

SUMMARY OF PROPOSED  
RESCISSIONS AND DEFERRALS  
(\$ in thousands)

<u>Report #</u>	<u>Item</u>	<u>Budget Authority</u>
<u>Resciissions:</u>		
Transportation:		
	Federal Highway Administration:	
R75-82	Railroad-Highway Crossings	
	Demonstration Projects:	
	Appropriations.....	1,000
	Transfer.....	(10,449)
	Subtotal, Resciissions.....	<u>1,000</u>
<u>Deferrals:</u>		
Agriculture:		
	Agricultural Research Service:	
D75-11A	Construction.....	770
	Defense - Military:	
D75-33A	Military construction, all.....	634,321
	Defense - Civilian:	
D75-37B	Wildlife conservation, Military reservations.....	432
	Health, Education, and Welfare:	
	Indian Health Services Administration:	
D75-153	Indian Health Facilities.....	1,000
	National Institutes of Health:	
D75-40B	Buildings and facilities.....	7,806
D75-41A	Scientific activities overseas.....	15,148
	Interior:	
	Bureau of Land Management:	
D75-13A	Oregon and California grant lands.....	17,029
	Fish and Wildlife Service:	
D75-56A	Federal aid in fish restoration and management.....	6,077
D75-57A	Federal aid in wildlife restoration.....	18,791
	Transportation:	
	Federal Highway Administration:	
D75-17A	Federal aid highways.....	9,136,486
	Treasury:	
	Office of the Secretary:	
D75-154	State and local government fiscal assistance trust fund.....	<u>93,420</u>
	Subtotal, Deferrals.....	<u>9,931,280</u>
	Total, Resciissions and Deferrals.....	<u><u>9,932,280</u></u>

SUMMARY OF PROPOSED  
RESCISSIONS AND DEFERRALS  
(\$000)

	<u>Budget Authority</u>
Total rescissions and deferrals (as above) .....	\$ <u>9,932,280</u>
Amounts previously reported (for these items) .....	\$10,963,734
Change: .....	<u>\$-1,031,454</u>
Consisting Of:	
New items .....	(\$ 95,420)
Amounts previously reported .....	(\$-1,126,874)

PROPOSED RESCISSION OF BUDGET AUTHORITY  
Report Pursuant to Sec. 1012 of P.L. 93-344

Agency	New budgetary resources \$ _____
Department of Transportation	
Bureau	Unobligated balance from
Federal Highway Administration	prior years \$ <u>4,750,137</u>
	Total \$ <u>4,750,137</u>
Appropriation Title & Symbol	Amount proposed for
Railroad-Highway Crossings	rescission
Demon. Projects 69X 0557	Appropriation \$ 1,000,000
	Transfer (\$10,443,000)

Coverage

The rescission proposed here reaches portions of two appropriations: (1) from P.L. 93-98, a direct appropriation of \$6,000,000; and (2) from P.L. 93-391, an \$11,000,000 transfer of obligation authority. The amounts proposed for rescission consist of \$1,000,000 of the \$6,000,000 appropriation and \$10,443,000 of the \$11,000,000 transfer authority. The latter rescission will permit the \$10,443,000 to return to the parent program, Federal-aid Highways, where it will be available for the broader purposes for which originally enacted.

Justification

Section 163 of the Federal-Aid Highways Act of 1973 specifies certain cities as sites for "demonstration projects" for the removal of railroad-highway crossings. As discussed in the Department of Transportation's recent report to the Congress on this program, these projects are the narrow categorical programs which are unduly hindering State and local governments in the execution of the highway program. See House Document No. 94-11 for a detailed analysis regarding the merits of these projects (see attached excerpts).

However, to assist these cities and states to evaluate the costs and benefits of proceeding with the projects, all projects will be provided funds for the Federal share of the cost of planning and engineering the projects. This approach will permit reasoned judgments by the states and cities as to whether to proceed with the projects using state or local funds or Federal grants under currently authorized programs. Furthermore, it will provide valuable insights and comparative data into the planning process and differing problems which may arise in these projects. If the states so elect, construction work can be financed from funds from one or more of the following national programs authorized under the Federal-Aid Highway Act of 1973: Urban System, Urban Extensions, Rail-Highway Crossings, Federal-aid Safer Roads and Off-System Roads.

The rescission of the \$10,443,000 transfer authority returns these funds to the Federal-Aid Highway accounts from which they were derived. Favored earmarking for specific cities is removed and the returned earmarked funds are restored to all the states for the broader national safety programs as originally provided for in the Highway Act.

#### Estimated Effect

These projects could be accomplished using regular grant funds if the states so elect. However, depending on State and local priorities and the results of the planning/engineering phase, these projects may be deferred or not done at all.

The effect on outlays will reduce the 1975 and 1976 estimates by \$500,000 in each year. The \$10,443,000 transferred from the Federal-Aid Highways Safety Construction programs will remain available for obligation under these broader programs.

