[1981 Budget Reductions Summary – Briefing Book, 3/7/80]

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Summary 1981 Reductions

~~CONFIDENTIAL~~

March 7, 1980

1981 Budget Reductions

Summary

(millions)

		Outlay Reductions
I.	Stoppable New Programs (Table 1)	-5,940
II.	Reductions in Other Controllable Programs	
	A. Most acceptable	
	1. Nonsensitive	-3,821
	2. Sensitive	-4,591
	B. Less acceptable	-989
	C. Least acceptable	-971
	Total, Other Controllable Programs (Table 3)	-10,372
	Grand Total	-16,312

Derivatively classified by
multiple sources (listed in
IA Division, OMB)
Declassify: March 7, 1986

(This document is UNCLASSIFIED upon the removal of the Foreign Assistance sections.)

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Table 1 - Stoppable Programs

Table 1
1981 Budget Reductions
Stoppable New Programs
(Millions)

	BA	Outlays	Outlay Reductions
Department of Agriculture			
Soil Conservation Service new construction starts.[1/]	75.0	10.0	-10.0
Delay nationwide crop insurance 1 year	111.0	112.0	-45.0
Eliminate rural cable TV loans	34.2	15.8	-10.0
Defer proposal to raise authorization for women, infants, and children program.	946.0	903.0	-43.0
Total	220.2	137.8	-108.0
Department of Commerce			
Reduce new EDA development financing program by 3/4 in 1980 and 1/2 in 1981	1,169.2	776.2	-201.0
Corps of Engineers			
New construction starts.[1/]	500.0	30.0	-30.0
Department of Energy			
Energy management partnership act	152.0	107.0	-50.0
Gas rationing	0.0	20.0	+53.0
Energy information campaign	50.0	30.0	-30.0
Coal R&D	50.0	50.0	-36.0
Regional Storage	15.1	11.2	-11.2
Biomass Credit	50.0	50.0	-50.0
Conservation Demo Grants	70.0	15.5	-7.8
Auditor Training	20.0	5.5	-5.5
Total	407.1	289.2	-137.5

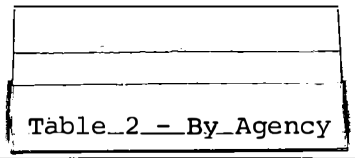
1/ Assumed to be covered by the allowance for contingencies in the 1981 budget.

Table 1 (continued)

	BA	Outlays	Outlay Reductions
Health and Human Service			
Delay Medicaid/medicare benefits			
Planters warts coverage.....	---	2.0	-2.0
Ceiling for territories.....	18.0	18.0	-18.0
Outpatient psychiatric coverage.....	---	18.0	-18.0
Revised HMO coverage.....	---	5.0	-5.0
Mandated clinic coverage.....	52.0	52.0	-52.0
Mandated newborn coverage.....	2.0	2.0	-2.0
Delay Medicaid/medicare home health reforms.....	15.0	22.0	-22.0
Delay Medicaid/medicare disability initiative.....	4.0	47.0	-47.0
Delay new income survey 1 year..	16.0	7.0	-5.0
Reduce 1981 Indochinese refugee flows.....	547.0	332.0	-76.0
Delay CHAP 1 year.....	403.0	403.0	-403.0
Total.....	1,055.0	908.0	-650.0
Housing and Urban Development			
Solar & Conservation Bank (Delay implementation until 1981).....	450.0	466.0	-76.0
Department of Interior			
Delay tax matching for Guam and Virgin Islands.....	22.0	22.0	-22.0
Department of Labor			
No increase for DOL youth initiative over current services.....	1,125.0	717.0	-100.0
Treasury Department			
Reduce cap on ARFA from $1B to $50 M.....	1,000.0	1,000.0	-500.0
Reduce general revenue sharing by $2.3B BA in FY 1981.....	6,855.0	6,855.0	-1,714.0

Table 1 (continued)

	BA	Outlays	Outlay Reductions
Veterans Administration			
Delay proposal to give 10% increase in GI Bill benefits..	180.0	180.0	-180.0
Delay request for 2 year extension of GI Bill Benefits for educationally disadvantaged Vietnam Veterans.....	63.0	63.0	-63.0
Total.....	243.0	243.0	-243.0
Military Assistance			
Eliminate economic support fund special requirements fund.....	50.0	25.0	-25.0
Delay initiative of welfare reform by one year.....	859.0	859.0	-859.0
Energy security trust fund			
Hold low income energy assistance to 1980 level.....	2,400.0	2,400.0	-800.0
Transportation initiative			
Fuel economy technology assessment.....	8.0	4.0	-4.0
Basic auto research.....	20.0	8.0	-8.0
Auto use management.....	250.0	180.0	-120.0
Mass transit capital.....	1,222.0	425.0	-300.0
Total, transportation init.	1,500.0	617.0	-432.0
TOTAL REDUCTIONS.....			-5,940.5


Table_2_-_By_Agency

March 6, 1980

Table 2
1981 Budget Reductions
By Agency

	Base		Outlay
	BA	Outlays	Reductions
1. Agriculture:			
A. Most acceptable			
a. Reduction in operating expenses and administration	3,524	3,523	-46
b. Increase interest rates on loan programs	NA	NA	-88
c. Forest Service small construction delay	28	29	-10
d. Moratorium on SCS watershed construction grants	172	192	-40
e. Stop Bankhead Jones grants to land grant colleges	12	12	-12
f. Cut water and sewer loans corresponding to grant reduction	NA	NA	-35
g. Increase interest on loan programs by legislation	NA	NA	-37
h. Limit increase in WIC to 200,000 participants (instead of 300,000)	946	903	-15
i. Defer legislative proposal to raise authorization for WIC (from $900M to $950M)	946	903	-43
Subtotal	5,628	5,562	-326
*j. Terminate YCC program (includes Interior)	55	61	-53
*k. Terminate rural development grants in 1981	10	12	-5
*l. Terminate water and sewer grant program through 1980 and 1981	284	303	-81
*m. 50% cut Agriculture Conservation Program	190	193	-31
Total, most acceptable	6,167	6,131	-496
Agency total	6,167	6,131	-496

