



UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548



OFFICE OF GENERAL COUNSEL

IN REPLY
REFER TO:

B-196797

August 14, 1980

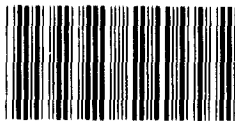
To the President of the Senate and the
Speaker of the House of Representatives

The purpose of this letter is to report on the [status of budget authority ~~that was proposed for deferral~~], but for which Congress has expressed its disapproval.

The President's seventh special message for fiscal year 1980, dated April 16, 1980, included proposed deferrals D80-56, D80-57, and D80-65. Proposal D80-56 deferred \$15.5 million available to the Department of the Interior, National Park Service, for construction of the Cumberland Gap Tunnel project. Proposal D80-57 deferred approximately \$190.8 million available to the Department of Labor, Employment and Training Administration, for employment and training assistance. Proposal D80-65 deferred approximately \$3.6 billion available to the Environmental Protection Agency for construction grants. Deferral D80-65 was revised by the President in his ninth special message, dated May 20, 1980, to reflect an increase of approximately \$11.7 million in this deferral (D80-65A).

On August 1, 1980, the Senate passed two impoundment resolutions as defined by section 1011 of the Impoundment Control Act. Senate Resolution 464 disapproved the deferral of budget authority proposed in D80-56. Senate Resolution 470 disapproved the deferral of budget authority proposed in D80-65A. Section 1013 (b) of the Impoundment Control Act requires that any amount of budget authority proposed to be deferred shall be made available for obligation if either House of Congress passes an impoundment resolution disapproving such proposed deferral. We have confirmed that on August 5, 1980, the budget authority covered by deferrals D80-56 and D80-65A was apportioned by the Office of Management and Budget to the proper agencies for allotment to the programs involved.

With regard to deferral D80-57, the Senate passed Resolution 449 on June 30, 1980. Resolution 449 disapproved only a portion of the funds proposed for deferral in D80-57, namely, the \$27.5 million provided for the Young Adult Conservation Corps.



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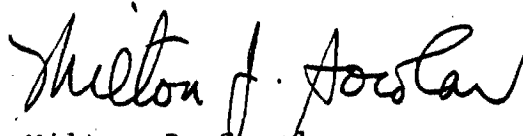
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An impoundment resolution is defined in section 1011 of the Impoundment Control Act as a resolution which "only expresses its disapproval of a proposed deferral of budget authority." In a letter to Senator Robert C. Byrd, dated August 1, 1980, Mr. James T. McIntyre, Director of the Office of Management and Budget, stated that an impoundment resolution gives either House the opportunity to disapprove only an entire deferral, not a portion of a deferral. Mr. McIntyre cited a report by the General Accounting Office dated June 3, 1977, which concluded that an impoundment resolution introduced and passed with respect to a deferral proposed under section 1013 must be on an "all or nothing" basis, and that Congress cannot reject a part of a deferral by a section 1013 resolution. 1/ Consequently, Mr. McIntyre concluded that the Senate's action on Senate Resolution 449 was without any binding effect on the Executive branch. Nevertheless, Mr. McIntyre decided to release the funds for obligation.

For the reasons stated in our 1977 report, we agree that Senate Resolution 449 was not legally binding. We have confirmed that the portion of deferral D80-57 disapproved in the Resolution was apportioned by the Office of Management and Budget on July 14, 1980.



Milton J. Socolar
General Counsel

*/ Report to the Congress by the Comptroller General of the United States, Review of the Impoundment Control Act of 1974 After 2 Years, B-115398 (OGC-77-20), at page 13.