

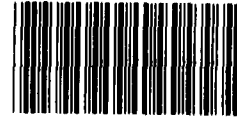


COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON D.C. 20548

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April 15, 1986

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

This is to advise you of the status of \$500 million of budget authority made available to the Department of Housing and Urban Development for community development grants. This budget authority was reported as deferred in the President's third special message, February 5, 1986. (See Deferral No. D86-48.)

Because the justification for this deferral refers to an Administration proposal to reduce the limitation on loans guaranteed under the Community Development Grants loan guarantee program, we reported that the President was withholding loan guarantee authority. GAO/OGC-86-9, April 8, 1986. We now understand, however, that Deferral No. D86-48 reports a withholding of budget authority for community development grants, not loan guarantee authority for the loan guarantee program. In the fiscal year 1987 Budget, the Administration proposes to use the deferred funds in fiscal year 1987.

*Milton J. Dowler*

Acting Comptroller General  
of the United States

GAO/OGC-86-12

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