<u>1975 Outlays</u>	<u>(\$ in millions)</u>
1976 Budget (current estimate)--with rescission	0.5
Without rescission	1.0
(Effect on 1976 outlays	- 0.5)

Federal-Aid Highway Act of 1973  
Sec. 163 Railroad-Highway Crossings Demonstration Projects

	Engineering Cost	Amount Committed to Construction	(P.L. 93-98) 1974 Appropriation			1974 & 1975 <sup>1/</sup> Transfer Authority (	
			Appropriated	Retain	Rescind	Retain	Rescind
Elko, Nev.	\$ 700,000		\$1,700,000	\$ 700,000	\$1,000,000	--	--
Lincoln, Neb.	500,000	\$550,000	700,000	700,000	--	\$ 350,000	--
Wheeling, W. Va.	700,000		600,000	600,000	--	100,000	--
Others	5,325,000		3,000,000	3,000,000	--	2,325,000	\$10,443,000
Total	\$ 7,225,000	\$550,000	\$6,000,000	\$5,000,000	\$1,000,000	\$2,775,000	\$10,443,000

<sup>1/</sup>1974 Transfer Authority: \$ 2,218,000 (P.L. 93-305)  
1975 Transfer Authority: \$11,000,000 (P.L. 93-391)

Total Transfer  
Authority                      \$13,218,000

The Federal-Aid Highway Act of 1973 authorized railroad-highway demonstration projects in 12 cities. Four of these projects involve the elimination of a single crossing, while the remaining eight will alleviate more widespread railroad-community conflicts by the relocation and consolidation of railroad facilities within the city.

The extent of planning done prior to passage of the Federal legislation varied widely between cities.

Progress made during the first year of the railroad-highway demonstration projects involved primarily the establishment of policies and administrative procedures at the Federal, State and local levels and the initiation of preliminary engineering work in the various cities. Procedures for implementing the projects were issued by FHWA in January 1974. Prior to enactment of the Federal-Aid Highway Act of 1973, a few of the demonstration project cities had special local agencies with authority for administering a railroad relocation project. In other cases, the city or county is administering the project with the assistance of the appropriate State highway organization. The requirements of Subsection 163(a), in regard to the authority of three cities to administer their projects, have been satisfied.

A total of \$90 million was authorized for these projects with \$15 million specified for fiscal year 1974, \$25 million specified for fiscal year 1975 and \$50 million specified for fiscal year 1976. The initial appropriation for these projects was \$6 million from the fiscal year 1974 authorization. The remaining \$9 million was not appropriated and has now lapsed. Two later appropriations for these projects, totalling \$13,218,000, were derived by transfer of funds authorized by Sections 203 and 230 of the Highway Safety Act of 1973. These funds are adequate to advance the projects through fiscal year 1975.

The best current estimate of the total cost of these projects is \$148 million. This cost can be expected to increase.

Federal funds have been allotted for preliminary engineering work in each of the cities. Most of the local agencies have necessarily retained consultant engineers to assist in preparation of environmental impact studies, analysis of various alternates, development of preliminary plans, and preparation for public hearings. An overall conceptual plan can be selected and more reliable cost estimates developed when these studies and hearings are completed and there is agreement among the various involved parties.

The projects involving a single crossing should be completed within 3 or 4 years. However, the more complex railroad relocation projects will require several more years to complete.

#### *Further Federal assistance*

Because of the special-interest, categorical nature of these projects, it is recommended that no additional funds for these or any other specific demonstration projects be authorized or appropriated. Designation of specific demonstration projects subverts the right of the States to select and initiate projects. Rather, these projects should be advanced from regular Federal-aid funds, Federal community development funds, or State/local sources.

#### *Appropriations by transfer*

Of the total \$19,218,000 appropriated for these projects to date, \$13,218,000 has been derived by transfer from funds authorized for expenditure on highway safety improvements under Sections 203 and 230 of the Highway Safety Act of 1973.

The practice of deriving appropriations for these projects by transfer of funds authorized for other Federal-aid highway programs is not considered in the best interests of either these projects or the programs from which the funds are derived.

In the case of transferring 203 and 230 funds, this makes funds which were intended for highway safety available for urban railroad relocation, which is not primarily a safety program.

Future appropriations, if any, should be direct appropriations.

#### *Earmarked appropriations*

All three appropriations made for these projects have either by the language of the Act itself or by statement of committee intent, earmarked some of the appropriated funds for specific projects. If these cities are not in a position to spend these funds for some time due to unanticipated delays, the funds cannot be used for the timely advancement of other demonstration projects.

If these projects are continued, greater flexibility in advancing these 12 projects would be afforded by appropriations not earmarked for specific cities.

Excerpts from  
House Document  
94-11, Dept.  
of Trans.  
"Annual Report  
on Railroad-  
Highway Demon-  
stration Pro-  
jects"  
(Chapter VIII,  
pages 14 and  
15).

DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION

Railroad-Highway Crossings Demonstration Projects

Appropriations under this head in the "Department of Transportation and Related Agencies Appropriation Act, 1974" are rescinded in the amount of \$1,000,000, of which \$667,000 is to be restored to the Highway Trust Fund.

