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FOR IMMEDIATE RELEASE

SEPTEMBER 20, 1974

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE CONGRESS OF THE UNITED STATES:

The recently enacted Congressional Budget and Impoundment Control Act of 1974 provides new procedures for executive reporting and congressional review of actions by the executive branch affecting the flow of Federal spending. It thereby serves to make the Congress a full partner in the continuing struggle to keep Federal spending under control.

The new law provides that the executive branch may seek to alter the normal course of spending either through deferrals of spending actions or by asking the Congress to rescind authority to spend. The use of funds may be deferred unless either House of the Congress enacts a resolution requiring that they be made available for spending. For executive rescission proposals to take effect, the Congress must enact rescission bills within 45 days of continuous session.

Following these procedures, I am today reporting the first in a series of deferrals and proposed rescissions.

As is often the case in the institution of new procedures, and in the implementation of new laws, there are questions as to what the law may require of the executive branch and what the Congress may expect. In this instance, the Attorney General has determined that this act applies only to determinations to withhold budget authority which have been made since the law was approved.

However, I am including in today's submission to the Congress reports on some actions which were concluded before the effective date of the act. While these items are not subject, in the Attorney General's opinion, to congressional ratification or disapproval as are those addressed in the recent law, I believe that it is appropriate that I use this occasion to transmit this information to the Congress.

Reasonable men frequently differ on interpretation of law. The law to which this message pertains is no exception. It is particularly important that the executive and legislative branches develop a common understanding as to its operation. Such an understanding is both in keeping with the spirit of partnership implicit in the law and essential for its effective use. As we begin management of the Federal budget under this new statute, I would appreciate further guidance from the Congress. The added information on the status of funds not subject to Congressional action is being made available with this in mind. It will also permit a better understanding of the status of some funds reported previously under the earlier impoundment reporting law.

Virtually all of the actions included in this report were anticipated in the 1975 budget, and six of them were taken before July 12, when the new procedures came into effect. Failure to take these actions would cause more

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(OVER)

than \$20 billion of additional funds to become available for obligation. The immediate release of these funds would raise Federal spending by nearly \$600 million in the current fiscal year. More significantly, outlays would rise by over \$2 billion in 1976 and even more in 1977, the first year in which the new procedures for congressional review of the budget will be in full effect.

The deferrals of budget authority being reported today total \$19.8 billion. The major deferrals are:

- Grants for waste treatment plant construction (\$9 billion). Release of all these funds would be highly inflationary, particularly in view of the rapid rise in non-Federal spending for pollution control. Some of the funds now deferred will be allotted on or prior to February 1, 1975.
- Federal aid highway funds (\$4.4 billion for fiscal year 1975 and \$6.4 billion for fiscal year 1976). Release of these funds would also be highly inflationary and would have to be offset by cuts in higher priority programs. Some of the funds are being withheld pending resolution of court cases concerning the environmental effects of proposed highway construction.
- Various programs of the Department of Health, Education, and Welfare (\$39.6 million). Pending enactment of the 1975 appropriations, HEW funds are being provided under a continuing resolution. Amounts available under the continuing resolution above the budget request are deferred to preserve the flexibility of the Congress and the Administration in arriving at a final decision on the funding levels for these programs.

The larger of the two rescissions which I am proposing would write off the \$456 million of budget authority provided for rural electric and telephone loans at a 2 percent interest rate. The release of these funds would be inconsistent with the legislation enacted in 1973, which limits the availability of 2 percent loans to cases of special need. Loans to borrowers who meet the specified criteria can be financed out of funds provided by the pending Agriculture Appropriations Act.

The deferrals and rescissions covered in this first report are those believed to be of particular interest to the Congress and which would have significant impact on budget spending if released. They are summarized in the attached table. A second report of a series on additional deferrals and rescissions will be submitted to the Congress soon.

Budgetary restraint remains a crucial factor in our efforts to bring inflation under control. In today's environment, we cannot allow excess Federal spending to stimulate demand in a way that exerts further pressures on prices. And we cannot expect others to exercise necessary restraint unless the Government itself does so.

The responsible apportionment of congressional appropriations and other Federal budget authority is an essential -- though often controversial -- element of budget execution. Sound management principles and common

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sense dictate that Federal agencies spend money in an orderly fashion and only to the extent necessary to carry out the objectives for which the spending authority was provided. Current economic conditions require extra care to assure that Federal spending is held to the minimum levels necessary.

The deferrals and rescissions described in the attached report represent an essential step toward the goal of reducing spending and achieving the balanced budget we seek by fiscal year 1976. These actions, by themselves, will not be enough. However, failure to take and sustain this important step would jeopardize our ability to control Federal spending not only during the current fiscal year but, more importantly, for several years to come.

GERALD R. FORD

THE WHITE HOUSE,

September 20, 1974.

