

FOR IMMEDIATE RELEASE

January 6, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE CONGRESS OF THE UNITED STATES:

In accordance with the Impoundment Control Act of 1974, I herewith propose rescission of the uncommitted balances of the Rehabilitation Loan Fund administered by the Department of Housing and Urban Development. In addition, I am reporting nine new deferrals totalling \$669.8 million in budget authority and eleven changes to deferrals previously transmitted that increase the amount deferred by \$17.3 million.

The activities financed by the Rehabilitation Loan Fund are also eligible for support under the Community Development Block Grant Program. Experience has now shown that block grant recipients are using -- as was the intent of the Housing and Community Development Act of 1974 -- their grants to support rehabilitation activities. Approval of this rescission, therefore, will result in expenditure savings of \$18.4 million this year and \$34.0 million in the transition quarter and 1977 without adverse effect on the availability of housing rehabilitation assistance.

Seven of the nine new deferrals are routine in nature and affect programs of the Departments of Defense, State, and Transportation and the Interstate Commerce Commission.

The remaining two new deferrals and all eleven revised deferrals are for programs of the Department of Health, Education, and Welfare. The new deferrals establish and the revised deferrals extend through the third quarter funding levels that differ from the general levels allowed by the continuing resolution. In so doing, these deferrals preserve -- until enactment of the regular appropriations -- the possibility of conducting the reported programs in 1976 at the levels I have recommended and, in four cases, at the level the Congress has recommended.

The details of the proposed rescission and the deferrals are contained in the attached reports.

GERALD R. FORD

THE WHITE HOUSE,
January 6, 1976

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