

143612



Comptroller General
of the United States

Washington, D.C. 20548

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April 10, 1991

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

On February 28, 1991, the President submitted to the Congress his third special impoundment message for fiscal year 1991. This message reports 26 proposed rescissions of budget authority, one new deferral and revises the amount of one deferral previously reported. We have reviewed the proposed rescissions and the deferrals and found them to be in accordance with the Impoundment Control Act, 2 U.S.C. § 681, et. seq., as amended.

Enclosure I provides specific information on three rescissions and one deferral which we believe will be useful to the Congress in its examination of the message. Enclosure II provides a list of the rescissions and deferrals as reported by the President.

We note that H.R. 1281, the Dire Emergency Supplemental Appropriation Bill for fiscal year 1991,^{1/} disapproves the deferrals reported by this Office on June 28, 1990 (GAO/OGC-90-5) and February 5, 1991 (GAO/OGC-91-3), relating to Military Construction programs, effective April 16, 1991.^{2/}

Milton J. Dozlar
for Comptroller General
of the United States

Enclosures

1/ Both the Senate and the House have passed H.R. 1281 and the bill is currently awaiting the President's signature.

2/ The deferral disapproval does not apply to projects and installations recommended for closure or realignment by the Secretary of Defense pursuant to title XXIX of Public Law 101-510.

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COMMENTS ON THE THIRD SPECIAL MESSAGE**DEPARTMENT OF DEFENSE:**

R91-4 Procurement
 Aircraft Procurement, Navy
 Amount Proposed for Rescission: \$1,093,500,000
170/21506 179/11506

This rescission proposal includes a \$200,000,000 appropriation for the V-22 Osprey aircraft (179/11506). The availability of these funds was to expire on September 30, 1991. The Dire Emergency Supplemental Appropriation Bill for Fiscal Year 1991, H.R. 1281, mandates obligation of these funds for the V-22 and extends the availability of the funds until they are expended for the V-22.

R91-14 Research, Development, Test, and Evaluation
 Research, Development, Test, and Evaluation,
 Army
 Amount Proposed for Rescission: \$60,800,000
211/22040

The funds proposed for rescission expire on September 30, 1992 and not September 30, 1991 as stated in the message.

R91-19 Military Construction
 Military Construction, Air Force
 Amount Proposed for Rescission: \$91,800,000
579/33300 570/43300
571/53300

According to the most recent apportionment statements for these accounts, dated February 13, 1991 and February 15, 1991, total budgetary resources are \$2,054,905,963 and not \$2,038,123,963 as reported in the message.

FUNDS APPROPRIATED TO THE PRESIDENT:

D91-1B International Security Assistance
 Economic Support Fund
 Amount Deferred: \$2,093,659,386
111/21037 110/11037
11X1037

According to OMB's cumulative report, submitted to the Congress on March 7, 1991, the amount deferred is \$1,687,723,000 and not \$2,093,659,386 as shown in the message. This change reflects subsequent releases of funds from these accounts.

CONTENTS OF SPECIAL MESSAGE
(in thousands of dollars)
(as reported by the President)

RESCISSION NO.	ITEM	BUDGET AUTHORITY
	Department of Agriculture:	
	Soil Conservation Service:	
R91-1	Watershed and flood prevention operations.....	10,000
	Department of Defense, Military:	
	Procurement:	
R91-2	Procurement of weapons and tracked combat vehicles, Army.....	86,000
R91-3	Procurement of ammunition, Army.....	13,000
R91-4	Aircraft procurement, Navy.....	1,093,500
R91-5	Weapons procurement, Navy.....	2,600
R91-6	Shipbuilding and conversion, Navy.....	405,000
R91-7	Other procurement, Navy.....	10,000
R91-8	Procurement, Marine Corps.....	2,000
R91-9	Aircraft procurement, Air Force.....	14,200
R91-10	Missile procurement, Air Force.....	74,700
R91-11	Other procurement, Air Force.....	254,200
R91-12	Procurement, Defense agencies.....	65,303
R91-13	National guard and reserve equipment.....	289,900
	Research, Development, Test, and Evaluation:	
R91-14	Research, development, test, and evaluation, Army.....	60,800
R91-15	Research, development, test, and evaluation, Navy.....	834,500
R91-16	Research, development, test, and evaluation, Air Force.....	134,100
R91-17	Research, development, test, and evaluation, Defense agencies.....	29,300
	Military Construction:	
R91-18	Military construction, Navy.....	48,962
R91-19	Military construction, Air Force.....	91,800

CONTENTS OF SPECIAL MESSAGE
(in thousands of dollars)

<u>RESCISSION NO.</u>	<u>ITEM</u>	<u>BUDGET AUTHORITY</u>
Department of Housing and Urban Development:		
Housing Programs:		
	Annual contributions for assisted	
R91-20	housing.....	500,000
R91-21	Congregate services program.....	9,500
R91-22	Nehemiah housing opportunity grants.....	39,112
Community Planning and Development:		
R91-23	Urban development action grants.....	13,518
R91-24	Rental rehabilitation grants.....	70,000
R91-25	Urban homesteading.....	13,397
R91-26	Rehabilitation loan fund.....	144,459
Total rescissions.....		4,309,851

<u>DEFERRAL NO.</u>	<u>ITEM</u>	<u>BUDGET AUTHORITY</u>
Funds Appropriated to the President:		
International Security Service:		
D91-1B	Economic support fund.....	2,093,659
Department of Agriculture:		
Forest Service:		
D91-10	Timber salvage sales.....	103,684
Total deferrals.....		2,197,343