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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

July 17, 1975

B-115398



Speaker of the House
President of the Senate

We were furnished copies of deferrals and proposed rescissions which the President submitted to the Congress on July 1 in his first special message for fiscal year 1976 pursuant to the Impoundment Control Act of 1974. The special message transmits three rescission proposals and 27 deferrals. The President estimates that the impoundments will reduce fiscal year 1976 outlays by \$160.4 million. Enclosure I summarizes, by agency, the total budget authority and FY 1976 outlay reductions involved in the message.

The Impoundment Control Act requires us to review each message and report promptly to the House and Senate as to the facts surrounding each action, including the probable effect thereof and, in the case of deferrals, to render a judgment as to whether the action is in accordance with existing legal authority. Enclosure II contains our comments on each impoundment transmitted by the President's July 1 special message.

Sincerely yours,

Comptroller General
of the United States

Enclosures

ACG-76-2

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ENCLOSURE I

BUDGET AUTHORITY AND OUTLAY REDUCTIONS CONTAINED IN
 RESCISSIONS AND DEFERRALS TRANSMITTED WITH THE
 PRESIDENT' FIRST FY 76 SPECIAL MESSAGE
 July 1, 1975

(dollars in thousands)

<u>PROPOSED RESCISSIONS:</u>	<u>Budget Authority</u>	<u>Outlay Reductions--FY 76</u>
1 Dept. of Transportation 29	\$ 115,000	\$20,700
2 Dept. of the Treasury 33	8,665	0
 <u>DEFERRALS:</u>		
3 Dept. of Agriculture 42	2,232	0
4 Dept. of Commerce 74	8,607	0
5 Dept. of Defense 5	2,027,652	0
6 Dept. of Health, Education and Welfare 11	70,337	700
7 Dept. of Interior 10	392,418	6,200
Dept. of Transportation	84,217	0
Dept. of the Treasury	131,811	131,800
8 Foreign Claims Settlement Commission 48	11,081	0
9 American Revolution Bicentennial Administration 57	1,000	1,000
TOTAL RESCISSIONS AND DEFERRALS	<u>\$2,853,020</u>	<u>\$160,400</u>

ENCLOSURE II

COMMENTS ON THE FIRST FY 1976 SPECIAL MESSAGE
TRANSMITTED BY THE PRESIDENT ON JULY 1, 1975,
PURSUANT TO THE IMPOUNDMENT CONTROL ACT OF 1974

DEPARTMENT OF TRANSPORTATION

- R76-1 Federal Highway Administration
National Scenic and Recreation Highway
69X0544 and Trust Fund Share of Other
Highway Programs 69X8009
- R76-2 Federal Highway Administration
Access Highways to Public
Recreation Areas on Lakes
69X0503

DEPARTMENT OF THE TREASURY

- R76-3 Federal Law Enforcement Training Center
Construction 20X0103

Information in the above messages is essentially correct and the actions being proposed are reasonably clear. With respect to R76-2, however, we noted that DOT's FY 1976 appropriation bill (H.R. 8365) contains language that would rescind the \$25 million in contract authority and replace it with a regular appropriation. H.R. 8365 passed the House on July 10.

DEPARTMENT OF THE INTERIOR

- D76-13 Bureau of Reclamation
Construction & Rehabilitation
14X5061

The information provided is essentially correct and the action being taken is reasonably clear. The funds are being deferred pending the outcome of a report on alternative plans for the Second Bacon Siphon and Tunnel and the Development of the East High-East Low area of the

Columbia Basin Project, Washington. The Bureau of Reclamation has scheduled the report for completion by September 1, 1975, rather than November 1, 1975, as stated in the message. Based on study results to date, the Bureau was prepared to award a contract for construction of the Second Bacon Siphon and Tunnel in September 1975. OMB, however, did not approve the Bureau's request that the funds be apportioned for obligation in the first quarter of FY 1976. The deferral is in accordance with the authority conferred by the Antideficiency Act (31 U.S.C. 665). The authority exists until either House of the Congress passes a resolution disapproving the action.