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SUMMARY
PROPOSED RESCISSIONS AND DEFERRALS
(dollars in thousands)

Item	Budget Authority
Rescissions:	
Appalachian Regional Development Programs:	
Airport Construction*.....	40,000
Agriculture: Rural Electrification	
Administration: Loans*.....	455,635
Deferrals:	
To be deferred part of year:	
Corps of Engineers - General construction...	108
Health, Education and Welfare:	
Library resources.....	5,437
higher education:	
(University community services).....	2,906
(Land grant colleges).....	9,500
(State postsecondary education commissions).	350
School assistance in federally affected areas.	16,000
Rehabilitation services (innovation and expansion).....	5,000
Public assistance (Child welfare services)...	375
Environmental Protection Agency:	
Construction Grants*.....	9,000,000
General Services Administration:	
Automatic data processing fund.....	4,300
To be deferred for entire year:	
Agriculture: Agriculture research service (Construction)*.....	770
Commerce: Fisheries loan fund*.....	4,039
Interior:	
Oregon and California Grant lands*.....	23,693
Construction and rehabilitation.....	1,055
Upper Colorado River Basin fund.....	1,150
State: International Center, Washington, D.C.....	500
Transportation: Federal-aid highways	
1975 & prior programs.....	4,370,090
1976 program.....	6,357,500
Foreign Claims Settlement Commission:	
Payment to Vietnam prisoners of war.....	10,500
General Services Administration:	
Automatic data processing fund.....	14,000
Total.....	20,322,908

*Action taken prior to enactment of the Impoundment Control Act on July 12, 1974.

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FOR IMMEDIATE RELEASE

OCTOBER 4, 1974

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE CONGRESS OF THE UNITED STATES:

I herewith report on additional rescissions and deferrals for the fiscal year 1975, as required by the Congressional Budget and Impoundment Control Act of 1974. Proposed rescissions which accompany this message total \$182 million and deferrals total \$3,239 million.

Included in this second submission to the Congress under the new act are reports on actions concluded before the effective date of the act and thus are not subject, in the opinion of the Attorney General, to the provisions of the new act. I am reporting this additional information because I believe that it is appropriate to keep the Congress informed on the status of all funds withheld from obligation.

The attachment to this message lists the items reported and identifies those actions taken prior to the effective date of this act.

Failure to take the actions reported would result in \$3.4 billion of additional budget authority becoming available for obligation. This would increase Federal spending in the current fiscal year by \$12 million and in fiscal year 1976 by over \$220 million. Additional spending would be even greater in 1977, the first year in which the new procedures for congressional review of the budget will be in effect.

These actions are essential both to assure efficient management of funds and to help keep Federal spending from rising beyond current estimates. These are essential steps to achieve the degree of fiscal restraint we need in order to curb inflation.

GERALD R. FORD

THE WHITE HOUSE,
October 4, 1974

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Office of the White House Press Secretary

THE WHITE HOUSESUMMARY OF
PROPOSED RESCISSIONS AND DEFERRALS
(dollars in thousands)

<u>Rescission #:</u>	<u>Item</u>	<u>Budget Authority</u>
<u>Rescissions:</u>		
	Agriculture:	
R75-3	Agricultural Conservation Program (REAP)...	85,000*
R75-4	Forest Roads and Trails.....	63,553*
	Housing and Urban Development:	
R75-5	College Housing.....	14,518*
	Interior:	
R75-6	Public Lands Development, Roads and Trails.	4,891*
R75-7	Road Construction.....	14,000
<u>Deferrals:</u>		
	Funds Appropriated to the President:	
D75-19	Agency for International Development.....	20,000*
	Agriculture:	
D75-20	Special Foreign Currency Program.....	2,516*
D75-21	Emergency Conservation Measures.....	5,000
D75-22	Marketing Services.....	903*
D75-23	Perishable Agricultural Commodities Act Fund.....	341*
D75-24	Forest Roads and Trails.....	420,000*
D75-25	Forest Fire Prevention.....	152
D75-26	Expenses, Brush Disposal.....	18,747*
	Commerce:	
D75-27	Financial and Technical Assistance Trade Adjustment Assistance.....	1,780*
D75-28	Inter-American Cultural and Trade Center...	4,891*
D75-29	Construction of Facilities.....	231*
D75-30	Coastal Zone Management.....	3,175*
D75-31	Scientific and Technical Research and Services.....	2,468*
	Defense, Military:	
D75-32	Shipbuilding and Conversion, Navy.....	497,990
D75-33	Military Construction, All.....	156,893
D75-34	Special Foreign Currency Program.....	955
	Defense, Civil:	
	Soldiers' and Airmen's Home:	
D75-35	Capital Outlay.....	613*
	Panama Canal:	
D75-36	Capital Outlay.....	500*
D75-37	Wildlife Conservation, All.....	297*

*Action taken prior to enactment of the Congressional Budget and Impoundment Control Act on July 12, 1974.

