

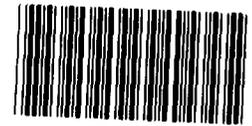


COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON D.C. 20548

129861

May 8, 1986

B-220532



129861

To the President of the Senate and the
Speaker of the House of Representatives

This letter reports on the status of budget authority that was proposed for rescission by the President in his third special message for fiscal year 1986, February 5, 1986, but for which the Congress did not pass a rescission bill as defined in section 1011 of the Impoundment Control Act (the Act). All budget authority withheld pursuant to the rescission proposals submitted in the third message has been released by the Office of Management and Budget (OMB) for obligation.

In the third message, the President proposed 77 rescissions of budget authority. The activities for which the funds proposed for rescission were provided are set forth in the enclosed listing which was submitted by the President with his third message.

Section 1012(b) of the Act requires that funds proposed for rescission be made available for obligation unless the Congress completes action on a rescission bill within the 45-day period of continuous congressional session following the day such proposal is received by the Congress. For the rescission proposals submitted in the third message, the 45-day period ended on April 15, 1986, without the Congress having passed such a bill.

One of the proposals submitted in the third message, Rescission Proposal No. R86-67, would have rescinded \$223.6 million of budget authority made available to the Urban Mass Transportation Administration (UMTA) to make discretionary grants to state and local governments for public transportation. Although the Congress expressly disapproved a previous deferral of the same budget authority, the President provided no substantial new basis justifying the reimposition. In our report of March 11, 1986, GAO/OGC-86-6, we concluded that the rescission proposal was not permitted under the Act. We advised the Congress, on March 27, 1986, that we expected the President would release the \$223.6 million on April 16, but that we would bring a civil action under section 1016 of the Act to compel the release if the funds were not released by May 3. GAO/OGC-86-8.

GAO/OGC-86-16

035394

B-220532

We have confirmed that on April 16, 1986, all funds proposed for rescission, including the UMTA funds, were made available by OMB for obligation by the agencies to which they were appropriated. Accordingly, action under section 1016 is not necessary.

Milton J. Fowler
for Comptroller General
of the United States

Enclosure

CONTENTS OF SPECIAL MESSAGE
as reported by the President
(in thousands of dollars)

RESCISSION NUMBER	ITEM	BUDGET AUTHORITY		
		Original Rescission	Sequester	Current Rescission
	Funds Appropriated to the President			
	Multilateral Assistance			
R86-1	International organizations and programs.....	51,711	11,951	39,760
	Department of Agriculture			
	Agricultural Stabilization and Conservation Service			
R86-2	Rural clean water program.....	6,000	0	6,000
R86-3	Agricultural conservation program.....	140,839	0	140,839
R86-4	Water bank program.....	8,371	0	8,371
R86-5	Dairy indemnity program.....	95	0	95
	Rural Electrification Administration			
R86-6	Reimbursement to the Rural electrification and telephone revolving fund for interest subsidies and losses.....	100,000	0	100,000
R86-7	Purchase of Rural Telephone Bank capital stock.....	30,000	1,290	28,710
	Farmers Home Administration			
R86-10	Rural development loan fund....	13,674	0	13,674
	Soil Conservation Service			
R86-11	Watershed and flood prevention operations.....	60,401	0	60,401
R86-12	Great plains conservation program.....	6,606	0	6,606
	Food and Nutrition Service			
R86-13	Food donations program.....	5,183	0	5,183
	Department of Commerce			
	Economic Development Administration			
R86-14	Economic development assistance programs.....	109,200	7,891	101,309
	International Trade Administration			
R86-15	Operations and administration..	20,000	710	19,290
	National Oceanic and Atmospheric Administration			
R86-16	Operations, research, and facilities.....	66,604	3,281	63,323
	National Telecommunications and Information Administration			
R86-17	Public telecommunications facilities, planning and construction.....	22,800	980	21,820
	Department of Education			
	Office of Elementary and Secondary Education			
R86-18	Compensatory education for the			

CONTENTS OF SPECIAL MESSAGE
as reported by the President
(in thousands of dollars)

RESCISSION NUMBER	ITEM	BUDGET AUTHORITY		
		Original Rescission	Sequester	Current Rescission
	disadvantaged.....	7,500	323	7,177
R86-19	Special programs.....	40,200	2,418	37,782
	Office of Bilingual Education and Minority Languages Affairs			
R86-20	Immigrant education.....	30,000	1,290	28,710
	Office of Special Education and Rehabilitative Services			
R86-21	Education for the handicapped..	104,688	60,324	44,364
R86-22	Rehabilitation services and handicapped research.....	126,585	51,146	75,439
R86-23	Payments to institutions for the handicapped.....	3,111	2,665	446
	Office of Vocational and Adult Education			
R86-24	Vocational and adult education.	245,962	35,625	210,337
	Office of Postsecondary Education			
R86-25	Student financial assistance...	456,347	0	456,347
R86-26	Higher education.....	193,160	12,278	180,882
	Special Institutions			
R86-27	Howard University.....	6,000	301	5,699
	Office of Educational Research and Improvement			
R86-28	Libraries.....	34,500	1,483	33,017
	Department of Health and Human Services			
	Health Resources and Services Administration			
R86-9	Health resources and services..	211,455	0	211,455
R86-29	Indian health.....	24,262	0	24,262
R96-30	Indian health facilities.....	38,642	0	38,642
	Centers for Disease Control			
R86-31	Disease control, research, and training.....	34,096	0	34,096
	National Institutes of Health			
R96-32	National Cancer Institute.....	6,800	0	6,800
R86-33	National Heart, Lung and Blood Institute.....	11,469	0	11,469
R86-34	National Institute of Diabetes and Digestive and Kidney Diseases.....	7,980	0	7,980
R86-35	National Institute of Neurological and Communicative Disorders and Strokes.....	9,554	0	9,554
R86-36	National Institute of Allergy and Infectious Disease.....	1,513	0	1,513
R96-37	National Institute of General Medical Sciences.....	7,358	0	7,358
R86-38	National Institute of Child Health and Human Development..	1,150	0	1,150

