

PERMANENT APPROPRIATIONS

A permanent appropriation is one which, by virtue of standing legislation, is automatically renewed each fiscal year over a period of time without annual action by the Congress. Payment of interest (\$12 billion in fiscal year 1966) on the public debt accounts for the bulk of money expended under permanent appropriations. Examples of permanent appropriations are presented below.

SECTION 32 FUNDS--REMOVAL OF
SURPLUS AGRICULTURAL COMMODITIES

Under section 32 of the act of August 24, 1935, as amended (7 U.S.C. 612c), an amount equal to 30 percent of customs receipts collected during each calendar year (except for an amount equal to 30 percent of such receipts collected on fishery products, which is transferred to the Department of the Interior to encourage the distribution of such products), plus unused balances of up to \$300 million, is available for expanding domestic and foreign market outlets for farm commodities. As provided for in recent appropriation acts, transfers have been made from this fund primarily to the school lunch program for the purchase and distribution of agricultural commodities and the special milk program to partially cover the cost of milk served to school children. Section 32 funds are also authorized for the administration of marketing agreements and orders.

A table showing sources and applications of section 32 funds follows.

<u>Section 32 Appropriation</u> <u>Program Obligation Data</u> <u>Fiscal Year 1966</u>		(Millions of dollars)	
Sources of funds:			
Unobligated balance available, start of year		\$296.8	
Permanent appropriation (30% of customs receipts collected during each calendar year)		<u>405.5</u>	
Total		<u>\$704.3</u>	
Applications of funds:			
Consumer and Marketing Service, Department of Agriculture:			
Commodity program payments:			
Direct purchases		\$140.2	
Export payments		.1	
School lunch program		45.0	
Operating expenses		3.4	
Marketing agreements and orders		2.2	
Change in selected resources		-23.4	
Fund transfers:			
Agricultural Research Service, Department of Agriculture		18.0	
Bureau of Commercial Fisheries, Department of Interior		6.6	
Foreign Agricultural Service, Department of Agriculture		3.1	
Cooperative State Research Service, Department of Agriculture		.4	
Subtotal		195.6	
Unobligated balance lapsing		208.7	
Unobligated balance available, end of year		<u>300.0</u>	
Total		<u>\$704.3</u>	