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Defer- ral #:	Item	Budget Authority
<u>Deferrals (cont):</u>		
Health, Education, and Welfare:		
D75-38	Health Services Delivery.....	2,250*
D75-39	Indian Health Facilities.....	88*
D75-40	Buildings and Facilities (NIH).....	10,441*
D75-41	Scientific Activities Overseas (Special Foreign Currency Program).....	21,714*
D75-42	Higher Education.....	8,788*
D75-43	Research and Training Activities Overseas (Special Foreign Currency Program).....	8,158
D75-44	Limitation on Construction.....	15,393*
D75-45	Model Secondary School for the Deaf.....	803*
D75-46	Howard University.....	11,490*
Housing and Urban Development:		
D75-47	Non-profit Sponsor Assistance.....	7,995*
D75-48	Home Ownership Assistance.....	264,117*
D75-49	Open Space Land Programs.....	55,161*
D75-50	Grants for Neighborhood Facilities.....	48*
D75-51	Grants for Basic Water and Sewer Facilities	401,734*
D75-52	Public Facility Loans.....	199,290*
D75-53	New Community Assistance Grants.....	1,799*
Interior:		
D75-54	Public Lands Development Roads and Trails..	30,000*
D75-55	Land and Water Conservation Fund.....	30,000*
D75-56	Federal Aid in Fish Restoration and Management.....	6,924*
D75-57	Federal Aid in Wildlife Restoration.....	19,375*
D75-58	National Wildlife Refuges Fund.....	3,642
D75-59	Proceeds from Sales, Water Resources Development Projects.....	4*
D75-60	Road Construction.....	312,098
D75-61	Payments from Proceeds, Sale of Water, Mineral Leasing Act of 1920, Sec. 40(d)..	28*
D75-62	Drainage of Anthracite Mines.....	3,575*
D75-63	BIA, Road Construction Program.....	110,423
D75-64	Acquisition of Land and Loans to Indians of Oklahoma, Act of June 26, 1936.....	105*
Justice:		
D75-65	Buildings and Facilities.....	19,320*
State:		
D75-66	Acquisition, Operation, and Maintenance of Buildings Abroad.....	33,310
D75-67	Construction, International Boundary and Water Commission, United States and Mexico.....	4,696*
Transportation:		
D75-68	Acquisition, Construction and Improvements..	7,614
D75-69	Civil Supersonic Aircraft Development Termination.....	8,113
D75-70	Facilities and Equipment (Airport and Airway Trust Fund).....	260,824
D75-71	National Scenic and Recreational Highway and Trust Fund Share of Other Highway Programs.....	90,000

*Action taken prior to enactment of the Congressional Budget and Impoundment Control Act on July 12, 1974.

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Defer- ral #:	Item	Budget Authority
D75-72	Rail Crossings Demonstration Projects.....	8,015
	Atomic Energy Commission:	
D75-73	Plant and Capital Equipment.....	1,500
	Environmental Protection Agency:	
	Abatement and Control:	
D75-74	Water Program Operations.....	2,000
D75-75	Water Planning and Standards.....	30,000
	District of Columbia:	
D75-76	Loans for Capital Outlay (consolidated)....	96,800
	Federal Energy Administration:	
D75-77	Salaries and Expenses.....	11,929
	American Revolution Bicentennial Administration:	
D75-78	Salaries and Expenses, States Grants Programs.....	11,000
D75-79	Commemorative Activities Fund.....	6,310
	Railroad Retirement Board:	
D75-80	Railroad Unemployment Administrative Expenses, Trust Fund.....	4,716*
	Total.....	3,441,004

*Action taken prior to enactment of the Congressional Budget and Impoundment Control Act on July 12, 1974.

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THE WHITE HOUSE
WASHINGTON

Cong Jim Stanton 5871
Mr Watzman

Pub. Works - Cuyahoga River
Cleveland Harbor

Pat Chapla - Warsha
x 5705 or 1552

Chillicothe, Ohio
Mill Creek, Ohio



FOR IMMEDIATE RELEASE

OCTOBER 31, 1974

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE CONGRESS OF THE UNITED STATES:

I herewith report on additional deferrals for the fiscal year 1975, as required by the Congressional Budget and Impoundment Control Act of 1974. These deferral actions have been taken to reduce the inflationary effects of the Public Works for Water and Power Development and Atomic Energy Commission Appropriation Act of 1975 (Public Law 93-393). When I approved the Act, I did so with the hope and expectation that the Congress would work in cooperation with the Executive Branch to defer for one full year the expenditure of that amount of appropriated funds which would contribute excessively to inflationary government spending.

The deferral actions reported today decrease the amount of budget authority which would otherwise be available in the fiscal year 1975 by nearly \$82 million and thereby keep Federal spending from rising nearly \$57 million above current estimates. If the Congress and the President are to keep Federal outlays for the fiscal year 1975 within \$300 billion, such measures as the ones reported here are essential.