*Sensitive items

	Base BA	Base Outlays	Outlay Reductions
2. Commerce:			
A. Most acceptable			
a. Reduce operating expenses in the Office of the Secretary.....	39	39	-2
b. Reduce general operating expenses in the Census Bureau.....	58	54	-.9
c. Reduce general operating expenses in MarAd.....	66	67	-.4
d. Reduce general NOAA operating expenses.....	744	733	-2
e. Reduce overall operating expenses in ITA.....	118	118	-.8
f. Rescind carryover balances in Coastal Energy Impact Fund.....	0	53	-18
g. Accelerate purchase of Census Bureau large-scale computer system.....	148	230	-2
h. Reduce budget increases for maritime R&D.....	19	19	-2
i. Reduce Bureau of Standards basic research and ADP standards activities.	124	120	-4
j. Reduce funding for NTIA telecommunications protection activities and facilities grants.....	42	40	-2
k. Eliminate budget increase for MBDA management and technical assistance...	63	59	-2
l. Eliminate planned operating subsidies for Russian grain carriage and for one new operator.....	348	348	-15
m. Reduce pending EDA supplemental for S&E due to delay in EDA reauthorization.....	71	68	-8
n. Eliminate proposed funding for EDA section 304 program of public works grants to States.....	1,169	776	-20
Subtotal.....	3,009	2,724	-79

	BA	Outlays	Outlay Reductions
*o. Scale down size of proposed U.S. pavilion at Knoxville Energy Expo.....	---	11	-6
*p. Withdraw proposed supplemental for new Regional Development Commissions..	74	73	-4
Total, most acceptable.....	3,083	2,808	-89
*B. Less acceptable			
a. Eliminate base funding for entire Regional Development Commission program.....	74	73	-46
Total, less acceptable.....	74	73	-46
Agency total.....	3,157	2,881	-135
3. Corps of Engineers:			
A. Most acceptable			
a. Small construction and procurement....	115	148	-39
b. Reduction in small operating programs.	154	154	-36
c. Reduce operation and maintenance on existing public works.....	976	964	-116
Total, most acceptable.....	1,245	1,266	-191
*B. Less acceptable			
a. Reduce on-going public works construction.....	1,638	1,604	-125
Total, less acceptable.....	1,638	1,604	-125
Agency total.....	2,883	2,807	-316
4. Education:			
A. Most acceptable			
a. Rescind 1980 appropriations for ESEA Support and Innovation programs.....	299	299	-47

*Sensitive items

		Base		Outlay
		BA	Outlays	Reductions
b.	Reduce selected discretionary education programs; rescind $2.5M of the 1980 appropriation for Gifted and Talented and reduce the program in 1980; reduce Cooperative Education administrative grants in 1981; reduce International Education fellowships and grants	59	42	-2
c.	Reduce education general service grant programs: Terminate the Career Education Incentives program by rescinding the 1980 appropriation and reducing the 1981 request to zero; rescind $150M of the $784M Vocational Education State grant appropriation and reduce the State grant program in 1981. (Appropriations language required)	804	797	-139
d.	Rescind $44M of the Emergency School Aid appropriation to reduce special projects and magnet schools in 1980 and 1981: Reduce ESA funds to non-profit organizations in 1981; reduce the request for Women's Educational Equity by 50% in 1981	183	151	-41
e.	Reduce educational quality and reform programs; rescind $29M of the $59M appropriated for Follow-through and maintain the reduction in 1981; reduce Basic Skills, NIE, the Fund for the Improvement of Post-secondary Education and handicapped research in 1981	241	179	-27
	Subtotal	1,586	1,468	-256
*f.	Reduce concentration grants	317	202	-93
*g.	Reduce basic educational opportunity grant awards; rescind 1980 increases for Work Study and Supplemental Educational Opportunity grants; reduce State Incentive grants in 1981	3,306	3,409	-188
	Total, most acceptable	5,209	5,079	-537

*Sensitive items

	Base BA	Base Outlays	Outlay Reductions
*B. Less acceptable			
a. Rescind the entire 1980 appropriation for college libraries and librarian training; rescind $96M of the $171M appropriation for School Libraries, eliminating equipment purchases in 1980 and 1981; reduce public library support in 1981.....	247	241	-73
Total, less acceptable.....	247	241	-73
*C. Least acceptable			
a. Rescind 1980 appropriations in excess of the President's budget for general assistance education programs; limit 1981 Impact Aid payments to 70% of the 1980 level; rescind 1980 appropriations for Law Enforcement Education programs a/.....	2,216	1,818	-144
Total, least acceptable.....	2,216	1,818	-144
Agency total.....	7,672	7,138	-754
5. Energy:			
A. Most acceptable			
a. Terminate nonproliferation program for low enriched fuel development....	5	8	-7
b. Defer promising concept-magnetic fusion.....	404	464	-8
c. Delete low priority EV Bio. and Env. research.....	187	182	-14
d. Reduce Federal photovoltaics buys-solar applications.....	74	86	-15
e. Cut some DOE nuclear facility safeguard activity.....	50	47	-4
f. Reduce Energy Information Administration information collection.....	116	116	-3

* Sensitive items

a/ New Education Department proposal (3/6/80)