Appropriations under this head for fiscal year 1975 by transfer from amounts available for obligation under Sections 203 and 230 of the Highway Safety Act of 1973 are rescinded in the amount of \$10,443,000.

SUPPLEMENTARY REPORT

Report Pursuant to Section 1014(c) of P.L. 93-344

This supplementary message modifies Deferral No. D75-11 transmitted in the special message of September 20, 1974, and printed as House Document No. 93-361. This deferral was submitted initially for information purposes only, as the determination to withhold this budget authority from obligation was made prior to enactment of the Congressional Budget and Impoundment Control Act of 1974. Since this previous report, an action has been taken with respect to this deferral which now places it under the provisions of the Act.

The amount deferred remains \$770,000 as reported previously. The present proposal also reflects an increase of \$5,429,793 from \$4,556,000 to \$9,985,793, in the total budgetary resources. This

increase is due to the enactment of P.L. 93-563, which provided additional appropriations of \$6,420,000, and a decrease of \$990,207 in the amount estimated, in the deferral report, to be brought forward on July 1, 1974.



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

Agency Department of Agriculture	New budget authority	\$ 6,420,000*
Bureau Agricultural Research Service	(P.L. 93-563 )	
Appropriation Title & Symbol	Other budgetary resources	3,565,793*
Agricultural Research Service (Construction) 12X1400	Total Budgetary Resources	9,985,793
	Amount to be deferred part of year	
	Amount to be deferred for entire year	770,000

Justification

At the present time, the research facilities of the ARS are not fully utilized - a recent review indicated that the 3,352 laboratories operated nationwide are staffed at 85% of their capacity in terms of scientific man-years, 73% with ARS personnel and 12% with non-ARS personnel.

Although this situation is due, in part, to efforts to hold down Federal employment, it also is due to the agency's efforts to optimize such staffing by terminating projects which have served their purpose and relocating and consolidating similar lines of work at the various locations.

The Department, with the support of the Congress, is continuing to improve utilization by further sharing of the resources with other Federal agencies.

In view of this situation and the need to continue efforts to hold down Federal employment and budgetary costs during the fiscal year 1975, the use of funds for the following projects have been deferred through June 30, 1975:

1. Beckley, West Virginia; \$700,000 for construction of a soil and water research laboratory.
2. Ithaca, New York; \$40,000 for planning a soil and water conservation research facility.
3. Albany, California; \$15,000 for updating the planning of a wool research laboratory. Initial planning has been completed.
4. Riverside, California; \$15,000 for updating the planning of a soil and water conservation laboratory. Initial planning has been completed.

Estimated Effects

No significant impact. Outlay savings would be approximately \$250,000 annually over a three-year period or until the year the construction is initiated.

\* Revised from previous report.

Total 1975 Outlays\*Dollars in Millions

1976 Budget (current estimate)  
With deferral  
Without deferral  
(Effect on 1976 outlays

4.4  
4.4  
4.5  
-.5)

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\* Revised from previous report.

SUPPLEMENTARY REPORT  
REPORT PURSUANT TO SEC. 1014(C) OF P.L. 93-344

This supplementary message modifies Deferral No. D75-33 transmitted in the special message of October 4, 1974, and printed as House Document 93-365.

Total budgetary resources available in these accounts have increased by \$1,927,235,000 reflecting enactment of the 1975 Military Construction Appropriation Bill (Public Law 93-636). The total amount to be deferred part of the year for military construction accounts is \$634,321,109. It is anticipated that these funds will be apportioned during this fiscal year, as project designs and coordination are completed.

DEFERRAL OF BUDGET AUTHORITY  
Report Pursuant to Sec. 1013 of P.L. 94-344

Agency		
Department of Defense	New budget authority	\$ 1,927,235,000*
Bureau	(P.L. 93-636 )	
	Other budgetary resources	1,738,599,076
Appropriation Title & Symbol		
	Total Budgetary Resources	3,665,834,076*
Military Construction		
Appropriations	Amount to be deferred	634,321,109 *
	part of year	
	Amount to be deferred	
	for entire year	

Justification

These funds are deferred due to project designs not being completed and incomplete coordination of projects with either other Federal agencies or local government agencies.

Funds will be apportioned for individual projects throughout the year upon completion of project design and/or coordination. It is anticipated that these funds will be apportioned before June 30.

The following amounts in the listed no-year appropriations are currently deferred under provisions of the Anti-Deficiency Act (31 U.S.C. 665) which authorize the establishment of reserves for contingencies.

Military Construction, Army	21X2050	\$ 107,197,663
Military Construction, Navy	17X1205	295,770,220
Military Construction, Air Force	57X3300	93,865,051
Military Construction, Defense Agencies	97X0500	38,012,549
Military Construction, Army National Guard	21X2085	16,505,935
Military Construction, Air National Guard	57X3830	14,974,410
Military Construction, Army Reserve	21X2086	39,635,804
Military Construction, Naval Reserve	17X1235	27,144,551
Military Construction, Air Force Reserve	57X3730	1,214,926
		<u>\$ 634,321,109</u>

Estimated Effects

These deferrals have no programmatic or budgetary effect because the funds could not be obligated at this time, even if they were made available.