DEPARTMENT OF THE INTERIOR

D76-14 Bureau of Reclamation
Upper Colorado River Storage
Project 14X4081

Construction funds totalling \$1,150,000 are being deferred pending the completion of salinity effect studies. Studies of the Savery Pot Hook and Fruitland Mesa projects were completed and reports were forwarded to OMB in June 1975. The Dallas Creek and Jensen Unit studies will be completed and reports forwarded to OMB during the latter part of the calendar year. The Bureau planned to obligate the funds during the first quarter of FY 1976 but OMB did not approve the Bureau's apportionment request. The deferral is in accordance with the authority conferred by the Antideficiency Act (31 U.S.C. 665). The authority exists until either House of the Congress passes a resolution disapproving the action.

U. S. DEPARTMENT OF AGRICULTURE

D76-1 Foreign Agricultural Service
Special Foreign Currency Program
12X2901

DEPARTMENT OF COMMERCE

D76-2 National Oceanic and Atmospheric
Administration
Fisheries Loan Fund
137/04317

D76-3 National Oceanic and Atmospheric
Administration
Promote and Develop Fishery Products
and Research Pertaining to American
Fisheries 13X5139

DEPARTMENT OF DEFENSE

D76-4 Shipbuilding and Conversion, Navy
172/61611 173/71611 174/81611
175/91611

D76-5 Military Construction: Army 21X2050;
Navy 17X1205; Air Force 57X3300;
Defense Agencies 97X0500;
Army National Guard 21X2095;
Air National Guard 57X3830;
Army Reserve 21X2086;
Naval Reserve 17X1235;
Air Force Reserve 57X3730.
Family Housing, Defense 97X0700

D76-6 Wildlife Conservation, etc. Military
Reservations: Army 21X5095; Navy
17X5095; Air Force 57X5095

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

D76-7 National Institutes of Health
NIH Buildings and Facilities
75X0838

D76-8 Office of the Assistant Secretary
for Health
75X1102 Scientific Activities
Overseas (Special Foreign
Currency Program)

- D76-9 Office of Education
Higher Education
75X0293
- D76-10 Office of the Secretary
Special Institutions
Howard University 75X0106
(Construction)
- D76-11 Assistant Secretary for Human
Development
Research and Training Activities
Overseas
(Special Foreign Currency Program)

DEPARTMENT OF THE INTERIOR

- D76-12 Bureau of Land Management
14X1113
Public Lands Development
Roads and Trails
- D76-15 Bureau of Outdoor Recreation
Land and Water Conservation Fund
14X5005
- D76-16 Fish and Wildlife Service
Federal Aid in Fish Restoration and
Management (Receipt Limitation)
14X5138
- D76-17 Fish and Wildlife Service
Federal Aid in Wildlife Restoration
14X5029
- D76-18 National Park Service
14X1037 Road Construction
Liquidation of Contract Authority
National Park Service
- D76-19 U.S. Geological Survey
Payments from Proceeds, Sale of Water,
Mineral Leasing Act of 1920, § 40(d)
14X5662
- D76-20 Bureau of Indian Affairs
Road Construction (Liquidation of
Contract Authority)
14X2364

DEPARTMENT OF TRANSPORTATION

- D76-21 U.S. Coast Guard
Acquisition, Construction and
Improvements 0240
- D76-22 Federal Aviation Administration
Civil Supersonic Aircraft Development
Termination 69X0106
Civil Supersonic Aircraft development 69X1358
- D76-23 Federal Aviation Administration
Facilities and Equipment (Airport
and Airway Trust Fund) FAA 69X8107
694/68107 695/78107

DEPARTMENT OF THE TREASURY

- D76-24 Office of the Secretary
State and Local Government Fiscal
Assistance Trust Fund 20X8111
- D76-25 Office of the Secretary
State and Local Government Fiscal
Assistance Trust Fund 20X8111

FOREIGN CLAIMS SETTLEMENT COMMISSION

- D76-25 Payment of Vietnam Prisoner of
War Claims

AMERICAN REVOLUTION BICENTENNIAL
ADMINISTRATION

- D76-27 Commemorative Activities Fund
76X5077

The information provided in the above messages is essentially correct and the actions being taken are reasonably clear. D76-15, however, is not an annual account as shown in the deferral message. OMB agrees that it is a special arrangement to fund land purchases as described in 16 U.S.C. 460 L-10a. The deferrals are in accordance with the authority conferred by the Antideficiency Act (31 U.S.C. 665). The authority exists until either House of the Congress passes a resolution disapproving the action.