	Base		Outlay
	BA	Outlays	Reductions
g. Delay gas centrifuge plant, Portsmouth, Ohio.....	NA	NA	-154
h. Reduce International Affairs LDC and Studies program.....	5	5	-3
i. Delay construction one year of new and active in-house energy management project.....	57	37	-10
j. Reduce support for treaty verification and non-defense technology assessments.....	41	39	-4
k. Water Cooled Breeder Reactor - reduce applications.....	61	68	-1
l. Reduce Ev. Overview and Assessment Studies.....	63	60	-8
m. Reduce security investigations.....	17	17	-2
n. Cut all operational funds for two new Basic Energy Sciences facilities.....	260	264	-8
o. Reduce support services.....	104	104	-5
p. Stretch construction schedule for Isabelle project (high energy physics).....	359	350	-3
q. Defer Atlas nuclear physics project at Argonne National Lab.....	116	112	-1
r. Terminate solar power satellite program.....	21	20	-6
s. Reduce policy and evaluation contract studies.....	20	20	-1
t. Terminate Rivesville AFB Pilot Plant in FY 1980.....	3	3	-3
u. Reduce ERA grants to utilities, delay PURPA guidelines.....	62	56	-10
v. Delay upgrades at defense sites.....	150	147	-10
w. Defer commercial waste clean-up at West Valley, New York.....	54	54	-13

	Base BA	Base Outlays	Outlay Reductions
x. Stretch out advanced gasification R&D	30	30	-10
y. Stretch fuel cells R&D schedule	25	25	-5
z. Delay Energy Impact Assistance expenditures to areas impacted by energy projects	150	62	-25
aa. Reduce nonessential data collection for Uranium Resource Assessment	36	54	-9
bb. Stretch schedule for resource characterization for Enhanced Gas Recovery	31	31	-3
cc. Delay planned University Problem-oriented Research program	14	14	-3
dd. Stretch In-Situ Coal Gasification R&D schedule	10	10	-5
ee. Stretch heat engines R&D schedule	43	43	-7
ff. Stretch out award of new mining R&D projects	47	47	-8
gg. Delay of power pack for NASA	40	41	-10
hh. Reduce international Spent Fuel activities	21	22	-2
ii. Delay work on advanced isotope separation	87	78	-3
jj. Delay applications, Solar Industrial Process Heat	43	77	-5
kk. Delay development of appliances and controls for Building and Community Systems	22	22	-8
ll. Defer two General Plant Facilities projects	NA	NA	-3
mm. Stretch electric/hybrid vehicles R&D schedule	NA	NA	-8
nn. Delay start-up funds for PFB Pilot Plant	13	13	-3

	Base BA	Base Outlays	Outlay Reductions
oo. Terminate AFB Test Facility (CTIU) project	10	10	-6
pp. Conservation (schools and hospitals)	NA	NA	-15
qq. Weatherization	NA	NA	-10
rr. SRC Demonstrations (I & II)	375	271	-36
Subtotal	3,226	3,109	-477
*ss. Defer strategic petroleum reserve purchase from June 1980 to June 1981	NA	1,176	-850
*tt. Solar applications (passive)	56	44	-16
*uu. Cancel Barstow Solar Power Tower	10	52	-52
Total, most acceptable	3,292	4,381	-1,395
*B. Less acceptable			
a. Alternative Fuels Feasibility Studies (2.2B)	0	50	-25
b. Fossil Environmental Control Tech	43	40	-8
c. SPR Facilities Construction	2,404	1,294	-60
d. MHD, stretch R&D schedule	72	70	-30
e. SERI Facility	10	10	-10
Total, less acceptable	2,529	1,464	-133
*C. Least acceptable			
a. Inertial Confinement Fusion	NA	NA	-27
b. Defense Waste R&D (long-term)	106	116	-26
c. Commercial waste (terminal isolation)	221	216	-35
d. Coal-Oil Mixtures	22	15	-8
e. Weapons facilities upgrades	1,942	1,869	-22
f. Coal gasification (rescind Grace/ Memphis)	53	53	-21
Total, least acceptable	2,344	2,269	-139
Agency total	8,165	8,114	-1,667

*Sensitive items

	Base		Outlay
	BA	Outlays	Reductions
6. HHS:			
A. Most acceptable			
a. NIOSH laboratory construction in Morgantown, W.Va.....	25	5	-5
b. HSA Buildings and Facilities (renovation of National Center for Hansen's Disease).....	2	1	-.8
c. Conversion and Closure grants.....	10	1	-1
d. Local Health Planning (30% reduction)	125	100	-9
e. Prevention Formula Grants.....	10	5	-5
f. Reduce equipment and selected contract expenditures for FDA.....	363	314	-5
g. HCFA management.....	975	988	-20
h. State health planning.....	34	30	-.5
i. HMO's.....	57	23	-3
j. Health Statistics surveys.....	32	27	-2
k. HCFA research.....	35	28	-4
l. Rat control and lead paint.....	25	24	-4
m. Mental health and alcohol services (cancel 1980 supplemental).....	41	41	-41
n. Other CDC programs.....	126	107	-5
o. Eliminate misc. HDS expansions.....	56	47	-6
p. Eliminate WIN expansion (DOL funds; proposal submitted by HHS).....	385	385	-20
q. Reduce other SSA activities (eligibility reviews).....	66	66	-9
r. Reduce discretionary Departmental Management activities.....	145	145	-2
s. Head Start - deobligate unneeded carryover balances.....	NA	12	-6

	Base		Outlay
	BA	Outlays	Reductions
t. HDS training, R&D, and evaluation activities, 1981 reductions (no 1980 recissions).....	111	111	-15
u. Health Incentive Grants.....	52	49	-23
v. Alcohol, Drug Abuse and Mental Health State formula grant.....	99	92	-11
w. Indian Health Service.....	632	590	-19
x. Alcohol, Drug Abuse and Mental Health Research.....	192	167	-13
y. Health Care Technology.....	6	3	-1
z. Health services grants (except CHC's)	736	609	-70
aa. Delay 1981 alcohol and mental health service initiatives.....	476	390	-18
bb. Delay CHC initiatives.....	374	312	-17
cc. Offset interest on funded hospital depreciation for Medicare reimbursement.....	NA	NA	-45
dd. Principal and interest reimbursement for new hospital capital investment..	NA	NA	-50
Subtotal.....	5,190	4,672	-430
*ee. Delay child welfare reforms.....	164	164	-44
*ff. Delay agency social service expansion.....	280	251	-19
*gg. Delay Head Start urban expansion.....	778	758	-8
*hh. Adolescent health.....	18	13	-6
*ii. Other health professions.....	188	118	-12
*jj. Nurse training.....	18	28	-10
*kk. PHS Commissioned Corps Physician bonuses.....	35	35	-35

