

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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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.....	81,558

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

Agency Department of the Army <hr/> Bureau Corps of Engineers, Civil <hr/> Appropriation Title & Symbol Construction General, COE, Civil 96X3122	New budget authority \$ <u>973,681,000</u> (P.L. <u>93-393</u>) Other budgetary resources <u>105,825,692</u> <hr/> Total Budgetary Resources <u>1,079,506,692</u> <hr/> Amount to be deferred part of year _____
	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, Bocuf 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'l 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. <u>93-393</u>)	
Appropriation Title & Symbol Loan Program 14X0667	Other budgetary resources	3,486,062
	Total Budgetary Resources	<u>17,311,062</u>
	Amount to be deferred part of year	<u> </u>
	Amount to be deferred for entire year	<u>900,000</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 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 <hr/> Bureau Reclamation <hr/> Appropriation Title & Symbol Construction and Rehabilitation 14X5061	New budget authority (P.L. 93-393) \$ <u>244,123,000</u> Other budgetary resources <u>9,799,985</u> <hr/> Total Budgetary Resources <u>253,922,985</u> <hr/> Amount to be deferred part of year _____ <hr/> Amount to be deferred for entire year <u>17,955,000</u>
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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

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

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.