PROVISIONS

Sections 103, 111, 112, 201, 302, 502, 722 and 813 include legislative transfer authorities.

Sections 202, 307, 508, and 617 rescind unobligated prior year appropriations.

Sections 101, 102, 104, 105, 106, 107, 108, 109, 110, 113, 114, 115, 117, 118, 120, 122, 126, 127, 203, 204, 205, 301, 303, 304, 305, 501, 502, 503, 504, 505, 506, 507, 511, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 612, 613, 614, 616, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 629, 630, 631, 632, 633, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 723, 724, 725, 726, 727, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 901, and 902 establish affirmative directions, confer new authorities, or impose new responsibilities on departments or agencies funded by the bill.

Sections 101, 102, 106, 114, 117, 118, 126, 127, 129, 608, 612, 623, 632, Title VII do not apply solely to the appropriations within this bill.

Sections 119, 728 propose to state a legislative position.

Sections 611, 615, 616, 619, 711, 724, 730 waive existing law.

Sections 116, 121, 123, 124, 125, 128, 129, 306, 308, and 510, amend existing law.

#### APPROPRIATIONS NOT AUTHORIZED BY LAW

Pursuant to clause 3(f)(1)(B) of rule XIII of the Rules of the House of Representatives, the following table lists the appropriations in the accompanying bill which are not authorized by law for the period concerned:

[Dollars in thousands]

	Last Year of Authorization	Authorization Level	Appropriation in Last Year of Authorization	Appropriations in this bill
<b>Title I - Department of the Treasury</b>				
Departmental Offices.....	n/a	n/a	n/a	185,749
Office of the Inspector General.....	n/a	n/a	n/a	29,641
Inspector General for Tax Administration.....	n/a	n/a	n/a	151,696
Financial Management Service.....	n/a	n/a	n/a	216,617
Alcohol and Tobacco Tax and Trade Bureau.....	n/a	n/a	n/a	93,515
Bureau of Public Debt.....	n/a	n/a	n/a	171,979
Community Development and Financial Institutions Fund.....	1998	60,000	80,000	183,000
Internal Revenue Service:				
Taxpayer Services.....	n/a	n/a	n/a	2,165,756
Enforcement.....	n/a	n/a	n/a	5,226,603
Operations Support.....	n/a	n/a	n/a	3,793,379
Business Systems Modernization.....	n/a	n/a	n/a	330,000
<b>Title II - Executive Office of the President</b>				
Office of Management and Budget.....	2003	various	61,988	82,575
Integrated, Efficient and Effective Use of Information Tech.....	n/a	n/a	n/a	5,000
<b>Title IV - District of Columbia</b>				
Federal Payment for the DC National Guard.....	n/a	n/a	n/a	375
Federal Payment for Judicial Commissions.....	n/a	n/a	n/a	499
<b>Title V - Independent Agencies</b>				
Administrative Conference of the United States.....	2011	3,200	2,744	2,608
Election Assistance Commission				
Salaries and expenses.....	2005	10,000	13,888	6,858
Federal Communications Commission.....	1991	such sums	115,794	319,004
Federal Election Commission.....	1981	9,400	9,662	66,367
Federal Trade Commission.....	1998	111,000	106,500	284,067
General Services Administration:				
Federal Buildings Fund <sup>1</sup> .....	na	na	na	7,223,801
National Archives and Records Administration				
National Historical Publications and Records Commission: Grants				
Program.....	2004	5/18/1927	11,250	1,000
Office of Government Ethics.....	2007	such sums	11,148	13,483
Office of Special Counsel.....	2007	such sums	15,524	17,997
Merit Systems Protection Board.....	2007	such sums	39,110	41,761
Small Business Administration.....	<sup>2</sup>	such sums	na	978,306

<sup>1</sup> Deposits into the Federal buildings fund are available for real property management and related activities in the amounts specified in annual appropriation laws, as provided by 40 USC 592 .

<sup>2</sup> The Small Business Administration has a temporary extension of authorization through July 31, 2011, with an extension of its Small Business Innovation Research and Small Business Technology Transfer Programs through September 30, 2011.

## COMPARISON WITH THE BUDGET RESOLUTION

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a)(1)(A) of the Congressional Budget Act of 1974, the following table compares the levels of new budget authority and outlays provided in the bill with the appropriate allocations made under section 302(b) of the Budget Act.

(In millions of dollars)

	302b Allocation		This bill	
	Budget authority	Outlays	Budget authority	Outlays
Discretionary .....	19,895	23,523	19,895	*23,523
Mandatory .....	21,455	21,450	21,455	21,450

\* Includes outlays from prior year budget authority.

