

USER CHARGES PROGRAMS

Among the numerous services performed by the Federal Government in the public interest, many provide an added special benefit to individuals or groups. The Government is extensively engaged in the sale and leasing of Government-owned resources and property. Executive agencies have established a system of fees and charges designed to recover all or a part of the costs, or fair market value in the case of property, of providing these special benefits.

Statutory authority for the user charges program was provided with the enactment of title V of the Independent Offices Appropriation Act of 1952 (5 U.S.C. 140) which itemized numerous types of activities that the Congress believed should be "self-sustaining to the full extent possible."

With respect to collections made under the user charges program, the general rule is that the monies go into the general fund of the Treasury as miscellaneous receipts. However, exceptions are made where:

1. It is intended that an agency or program be operated on a substantially self-sustaining basis from receipts for services performed or from the sale of products or use of Government-owned resources or property.
2. The agency can show that the initiation or increase of fees or charges is not feasible without earmarking of receipts.
3. The receipts are in payment of the cost of authorized special benefits for which the demand is irregular or unpredictable, such as inspections performed upon request outside the regular duty hours.

Under the above exceptions, which must be supported by legal authority, user charges receipts may be deposited to trust funds and revolving funds or may be used to reimburse the appropriations which finance the activities involved. A tabulation of the amounts and disposition of user charges receipts as contained in the May 1966 "User Charges, Annual Progress Report" published by the Bureau of the Budget follows:

	Fiscal years		
	<u>1963</u>	<u>1964</u>	<u>1965</u>
	(millions)		
Miscellaneous Receipts	\$1,076.5	\$ 728.9	\$ 805.0
Revolving Funds	325.4	350.3	378.8
Trust Funds	30.1	53.0	63.4
Appropriations	<u>158.7</u>	<u>139.1</u>	<u>161.4</u>
Total	<u>\$1,590.7</u>	<u>\$1,271.3</u>	<u>\$1,408.6</u>