<u>Total 1975 Outlays</u>	<u>Dollars in millions</u>
1976 Budget (February transmittal).....	1,457.0
Without deferral.....	1,457.0
With deferral.....	<u>1,457.0</u>
(Effect of action on 1976 outlays.....	---

\*Revised from previous submission.

SUPPLEMENTARY REPORT  
REPORT PURSUANT TO SEC. 1014(C) OF P.L. 93-344

This supplementary message modifies D75-37A transmitted in the special message of November 13, 1974, printed as House Document No. 93-387 and Senate Document No. 94-9.

Total budgetary resources have increased by \$94,000 because receipts are now expected to be greater than previously estimated. Of the revised budgetary resources of \$1,267,532, a total of \$835,245 has been made available for obligation and the remaining \$432,287 is deferred pending identification of additional program requirements.

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

Agency Department of Defense	New budget authority	\$ 751,000*
Bureau	(16 U.S.C. 670 f (a))	
	Other budgetary resources	516,532
Appropriation Title & Symbol Wildlife Conservation, etc., Military Reservations appropriations	Total Budgetary Resources	1,267,532*
	Amount to be deferred part of year	---
	Amount to be deferred for entire year	432,287*

Justification\*

These are permanent appropriations. The budgetary resources consist of anticipated receipts and unobligated balances which are generated from hunting and fishing fees collected on military reservations, pursuant to 16 U.S.C. 670. They may be used only in accordance with the purpose of the law, to carry out a program of natural resource conservation.

Apportionments have been made for all known program requirements. The balance of the funds are being deferred under the provisions of the Anti-Deficiency Act (31 U.S.C. 665). Full apportionment is not requested by the Services because (1) installations may be accumulating funds over a period of time to fund a major project and (2) there is a seasonal relationship between the collection of fees and their subsequent expenditure. Most of the fees are collected during the winter and spring months, while most of the program work is performed during the summer and fall months. This necessitates that funds collected in a prior year be deferred in order to be available to finance the program during the summer and fall months.

Total budgetary resources have increased by \$94,000 because receipts are now expected to be greater than previously estimated. Amounts will be apportioned as program requirements are identified.

Wildlife Conservation, etc., Military Reservations, Army	21X5095	\$374,545
Wildlife Conservation, etc., Military Reservations, Navy	17X5095	33,312
Wildlife Conservation, etc., Military Reservations, Air Force	57X5095	24,430
		<u>\$432,287</u>

Estimated Effects

These deferrals have no programmatic or budgetary effect because the funds could not be obligated if made available.

<u>1975 Outlays</u>	<u>Dollars in millions</u>
1976 Budget (Current Estimate)	0.9
Without deferral	0.9
With deferral (Current Estimate)	<u>0.9</u>
(Effect of action on 1976 outlays)	<u>---</u>

\*Revised from previous report.

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

Agency Department of Health, Education, and Welfare	New budget authority	\$ 57,431,000
Bureau Health Services	(P.L. 93-404 )	
Administration	Other budgetary resources	5,919,359
Appropriation Title & Symbol	Total Budgetary Resources	63,350,359
	Amount to be deferred part of year	---
	Amount to be deferred for entire year	1,000,000

Justification

P.L. 93-404, the Department of Interior and Related Agencies Appropriation Act, 1975, appropriated \$57,431,000 for Indian Health Facilities. Of this amount, \$1 million was added by the Congress for initiation of construction of the new Acoma-Laguna-Cononcito hospital at Acomita, New Mexico.

In the Conference Report on H.R. 16027, the conferees recognized that \$1 million would not be sufficient to complete the project and urged HEW to submit a supplemental budget request for the balance of the costs. The total costs in 1976 are estimated at \$6.5 million.

As part of efforts to control overall Federal spending, however, the Administration is attempting to avoid requesting supplemental funds whenever there is the possibility of accomplishing programmatic responsibilities within existing resources. At HEW's request, the start-up funds have been placed in reserve for contingencies under provisions of the Anti-deficiency Act (31 U.S.C. 665) pending a review of whether or not savings will materialize to permit construction of the entire facility within the 1975 and 1976 budget levels. Rather than initiating first phase construction without the availability of the total funds, and risking increased costs and community expectations for immediate completion, a more viable approach is to defer the available funds until the funds can be made available for construction of the entire facility.

Estimated Effects

Indian Health Service beneficiaries in the Acomita community currently receive health care at an outpatient clinic located on the reservation and inpatient care at the IHS hospital at Albuquerque, New Mexico. Deferral of these funds will result in the delay of the new hospital at least through 1976. Although reservation beneficiaries will have to continue to travel to Albuquerque for inpatient care, no beneficiaries will be adversely affected. The quality of care now being provided to this group of beneficiaries will continue to be the best that IHS can provide.

<u>1975 Outlays</u>	<u>Dollars in Millions</u>
1976 budget (current estimate)	54.8
without deferral	54.8
with deferral (current estimate)	<u>54.8</u>
(Effect of action on 1976 outlays	-- )



SUPPLEMENTARY REPORT

Report pursuant to Section 1014(c) of P.L. 93-344

This supplementary message modifies Deferral No. D75-40A transmitted in the special message of December 27, 1974, printed as House Document No. 94-17.