* Sensitive items

	Base BA	Base Outlays	Outlay Reductions
*ll. Reduce DI vocational rehabilitation	NA	111	-24
*mm. Reduce SSI vocational rehabilitation	55	55	-18
*nn. NIH program support	3,582	3,335	-89
Total, most acceptable	10,308	9,540	-695
*B. Less acceptable			
a. PHS hospitals and clinics	170	173	-100
Total, less acceptable	170	173	-100
Agency total	10,478	9,713	-795
7. HUD:			
A. Most acceptable			
a. Salaries and expenses - reduce 1980 supplemental by $2M and reduce 1981 appropriations by $6M	341	332	-8
b. Planning grants (reduce by $40M)	40	45	-2
c. Troubled Project Operating Subsidies- Defer $24M from 1980 to 1981, rescind $8M in 1980 and reduce 1981 appropriations by $41M	41	103	-26
Subtotal	422	480	-36
*d. Urban Development Action Grant Program - Rescind $175M in 1980 and reduce 1981 appropriations by $175M	675	365	-30
*e. Community Development Block Grant Program - Rescind $88M from the Categorical Program Financial Settlement Fund in 1980; rescind the 1980 $72M carryover in the Secretary's Discretionary Fund	3,950	4,000	-89
*f. Rehabilitation Loan Program - Reduce 1981 appropriation by $108M to $80M, establishing a program level of $125M	188	190	-82
Total, most acceptable	5,235	5,035	-237
Agency total	5,235	5,035	-237

* Sensitive items

	Base BA	Base Outlays	Outlay Reductions
8. Interior:			
A. Most acceptable			
a. BLM, FWS, NPS small construction delay	152	97	-33
b. Reduction in operating accounts	2,532	2,390	-32
c. Eliminate borrowing against duck stamp receipts - reduce wildlife refuge purchase	10	10	-7
d. Reduce Indian roads and irrigation construction	108	73	-20
Subtotal	2,802	2,570	-92
*e. Reduce Federal purchases from Land and Water Conservation Fund	252	247	-170
*f. Stop urban park grants	125	74	-74
*g. Stop State grant portion of Land and Water Conservation Fund	328	240	-72
Total, most acceptable	3,507	3,131	-408
*B. Less acceptable			
a. Reduce on-going public works construction in West, plus other WAPRS reductions	781	776	-57
Total, less acceptable	781	776	-57
*C. Least acceptable			
a. Stop payments to counties in lieu of taxes on public lands	111	111	-111
Total, least acceptable	111	111	-111
Agency total	4,399	4,018	-576

* Sensitive items

	Base BA	Base Outlays	Outlay Reductions
9. Justice:			
A. Most acceptable			
a. Reduce Justice operating programs....	2,094	2,064	-27
Subtotal.....:.....	2,094	2,064	-27
*b. Eliminate LEAA grant programs in 1981 with selected 1980 rescissions.....	394	442	-113
Total, most acceptable.....	2,488	2,506	-140
Agency total.....	2,488	2,506	-140
10. Labor:			
A. Most acceptable			
a. Revise Trade Adjustment Assistance Program (agency told changes in uncontrollable programs not eligible).....	413	413	-207
Subtotal.....	413	413	-207
*b. Phase out Young Adult Conservation Corps in 1980.....	265	277	-234
*c. Phase out Welfare Reform Demonstration Projects in 1980 (Agency: reduce).....	281	271	-271
*d. Reduce Countercyclical PSE (Title VI) to 165,000 service years (200,000 in budget) (Agency: 190,000).....	2,044	1,978	-347
*e. Reduce Summer Youth Employment Program to 750,000 jobs (1,000,000 in budget) (Agency: 408,000).....	839	872	-200
Total, most acceptable.....	3,842	3,811	-1,259
*B. Less acceptable			
a. Reduce Countercyclical PSE (Title VI) to 130,000 service years.....	NA	NA	-346
Total, less acceptable.....	---	---	-346
Agency total.....	3,842	3,811	-1,605

* Sensitive items

	Base BA	Base Outlays	Outlay Reductions
11. State:			
A. Most acceptable			
a. Reduce operating costs of Boundary and Water Commission.....	8	8	-1
b. Defer 20% of embassy construction....	173	146	-13
c. 1981 effect of 1980 cut in refugee assistance.....	NA	NA	-8
d. Reduce embassy operating costs and close ten additional consulates.....	785	766	-10
Subtotal.....	966	920	-32
*e. Reduce selected UN voluntary contributions.....	244	247	-14
*f. Reduce assistance to refugees.....	552	518	-126
*g. Increase passport and consular fees..	NA	NA	-65
Total, most acceptable.....	1,762	1,685	-237
Agency total.....	1,762	1,685	-237
12. Transportation:			
A. Most acceptable			
a. Defer rail test track work at Test Center ($2.3M in 1980 and $1.2M in 1981) until 1982 and defer inter-modal passenger demonstration projects ($1.5M in 1980).....	58	50	-5
b. Defer procurement of one new 270' Coast Guard cutter by 12 months, and delay selected other facilities..	324	245	-25
c. Rescind 1979 and 1980 appropriations for a waterborne demonstration program to test the feasibility of high speed ferry service in the New York City area.....	NA	15	-15

