

Par. (5)(B), (C). Pub. L. 105-33, §10117(a)(3), added subpars. (B) and (C) and struck out former subpars. (B) and (C) which read as follows:

“(B) The cost of a direct loan shall be the net present value, at the time when the direct loan is disbursed, of the following cash flows:

“(i) loan disbursements;

“(ii) repayments of principal; and

“(iii) payments of interest and other payments by or to the Government over the life of the loan after adjusting for estimated defaults, prepayments, fees, penalties and other recoveries.

“(C) The cost of a loan guarantee shall be the net present value when a guaranteed loan is disbursed of the cash flow from—

“(i) estimated payments by the Government to cover defaults and delinquencies, interest subsidies, or other payments, and

“(ii) the estimated payments to the Government including origination and other fees, penalties and recoveries.”

Par. (5)(D). Pub. L. 105-33, §10117(a)(4), amended subpar. (D) generally. Prior to amendment, subpar. (D) read as follows: “Any Government action that alters the estimated net present value of an outstanding direct loan or loan guarantee (except modifications within the terms of existing contracts or through other existing authorities) shall be counted as a change in the cost of that direct loan or loan guarantee. The calculation of such changes shall be based on the estimated present value of the direct loan or loan guarantee at the time of modification.”

Par. (5)(E). Pub. L. 105-33, §10117(a)(5), inserted “the cash flows of” after “similar maturity to”.

Par. (5)(F). Pub. L. 105-33, §10117(a)(6), added subpar. (F).

Pars. (9) to (11). Pub. L. 105-33, §10117(a)(7), added pars. (9) and (10) and redesignated former par. (9) as (11).

§ 661b. OMB and CBO analysis, coordination, and review

(a) In general

For the executive branch, the Director shall be responsible for coordinating the estimates required by this subchapter. The Director shall consult with the agencies that administer direct loan or loan guarantee programs.

(b) Delegation

The Director may delegate to agencies authority to make estimates of costs. The delegation of authority shall be based upon written guidelines, regulations, or criteria consistent with the definitions in this subchapter.

(c) Coordination with Congressional Budget Office

In developing estimation guidelines, regulations, or criteria to be used by Federal agencies, the Director shall consult with the Director of the Congressional Budget Office.

(d) Improving cost estimates

The Director and the Director of the Congressional Budget Office shall coordinate the development of more accurate data on historical performance of direct loan and loan guarantee programs. They shall annually review the performance of outstanding direct loans and loan guarantees to improve estimates of costs. The Office of Management and Budget and the Congressional Budget Office shall have access to all agency data that may facilitate the development and improvement of estimates of costs.

(e) Historical credit program costs

The Director shall review, to the extent possible, historical data and develop the best possible

estimates of adjustments that would convert aggregate historical budget data to credit reform accounting.

(f) Administrative costs

The Director and the Director of the Congressional Budget Office shall each analyze and report to Congress on differences in long-term administrative costs for credit programs versus grant programs by January 31, 1992. Their reports shall recommend to Congress any changes, if necessary, in the treatment of administrative costs under credit reform accounting.

(Pub. L. 93-344, title V, §503, as added Pub. L. 101-508, title XIII, §13201(a), Nov. 5, 1990, 104 Stat. 1388-611.)

PRIOR PROVISIONS

A prior section 503 of Pub. L. 93-344, title V, July 12, 1974, 88 Stat. 321, was classified to section 701 of former Title 31, prior to repeal and reenactment in section 1552(a) of Title 31, Money and Finance, by Pub. L. 97-258, §5(b), Sept. 13, 1982, 96 Stat. 1068, the first section of which enacted Title 31.

§ 661c. Budgetary treatment

(a) President's budget

Beginning with fiscal year 1992, the President's budget shall reflect the costs of direct loan and loan guarantee programs. The budget shall also include the planned level of new direct loan obligations or loan guarantee commitments associated with each appropriations request.

(b) Appropriations required

Notwithstanding any other provision of law, new direct loan obligations may be incurred and new loan guarantee commitments may be made for fiscal year 1992 and thereafter only to the extent that—

(1) new budget authority to cover their costs is provided in advance in an appropriations Act;

(2) a limitation on the use of funds otherwise available for the cost of a direct loan or loan guarantee program has been provided in advance in an appropriations Act; or

(3) authority is otherwise provided in appropriation Acts.

(c) Exemption for mandatory programs

Subsections (b) and (e) shall not apply to a direct loan or loan guarantee program that—

(1) constitutes an entitlement (such as the guaranteed student loan program or the veterans' home loan guaranty program); or

(2) all existing credit programs of the Commodity Credit Corporation on November 5, 1990.

(d) Budget accounting

(1) The authority to incur new direct loan obligations, make new loan guarantee commitments, or modify outstanding direct loans (or direct loan obligations) or loan guarantees (or loan guarantee commitments) shall constitute new budget authority in an amount equal to the cost of the direct loan or loan guarantee in the fiscal year in which definite authority becomes available or indefinite authority is used. Such budget authority shall constitute an obligation