

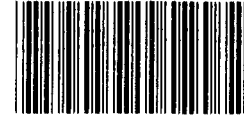
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Comptroller General
of the United States

Washington, D.C. 20548

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November 3, 1992

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

On August 26, 1992, the President submitted to the Congress his 104th special message for fiscal year 1992. The message reports one deferral of budget authority. We have reviewed the deferral and found it to be in accordance with the Impoundment Control Act, 2 U.S.C. § 681, et seq. as amended. We do, however, have the following comments.

The deferral occurred in the Housing Guarantee subsidy account for the Agency for International Development (AID). This account provides the budget authority for the subsidy costs and administrative expenses associated with the Credit Reform Act of 1990. Pub. L. No. 101-508, § 13201, 104 Stat. 388-610 (1990). The Housing Guarantee program extends guarantees to U.S. private investors who make loans to developing countries to assist them in formulating and executing sound housing and community development policies that meet the needs of lower income groups.

Agency officials have informed us that the total amount of budget authority appropriated was \$24,664,000 and not \$47,801,000 as reported in the message. Also, according to the most recent apportionment schedule for this account, on August 25, 1992, OMB released \$14,985,920 of the amount withheld from obligation. Agency officials recently advised us that the balance of the deferred funds was released on September 15, 1992.

However, AID officials advised us in late September that over \$2 million was legally unavailable for obligation due to a statutory limitation on AID's ability to obligate funds during the last month of availability. The limitation provides that:

"Except for the appropriations entitled 'International Disaster Assistance', and 'United States Emergency Refugee and Migration Assistance Fund', not more than 15 per centum of any appropriation item made available by this Act

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shall be obligated during the last month of availability."

Pub. L. No. 101-513, 104 Stat. 1979 (1991).¹

As a result of this statutory requirement, \$2,527,037² in budget authority for the Housing Guarantee Programs was, according to AID, not available for incurring obligations in September 1992, the last month of availability. Thus, the budget authority, although made available for obligation, was due to expire on September 30, 1992.


On September 28, 1992, our Office was informed that AID, OMB, and the Department of the Treasury had mutually agreed that the funds appropriated for Housing Guarantee credit subsidies in fiscal year 1992 are available, by virtue of language in Public Law 102-266, until September 30, 1993. We have no objection to this interpretation.³ AID has informally advised us that because of this extended period

¹There was no regular appropriation passed for Foreign Operations in fiscal year 1992. Instead a series of Continuing Appropriations were enacted which carried with them the same terms and conditions as the fiscal year 1991 appropriation. See Pub. L. No. 102-145, § 103, 105 Stat. 968 (1991); Pub. L. No. 102-266, 106 Stat. 92 (1992).

²The calculation of this amount is as follows: the total funds available for obligations for fiscal year 1992 was \$24,664,000. Obligations through August 31, 1992, totaled \$18,437,000. The amount remaining and available for obligation during September was \$6,227,000. Thus, the amount of budget authority available to obligate in September would be \$3,699,600 (15% of \$24,664,000). The amount over \$3,699,600, by law could not be obligated. This amount is roughly \$2,527,037.

³The Foreign Operations Continuing Resolution for fiscal year 1992 makes funds for "Development Assistance" available until September 30, 1993. Although the term "development assistance" is not defined in the Continuing Resolution, AID points out that the legislative history of the continuing resolution reflects that the term was intended to include "housing guarantees." See 138 Cong. Rec. H 2028 (daily ed. March 31, 1992) (floor comments by Representative Obey.)

of availability, it is in the process of planning to obligate the budget authority previously considered unavailable.

for 
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