GERALD R. FORD

THE WHITE HOUSE,

October 31, 1974.

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SUMMARY OF DEFERRALS

(dollars in thousands)

Defer- ral #:	Item	Budget Authority
	Defense, Civil:	
	Corps of Engineers-Civil:	
D75-81	Construction, General.....	43,945
D75-82	Flood Control, Mississippi River and Tributaries.....	14,503
	Interior:	
	Bureau of Reclamation:	
D75-83	Loan Program.....	900
D75-84	Construction and Rehabilitation.....	17,955
D75-85	Colorado River Basin Project (Lower Colorado River Basin Development Fund).....	2,525
D75-86	Upper Colorado River Storage Project (Upper Colorado River Basin Fund).....	1,730
	Total.....	<u>81,558</u>

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of the Army	New budget authority	\$ <u>973,681,000</u>
Bureau Corps of Engineers, Civil	(P.L. <u>93-393</u>)	
Appropriation Title & Symbol Construction General, COE, Civil 96X3122	Other budgetary resources	<u>105,825,692</u>
	Total Budgetary Resources	<u>1,079,506,692</u>
	Amount to be deferred part of year	<u> </u>
	Amount to be deferred for entire year	<u>43,945,000</u>

Justification

The Public Works Appropriation Act of 1975 (P.L. 93-393) was signed into law on August 28, 1974. In the signing statement that accompanied the Act, the President noted that use of all the funds appropriated by the Congress in its action on the Public Works Appropriation Bill (H.R. 15155) would increase outlays in fiscal year 1975 by \$80 million and added that, after discussions with congressional leaders, he was signing this bill with the expectation that Congress would work in cooperation with the Executive Branch to defer for one full year the expenditure of that amount of appropriated funds which would contribute excessively to inflationary government spending.

Though this deferral does not, by itself constitute an action sufficient to deter inflation, it is one of a number of actions, including a group of Public Works deferrals that, taken together, are necessary to restrain near term Federal spending to achieve an anti-inflationary fiscal posture.

The total budget authority in FY 1975 for Corps of Engineers Civil Works activities is \$85,790,000 in excess of the budget. Of this excess amount \$43,945,000 has been withheld from obligation in this account to meet the anti-inflation goals of the Federal government. The remaining \$1,035,561,692 has been made available for obligation with the exception of \$108,000 which was the subject of a separate deferral report (D75-1).

This account was apportioned on September 27, 1974, to defer \$56,230,000. Subsequently, the account was reapportioned to revise the amount deferred to \$43,945,000.

Estimated Effects

The Corps outlays in FY 1975 will be reduced an estimated \$31,185,000 as a result of this deferral.



The deferral will delay some project completions and delay the realization of benefits. In addition to changes in value levels of both costs and benefits that would take place in the deferral period, there may be some effect on construction efficiency.

Availability of 1975 appropriations to projects is as follows:

- The full amount of funds appropriated for planning projects has been made available.
- Projects for which the budgeted amount or less was cited in the report of the appropriations conference committee - the full amount is available for obligation in FY 1975.
- Projects for which more than the budgeted amount was cited in the conference report, including new construction starts - all but one-half of the increase is available for obligation in FY 1975.

Amounts deferred equal one-half of the amount added over budget by the appropriations process on a project by project basis. A list of projects to be affected by deferral action is attached.



Corps of Engineers
Projects Affected
by Deferrals

Construction, General

Tennessee-Tombigbee Waterway,
Alabama and Mississippi

Snettisham, Alaska

McClellan-Kerr Arkansas
River Nav. System, Arkansas
and Oklahoma

Buchanan Dam-H.V. Eastman
Lake, California

Hidden Lake, California

San Diego Harbor, California

Sacramento River, Chico Landing
to Red Bluff, California

Four River Basins, Florida

West Point Lake, Georgia
and Florida

Kaneohe-Kailua Area, Hawaii

Mississippi R. between Ohio and
Missouri Rivers; Reregulating
Works, Illinois

Patoka Lake, Indiana

Uniontown Locks and Dam, Indiana
and Kentucky

Rathbun Lake, (Fish Hatchery),
Iowa

Hillsdale Lake, Kansas

Paintsville Lake, Kentucky

Red River Lake, Kentucky

Taylorsville Lake, Kentucky

Construction, General (Con'd)

Yatesville Lake, Kentucky

Atchafalaya River, Bayous
Chene, Boeuf and Black,
Louisiana

Overton-Red River Waterway
(lower 31 miles only)
Louisiana

Red River Waterway, Miss.
River to Shreveport, La.