The amounts previously reported for budgetary resources have been adjusted upward to reflect the appropriation of \$3,000,000 in the Labor-HEW Appropriations Act of 1975 [P.L. 93-517]. The amount deferred has been increased to \$7,806,433, reflecting the routine reserve of a portion of the additional funds pending completion of plans for several construction projects.

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

Agency Department of Health, Education, and Welfare	New budget authority (P.L. <u>92-517</u> )	\$ <u>3,000,000</u>
Bureau	Other budgetary resources	<u>20,419,276 *</u>
National Institutes of Health	Total Budgetary Resources	<u>23,419,276 *</u>
Appropriation Title & Symbol		
NIH/Buildings and Facilities	Amount to be deferred part of year	<u>--</u>
75X0838	Amount to be deferred for entire year	<u>7,806,433 *</u>

Justification:\*

Appropriation Act language for fiscal years 1970 through 1974 for the Department of Health, Education, and Welfare authorized funds for NIH Buildings and Facilities to "remain available until expended." These funds were appropriated for miscellaneous repairs and improvements and planning of Federal facilities for the National Institutes of Health.

The funds have always been apportioned to HEW as plans are developed for their use. HEW does not anticipate that all of the plans will be ready for funding in 1975. Part of the amount to be obligated in 1976 is for the second phase of the design of the Environmental Health Sciences Center in North Carolina. In addition, funds for waste handling facilities on the National Institutes of Health campus will be deferred in 1976 pending completion of feasibility studies to determine what types of facilities are needed. The balance of the amount to be obligated in 1976 is for the Tri-Service Incinerator whose construction has been delayed pending the outcome of environmental litigation and for utilities extensions on the NIH campus for which plans will not be fully developed during 1975. The deferred funds have been placed in reserve under provisions of the Antideficiency Act (31 U.S.C. 665) that authorizes the establishment of reserves for contingencies.

Estimated Effects:\*

The delay in obligation of these funds is one of routine financial administration and no deleterious effects are anticipated. This deferral was anticipated in the 1975 budget and has as its objective prudent management of funds. This deferral has no impact upon outlays as funds would not be obligated, even if available, until plans for their use are finalized. The deferral will have no adverse effects on the purpose, objectives or scope of NIH programs.

1975 OutlaysDollars in millions

1976 Budget (current estimate).....	8.3
Without deferral.....	8.3
With deferral (current estimate).....	<u>8.3</u>
(Effect of action upon 1976 outlays..	--- )

\*Revised from previous submission.

SUPPLEMENTARY REPORT

Report pursuant to Section 1014(c) of P.L. 93-344

This supplementary message modifies Deferral No. D75-41 transmitted in the special message of October 4, 1974 and printed in House Document No. 93-365. This deferral was submitted initially for information purposes only because the determination to withhold this budget authority from obligation was made prior to enactment of the Congressional Budget and Impoundment Control Act of 1974. Since this previous report, an action has been taken with respect to this deferral which now places it under the provisions of the Act.

The revised report reflects an increase in total budgetary resources available for obligation. The increase results from larger than anticipated unobligated balances carried forward from FY 1974. The amount to be deferred for the entire year has increased from \$14.6 million to \$15.1 million as a result of the increase in total budgetary resources. In addition, the amount reported as deferred for part of the year in the previous report has been made available for obligation.

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 Office of the Assistant Secretary for Health	(P.L. ---)	
Appropriation Title & Symbol	Other budgetary resources	29,172,046
	Total Budgetary Resources	29,172,046**
*75X1102--Scientific Activities overseas (Special Foreign Currency Program)	Amount to be deferred part of year	-0-
	Amount to be deferred for entire year	15,148,000**

Justification:

Appropriation Acts for the Department of Health, Education, and Welfare have authorized funds for the Scientific Activities Overseas Program to "remain available until expended." Funding for this program comes from foreign currencies owned by the United States that have been determined by the Treasury Department to be in excess of normal U.S. needs in the countries concerned. There are now seven countries (Egypt, Burma, Guinea, India, Pakistan, Poland, and Tunisia) that the Treasury Department has designated "excess currency" countries in accord with its internal Treasury Department guidelines. The Treasury Department releases these funds to the Department of Health, Education, and Welfare (HEW) to use for scientific research projects in those countries and the funds remain available to HEW until expended.

The amount of funds to be obligated during 1975 and the amount to be deferred to 1976 was determined after a careful review of the scientific merit of project proposals in the limited number of excess currency countries. HEW has decided which research projects in those countries will contribute to U.S. scientific needs and thus should be funded. The amount being deferred is in excess of current program requirements and is thus reserved for contingencies under provisions of the Antideficiency Act (31 U.S.C. 665).

Estimated Effects:

HEW is currently spending at the optimum rate. If HEW were required to spend the deferred funds in 1975, it would be hard-pressed to find worthwhile uses for them.