* Sensitive items

	Base		Outlay
	BA	Outlays	Reductions
d. Operating reductions in Office of the Secretary, NHTSA, FHWA, FRA, UMTA SLSDC AND RSPA.....	199	184	-7
e. Delay FAA research on airways capacity.....	85	82	-2
f. Delay by two months (until 1982) initial delivery of low level AMTRAK cars.....	244	114	-50
g. Delay construction of highway link between I-66 and Dulles Access Road..	18	11	-7
h. Defer all except safety-related airport grant obligations until last quarter of 1981.....	700	665	-75
i. Eliminate research and development of an automated group rapid transit technology for 1990's.....	13	12	-10
j. Shorten work hours of certain FAA facilities, defer start-up of some new electronic aids, suspend certain training.....	2,267	2,239	-23
k. Reduce Coast Guard vessel inspections, curtail flight hours, defer some housing improvements, defer some miscellaneous procurements.....	1,182	1,162	-12
l. Defer certain Northeast Corridor rail improvements ($75M) from 1980 to 1981 (bridge and electrification overhaul, signalling).....	400	388	-50
m. Defer reduction of AMTRAK debt. We recommend partial deferral of final Northeast Corridor payment.....	50	50	-5
n. Defer expenditures on DOT's minority business center by spreading backlog over 1980-1982 rather than catching up in 1980.....	10	15	-5
Subtotal.....	5,550	5,232	-291

	Base BA	Base Outlays	Outlay Reductions
*o. Reduce 1981 request for transit-related urban initiatives from $200M to $120M	200	115	-25
*p. Increase AMTRAK fares 10% across the board above any fare increases now planned (i.e., reduced Federal subsidy)	675	675	-45
*q. Reduce the highway obligation limitation in 1980 and 1981 from $8.85B to $7.35B and $8.1B respectively. Monthly obligation controls will be imposed which will reduce 1980 obligations from an average of about $955M to about $370M per month. 1981 obligations will average $675M per month	9,048	8,747	-455
Total, most acceptable	15,473	14,769	-816
Agency total	15,473	14,769	-816
13. Treasury:			
A. Most acceptable			
a. Defer expansion of Mint facilities	9	2	-2
b. Reduce most Treasury operating programs with IRS audit, processing and collection activities reduced slightly less than 1%			
Office of the Secretary/IA	59	59	-2
Government Financial Operations	192	190	-4
Alcohol, Tobacco & Firearms	147	146	-2
Customs Service	472	466	-6
Mint	61	60	-
Public Debt	199	198	-11
Secret Service	159	157	-2
Internal Revenue Service	2,385	2,378	-26
Subtotal	3,683	3,656	-55
*c. Reduce Treasury investment in the National Consumer Cooperative Bank by $66M in BA	116	95	-22
Total, most acceptable	3,799	3,751	-77
Agency total	3,799	3,751	-77

* Sensitive items

	Base		Outlay
	BA	Outlays	Reductions
14. EPA			
A. Most acceptable			
a. Reduction in personnel costs and benefits.....	357	270	-9
Subtotal.....	357	270	-9
*b. Stop waste treatment grants to States for most of 1980.....	3,700	4,250	-133
Total, most acceptable.....	4,057	4,520	-142
Agency total.....	4,057	4,520	-142

	Base BA	Base Outlays	Outlays Reductions
5. National Aeronautics and Space Administration:			
A. Most acceptable			
a. Operating Expenses (Research and Program Management)	1,047	1,043	-14
b. Communications Advanced Research & Technology Development	29	24	-11
c. Science Payloads for Spacelab mission	61	50	-24
d. Tracking and Data Acquisition	359	350	-4
e. Construction of Facilities	120	163	-5
f. Basic and Supporting Research Activities	737	698	-81
g. Materials Processing and Payload Experiment	22	20	-10
h. Thrust Augmentation	10	7	-7
i. Aeronautical Research & Technology Initiatives	290	279	-11
Subtotal	2,675	2,634	-167
*j. National Oceanic Satellite System	6	3	-3
*k. OperationalLandsat Long Lead Items (NASA #3)	16	6	-6
*l. Spacelab Procurement (NASA #9)	152	51	-30
*m. Delay International Solar polar mission	95	69	-18
Total, most acceptable	2,944	2,763	-224
*B. Less acceptable:			
a. Gamma Ray Observatory	19	9	-9
b. Galileo mission to Jupiter	67	80	-70
Total, less acceptable	86	89	-79
*C. Least acceptable			
a. Shuttle operations	375	280	-30
b. Defer Space telescope	119	108	-50
Total, least acceptable	494	388	-80
Agency total	3,524	3,240	-383

*Sensitive items

	Base BA	Base Outlays	Outlay Reductions
16. Veterans Administration			
A. Most acceptable:			
a. Delay proposal to give a 10% increase in GI bill benefits	180	180	-180
b. Delay request for 2 year extension of GI bill benefits for educationally disadvantaged Vietnam Veterans	63	63	-63
c. Delay of construction contracts for VA Medical facilities	660	371	-26
d. Reduce capital investment in VA's Department of Medicine and Surgery	6,155	6,101	-104
e. Reduce Medical Administration and Miscellaneous Operating Expenses	56	56	-1
f. Reduce VA Research program	135	135	-7
g. Reduce new medical care programs, beneficiary travel to NSC, and outpatient care for retired military	See "d" above		-87
h. Miscellaneous reductions in VA general operating expenses	645	644	-45
Total, most acceptable	7,894	7,550	-513
B. Less acceptable:			
a. Reductions in miscellaneous Medical Grant programs	56	66	-8
C. Least acceptable:			
a. Elimination of VA outpatient care to NSC Veterans, closure of 18 satellite OP clinics, eliminate pre bed care OP visits, elimination of hospital based home care	NA	NA	-241
Agency total	7,950	7,616	-762