## FIVE-YEAR OUTLAY PROJECTIONS

Pursuant to clause 3(c)(2) of rule XIII and section 308(a)(1)(B) of the Congressional Budget Act of 1974, the following table contains five-year projections associated with the budget authority provided in the accompanying bill, as provided to the Committee by the Congressional Budget Office.

(In millions of dollars)

	Outlays
2012 .....	37,347
2013 .....	2,488
2014 .....	- 149
2015 .....	- 554
2016 and future years .....	- 3,084

## FINANCIAL ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

Pursuant to clause 3(c)(2) of rule XIII and section 308(a)(1)(C) of the Congressional Budget Act of 1974, the Congressional Budget Office has provided the following estimates of new budget authority and outlays provided by the accompanying bill for financial assistance to State and local governments.

(In millions of dollars)

	Budget authority	Outlays
Financial assistance to State and Local governments for 2012 .....	422	273

## CONSTITUTIONAL AUTHORITY

Pursuant to section 6(e) of the rules of the Committee on Appropriations, the following statement is submitted regarding the specific powers granted to Congress in the Constitution to enact the accompanying bill.

The principal constitutional authority for this legislation is clause 7 of section 9 of article I of the Constitution of the United States (the appropriation power), which states: "No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law . . ." In addition, clause 1 of section 8 of article I of the Constitution (the spending power) provides: "The Congress shall have the Power . . . to pay the Debts and provide for the common Defense and general welfare of the United States . . ." To-



gether, these specific constitutional provisions establish the congressional power of the purse, granting Congress the authority to appropriate funds, to determine their purpose, amount, and period of availability and to set forth terms and conditions governing their use.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL)  
AUTHORITY

The following table provides a detailed summary, for each Department and agency, comparing the amounts recommended in the bill with amounts enacted for fiscal year 2011 and budget estimates presented for fiscal year 2012.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2011  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012  
(Amounts in thousands)

	FY 2011 Enacted	FY 2012 Request	Bill	Bill vs. Enacted	Bill vs. Request
<b>TITLE I - DEPARTMENT OF THE TREASURY</b>					
<b>Departmental Offices</b>					
Salaries and expenses.....	306,388	324,889	185,749	-120,639	-139,140
Terrorism and financial intelligence.....	---	---	100,000	+100,000	+100,000
Department-wide systems and capital investments programs.....	3,992	---	---	-3,992	---
Office of Inspector General.....	29,641	29,855	29,641	---	-214
Treasury Inspector General for Tax Administration.....	151,696	157,831	151,696	---	-6,135
Special Inspector General for TARP.....	36,227	47,374	41,801	+5,574	-5,573
Financial Crimes Enforcement Network.....	110,788	84,297	110,788	---	+26,491
Treasury forfeiture fund (rescission).....	-400,000	-600,000	-630,000	-230,000	-30,000
<b>Total, Departmental Offices.....</b>	<b>238,732</b>	<b>44,246</b>	<b>-10,325</b>	<b>-249,057</b>	<b>-54,571</b>
Financial Management Service.....	232,786	218,805	216,617	-16,169	-2,188
Alcohol and Tobacco Tax and Trade Bureau.....	100,798	97,878	96,899	-3,899	-979
Bureau of the Public Debt.....	174,635	165,635	163,979	-10,656	-1,656
Community development financial institutions fund program account.....	226,546	227,259	183,000	-43,546	-44,259
Payment of government losses in shipment.....	2,000	2,000	2,000	---	---
<b>Total, Department of the Treasury, non-IRS.....</b>	<b>975,497</b>	<b>755,823</b>	<b>652,170</b>	<b>-323,327</b>	<b>-103,653</b>

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2011  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012  
(Amounts in thousands)

	FY 2011 Enacted	FY 2012 Request	Bill	Bill vs. Enacted	Bill vs. Request
<b>Internal Revenue Service</b>					
Taxpayer services.....	2,274,272	2,345,133	2,165,756	-108,516	-179,377
Enforcement.....	5,492,992	5,030,619	5,226,603	-266,389	+195,984
Enhanced tax enforcement activities.....	---	936,000	---	---	-936,000
Subtotal.....	5,492,992	5,966,619	5,226,603	-266,389	-740,016
Operations support.....	4,075,716	4,299,526	3,793,379	-282,337	-506,147
Enhanced tax enforcement activities.....	---	321,000	---	---	-321,000
Subtotal.....	4,075,716	4,620,526	3,793,379	-282,337	-827,147
Business systems modernization.....	263,369	333,600	330,000	+66,631	-3,600
Health Insurance Tax Credit Administration.....	15,481	18,029	---	-15,481	-18,029
Total, Internal Revenue Service.....	12,121,830	13,283,907	11,515,738	-606,092	-1,768,169
<b>Total, title I, Department of the Treasury.....</b>					
Appropriations.....	13,097,327	14,039,730	12,167,908	-929,419	-1,871,822
Rescissions.....	(13,497,327)	(14,639,730)	(12,797,908)	(-699,419)	(-1,841,822)
(Mandatory).....	(-400,000)	(-600,000)	(-630,000)	(-230,000)	(-30,000)
(Discretionary).....	(2,000)	(2,000)	(2,000)	---	---
	(13,095,327)	(14,037,730)	(12,165,908)	(-929,419)	(-1,871,822)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2011  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012  
(Amounts in thousands)

