

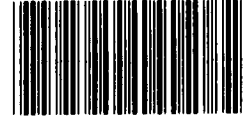


COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON D.C. 20548

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July 6, 1982

B-205053



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

On March 25, 1982, our Office reported a deferral of \$216,520,000 in budget authority provided for the Coast Guard's acquisition, construction, and improvement (AC&I) account which should have been, but was not, reported to Congress by the executive branch pursuant to the provisions of the Impoundment Control Act, 31 U.S.C. §§1401 et seq. The purpose of this letter is to advise that the deferred funds have been made available for obligation.

As indicated in our March 25 report, section 406 of the Department of Transportation Appropriation Act, 95 Stat. 1466, in effect alters the normal operation of the Impoundment Control Act by applying the procedural aspects of the Act normally applicable to proposed rescissions to any deferrals submitted for the accounts specified in section 406, including the AC&I account. Thus, the deferred funds could be withheld from obligation only during the 45-day statutory period, unless Congress acted to approve all or part of the deferral. In our report to Congress dated June 9, 1982, we advised that the 45-day period had expired on May 27, 1982, without Congressional action and, accordingly, that the funds were required to be made available for obligation as of that date.

The basis of our conclusion that funds were being deferred was that the funds were programmed to apply to fiscal year 1983 requirements, an action contrary to the Coast Guard's usual practice and taken in anticipation of a reduced fiscal year 1983 budget request. We had been advised that a plan to use the funds in fiscal year 1982 was submitted by the Coast Guard to OMB on May 21. We now understand that OMB recently completed its review and approved the submitted plan, and that the Coast Guard is proceeding to make the funds available for obligation in accordance with the plan.

Acting Comptroller General
of the United States

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