		Base BA	Base Outlays	Outlay Reductions
17.	General Services Administration			
	A. Most acceptable			
	a. Reduce GSA stockpile procurement	170	170	-21
	b. Reduce ADP opportunity buy program	--	7	-7
	c. Reduce procurement of telecommunications	--	4	-4
	d. Reduce operating programs	--	707	-14
	e. Reduce leasing and repair and alterations	--	-8	-50
	Agency total	170	880	-96
18.	Export-Import Bank			
	*a. Cut loan program	7,085	1,658	-269
19.	International Development			
	A. Most acceptable			
(U)	a. Stretch out payment of World Bank selective capital	70	70	-63
(U)	b. Eliminate debt collection for poorest countries	--	--	-11
(U)	c. Cut marginal AID activities	20	3	-2
(U)	d. Reduce OPIC loans by two-thirds	15	8	-10
(C)	e. Reduce narcotics assistance to Colombia	--	--	-4
(U)	f. Reduce operations of Institute in Taiwan	7	6	-1
(C)	g. Convert commodity import program to projects - Egypt	200	100	-50
(C)	h. Reduce 1981 ESF to Sudan	50	50	-10
(U)	i. Terminate AID programs in poor performing and smaller countries	--	--	-12
(U)	j. Reduce AID operating costs further	--	--	-2
	Subtotal	362	212	-165

*Sensitive item

		Base BA	Base Outlays	Outlay Reductions
(U)	*k. International Science and Technology	--	--	-2
(C)	*1. Terminate AID programs in Indonesia and Nigeria	105	25	-25
	Total, most acceptable	467	237	-192
	*B. Less acceptable:			
(C)	a. Reduce 1981 ESF to Southern Africa	90	62	-15
	C. Least acceptable:			
(C)	a. Reduce 1981 ESF to Israel	785	785	-141
(C)	b. Reduce 1980 ESF to Egypt	750	700	-29
(C)	c. Reduce 1981 ESF to Nicaragua	25	60	-11
	Total, least acceptable	1,560	1,545	-181
	Agency total	2,117	1,844	-388
	20. Small Business Administration:			
	A. Most acceptable:			
	a. Business Loan & Investment Fund	682	613	-64
	b. Contractual services in Salaries & Expenses Account	225	225	-2
	Agency total	907	838	-66
	21. Military assistance			
	A. Most acceptable			
(U)	a. Reduce grant MAP - general costs	105	150	-1
	C. Least acceptable			
(C)	a. Reduce 1981 FMS to Israel	570	500	-75
	Agency total	675	650	-76
	22. National Science Foundation			
	A. Most acceptable			

*Sensitive items

	Base BA	Base Outlays	Outlay Reductions
a. Cancel research facility upgrading program	--	--	-7
b. Delay expansion industry/university cooperative research (Budget Amendment)	--	--	-3
c. Phasedown NSF role in most areas of applied research. Delay expansion of applied research program to encourage industrial innovation. (Deferral and Budget Amendment)	18	8	-20
d. Defer 25% of the balance of 1980 Science Education programs	10	1	-6
Subtotal	28	9	-36
*e. Provide only cost of living (9%) for all other basic research	NA	NA	-14
Total, most acceptable	28	9	-50
B. Less acceptable:			
a. Cancel ocean margin drilling	NA	NA	-7
Agency total	28	9	-57

*Sensitive item

Table_3__Overall

March 6, 1980

Table 3
1981 Budget Reductions
Overall

	Base		Outlay
	BA	Outlays	Reductions
A. Most acceptable			
1. Agency reductions that are less sensitive (See Table 2 items not asterisked)			
Agriculture	5,628	5,562	-326
Commerce	3,009	2,724	-79
Corps of Engineers	1,245	1,266	-191
Education	1,586	1,468	-256
Energy	3,226	3,109	-477
HHS	5,190	4,672	-430
HUD	422	480	-36
Interior	2,802	2,570	-92
Justice	2,094	2,064	-27
Labor	413	413	-207
State	966	920	-32
Transportation	5,550	5,232	-291
Treasury	3,683	3,656	-55
EPA	357	270	-9
NASA	2,675	2,634	-167
VA	7,894	7,550	-513
GSA	170	880	-96
Export-Import	7,085	1,658	-269
International Development	362	212	-165
SBA	907	838	-66
Military assistance	105	150	-1
NSF	28	9	-36
Subtotal	55,397	48,377	-3,821
2. More sensitive reductions			
Agriculture:			
a. Terminate YCC (includes Interior).	55	61	-53
b. Terminate rural development grants	10	12	-5
c. Terminate water and sewer grants	284	303	-81
d. 50% cut in Agricultural Conservation program	190	193	-31
Subtotal, Agriculture	539	569	-170
Commerce:			
a. Scale down size of U.S. pavilion at Knoxville Energy Exposition	---	11	-5
b. Withdraw supplemental for new Regional Development Commission	74	73	-4
Subtotal, Commerce	74	84	-9

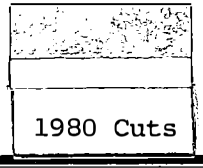
	Base		Outlay
	BA	Outlays	Reductions
Education:			
a. Reduce concentration grants.....	317	202	-93
b. Reduce basic education opportunity grants, reduce State Incentive grants.....	3,306	3,409	-179
Subtotal, Education.....	3,623	3,611	-272
Energy:			
a. Defer strategic petroleum reserve oil purchase from June 1980 to June 1981.....	---	1,176	-850
b. Solar applications (passive).....	56	44	-16
c. Cancel Barstow Solar Power Tower.	10	52	-52
Subtotal, Energy.....	60	1,272	-918
HHS:			
a. Delay child welfare reforms.....	164	164	-44
b. Delay Aging Social Services expansion.....	280	251	-19
c. Delay Head Start urban expansion.	778	758	-8
d. Adolescent health.....	18	13	-6
e. Other health professions.....	188	118	-12
f. Nurse training.....	18	28	-10
g. PHS Commissioned Corps Physician bonuses.....	35	35	-35
h. Reduce DI vocational rehabilitation.....	---	111	-24
i. Reduce SSI vocational rehabilitation.....	55	55	-18
j. NIH program support.....	3,582	3,335	-89
Subtotal, HHS.....	5,118	4,868	-265
HUD:			
a. Rescind $88M from the Categorical Program Settlement fund and $72M carryover in Secretary's discretionary fund.....	3,950	4,000	-89
b. Cut $180M from Urban Development action grants in both 1980 and 1981.....	675	365	-30
c. Reduce rehabilitation loans	188	190	-82
Subtotal, HUD.....	4,813	4,555	-201
Interior:			
a. Reduce Federal purchases from Land and Water Conservation fund.....	252	247	-170
b. Stop urban park program.....	125	74	-74
c. Stop State grant portion of Land and Water Conservation fund.....	327	240	-72
Subtotal, Interior.....	704	561	-316