	FY 2011 Enacted	FY 2012 Request	Bill	Bill vs. Enacted	Bill vs. Request
<b>TITLE II - EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT</b>					
The White House					
Salaries and expenses (including Office of Policy Development).....	58,435	58,374	55,513	-2,922	-2,861
Compensation of the President.....	450	450	---	-450	-450
Sec. 628.....	---	---	(450)	(+450)	(+450)
Subtotal.....	58,885	58,824	55,513	-3,372	-3,311
<b>Executive Residence at the White House:</b>					
Operating expenses.....	13,673	13,658	12,989	-684	-669
White House repair and restoration.....	2,001	1,000	1,000	-1,001	---
Subtotal.....	15,674	14,658	13,989	-1,685	-669
<b>Council of Economic Advisers.....</b>					
National Security Council.....	4,192	4,403	3,982	-210	-421
Office of Administration.....	13,048	13,074	12,396	-652	-678
	115,049	115,848	109,297	-5,752	-6,551
Total, The White House.....	206,848	206,807	195,177	-11,671	-11,630
Office of Management and Budget.....	91,750	91,660	82,575	-9,175	-9,085

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2011  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012  
(Amounts in thousands)

	FY 2011 Enacted	FY 2012 Request	Bill	Bill vs. Enacted	Bill vs. Request
<b>Office of National Drug Control Policy</b>					
Salaries and expenses.....	27,084	23,413	23,000	-4,084	-413
Rescission.....	---	-11,328	-11,328	-11,328	---
High intensity drug trafficking areas program.....	238,522	200,000	238,522	---	+38,522
Other Federal drug control programs.....	140,618	143,600	101,978	-38,640	-41,622
<b>Total, Office of National Drug Control Policy...</b>	<b>406,224</b>	<b>355,685</b>	<b>352,172</b>	<b>-54,052</b>	<b>-3,513</b>
Unanticipated needs.....	998	1,000	---	-998	-1,000
Partnership fund for program integrity innovation.....	---	20,000	---	---	-20,000
Rescission.....	-5,000	---	---	+5,000	---
<b>Integrated, efficient and effective uses of information technology.....</b>	<b>---</b>	<b>60,000</b>	<b>5,000</b>	<b>+5,000</b>	<b>-55,000</b>
<b>Special Assistance to the President and Official Residence of the Vice President:</b>					
Salaries and expenses.....	4,549	4,328	4,322	-227	-6
Operating expenses.....	326	307	307	-19	---
<b>Subtotal.....</b>	<b>4,875</b>	<b>4,635</b>	<b>4,629</b>	<b>-246</b>	<b>-6</b>
<b>Total, title II, Executive Office of the Presi- dent and Funds Appropriated to the President..</b>					
(Mandatory).....	705,695	739,787	639,553	-66,142	-100,234
(Discretionary).....	(450)	(450)	---	(-450)	(-450)
	(705,245)	(739,337)	(639,553)	(-65,692)	(-99,784)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2011  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012  
(Amounts in thousands)

	FY 2011 Enacted	FY 2012 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE III - THE JUDICIARY					
Supreme Court of the United States					
Salaries and expenses:					
Salaries of justices.....	2,197	2,197	2,197	---	---
Other salaries and expenses.....	71,724	73,354	72,622	+898	-732
Subtotal.....	73,921	75,551	74,819	+898	-732
Care of the building and grounds.....	8,159	8,504	8,159	---	-345
Total, Supreme Court of the United States.....	82,080	84,055	82,978	+898	-1,077
United States Court of Appeals for the Federal Circuit					
Salaries and expenses:					
Salaries of judges.....	2,502	2,513	2,513	+11	---
Other salaries and expenses.....	30,009	32,626	28,959	-1,050	-3,667
Total, United States Court of Appeals for the Federal Circuit.....	32,511	35,139	31,472	-1,039	-3,667

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2011  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012  
(Amounts in thousands)