<u>1975 Outlays</u>	<u>Dollars in millions</u>
1976 Budget (current estimate).....	10.3
Without deferral.....	10.3
With deferral (current estimate).....	<u>10.3</u>
(Effect of action on 1976 outlays.....	--- )

\* Appropriation Symbol prior to FY 1975 "75X0837".

\*\* Revised from previous submission.

SUPPLEMENTARY REPORT

Report pursuant to Section 1014(c) of P.L. 93-344

This supplementary message modifies Deferral No. D75-13 transmitted in the special message of September 20, 1974, and printed as House Document No. 93-361. This deferral was submitted initially for information purposes only, as the determination to withhold these funds from obligation was made prior to enactment of the Congressional Budget and Impoundment Control Act of 1974. Since this previous report, an action has been taken with respect to this deferral which now places it under the provisions of the Act.

The amount previously reported as deferred has been reduced \$6,663,609 reflecting the following. The amount previously shown as new budget authority has been reduced by \$9,000,000 reflecting a downward revised estimate of FY 1975 timber receipts. The amount previously shown under other budgetary resources has increased by \$2,766,091 as a result of the actual unobligated balance being carried forward being higher than earlier estimated. FY 1975 obligations are increased by \$429,700 to finance pay increases effected in October 1974.

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

Agency Department of the Interior	New budget authority (P.L. _____)	\$ 38,200,000*
Bureau Bureau of Land Management	Other budgetary resources	11,508,788*
Appropriation Title & Symbol  14X5136	Total Budgetary Resources	49,708,788*
Oregon and California Grant Lands	Amount to be deferred part of year	0
	Amount to be deferred for entire year	17,029,088*

\*Justification: Annual appropriation language in recent years consistently provides that 25 percent of current year receipts from Oregon and California grant lands be used to fund this account. The account provides for management, development, and protection of Federal Oregon and California grant lands, including the construction, and maintenance of roads. The President's budget estimated 25 percent of 1975 receipts to be \$28,750,000, and a program was designed to obligate that amount. The budget predicted that \$5,243,000 of unobligated balances from prior years would be carried into FY 1975 and a like amount would be carried into FY 1976.

Subsequent to preparation of the budget, \$3,500,000 planned for use in 1974 was deferred until 1975 and, because of pay increases effected by Executive Order 11811 in October 1974, \$429,700 has been made available for increased pay costs; thus, the current estimate of 1975 obligations is \$32,679,700. The 1975 budget authority estimate has been revised by the Department of the Interior to \$38,200,000 because of a new estimate of sawtimber prices. The program plan for use of the funds has not been changed. Therefore, the total amount now expected to be deferred through FY 1975 is \$17,029,088.

The program plan remains the same as budgeted because the management, protection, and development opportunities are largely independent of sawtimber prices. Because budget authority is based on current year receipts, the budget authority available for a year is never finally known until the end of the year. For these reasons, carry-overs are retained as a cushion for the possibility that receipts turn out to be lower than anticipated. Failure to do this could result in over programming. As receipts estimates are changed after submission of the President's budget, the program level is held relatively constant as a matter of sound management practice and the changes in funding are accounted for by adjusting the amount deferred. This may either be an increase or decrease in the amount deferred. This is a reserve for contingencies (31 U.S.C. 665).

Estimated Effects: Obligation in FY 1975 of all the deferred funds would result in \$12 million of expenditures in 1975. The remainder would be expended in 1976.

1975 Outlays

Dollars in Millions

Current estimate (as shown in 1976 budget)	26.6
Without deferral	38.6
With deferral (current estimate)	26.6
(Effect of action on 1976 outlays)	0)

\*Revised from previous submission.

## SUPPLEMENTARY REPORT

Report Pursuant to Sec. 1014(C) of P.L. 93-344

This supplementary report modifies Deferral No. D75-56 transmitted in the special message of October 4, 1974, and printed as House Document No. 93-365. This deferral was submitted initially for information purposes only, as the apportionment that placed funds in reserve was made prior to enactment of the Congressional Budget and Impoundment Act of 1974. Since that previous report, an action has been taken with respect to that deferral, which now places it under the provision of the Act.

The current apportionment decreases the amount in reserve by \$846,884. This reflects a decrease in total budgetary resources of \$746,884 due to a decrease in actual receipts from previous estimates, and a decrease in the unobligated balance brought forward. An additional \$100,000 has been made available for obligation from the amount previously in reserve.

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

Agency Interior Fish and Wildlife Service	New budget authority (P.L. 16 USC 777 et. seq.)	\$ 18,188,692*
Bureau Fish and Wildlife Service	Other budgetary resources	4,998,424*
Appropriation Title & Symbol Federal Aid in Fish Restoration and Management (Receipt Limita- tion) 14X5138	Total Budgetary Resources	23,187,116*
	Amount to be deferred part of year	
	Amount to be deferred for entire year	6,077,116*

Justification

A permanent appropriation of revenue accruing from a tax imposed on fishing rods, creels, reels, artificial lures, baits and flies is used to reimburse States for up to 75% of the costs of fish restoration and management projects (16 U.S.C. 777, et seq.).

