



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

76-0212

April 9, 1976

B-115398

Speaker of the House  
President of the Senate

*subcom*

We were furnished copies of deferrals which the President submitted to the Congress on March 18, 1976, in his 12th special message for fiscal year 1976 pursuant to the Impoundment Control Act of 1974. The special message transmits six new deferrals and one revised deferral. The President estimates that the impoundments will reduce fiscal year 1976 outlays by \$61 million in the Department of Agriculture.

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. We are also required to notify the Congress if supplementary information revising earlier messages necessitates changes in the original reports submitted by GAO. Our comments on each impoundment transmitted by the President's 12th special message are enclosed.

Sincerely yours,

*R. F. Keller*  
ACTING Comptroller General  
of the United States

Enclosure

ACG-76-22

703015

B-115398

COMMENTS ON THE 12TH FY 1976 SPECIAL MESSAGE  
TRANSMITTED BY THE PRESIDENT ON MARCH 18, 1976  
PURSUANT TO THE IMPOUNDMENT CONTROL ACT OF 1974

DEPARTMENT OF AGRICULTURE *Ab-C00042*

D76-105 Food and Nutrition Service  
Special Supplemental Food  
Program (WIC) 12X3510

The information provided in the above message is essentially correct and the actions being taken are reasonably clear. The message, however, is not complete and therefore could be misleading. According to available information, these funds are the subject of a pending legal suit which we feel Congress should have been made aware.

Agency records disclose that the Department of Agriculture proposed to defer these funds on February 6, 40 days before they were reported by the President. This delay in reporting the deferral causes an extension of time before the deferral could be considered for possible rejection by either House of the Congress. OMB concurred in that deferral on March 1. The deferral is authorized by the Impoundment Control Act. The authority exists until either House of the Congress passes a resolution disapproving the action or until the end of the fiscal year.

DEPARTMENT OF AGRICULTURE

D76-104 Agricultural Stabilization and  
Conservation Service  
Water Bank Act Program  
12X3320

DEPARTMENT OF COMMERCE

D76-106 General Administration  
Special Foreign Currency  
13X0160, 13X1423, 13X0654,  
13X1802

D76-107 Maritime Administration  
Ship Construction  
13X1708

DEPARTMENT OF DEFENSE

D76-108 Shipbuilding and Conversion  
Navy 172/61611, 173/71611,  
174/81611, 175/91611, 176/01611

DEPARTMENT OF LABOR

D76-109 Employment and Training  
Administration  
Grants to States for Unemployment  
Insurance and Employment Services  
1660179

The information provided in the above messages is essentially correct and the actions being taken are reasonably clear. For D76-104, the funds have already been released as reported in our letter to the Congress dated March 22, 1976, (see rescission R76-16).

Deferrals D76-106, D76-107, and D76-108 are in accordance with the authority conferred by the Anti-deficiency Act (31 U.S.C. 665). Deferrals D76-104 and

D76-109 are authorized by the Impoundment Control Act. The authority exists until either House of the Congress passes a resolution disapproving the action or until the end of the fiscal year.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

D76-54A Social Security Administration  
Limitation on Construction  
75X8705

The President's supplementary information generally increases the amount of budget authority being proposed for impoundment. The revised message does not require us to modify our earlier report to the Congress which commented on the original message.