	FY 2011 Enacted	FY 2012 Request	Bill	Bill vs. Enacted	Bill vs. Request
<b>United States Court of International Trade</b>					
Salaries and expenses:					
Salaries of judges.....	1,851	1,718	1,718	-133	---
Other salaries and expenses.....	19,596	21,173	18,910	-686	-2,263
Total, U.S. Court of International Trade.....	21,447	22,891	20,628	-819	-2,263
<b>Courts of Appeals, District Courts, and Other Judicial Services</b>					
Salaries and expenses:					
Salaries of judges and bankruptcy judges.....	332,565	327,707	327,707	-4,858	---
Other salaries and expenses.....	4,671,656	4,908,459	4,463,148	-208,508	-445,311
Subtotal.....	5,004,221	5,236,166	4,790,855	-213,366	-445,311
Vaccine Injury Compensation Trust Fund.....	4,775	5,011	4,775	---	-236
Defender services.....	1,025,693	1,098,745	1,050,000	+24,307	-48,745
Fees of jurors and commissioners.....	52,305	59,727	57,305	+5,000	-2,422
Court security.....	466,672	513,058	500,000	+33,328	-13,058
Total, Courts of Appeals, District Courts, and Other Judicial Services.....	6,553,666	6,912,707	6,402,935	-150,731	-509,772
<b>Administrative Office of the United States Courts</b>					
Salaries and expenses.....	82,909	88,455	80,007	-2,902	-8,448

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2011  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012  
(Amounts in thousands)

	FY 2011 Enacted	FY 2012 Request	Bill	Bill vs. Enacted	Bill vs. Request
<b>Federal Judicial Center</b>					
Salaries and expenses.....	27,273	29,029	26,318	-955	-2,711
<b>Judicial Retirement Funds</b>					
Payment to judiciary trust funds.....	90,361	99,000	---	-90,361	-99,000
Sec. 628.....	---	---	(99,000)	(+99,000)	(+99,000)
<b>United States Sentencing Commission</b>					
Salaries and expenses.....	16,803	17,906	16,215	-588	-1,691
Rescission.....	---	---	-100	-100	-100
<b>Total, title III, the Judiciary.....</b>					
(Mandatory).....	6,907,050	7,289,182	6,660,453	-246,597	-628,729
(Discretionary).....	(429,476)	(433,135)	(334,135)	(-95,341)	(-99,000)
	(6,477,574)	(6,856,047)	(6,326,318)	(-151,256)	(-529,729)
<b>TITLE IV - DISTRICT OF COLUMBIA</b>					
<b>FEDERAL FUNDS</b>					
Federal payment for resident tuition support.....	35,030	35,100	30,000	-5,030	-5,100
Federal payment for emergency planning and security costs in the District of Columbia.....	14,970	14,900	14,900	-70	---



COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2011  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012  
(Amounts in thousands)

	FY 2011 Enacted	FY 2012 Request	Bill	Bill vs. Enacted	Bill vs. Request
Federal payment to the District of Columbia Courts....	242,933	229,068	224,394	-18,539	-4,674
Federal payment for defender services in the in District of Columbia Courts.....	54,890	55,000	54,890	---	-110
Federal payment to the Court Services and Offender Supervision Agency for the District of Columbia....	211,983	216,846	212,983	+1,000	-3,863
Federal payment to the District of Columbia Public Defender Service.....	37,241	41,486	37,241	---	-4,245
Federal payment to the District of Columbia Water and Sewer Authority.....	11,476	25,000	---	-11,476	-25,000
Federal payment to the Criminal Justice Coordinating Council.....	1,796	1,800	1,796	---	-4
Federal payment for judicial commissions.....	499	500	499	---	-1
Federal payment for school improvement.....	77,545	67,000	60,000	-17,545	-7,000
Federal payment for the D.C. National Guard.....	375	2,000	375	---	-1,625
Federal payment for housing for the homeless.....	9,980	---	---	-9,980	---
Federal payment for redevelopment of the St. Elizabeth's Hospital campus.....	---	18,000	---	---	-18,000
Federal payment for HIV/AIDS prevention.....	---	5,000	---	---	-5,000
Federal payment for D.C. Commission on the Arts and Humanities grants.....	---	5,000	---	---	-5,000
Total, Title IV, District of Columbia.....	698,718	716,700	637,078	-61,640	-79,622

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2011  
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(Amounts in thousands)