Clarence Cannon Dam and Res., Missouri

Harry S. Truman Dam and Res., Missouri

Meramec Park Lake, Missouri

Libby Dam-Lake Koocanusa,
Montana

Papillion Creek and Tribs.,
Nebraska

Cochiti Lake, New Mexico

East River Spur Channel, New York

East Rockaway to Rockaway Inlet
and Jamaica Bay, New York (Part I)

Fire Island Inlet to Montauk Point, New York

New York Harbor (Anchorage), New York

B, Everett Jordan Dam and Lake, North Carolina

Falls Lake, North Carolina

Missouri River, Garrison Dam
to Lake Oahe, North Dakota

Copan Lake, Oklahoma

Skiatook Lake, Oklahoma

Applegate Lake, Oregon

Construction, General (Con'd)

Bonneville Lock and Dam (Second
Power Unit), Oregon and Washington

Scappoose Drainage District, Oregon

Presque Isle Peninsula, Pennsylvania

Raystown Lake, Pennsylvania

Tioga-Hammond Lakes, Pennsylvania

Cooper Lake and Channels, Texas

Corpus Christi Ship Channel, Texas

Lakeview Lake, Texas

San Gabriel River, Texas

Fourmile Run, City of
Alexandria and Arlington
County, Virginia

Wynochee Lake, (Fish Hatchery), Washington

La Farge Lake and Channel Improvement,
Wisconsin

Burnsville Lake, West Virginia

R.D. Bailey Lake, West Virginia

Recreation Facility Projects Completed

Construction, General(Con'd)

Indian Bend Wash, Arizona

Chester, North Fork of Feather
River, California

Cucamonga Creek, California

Panama City Harbor, Florida

Richard B. Russell (Trotters
Shoals) Dam and Lake,
Georgia and South Carolina

Kahului Harbor, Hawaii (Mitigation
of Shore Damages attributable to
Navigation Projects, Sec. 111)

Lahaina Small Boat Harbor, Hawaii

Columbia Drainage and Levee
District No. 3, Illinois

Big Pine Lake, Indiana

Marion, Kansas

Perry Lake Area (Road Improvement),
Kansas

Yazoo River, Belzoni Bridge
(Advance Participation), Miss.

Frazer-Wolf Point Bank
Stabilization, Montana

New York Harbor Collection and
Removal of Drift, New York

Chillicothe, Ohio

Mill Creek, Ohio

Beaver Drainage District, Oregon

Portugues and Bucana Rivers,
Puerto Rico

Construction, General(Con'd)

Cooper River, Charleston
Harbor, South Carolina

Sacred Heart Hospital, Emergency
Bank Stabilization, Yankton,
South Dakota

Aubrey Lake, Texas

Lower Monumental Lock and Dam
(Add'1 Units), Washington

Coal River Basin, West Virginia

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of the Army	New budget authority (P.L. <u>93-393</u>)	\$ <u>161,948,000</u>
Bureau Corps of Engineers, Civil	Other budgetary resources	<u>21,129,645</u>
Appropriation Title & Symbol Flood Control, Mississippi River and Tributaries, COE Civil 96X3112	Total Budgetary Resources	<u>183,077,645</u>
	Amount to be deferred part of year	<u> </u>
	Amount to be deferred for entire year	<u>14,503,000</u>

Justification

The Public Works Appropriation Act of 1975 (P.L. 93-393) was signed into law on August 28, 1974. In the signing statement that accompanied the Act, the President noted that use of all the funds appropriated by the Congress in its action on the Public Works Appropriation Bill (H.R. 15155) would increase outlays in fiscal year 1975 by \$80 million and added:

"After discussions with Congressional leaders, I have therefore decided to sign this bill with the hope and expectation that under the budget act, the Congress will work in cooperation with the executive branch to defer for one full year the expenditure of that amount of appropriated funds which would contribute excessively to inflationary government spending."

Though this deferral does not, by itself constitute an action sufficient to deter inflation, it is one of a number of actions, including a group of Public Works deferrals that, taken together, are necessary to restrain near term Federal spending to achieve an anti-inflationary fiscal posture.

The total budget authority in FY 1975 for Corps of Engineers Civil Works activities is \$85,790,000 in excess of the budget. Of this excess amount, \$14,503,000 has been withheld from obligation in this account to meet the anti-inflation goals of the Federal government. The remaining \$168,574,645 has been made available for obligation.

This account was apportioned on September 27, 1974, to defer \$19,336,000. Subsequently, the account was reapportioned to revise the amount deferred to \$14,503,000.

Estimated Effects

The Corps outlays in FY 1975 will be reduced an estimated \$10,877,000 as a result of this deferral.

The deferral will delay some project completions and delay the realization of benefits. In addition to changes in value levels of both costs and benefits that would take place in the deferral period, there may be some effect on construction efficiency.

Availability of 1975 appropriations to projects is as follows:

- The full amount of funds appropriated for planning projects has been made available.
- Projects for which the budgeted amount or less was cited in the report of the appropriations conference committee - the full amount is available for obligation in FY 1975.
- Projects for which more than the budgeted amount was cited in the conference report, including new construction starts - all but one-half of the increase is available for obligation in FY 1975

Amounts deferred equal one-half of the amount added over budget by the appropriations process on a project by project basis.