The deferred funds are the unobligated balances anticipated after estimated reimbursements to the States are made in 1975. Two factors may cause fluctuations in the amount of reimbursement made in a given year. First, States frequently do not have sufficient funds to meet Federal grant matching requirements. Second, project reports must be submitted to the Fish and Wildlife Service for their review before reimbursements can be made. These reports may be inadequate or not submitted. For these reasons, revenue frequently exceeds obligations, and the excess revenue is reserved for contingencies for use in the following year under provisions of the Anti-Deficiency Act (31 USC 665).

Estimated Effects

Further reimbursements will be made to the States if matching funds are provided and other legal requirements are met. The amount in reserve simply reflects the excess of revenue after reimbursements are made. Thus, this deferral has no programmatic, fiscal or budgetary effect.

1975 Outlays	Dollars in Millions
1976 Budget (current estimate)-----	16.0
Without deferral-----	16.0
With deferral-----	16.0
(Effect of action upon 1976 outlays-----	0 )

\* Revised from previous report



**SUPPLEMENTARY REPORT**  
Report Pursuant to Sec. 1014(c) of P.L. 93-344

This supplementary report modifies Deferral No. D75-57 transmitted in the special message of October 4, 1974, and was printed as House Document No. 93-365. This deferral was submitted initially for information purposes only, as the apportionment which placed funds in reserve was made prior to enactment of the Congressional Budget and Impoundment Act of 1974. Since that previous report, an action has been taken with respect to that deferral which now places it under the provisions as of the Act.

The current apportionment makes available for obligation \$584,187 of the amount reported in reserve previously, for use by the agency in the last quarter of the fiscal year. This action reflects a decrease in the unobligated balance brought forward and an increase in receipts (actual) above the prior receipt estimates. The amount now in budgetary reserve is \$18,790,813.

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

<b>Agency</b> Interior	New budget authority (P.L. 16 USC 669)	\$ 56,854,672*
<b>Bureau</b> Fish and Wildlife Service	Other budgetary resources	14,836,141*
<b>Appropriation Title &amp; Symbol</b>	Total Budgetary Resources	71,690,813*
Federal Aid in Wildlife Restoration	Amount to be deferred part of year	
14X5029	Amount to be deferred for entire year	18,790,813*

Justification: Cost sharing assistance is provided to States and territories for wildlife restoration projects from permanent appropriations equal to 11% of the excise tax on the manufacture of firearms and ammunition (16 U.S.C. 669b).

States and territories receive assistance if they can provide the matching funds and if other program requirements are met. The 1975 program level of \$52,900,000 is the estimate of Federal funds needed to match funds which the States are likely to obligate in the current fiscal year. The reserve simply reflects the fact that there are now more receipts in this permanent account than can be utilized by the recipients in the fiscal year, and, thus, will remain unobligated at the close of the current fiscal year. This deferral action was taken under the authority of the Anti-Deficiency Act (31 U.S.C. 665).

Estimated Effects: Because funds are available for use whenever State or territorial programs qualify, the reserve does not have any programmatic, fiscal, or budgetary effect. Similarly, disapproval of this deferral would have no budgetary, fiscal, or programmatic effect since the funds could not be used unless the recipients' programs qualify to receive funds.

1975 Outlays	Dollars in Millions
1976 Budget (current estimate)-----	47.7
Without deferral-----	47.7
With deferral (current estimate)-----	47.7
(effect of action upon 1976 outlays-----	<u>0</u> )

\*Revision to previous report.

Supplementary Report

Report pursuant to Sec. 1014(c) of P. L. 93-344

This supplementary message revises Deferral No. 75-17 transmitted in the special message of September 20, 1974, and printed as House Document No. 93-361.

This revision reflects a \$1,591,103,986 decrease in the amount deferred through June 30, 1975, for the Federal-aid Highways account of the Department of Transportation resulting in a decrease in deferrals from \$10,727,590,427 to \$9,136,486,441. The revised deferral reflects the additional authorizations of the Federal-Aid Highway Amendments of 1974 ( Public Law 93-643 ) and adjustments in fiscal year obligations. The new Off-Systems Roads funds which will be administered as a categorical grant program within the Federal-aid Highways program have been included in this deferral. In addition, the deferral notes the changed economic conditions since the initial report and the release of an additional \$2 billion.

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

Agency Department of Transportation	New budget authority <u>\$6,710,000,000</u> (P.L. 93-87 & 93-643)
Bureau Federal Highway Administration	Other budget resources <u>9,026,486,441</u>
Appropriation Title & Symbol	Total Budgetary Resources <u>15,736,486,441</u>
Federal-aid Highways 69-20X8102	Amount to be deferred part of year _____
Highway Safety Construction 69X8018	Amount to be deferred for entire year <u>9,136,486,441</u>
Off-System Roads 69X0502	

Coverage

This revised deferral report covers three accounts, that fund grants to the states for the construction, reconstruction, and improvement of highways. The Federal-Aid Highways Amendments of 1974 (P.L. 93-643) increased contract authority available for certain Federal-aid programs, and established the Off-System Roads program for the first time. The purpose of this revision is to recognize funding provided in P.L. 93-643, show the additional release of \$2.0 billion for obligation, and reflect the changed economic conditions since submission of the earlier deferral. The Federal Highway Administration is currently developing regulations that will permit the states to use the Off-System Roads fund in a manner similar to that of categorical grant programs within the Federal-aid Highways account. States will be free, at their option, to use their share of the amounts released for obligation in 1975 in any combination of Federal-aid Highways projects and Off-System Roads projects.