	FY 2011 Enacted	FY 2012 Request	Bill	Bill vs. Enacted	Bill vs. Request
<b>TITLE V - OTHER INDEPENDENT AGENCIES</b>					
Administrative Conference of the United States.....	2,744	3,200	2,608	-136	-592
Christopher Columbus Fellowship Foundation.....	499	---	---	-499	---
Civilian Property Realignment Board					
Salaries and expenses.....	---	23,000	---	---	-23,000
Asset Proceeds and Space Management Fund.....	---	65,000	---	---	-65,000
Total, Civilian Property Realignment Board.....	---	88,000	---	---	-88,000
Consumer Product Safety Commission.....	114,788	122,000	111,288	-3,500	-10,712
Election Assistance Commission					
Salaries and expenses.....	16,267	13,716	6,858	-9,409	-6,858
Election reform programs.....	---	---	---	---	---
Total, Election Assistance Commission.....	16,267	13,716	6,858	-9,409	-6,858
Federal Communications Commission					
Salaries and expenses.....	335,794	358,801	319,004	-16,790	-39,797
Offsetting fee collections - current year.....	-335,794	-358,801	-319,004	+16,790	+39,797
Direct appropriation.....	---	---	---	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2011  
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2012  
(Amounts in thousands)

	FY 2011 Enacted	FY 2012 Request	Bill	Bill vs. Enacted	Bill vs. Request
<b>Federal Deposit Insurance Corporation: Office of</b>					
Inspector General (by transfer).....	(42,942)	(45,261)	(45,261)	(+2,319)	---
Federal Election Commission.....	66,367	67,014	66,367	---	-647
Federal Labor Relations Authority.....	24,723	26,440	24,105	-618	-2,335
<b>Federal Trade Commission</b>					
Salaries and expenses.....	291,363	326,000	284,067	-7,296	-41,933
Offsetting fee collections - current year.....	-96,000	-108,000	-108,000	-12,000	---
Offsetting fee collections, telephone database.....	-21,000	-19,000	-21,000	---	-2,000
Direct appropriation.....	174,363	199,000	155,067	-19,296	-43,933
<b>General Services Administration</b>					
<b>Federal Buildings Fund</b>					
<b>Limitations on availability of revenue:</b>					
Construction and acquisition of facilities.....	82,000	839,642	---	-82,000	-839,642
Repairs and alterations.....	280,000	868,902	280,000	---	-588,902
Installment acquisition payments.....	135,540	126,801	126,801	-8,739	---
Rental of space.....	4,830,000	5,285,198	4,700,000	-130,000	-585,198
Building operations.....	2,270,000	2,387,968	2,117,000	-153,000	-270,968
Subtotal, Limitations on availability of revenue.....	7,597,540	9,508,511	7,223,801	-373,739	-2,284,710

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2011  
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(Amounts in thousands)

	FY 2011 Enacted	FY 2012 Request	Bill Bill	Bill vs. Enacted	Bill vs. Request
Repayment of debt.....	71,270	80,000	80,000	+8,730	---
Rental income to fund.....	-8,871,000	-9,303,000	-9,303,000	-432,000	---
Rescission.....	-25,000	---	---	+25,000	---
<b>Total, Federal Buildings Fund.....</b>	<b>-1,227,190</b>	<b>285,511</b>	<b>-1,999,199</b>	<b>-772,009</b>	<b>-2,284,710</b>
Government-wide policy.....	66,488	105,140	64,826	-1,662	-40,314
Operating expenses.....	69,882	70,022	68,135	-1,747	-1,887
Office of Inspector General.....	58,882	62,358	58,882	---	-3,476
Electronic Government Fund.....	7,984	34,000	---	-7,984	-34,000
Sources of information and engagement for citizens.....	---	---	50,000	+50,000	+50,000
Allowances and Office Staff for Former Presidents.....	3,792	3,671	3,671	-121	---
Federal acquisition workforce initiatives fund.....	---	16,900	---	---	-16,900
Federal Citizen Information Center Fund.....	34,116	39,933	---	-34,116	-39,933
Policy and operations (rescission).....	---	---	-4,600	-4,600	-4,600
<b>Total, General Services Administration.....</b>	<b>-986,046</b>	<b>617,535</b>	<b>-1,758,285</b>	<b>-772,239</b>	<b>-2,375,820</b>
Harry S Truman Scholarship Foundation.....	748	---	748	---	+748
<b>Merit Systems Protection Board</b>					
Salaries and expenses.....	40,258	42,116	39,416	-842	-2,700
Limitation on administrative expenses.....	2,574	2,345	2,345	-229	---
<b>Total, Merit Systems Protection Board.....</b>	<b>42,832</b>	<b>44,461</b>	<b>41,761</b>	<b>-1,071</b>	<b>-2,700</b>

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2011  
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(Amounts in thousands)