A list of projects to be affected by deferral action is attached.

Corps of Engineers
Projects Affected
by Deferrals

Mississippi River and
Tributaries

Mississippi River Levees

Channel Improvement

Atchafalaya Basin, Louisiana

Bayou Cocodrie and Tributaries, Louisiana

Cache Basin, Arkansas

Lower Red River, South
Bank Levee, Louisiana

St. Francis Basin, Arkansas,
Missouri

Reelfoot Lake, No. 9,
Tennessee, Kentucky

Tensas Basin, Arkansas and Louisiana

Yazoo Basin, Mississippi

West Kentucky Tribs.,
Kentucky

West Tennessee Tribs., Tennessee

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of the Interior	New budget authority	\$ 13,825,000
Bureau Reclamation	(P.L. 93-393) Other budgetary resources	3,486,062
Appropriation Title & Symbol Loan Program 14X0667	Total Budgetary Resources	17,311,062
	Amount to be deferred part of year	_____
	Amount to be deferred for entire year	900,000

Justification

The Public Works Appropriation Act of 1975 (P.L. 93-393) was signed into law on August 28, 1974. In the signing statement that accompanied the Act, the President noted that use of all the funds appropriated by the Congress in its action on the Public Works Appropriation Bill (H.R. 15155) would increase outlays in fiscal year 1975 by \$80 million and added:

"After discussions with Congressional leaders, I have therefore decided to sign this bill with the hope and expectation that under the budget act, the Congress will work in cooperation with the Executive Branch to defer for one full year the expenditure of that amount of appropriated funds which would contribute excessively to inflationary government spending."

Though this deferral does not, by itself constitute an action sufficient to deter inflation, it is one of a number of actions, including a group of public works deferrals that, taken together, are necessary to restrain near term Federal spending to achieve an anti-inflationary fiscal posture.

The total budgetary resources for this account in 1975 is \$17,311,062, including \$1,800,000 in excess of the budget. Of this amount, \$900,000 has been withheld from obligation to meet the anti-inflation goals of the Federal government. The remaining \$16,411,062 has been made available for obligation.

Estimated Effects

The \$900,000 to be deferred will result in a reduction in the amount of outlays in fiscal year 1975 of \$585,000.

The deferral will delay some project completions and delay the realization of benefits. In addition to changes in value levels of both costs and benefits that would take place in the deferral period, there may be some effect on construction efficiency.

DEFERRAL OF BUDGET AUTHORITY

Estimated Effects(Con'd)

Availability of 1975 appropriations to projects is as follows:

- Projects for which the budgeted amount or less was cited in the report of the appropriations conference committee - the full amount is available for obligation in FY 1975.
- Projects for which more than the budgeted amount was cited in the conference report, including new construction starts - all but one-half of the increase is available for obligation in FY 1975.

Amounts deferred equal one-half of the amount added over budget by the appropriations process on a project by project basis.

A list of projects to be affected by deferral action is attached.

Bureau of Reclamation Projects
affected by deferrals

Loan Program

Central Nebraska Public Power & Irrigation District

La Branza Water District, California

DEFERRAL OF BUDGET AUTHORITY
 Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of the Interior	New budget authority (P.L. 93-393)	\$ 244,123,000
Bureau Reclamation	Other budgetary resources	9,799,985
Appropriation Title & Symbol Construction and Rehabilitation 14X5061	Total Budgetary Resources	253,922,985
	Amount to be deferred part of year	
	Amount to be deferred for entire year	17,955,000

Justification

The Public Works Appropriation Act of 1975 (P.L. 93-393) was signed into law on August 28, 1974. In the signing statement that accompanied the Act, the President noted that use of all the funds appropriated by the Congress in its action on the Public Works Appropriation Bill (H.R. 15155) would increase outlays in fiscal year 1975 by \$80 million and added:

"After discussions with Congressional leaders, I have therefore decided to sign this bill with the hope and expectation that under the budget act, the Congress will work in cooperation with the executive branch to defer for one full year the expenditure of that amount of appropriated funds which would contribute excessively to inflationary government spending."

Though this deferral does not, by itself constitute an action sufficient to deter inflation, it is one of a number of actions, including a group of Public Works deferrals that, taken together, are necessary to restrain near term Federal spending to achieve an anti-inflationary fiscal posture.

The total budgetary resources for this account in 1975 is \$253,922,985 including \$31,789,000 in excess of the budget. Of this amount \$17,955,000 has been withheld from obligations to meet the anti-inflation goals of the Federal government. An additional \$1,055,000 has been deferred under a separate deferral report (D75-14). Presently \$234,937,985 is available for obligation in this account.

This account was apportioned on September 27, 1974, to defer \$23,670,000. Subsequently, the account was reapportioned to revise the amount deferred to \$17,955,000.