Included within the \$9.1 billion deferral of obligational authority is \$6.7 billion of FY 1976 authority that became available for obligation on apportionment by the Secretary of Transportation in December, 1974, and January, 1975.

Justification

Since 1967, the Executive Branch has been controlling the rate at which highway authorizations are made available for obligation. Recognizing the impact that Federal taxing and spending policies

have on the national economy, control of highway spending has been one of many tools used by the Executive Branch to influence the performance of the economy. Since the first deferral of highway authorizations through the present deferral, each President has made additional funds available when such actions were consistent with the national economic policy.

To control inflation, it will be necessary to continue to defer some spending and avoid unnecessary and excessive program increases. Even with these actions the budget deficit is estimated to reach levels unprecedented in peacetime. This makes it essential that we show restraint in the highway program and continue to defer, at this time, the obligation of \$9.1 billion in available authorizations.

The release of \$2 billion in highway funds should utilize unused capacity of the highway construction industry in the nation. The industry could not effectively respond to releases in excess of that sum, and further inflationary pressures would result. The year ending June 30, 1974, saw a 38 percent increase in highway bid prices. With the recent release of \$2 billion, the rate of price increase is not expected to exceed that of the economy as a whole. However, release of the \$9.1 billion will surely lead to a return to rapid price increases in the construction industry.

With respect to the amounts still deferred in this program, the Administration plans to submit legislation shortly which will address annual Federal spending levels for highways. It is the Administration's view that with a stable economy, levels lower than those authorized in recent years are in order. Working with the Congress, we hope to produce a Federal highway program for the remainder of the decade that will be in balance with overall national transportation needs, which, in turn, will help resolve any problems relating to reserved authorities.

In reaching an understanding on highway program funding levels for the future, the longer range impact of excessive highway spending should be kept in perspective. First, highway construction requires relatively large amounts of scarce petroleum resources. Second, over the long run, increased highway capacity over that required for efficiency, generates additional automobile travel, which again utilizes scarce petroleum resources. While it is clear that as a nation we must continue to maintain our road network, it will be necessary to temper any expansion of the highway system with the critical need to conserve petroleum resources and minimize dependence on foreign fuel sources.

### Estimated Effects

With the \$2 billion additional release already made, outlays are projected to increase by \$50 million in 1975, \$1 billion in 1976, \$150 million in the transition quarter, and \$400 million in 1977. Complete release would have the effect of further increasing outlays by \$420 million in 1976, \$270 million in the transition quarter, and \$750 million in 1977.

Since the states will eventually receive all apportioned funds in every program category (no apportioned Federal-aid Highways funds have permanently lapsed due to Executive deferrals), Congressional allocations among programs and states are preserved.

1975 Outlays	(\$ in millions)
1976 Budget	4,516
Current Estimate (including \$2B Release)--	
with deferral	4,566
without deferral	4,566
(Effect on 1976 outlays	<u>-420M)</u>

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

Agency	
Department of the Treasury	New budget authority(1973-5) \$ <u>20,554,230,000</u>
Bureau	(P.L. <u>92-512</u> )
Office of the Secretary	Other budgetary resources _____
Appropriation Title & Symbol	
State and Local Government	Total Budgetary Resources <u>20,554,230,000</u>
Fiscal Assistance Trust	
Fund 20 X 8111	Amount to be deferred part of year _____
	Amount to be deferred for entire year <u>93,419,866</u>

Justification

To insure the integrity of the Trust Fund and to eliminate the prospect of recurring recomputations of entitlements of all 39,000 governments for prior entitlement periods, the Office of Revenue Sharing has established an Obligated Adjustment Reserve equal to one-half of one percent of the amounts appropriated for each entitlement period.

This cumulative reserve is available to the Secretary of the Treasury to satisfy legitimate claims against the Trust Fund for prior entitlement periods. The amount retained in the Trust Fund as Obligated Adjustment Reserve will be reduced whenever the Secretary determines the amount is adequate to meet foreseeable liabilities against the Trust Fund. The reduction will be made by paying the excess amount to recipients as part of a regular distribution.

Estimated Effects

This account is not apportioned on an SF 132 because it is a trust fund, exempted from apportionment. The administrative reserve is treated as obligated in Treasury's accounts. The only effect is to postpone distribution (expenditure) of the amount of the reserve until necessary adjustments and corrections have been identified.

<u>Total 1975 Outlays</u>	<u>Dollars in Millions</u>
1976 Budget (current estimate).....	<u>6,176</u>
Without deferral.....	6,269
With deferral (current estimate).....	<u>6,176</u>
(Effect of action upon 1976 outlays.....)	0)