CONTENTS OF SPECIAL MESSAGE
as reported by the President
(in thousands of dollars)

RESCISSION NUMBER	ITEM	BUDGET AUTHORITY		
		Original Rescission	Sequester	Current Rescission
R86-39	National Eye Institute.....	5,224	0	5,224
R86-40	National Institute on Aging....	2,679	0	2,679
R86-41	Office of the Director.....	23,055	0	23,055
	Alcohol, Drug Abuse, and Mental Health Administration			
R86-42	Alcohol, drug abuse, and mental health.....	39,718	0	39,718
	Health Care Financing Administration			
R86-43	Program management.....	912	0	912
	Social Security Administration			
R86-44	Refugee and entrant assistance. Human Development Services	87,551	0	87,551
R86-45	Human development services.....	29,980	0	29,980
R86-46	Family social services.....	6,157	0	6,157
R86-47	Work incentives.....	55,000	9,116	45,884
R86-48	Community services block grant.	182,139	0	182,139
R86-49	Community development credit union revolving fund.....	2,529	0	2,529
	Departmental Management			
R86-50	General Departmental management	19,619	0	19,619
R86-51	Policy research.....	220	0	220
	Department of Housing and Urban Development			
	Housing Programs			
R86-52	Subsidized housing programs....	4,416,131	0	4,416,131
R86-53	Congregate services program....	2,555	0	2,555
R86-54	Housing counseling assistance..	3,313	0	3,313
	Community Planning and Development			
R86-55	Urban development action grants	220,062	0	220,062
	Department of the Interior			
	Bureau of Land Management			
R86-56	Land acquisition.....	3,000	0	3,000
	United States Fish and Wildlife Service			
R86-57	Land acquisition.....	4,951	0	4,951
	National Park Service			
R86-58	Construction.....	13,613	0	13,613
R86-59	Land acquisition.....	83,917	0	83,917
R86-60	Historic preservation fund.....	18,523	0	18,523
	Department of Justice			
	Federal Prison System			
R86-61	National Institute of Corrections.....	3,315	0	3,315
	Office of Justice Programs			
R86-62	Justice assistance.....	140,393	5,727	134,666

CONTENTS OF SPECIAL MESSAGE
as reported by the President
(in thousands of dollars)

RESCISSION NUMBER	ITEM	BUDGET AUTHORITY		
		Original Rescission	Sequester	Current Rescission
	Department of Labor			
	Employment and Training Administration			
R86-63	Training and employment services	534,786	118,749	416,037
	Department of Transportation			
	Federal Railroad Administration			
R86-64	Rail service assistance.....	15,000	645	14,355
R86-65	Northeast corridor improvement program.....	12,500	538	11,962
R86-66	Railroad rehabilitation and improvement financing funds...	33,500	1,441	32,059
	Urban Mass Transportation Administration			
R86-67	Discretionary grants.....	521,275	0	521,275
	Department of the Treasury			
	Office of Revenue Sharing			
R86-68	Payments to State and local government fiscal assistance trust fund.....	759,975	0	759,975
	Federal Law Enforcement Training Center			
R86-69	Salaries and expenses.....	4,976	0	4,976
	United States Customs Service			
R86-70	Salaries and expenses.....	4,169	0	4,169
R86-71	Operation and maintenance, air interdiction program.....	19,275	0	19,275
	National Atmospheric and Space Administration			
R86-72	Research and development.....	26,796	0	26,796
	Office of Personnel Management			
R86-73	Government payment for annuitants, employees health benefits.....	600,000	0	600,000
R86-73	Employees health benefits fund.	0	0	0
	Other Independent Agencies			
	Appalachian Regional Commission			
R86-74	Appalachian regional development programs.....	81,000	0	81,000
R86-75	Corporation for Public Broadcasting Public broadcasting fund.....	44,000	0	44,000
	National Endowment for the			

CONTENTS OF SPECIAL MESSAGE
as reported by the President
(in thousands of dollars)

RESCISSION NUMBER -----	ITEM -----	BUDGET AUTHORITY		
		Original Rescission -----	Sequester -----	Current Rescission -----
R86-76	Humanities Grants and administration.....	1,903	0	1,903
R86-78	State Justice Institute..... Salaries and expenses.....	7,656	0	7,656
R86-79	United States Railway Association Administrative expenses.....	640	0	640