Estimated Effects

The \$17,955,000 to be deferred will result in a reduction in the amount of outlays in fiscal year 1975 of \$11,930,000.

The deferral will delay some project completions and delay the realization of benefits. In addition to changes in value levels of both costs and benefits that would take place in the deferral period, there may be some effect on construction efficiency.

Availability of 1975 appropriations to projects is as follows:

- The full amount of funds appropriated for planning projects has been made available.
- Projects for which the budgeted amount or less was cited in the report of the appropriations conference committee - the full amount is available for obligation in FY 1975.
- Projects for which more than the budgeted amount was cited in the conference report, including new construction starts - all but one-half of the increase is available for obligation in FY 1975.

Amounts deferred equal one-half of the amount added over budget by the appropriations process on a project by project basis.

A list of projects to be affected by deferral action is attached.

Bureau of Reclamation Projects
affected by deferrals

Construction and Rehabilitation

Brantley, New Mexico

Central Valley Project, California
Sacramento River Division
San Luis Unit
Auburn South Unit
Miscellaneous Central Valley Programs

Central Valley Project, California
San Felipe Division

Chief Joseph Dam, Foster Creek Division, Washington

Columbia Basin Irrigation Facilities, Washington

Columbia Basin, Bacon Siphon & Tunnel #2, Washington

Columbia Basin, Grand Coulee Dam, third Powerplant,
Washington

Fryingpan Arkansas, Colorado

Pick Sloan Missouri Basin
Garrison Diversion Unit, North Dakota
Oahe Project, South Dakota
Narrows Unit, Colorado

Teton Basin - Lower Teton Division, Idaho

Tualatin Project, Oregon

Tumulo Irrigation District, Oregon

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of the Interior	New budget authority	\$ 23,000,000
Bureau Reclamation	(P.L. 93-393)	
Appropriation Title & Symbol Colorado River Basin Project (Lower Colorado River Basin Development Fund) 14X4079	Other budgetary resources	24,102,579
	Total Budgetary Resources	47,102,579
	Amount to be deferred part of year	_____
	Amount to be deferred for entire year	2,525,000

Justification

The Public Works Appropriation Act of 1975 (P.L. 93-393) was signed into law on August 28, 1974. In the signing statement that accompanied the Act, the President noted that use of all the funds appropriated by the Congress in its action on the Public Works Appropriation Bill (H.R. 15155) would increase outlays in fiscal year 1975 by \$80 million and added:

"After discussions with Congressional leaders, I have therefore decided to sign this bill with the hope and expectation that under the budget act, the Congress will work in cooperation with the executive branch to defer for one full year the expenditure of that amount of appropriated funds which would contribute excessively to inflationary government spending."

Though this deferral does not, by itself constitute an action sufficient to deter inflation, it is one of a number of actions, including a group of Public Works deferrals that, taken together, are necessary to restrain near term Federal spending to achieve an anti-inflationary fiscal posture.

The total budgetary resources for this account in 1975 is \$47,102,579, including \$5,050,000 in excess of the budget. Of this amount, \$2,525,000 has been withheld to meet the anti-inflation goals of the Federal government. The remaining \$44,577,579 of budgetary resources has been made available for obligation.

The account was apportioned on September 27, 1974 to defer \$4,380,000. Subsequently, the account was reapportioned to revise the amount deferred to \$2,525,000.

Estimated Effects

The \$2,525,000 to be deferred will result in a reduction in the amount of outlays in fiscal year 1975 of \$1,610,000.

The deferral will delay some project completions and delay the realization of benefits. In addition to changes in value levels of both costs and benefits that would take place in the deferral period, there may be some effect on construction efficiency.

Availability of 1975 appropriations to projects is as follows:

- Projects for which the budgeted amount or less was cited in the report of the appropriations conference committee - the full amount is available for obligation in FY 1975.
- Projects for which more than the budgeted amount was cited in the conference report, including new construction starts - all but one-half of the increase is available for obligation in FY 1975.

Amounts deferred equal one-half of the amount added over budget by the appropriations process on a project by project basis.

A list of projects to be affected by deferral action is attached.

Bureau of Reclamation Projects
affected by deferrals

Colorado River Basin Project

Central Arizona Project, Arizona

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

<u>Agency</u>		
Department of the Interior	New budget authority	\$ 24,621,000
<u>Bureau</u>	(P.L. 93-393)	
Reclamation	Other budgetary resources	50,849,008
<u>Appropriation Title & Symbol</u>		
Upper Colorado River Storage Project	Total Budgetary Resources	75,470,008
(Upper Colorado River Basin Fund, 14X4081; and Recreational and Fish and Wildlife Facilities 14X0682)	Amount to be deferred part of year	_____
	Amount to be deferred for entire year	1,730,000

Justification

The Public Works Appropriation Act of 1975 (P.L. 93-393) was signed into law on August 28, 1974. In the signing statement that accompanied the Act, the President noted that use of all the funds appropriated by the Congress in its action on the Public Works Appropriation Bill (H.R. 15155) would increase outlays in fiscal year 1975 by \$80 million and added:

"After discussions with Congressional leaders, I have therefore decided to sign this bill with the hope and expectation that under the budget act, the Congress will work in cooperation with the executive branch to defer for one full year the expenditure of that amount of appropriated funds which would contribute excessively to inflationary government spending."

