

sideration of these bills. When the precise outcome is known, it will be possible to make a specific determination as to the extent of further reductions in budget authority necessary to comply with Public Law 90-364 and where they will be made.

Budget authority for the programs excepted from the requirements of Public Law 90-364 is currently estimated to be \$0.9 billion higher than the January estimate. The relatively small reduction for Vietnam operations is in the programs of the Agency for International Development.

Of the remainder, which is covered under Public Law 90-364, the total reduction estimated to occur from final congressional action is \$10.5 billion. Action on appropriation bills is estimated to reduce authority covered under the act by about \$11.1 billion, but some offsetting increases have taken place in bills which carry budget authority of a type other than appropriations.

The \$10.5 billion total includes \$2.2 billion representing reductions of proposed authorizations for sales of participation certificates (PC's) on loans of the Department of Housing and Urban Development, the Farmers Home Administration, and the Small Business Administration. (An additional \$0.5 billion reduction in PC sales authority of the Veterans' Administration is reflected in the figure shown in the table for veterans benefits and services.)

TABLE 3.—BUDGET AUTHORITY FOR FISCAL YEAR 1969—SUMMARY OF EFFECT OF PUBLIC LAW 90-364
[In billions of dollars]

Description	January estimate	Current estimate	Change
Programs excepted from Public Law 90-364 limitation:			
Special support of Vietnam operations.....	25.4	25.3	-0.1
Interest.....	14.4	15.3	+ .9
Veterans benefits and services.....	7.8	7.6	-.2
Social Security Act trust funds.....	41.8	42.0	+ .3
Old-age and survivors insurance.....	(27.2)	(27.4)	(+ .2)
Disability insurance.....	(3.7)	(3.7)	-----
Health insurance.....	(6.8)	(7.2)	(+ .4)
Unemployment insurance.....	(4.1)	(3.7)	(- .3)
TVA (portion financed from power proceeds and borrowing).....			
Subtotal, excepted programs.....	89.4	90.3	+ .9
Remainder—covered by Public Law 90-364 limitation.....	112.3	104.2	-8.1
Estimated reduction from congressional action.....			(-10.5)
Other changes.....			(+2.4)
Total.....	201.7	194.5	-7.2

Note: Details in the table may not add to totals due to rounding.

Apart from congressional action, increases of \$2.4 billion over the budget estimate are now anticipated. Over half of this amount is in the form of permanent contract authority for the Commodity Credit Corporation, reflecting greater than anticipated price support operations. Other major increases are for highway trust fund programs; for public assistance, including medicaid; for increased loan authority provided by recent legislation for the Federal intermediate credit banks; and for expansion of various food programs.

Outlays.—Procedures put into effect at the time of passage of Public Law 90-364 call for the establishment of outlay reduction targets for all agencies, to comply with the aggregate limitations in the law. Each agency is responsible for preparing a detailed plan to meet its target, subject to approval by the President.