



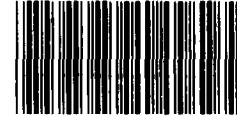
COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON, D.C. 20548

13001  
111690

IN REPLY  
REFER TO:

B-196797

February 29, 1980



111690

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

On January 28, 1980, the President's fourth special message for fiscal year 1980 was transmitted to the Congress pursuant to the Impoundment Control Act of 1974. The special message proposes two rescissions of budget authority totalling \$122.2 million. The special message also proposes five new deferrals of budget authority totalling \$1,028.5 million and revisions to ten previously transmitted deferrals increasing the amounts deferred by a total of \$598.6 million.

Our <sup>President's</sup> comments on the information submitted in the fourth special message are enclosed.

*[Handwritten signature]*  
Thomas A. Stewart

Comptroller General  
of the United States

Enclosure

~~HEW~~ AGC00395  
DOJ AGC00235  
COMM AGC00074  
NOAA AGC00068  
DOD AGC00005  
008821

DOJ AGC00037  
DOS AGC00032  
DOT AGC00029  
National Alaska  
Fuels Comm.  
DLC03032  
OGC-80-7

GAO COMMENTS ON THE PRESIDENT'S FOURTH  
SPECIAL MESSAGE FOR FISCAL YEAR 1980

Except as noted below, we conclude that the information provided in the rescission and deferral proposals is correct and the actions being proposed have been clearly and accurately stated. Based on the current legislative calendar, the 45-day period of continuous session during which funds proposed for rescission in R80-2 and R80-3 may be withheld pending congressional consideration of a rescission bill ends on March 18, 1980.

## DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

R80-2      Health Resources Administration (HRA)  
            Health Resources  
            7500712, 756/00712, 75X0712

HRA officials informed us that the amount proposed for rescission in R80-2 is overstated by \$6.45 million because capitation grants of this amount for Schools of Public Health were inadvertently included. HRA became aware of the error after the President's fourth special message was submitted to the Congress on January 28, 1980. We understand that in its testimony on January 31, 1980, before the Subcommittee on Labor and HEW, House Committee on Appropriations, HRA requested that the \$6.45 million for capitation grants to Schools of Public Health be withdrawn from the rescission proposal. The Office of Management and Budget prepared an amended rescission proposal and reported it in the President's fifth special message to the Congress on February 20, 1980.

Since the information and justification supporting the amended rescission are already before the Congress in R80-2 and the amended rescission merely reduces the amount involved, a new 45-day period did not commence upon submission of the amended rescission. Therefore, the funds covered by R80-2 as amended must be made available for obligation on March 18, 1980, if a rescission bill is not passed by the Congress before that date.

DEPARTMENT OF THE INTERIOR

R80-3 Geological Survey  
Exploration of National Petroleum  
Reserve in Alaska (NPRA)  
14X0805

The effect of R80-3 would be to continue funding for the five wells planned for drilling in fiscal year 1980 but to conclude federally funded drilling thereafter by rescinding the funds that would otherwise be used in preparation for drilling the four exploratory wells planned in fiscal year 1981. This relates to the President's legislative proposal to open NPRA to exploration and development through private leasing. The rescission justification anticipates that the first lease sale will be conducted within 20 months after the legislative proposal's enactment.

Because of the time needed to act on the President's proposal, conduct the lease sales, and for the private leasing firms to actually begin drilling, approval of R80-3 may result in no actual exploratory drilling taking place in 1981 at all. We believe that the Department should continue exploratory drilling in Alaska until such time as private leasing firms can actually begin drilling at an adequate pace. This approach would be consistent with a report GAO issued on December 5, 1978 (EMD-79-13), on our review of the petroleum exploration program in the National Petroleum Reserve in Alaska. We recommended that the Department of Interior continue its exploration and development efforts albeit at a slower, more systematic and purposeful pace while the Department did additional planning, defining of goals, and evaluations. We also acknowledged the greater role private industry might have in conducting additional exploration.

DEPARTMENT OF COMMERCE

D80-5A National Oceanic and Atmospheric  
Administration  
Construction  
13X1452

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D80-8A National Oceanic and Atmospheric  
Administration  
Fisheries Loan Fund  
137/04317

In our report on the President's first special message for fiscal year 1980, we expressed concern about the part of year deferral proposed in D80-8 because the account expires on September 30, 1980, and there were indications from NOAA that the funds would be allowed to lapse. The executive branch has now changed its justification for a part of year deferral of this account because of a legislative proposal to transfer these funds to another account. Our comments on D80-8 concerning whether the funds will lapse and whether actions taken constitute a rescission are equally applicable to D80-8A. We will monitor this account and expect that should the proposed transfer not be approved by the Congress, these funds will be released for obligation with enough time remaining in the fiscal year so as not to effectively preclude their obligation before they lapse on September 30, 1980.

DEPARTMENT OF DEFENSE

D80-41 Shipbuilding and Conversion, Navy  
170/41611

D80-9A Military Construction

D80-42 Family Housing, Defense  
979/30701

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

D80-43 Office of Assistant Secretary for Health  
Scientific Activities Overseas  
(Special Foreign Currency Program)  
75X1102

DEPARTMENT OF THE INTERIOR

D80-44 Bureau of Land Management  
Oregon and California Grant Lands  
14X5136

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D80-16A Bureau of Mines  
Drainage of Anthracite Mines  
14X0956

DEPARTMENT OF JUSTICE

D80-45 Legal Activities  
Fees and Expenses of Witnesses  
1500311

D80-17B Federal Prison System  
Buildings and Facilities  
15X1003

DEPARTMENT OF STATE

D80-32A International Organizations and Conferences  
Contributions for International  
Peacekeeping Activities  
1901124

D80-18A United States Emergency Refugee  
and Migration Assistance  
Fund, Executive  
11X0040

Due to adjustments and releases not reflected in the amended deferral, the amount deferred in D80-18A should be \$19.7 million rather than \$25 million.

DEPARTMENT OF TRANSPORTATION

D80-20A Federal Aviation Administration  
Facilities and Equipment (Airport  
and Airway Trust Fund), FAA  
69X8107, 69/08107,  
699/18107, 690/48107

DEPARTMENT OF THE TREASURY

D80-24A Bureau of the Mint  
Construction of Mint Facilities  
20X1617

B-196797

NATIONAL ALCOHOL FUELS COMMISSION

D60-28A Salaries and Expenses  
48X1700