	Base BA	Base Outlays	Outlay Reductions
Justice:			
a. Eliminate LEAA grant program.....	394	442	-113
Labor:			
a. Phase out Young Adult Conservation Corps.....	265	277	-234
b. Phase out Welfare Reform demonstration projects.....	281	271	-271
c. Reduce countercyclical public service employment from 200,000 slots to 165,000.....	2,044	1,978	-347
d. Reduce summer youth jobs from 1,000,000 to 750,000.....	839	872	-200
Subtotal, Labor.....	3,429	3,398	-1,052
State:			
a. Reduce selected U.N. voluntary contributions.....	244	247	-14
b. Reduce refugee assistance (to fund current flow levels).....	552	518	-126
c. Increase passport (from $10 to $25) and consular fees.....	NA	NA	-65
Subtotal, State.....	796	765	-205
Transportation:			
a. Reduce transit-related urban initiatives from $200 to $120M	200	115	-25
b. Increase AMTRAK fares.....	675	675	-45
c. Reduce highway fund limit from $8,850M to $7,350M in 1980 and $8,100M in 1981.....	9,048	8,747	-455
Subtotal, Transportation.....	9,923	9,537	-525
Treasury:			
a. Reduce Treasury investment in Consumer Cooperative Bank.....	116	95	-45
EPA:			
a. Stop waste treatment grants in remainder of 1980.....	3,700	4,250	-133
NASA:			
a. Reduce National Oceanic Satellite System.....	6	3	-3
b. Reduce operational Landsat Long Lead items.....	16	6	-6
c. Spacelab procurement.....	152	51	-30
d. Delay Solar Polar mission.....	95	69	-18
Subtotal, NASA	269	129	-57

	Base BA	Base Outlays	Outlay Reductions
Export-Import Bank:			
a. Reduction in loan programs.....	7,085	1,658	-269
International Development:			
(U) a. International Science Technology..	NA	NA	-2
(C) b. Terminate AID programs in Indonesia and Nigeria.....	105	25	-25
Subtotal, International development.....	105	25	-27
National Science Foundation:			
a. Provide only cost of living (9%) for all other basic research..	NA	NA	-14
Total, sensitive.....	40,748	35,819	-4,591
Total, most acceptable.....	96,145	84,196	-8,412
B. Less acceptable			
Commerce:			
a. Eliminate base funding for entire Regional Development Commission program.....	74	73	-46
Corps of Engineers:			
a. Reduce on-going public works construction.....	1,638	1,604	-125
Education:			
a. Rescind the entire 1980 appropriation for college libraries and librarian appropriation for School Libraries, eliminating equipment purchases in 1980 and 1981; reduce public library support in 1981.....	247	241	-73
Energy:			
a. Alternative Fuels Feasibility Studies (2.2B).....	0	50	-25
b. Fossil Environmental Control Tech..	43	40	-8
c. SPR Facilities Construction.....	2,404	1,294	-60
d. MHD, stretch R&D schedule.....	72	70	-30
e. SERI Facility.....	10	10	-10
Subtotal, Energy.....	2,529	1,464	-133
HHS			
a. PHS hospitals and clinics.....	170	173	-100

	Base		Outlay
	BA	Outlays	Reductions
Interior:			
a. Reduce on-going public works construction in West, plus other SAPRS reductions.....	781	776	-57
Labor:			
a. Reduce Countercyclical PSE (Title VI) to 130,000 service years.....	NA	NA	-346
National Aeronautics and Space Administration:			
a. Gamma Ray Observatory	19	9	-9
b. Galileo mission to Jupiter	67	80	-70
Subtotal, NASA.....	86	89	-79
Veterans Administration:			
a. Reductions in miscellaneous Medical Grant programs.....	56	66	-8
International Development:			
(C) a. Reduce 1981 ESF to Southern Africa	90	62	-15
National Science Foundation:			
a. Cancel ocean margin drilling.....	NA	NA	-7
Total, less acceptable.....	5,671	4,548	-989
C. Least Acceptable			
Education:			
a. Rescind 1980 appropriations in excess of the President's budget for general assistance education programs; limit 1981 Impact Aid payments to 70% of the 1980 level; rescind 1980 appropriations for Law Enforcement Education programs.....	2,216	1,818	-144
Energy:			
a. Inertial Confinement Fusion.....	NA	NA	-27
b. Defense Waste R&D (long-term).....	106	116	-26
c. Commercial waste (terminal isolation)	221	216	-35
d. Coal-Oil Mixtures.....	22	15	-8
e. Weapons facilities upgrades.....	1,942	1,869	-22
f. Coal gasification (rescind Grace/ Memphis).....	53	53	-21
Subtotal, Energy.....	2,344	2,269	-139
Military assistance			
a. Reduce 1981 FMS to Israel.....	570	500	-75