	FY 2011 Enacted	FY 2012 Request	Bill	Bill vs. Enacted	Bill vs. Request
<b>Morris K. Udall and Stewart L. Udall Foundation</b>					
Morris K. Udall and Stewart L. Udall Trust Fund.....	2,495	2,200	---	-2,495	-2,200
Environmental Dispute Resolution Fund.....	3,792	3,800	---	-3,792	-3,800
Morris K Udall and Stewart L. Udall Foundation.....	---	---	3,000	+3,000	+3,000
<b>Total, Morris K. Udall and Stewart L. Udall Foundation.....</b>	<b>6,287</b>	<b>6,000</b>	<b>3,000</b>	<b>-3,287</b>	<b>-3,000</b>
<b>National Archives and Records Administration</b>					
Operating expenses.....	339,090	403,742	360,969	+21,879	-42,773
Reduction of debt.....	-14,000	-15,000	-15,000	-1,000	---
<b>Subtotal.....</b>	<b>325,090</b>	<b>388,742</b>	<b>345,969</b>	<b>+20,879</b>	<b>-42,773</b>
Office of the Inspector General.....	4,241	4,100	4,100	-141	---
Electronic records archive.....	71,856	---	---	-71,856	---
Repairs and restoration.....	11,824	9,659	8,693	-3,131	-966
Rescission.....	-3,198	---	---	+3,198	---
<b>National Historical Publications and Records Commission: Grants program.....</b>	<b>6,986</b>	<b>5,000</b>	<b>1,000</b>	<b>-5,986</b>	<b>-4,000</b>
<b>Total, National Archives and Records Admin.....</b>	<b>416,799</b>	<b>407,501</b>	<b>359,762</b>	<b>-57,037</b>	<b>-47,739</b>

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	FY 2011 Enacted	FY 2012 Request	Bill	Bill vs. Enacted	Bill vs. Request
<b>National Credit Union Administration</b>					
Community development credit union revolving loan fund	1,247	2,000	500	-747	-1,500
Office of Government Ethics.....	13,972	13,664	13,483	-489	-181
<b>Office of Personnel Management</b>					
Salaries and expenses.....	97,774	100,027	97,774	---	-2,253
Limitation on administrative expenses.....	112,516	132,523	112,516	---	-20,007
Office of Inspector General.....	3,142	3,804	3,142	---	-662
Limitation on administrative expenses.....	21,174	21,559	21,174	---	-385
Govt Payment for Annuitants, Employees Health Benefits	10,467,000	10,862,000	---	-10,467,000	-10,862,000
Govt Payment for Annuitants, Employee Life Insurance..	50,000	52,000	---	-50,000	-52,000
Payment to Civil Svc Retirement and Disability Fund...	10,076,000	9,979,000	---	-10,076,000	-9,979,000
Sec. 628.....	---	---	(20,893,000)	(+20,893,000)	(+20,893,000)
<b>Total, Office of Personnel Management.....</b>	<b>20,827,606</b>	<b>21,150,913</b>	<b>234,606</b>	<b>-20,593,000</b>	<b>-20,916,307</b>
Office of Special Counsel.....	18,458	19,486	17,997	-461	-1,489
Postal Regulatory Commission.....	14,304	14,450	13,946	-358	-504
Privacy and Civil Liberties Oversight Board.....	998	1,683	---	-998	-1,683
Rescission.....	-1,500	---	-998	+502	-998
Recovery and Accountability Transparency Board.....	---	31,543	25,000	+25,000	-6,543
Securities and Exchange Commission.....	1,185,000	1,407,483	1,185,000	---	-222,483
Selective Service System.....	24,226	24,500	23,620	-606	-880

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2011  
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(Amounts in thousands)

	FY 2011 Enacted	FY 2012 Request	Bill	Bill vs. Enacted	Bill vs. Request
<b>Small Business Administration</b>					
Salaries and expenses.....	432,571	427,296	422,296	-10,275	-5,000
Office of Inspector General.....	16,267	18,400	16,267	---	-2,133
Office of Advocacy.....	---	9,120	9,120	+9,120	---
<b>Business Loans Program Account:</b>					
Direct loans subsidy.....	2,994	3,765	3,765	+771	---
Guaranteed loans subsidy.....	79,840	211,600	211,600	+131,760	---
Administrative expenses.....	152,694	147,958	147,958	-4,736	---
Total, Business loans program account.....	235,528	363,323	363,323	+127,795	---
<b>Disaster Loans Program Account:</b>					
Administrative expenses.....	45,372	167,300	167,300	+121,928	---
Total, Small Business Administration.....	729,738	985,439	978,306	+248,568	-7,133
<b>United States Postal Service</b>					
Payment to the Postal Service Fund.....	11,776	---	---	-11,776	---
Advance appropriations.....	74,905	78,153	78,153	+3,248	---
Total, Payment to the Postal Service Fund.....	86,681	78,153	78,153	-8,528	---
Office of Inspector General.....	243,908	244,397	237,810	-6,098	-6,587
Total, United States Postal Service.....	330,589	322,550	315,963	-14,626	-6,587

