THE WHITE HOUSE

WASHINGTON

March 8, 1976

The Speaker of the

House of Representatives

Sir:

I ask the Congress to consider fiscal year 1976 supplemental appropriations of \$300 million, and an offsetting 1977 budget amendment, for liquidation of contractual obligations incurred by the Environmental Protection Agency.

The details of these proposals are set forth in the enclosed letter from the Director of the Office of Management and Budget. I concur in his comments and observations.

Respectfully,

Menell R. Ford



EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

March 8, 1976

The President

The White House

Sir:

I have the honor to submit for your consideration a proposed supplemental appropriation in the amount of \$300,000,000 for the liquidation of contract authority for fiscal year 1976, with an offsetting budget amendment reducing the request for liquidating cash by \$300,000,000 for fiscal year 1977, for the Environmental Protection Agency. Details of these proposals are contained in the enclosure to this letter.

I have carefully reviewed these budget requests and I am satisfied that they are necessary at this time. I recommend, therefore, that these proposals be submitted to the Congress.

Respectfully,

James T. Lynn

Director

Enclosure

ENVIRONMENTAL PROTECTION AGENCY

CONSTRUCTION GRANTS

Proposed supplemental for 1976:

For an additional amount for liquidation of obligations, "Construction grants," \$300,000,000.

Proposed amendment for 1977:

Budget appendix		1977 Request	1977 Proposed	1977 Revised
page	Heading	pending	amendment	request
636	Construction grants	\$4,100,000,000	-\$300,000,000	\$3,800,000,000

The requested supplemental appropriation would provide the funds necessary in 1976 to liquidate obligations incurred by the Environmental Protection Agency under contract authority for the construction of municipal wastewater treatment facilities. The 1977 budget provided for liquidating these obligations in fiscal year 1977. However, as a result of re-estimates of program activity through January 31, 1976, it now appears that these obligations will require payment in 1976 rather than 1977. Supplemental appropriations are therefore required for 1976, to be offset by an equal reduction in the 1977 requested appropriation.