Though this deferral does not, by itself constitute an action sufficient to deter inflation, it is one of a number of actions, including a group of Public Works deferrals that, taken together, are necessary to restrain near term Federal spending to achieve an anti-inflationary fiscal posture.

The total budgetary resources for this account in 1975 is \$75,470,008. Of these totals available for 1975, \$1,730,000 has been withheld from obligations to meet anti-inflation goals of the Federal government. An additional \$1,150,000 was the subject of a separate deferral report (D75-15). The remaining budget authority has been made available for obligation.

This account was apportioned on September 27, 1974, to defer \$3,153,850. Subsequently, the account was reapportioned to revise the amount deferred to \$1,730,000.

Estimated Effects

The \$1,730,000 to be deferred will result in a reduction in the amount of outlays in fiscal year 1975 of \$710,000.

The deferral will delay some project completions and delay the realization of benefits. In addition to changes in value levels of both costs and benefits that would take place in the deferral period, there may be some effect on construction efficiency.

Availability of 1975 appropriations to projects is as follows:

- The full amount of funds appropriated for planning projects has been made available.
- Projects for which the budgeted amount or less was cited in the report of the appropriations conference committee - the full amount is available for obligation in FY 1975.
- Projects for which more than the budgeted amount was cited in the conference report, including new construction starts all but one half of the increase is available for obligation in FY 1975.
- Projects for which all prior year funds had been deferred in earlier actions - none of the additional unbudgeted construction funds have been made available pending the completion of programmed review.

Amounts deferred equal one-half of the amount added over budget by the appropriations process on a project by project basis.

A list of projects to be affected by deferral action is attached.

Bureau of Reclamation Projects
affected by deferrals

Upper Colorado River Basin Fund

Bonneville Unit, Utah

Dallas Creek Project, Colorado

Fruitland Mesa, Colorado

Jensen Unit, Utah

Savery Pot-Hook, Colorado/Wyoming

Bureau of Reclamation Projects
affected by deferrals

Construction of Recreational and Fish and Wildlife Facilities

Central Utah Project, Bonneville Unit, Utah

Flaming Gorge Unit, Utah/Wyoming

FOR IMMEDIATE RELEASE

OCTOBER 31, 1974

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE CONGRESS OF THE UNITED STATES:

In accordance with the provisions of Title X of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344), I am reporting the deferral of funds appropriated to carry out the Family Practice of Medicine Act (S. 3418, Ninety-First Congress).

The details of the deferral are contained in the attached report.

GERALD R. FORD

THE WHITE HOUSE,

October 31, 1974.

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Deferral No. : D75-87

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Health, Education, and Welfare	New budget authority	\$ _____
Bureau Human Resources Administration	(P.L. _____)	
Appropriation Title & Symbol	Other budgetary resources	<u>100,000</u>
	Total Budgetary Resources	<u>100,000</u>
Health Manpower 753/40812 75X0812	Amount to be deferred part of year	<u>100,000</u>
	Amount to be deferred for entire year	<u>-0-</u>

JUSTIFICATION

Supplemental Appropriation Act language for fiscal year 1973 (P.L.93-50) appropriated \$100,000 to "remain available until expended," in order to "carry out programs in the family practice of medicine, as authorized by the Family Practice of Medicine Act of 1970 (S. 3418, Ninety-first Congress)." These funds were to have been used for making grants to medical schools to encourage the training of increased numbers of physicians practicing family medicine. S. 3418 (91st Congress) was the subject of a pocket veto on December 24, 1970. On August 13, 1974, in the case of Kennedy v. Sampson (No. 73-2121), the United States Court of Appeals for the District of Columbia Circuit upheld a District Court decision that the pocket veto was unconstitutional in that instance. The Department of Justice has until November 13, 1974, to decide whether or not to seek a writ of certiorari in this case. The funds appropriated for implementing S. 3418 are deferred pending the final outcome of the court action.

ESTIMATED EFFECTS

The delay in obligating these funds would have no impact on projected 1975 outlays, since the deferral was anticipated in the Budget for FY 1975. If the funds were made available for obligation this year, the outlay impact would be \$25,000 in 1975 and \$75,000 in 1976. The deferral would have no significant adverse effects upon the objectives or scope of Health Resources Administration program activities in the area of supporting family practice residencies since the 1975 budget requests \$15 million for these purposes. This \$15 million was requested under Health Manpower.

[FR Doc.74-26029 Filed 11-4-74;11:25 am]