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	FY 2011 Enacted	FY 2012 Request	Bill	Bill vs. Enacted	Bill vs. Request
United States Tax Court.....	51,989	59,996	50,689	-1,300	-9,307
Total, title V, Independent Agencies.....	23,076,998	25,628,574	1,871,391	-21,205,607	-23,757,183
Appropriations.....	(23,031,791)	(25,550,421)	(1,798,836)	(-21,232,955)	(-23,751,585)
Rescissions.....	(-29,698)	---	(-5,598)	(+24,100)	(-5,598)
Advances.....	(74,905)	(78,153)	(78,153)	(+3,248)	---
(by transfer).....	(42,942)	(45,261)	(45,261)	(+2,319)	---

TITLE VI - GENERAL PROVISIONS

Mandatory appropriations (Sec. 628).....	---	---	20,992,450	+20,992,450	+20,992,450
Grand total.....	44,485,788	48,413,973	42,968,833	-1,516,955	-5,445,140
Appropriations.....	(44,845,581)	(48,947,148)	(43,537,706)	(-1,307,875)	(-5,409,442)
Rescissions.....	(-434,698)	(-611,328)	(-647,026)	(-212,328)	(-35,698)
Advances.....	(74,905)	(78,153)	(78,153)	(+3,248)	---
(by transfer).....	(42,942)	(45,261)	(45,261)	(+2,319)	---
Discretionary total.....	21,747,730	25,683,140	19,895,000	-1,852,730	-5,788,140



MINORITY VIEWS OF THE HONORABLE NORM DICKS AND  
HONORABLE JOSE E. SERRANO

The Financial Services and General Government bill funds programs that touch the lives of every American, as consumers, as investors, and as taxpayers. The inadequacy of the subcommittee's allocation requires unsustainable cuts. Those cuts will impact all of us by not providing needed resources: (1) for the Securities and Exchange Commission (SEC) and the Consumer Financial Protection Bureau (CFPB) to effectively protect consumers and investors, (2) for enforcement activities by the Internal Revenue Service (IRS) allowing tax cheats to go undiscovered and revenues to remain uncollected, (3) for needed infrastructure investment through the General Services Administration (GSA) and for a number of agencies with budgets almost entirely composed of fixed costs, such as personnel expenses and rent, requiring the furloughing of many thousands of federal and private workers, increasing unemployment, and further weakening the fragile economic recovery.

The subcommittee's allocation of \$19,985,000,000 is \$1,852,730,000, or 9 percent, below the fiscal year 2011 enacted level, which was itself a 10 percent reduction from the fiscal year 2010 level. Further, this allocation is more than \$500,000,000 below the H.R. 1 level and more than \$700,000,000 below the fiscal year 2008 enacted level.

Chairwoman Emerson made every possible effort to ensure a bipartisan process. She has gone above and beyond in terms of cooperation and openness. However, the subcommittee's allocation dictates deep cuts that impact all Americans and we cannot support this bill.

*Failing to Keep Financial Markets Honest*

The Securities and Exchange Commission will receive \$222,483,000 less than the President's 2012 request. As a consequence, SEC will be unable to carry out its new financial oversight responsibilities under the Dodd-Frank Wall Street Reform and Consumer Protection Act. It will also hinder the SEC's ongoing efforts to prevent financial crimes by effectively decreasing the number of agents able to pursue incoming tips. Under the President's request, the SEC would have hired staff necessary to implement new responsibilities concerning derivatives, hedge funds, and credit rating agencies, which would help mitigate the possibility of another financial crisis. The SEC will not be able to increase enforcement, examinations or disclosure reviews under this funding level, nor will the agency be able to invest in information technology infrastructure that would enhance oversight of the financial markets. Without these important tools, this bill leaves the country vulnerable to another fiscal meltdown even as we struggle to recover from the ongoing crisis.

Further, the bill places constraints on the Consumer Financial Protection Bureau (CFPB) that will severely hamper the agency's ability to protect and inform consumers in the wake of the greatest economic recession since the Great Depression. By limiting the amount of money the CFPB will be able to receive from the Federal Reserve, the bill limits the effectiveness of the agency so consumers will not receive the protections they were promised. Better informed consumers and clearer guidelines for complicated financial transactions, such as mortgages, benefits all taxpayers and is an investment in the future stability of this nation.