		Base		Outlay
		BA	Outlays	Reductions
	Interior:			
	a. Stop payments to counties in lieu of taxes on public lands.....	111	111	-111
	National Aeronautics and Space Administration:			
	a. Shuttle operations.....	375	280	-30
	b. Defer Space telescope.....	119	108	-50
	Subtotal, NASA.....	494	388	-80
	Veterans Administration:			
	a. Elimination of VA outpatient care to NSC Veterans, closure of 18 satellite OP clinics, eliminate pre bed care OP visits, elimination of hospital based home care.....	NA	NA	-241
	International Development:			
(C)	a. Reduce 1981 ESF to Israel.....	785	785	-141
(C)	b. Reduce 1980 ESF to Egypt.....	750	700	-29
(C)	c. Reduce 1981 ESF to Nicaragua.....	25	60	-11
	Subtotal, International Development	1,560	1,545	-181
	Total, least acceptable.....	7,295	6,631	-971
	Grand Total.....	109.111	95,375	-10,372


1980 Cuts

March 6, 1980
(Revised)

1980 Budget Reductions

(millions)

A.	Actions affecting indexed programs:	
	1. Indexing cap of 10% effective by July 1, 1980	-1,500
	2. Shift to annual indexing for retirement funds	-80
	Subtotal, actions affecting indexed programs	-1,580
B.	Withdrawal of supplementals:	
	1. Cut Food Stamp request by 10% (including effect of shift to annual indexing)	-252
	2. Withdraw Pakistan request	-100
	3. Withdrawal or reduction of other supplementals (see attached list)	-246
	Subtotal, withdrawal of supplementals	-598
C.	Deferral of new proposals:	
	1. Defer anti-recession fiscal assistance and targeted fiscal assistance	-320
	2. Defer effective date of energy programs and ground transportation energy initiatives	-264
	3. Delay enactment of Child Health Assurance Program	-39
	Subtotal, deferral of new proposals	-623
D.	Actions needed for 1981 reductions (affecting 1980):	
	Agriculture - Delay watershed construction grants; terminate water and sewer programs in 1980 and 1981, and increase credit rate on loan programs; terminate federal portion of youth conservation corps	-51
	Commerce - Rescind excess carryover balances in Coastal Energy Impact fund	-3
	Education - (various forward funded programs)	-106
	Energy - Various rescissions and deferrals, mainly to be consistent with actions taken in FY 1981	-72

1980 Budget Reductions (continued)

	(millions)
HHS - Various rescissions including public health capitation; nursing and other professions training; adolescent health; NIH program support; HMO's; emergency medical services; other health and mental health programs; and Indian health facilities.....	-59
HUD - Delay UDAG program, troubled project operating subsidies; rescind 1980 carryover in Secretary's CDBF program.....	-14
Interior - Stop new urban park grants, reduce purchases from Land and Water Conservation fund and reduce Park Service construction.....	-133
Labor	
- Phase out young adult Conservation Corps.....	-38
- Phase out welfare reform demonstration projects.....	-129
- Reduce countercyclical Public Service Employment goal from 206,500 to 190,000 slots.....	-154
State - Reductions in Columbia narcotics interdiction.....	-3
EPA - Delay some construction grants (deferral of $3.2B).....	-2
GSA - Reduce "buy" of ADP and telecommunications equipment and leasing, repair and alteration.....	-38
NASA - Reduce Galileo mission to Jupiter; delay construction of certain facilities, international solar polar mission, shuttle operations capability and support, and aeronautical research and technology.....	-22
Export-Import Bank.....	-70
NSF - Phasedown of some applied research; reduction in 1980 science education program.....	-9
Foreign Assistance - Reductions in Egypt ESF.....	-7
Smithsonian - Delay museum support facility.....	-2
Water Resources Council - Reduce State water planning grants.....	-6
Subtotal, actions needed for 1981 reductions.....	-918

1980 Budget Reductions (continued)

	(millions)
E. Last "resort" actions:	
1. Further 10% cut in Food Stamp supplemental.....	-252
2. Delay effective dates of proposed child welfare, foster care and adoption reform legislation (pending in Congress - H.R. 3434) to 1982.....	-63
3. Defer initiative of purchases for Strategic Petroleum Reserve from June to October 1980.....	-250
4. Reduce 1980 summer youth program from 1,000,000 slots to 750,000.....	-176
5. Require increased pay absorption for non-defense agencies.....	-50
6. Rescind $100 million for alternative fuels feasibility studies..	-75
Subtotal, last "resort" actions.....	-866
GRAND TOTAL.....	-4,585

Other Cuts in Supplementals (B3)

Commerce	
- Scale down U.S. pavilion at Knoxville Energy Exposition	-2
- Reduce EDA supplemental	-55
- Withdraw supplemental for Regional Development Commissions	-8
Energy - Withdraw supplementals for coal oil mixtures and magnetohydrodynamics	-12
HHS	
- Withdraw mental health and alcohol services request (BA-65)	-41
- Refugees - reduce discretionary social services activities	-18
- National Health Service Corps - reduce to cover only scholarship-obligated personnel	-7
HUD - Withdraw $52.6 million request for operation of low-income housing projects	-53
Justice - Withdraw supplemental for State antitrust enforcement grants	-2
EPA - Small reductions in EPA programs, State program grants, extramural contracts and operating expenses. Elimination of 1980 budget supplemental for pay costs in 1980	-14
VA - Reductions in medical care supplemental request	-20
ACTION - Withdraw supplemental for urban initiative and expansion of VISTA	-14
Total, other cuts in supplementals	-246

Delay Effective Date of Energy Programs and Ground Transportation Energy Initiatives (C-2)

	(millions)
Defer proposals for:	
Coal R&D	-35
Audit demonstration	-1
Biomass	-50
Solar energy and conservation bank	-76
Auditor training	-1
Regional strategic petroleum storage	-3
Offset for gas rationing preimplementation	+7
Subtotal	-164
Delay start-up of auto use management program until 1981 by deleting 1980 request	-50
Delay start-up of mass transit capital investment program until 1981 by deleting 1980 request	-50
TOTAL	-264

March 7, 1980