*Failing to Keep Tax Cheats Honest at the Expense of an Increasing Deficit*

This bill reduces funding for the IRS and will significantly compromise the agency's ability to discover and pursue tax cheats, thereby actually increasing the deficit. With a funding level of \$11,515,738,000 for fiscal year 2012, the IRS will be forced to furlough between 4,100 and 5,000 employees, mostly enforcement agents. This will have a significant impact on the ability of the IRS to find tax cheats and will result in an increase in the estimated \$345,000,000,000 tax gap, which is the difference between the amount that taxpayers owe and the amount that is collected. Even more troubling is the fact that this cut to IRS funding will increase the deficit by approximately \$4 billion a year beginning in 2013. Every dollar invested in enforcement resources brings in \$5 in tax revenue. This is exactly the sort of short term cut that will do much greater harm than good in the long term. What is surprising is the complete reversal made by the subcommittee from previous statements about the importance of finding and charging tax cheats. In the additional views submitted to the fiscal year 2008 bill, the then-minority stated "The bill provides important increases for the Internal Revenue Service (IRS) in order to close the nearly \$300 billion tax gap." This is a troubling retreat from attacking the nation's deficit.

*Failing to Invest in Infrastructure*

The General Services Administration (GSA) Federal Building Fund will see a cut of \$2,284,710,000 from the fiscal year 2012 request, which will result in the elimination of 16,000 private-sector construction jobs and 40,000 janitorial and maintenance jobs in existing buildings. GSA will stop work on several multi-year, on-going construction projects, which will result in costly hold-over leases. This reduction also jeopardizes GSA's ability to meet contractual obligations to pay private sector landlords for office space leased by the government, possibly leading to termination of leases and costly penalties. This short-sighted cut to infrastructure improvements will cost taxpayers more in the long-term than it will save in the short-term.

Again, the majority is displaying a reversal of opinion about funding for the GSA, as the additional views attached to the fiscal year 2008 bill lamented an amendment that:

"cut important funding from the General Services Administration's (GSA) Federal Building Fund repairs and alterations account. GSA's current backlog of repairs and alter-

ations of Federal buildings is estimated at \$6,600,000,000. The fiscal year 2008 request is considered a minimum to operate and maintain GSA's assets. Limiting repairs and alterations funding forces GSA to house Federal workers in more commercial leases rather than continue in government-owned buildings at a net cost to the U.S. taxpayer. Cutting an additional \$31,000,000 from this account just digs the GSA into a deeper hole and only delays much needed repairs for buildings into the next fiscal year."

It is important to note that the FY 2008 cut left the GSA's repairs and alterations account funded at \$722,161,000, which is \$442,161,000 above the level recommended in the fiscal year 2012 bill. The level of \$280,000,000 recommended in this bill surely will not address the concern the then-minority expressed in fiscal year 2008.

#### *Further Troubling Cuts*

The bill provides \$6,326,318,000 for the Judiciary, \$529,729,000,000 below the fiscal year 2012 request, and will weaken the equitable and efficient administration of justice in the Federal courts. More than 5,000 support staff will be laid off, which is a staffing loss equal to 25% of the workforce. These layoffs will include probation officers and pre-trial staff, meaning fewer probation officers to monitor sex offenders and felons, perform law enforcement duties, and protect the general public.

The Election Assistance Commission will receive only \$6,858,000 in funding, which will devastate the agency. The agency will no longer be able to help states improve their election practices and equipment to ensure fair and well-run elections in our nation.

There are numerous other cuts as well that will cause an erosion of consumer protections and assistance to disadvantaged communities. The subcommittee's allocation requires deep cuts that will significantly harm America's consumers, investors, taxpayers, workers, businesses, judiciary, the security of our elections, and even our deficit.

#### *Troubling Policy Riders*

We are also distressed that this bill includes too many controversial policy riders from preventing the IRS from enforcing the individual mandate of the Affordable Care Act to limiting the FCC from enforcement of its Net Neutrality rule. The bill once again interferes in DC's local affairs by imposing social policy restrictions on how the District can spend its own funds, and provides that no funds may be used for the Consumer Product Safety Commission's public database of consumer incidents. This micromanagement is not the proper role of Congress and these authorizing issues do not belong on an appropriations bill.

We appreciate the efforts the Chairwoman made to adequately fund the Small Business Administration, the High Intensity Drug Trafficking Areas Program (HIDTA), and anti-terrorism programs at the Department of the Treasury. However, the allocation the subcommittee received is simply insufficient to fund all of the important activities in this bill's jurisdiction. We hope to work with the majority to address these issues and look forward to continuing

the open and positive process the Chairwoman has fostered; however, in its current form, we cannot support the bill.

