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United States General Accounting Office  
Washington, DC 20548

Office of  
General Counsel

In Reply  
Refer to:

B-198103

Director of OMB Compliance with Title 38 of U.S. Code

The Honorable John Paul Hammerschmidt  
Ranking Minority Member  
Committee on Veterans Affairs  
House of Representatives

April 27, 1981

Do not make available to public reading

Dear Mr. Hammerschmidt:

G.V. Montgomery  
Chairman  
Committee on  
Veterans  
Affairs

Together with Senator Cranston and Representative Montgomery you have requested our opinion as to whether the Director of the Office of Management and Budget is currently in compliance with section 5010(a)(4) of Title 38 of the United States Code. That section requires the Director to provide authority and funds to the Veterans Administration to employ the number of personnel for which the Congress has appropriated funds under the appropriations "medical care," "medical and prosthetic research," and "medical administration and miscellaneous operating expenses." In your letter you indicate that the current hiring ceilings for the Veterans Administration are below those for which the Congress has appropriated funds in the specified accounts.

On April 13, 1981, we sent a rescission and impoundment report to the Congress pursuant to the Impoundment Control Act of 1974 (OGC-81-7, B-200685). In that report we discussed the Administration's proposed deferrals D81-95, D81-96, and D81-97, which deal with the three accounts in question. The report concludes with respect to these accounts on pages 9 and 10:

In the first two cases, deferrals D81-95 and D81-96 would reduce the funded personnel levels 1,280 and 49 below the mandated levels established by Congress. The level resulting from deferral D81-97 still would be above the mandated level of 832\*\*\*. Consequently, we believe that deferrals D81-95 and D81-96 are unauthorized to the extent they result in a reduction in the personnel levels below those mandated by Congress. In the case of D81-95, the entire reduction is unauthorized, and in the case of D81-96, the reduction of 49 positions of the 74 proposed by the President is unauthorized. No similar problems exists with regard to D81-97."

In the report, we recommended that the Congress adopt an impoundment resolution disapproving deferrals D81-95 and D81-96.



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Use 3 Addressees

B-198103

A copy of our report and enclosure, including our February 19, 1981 letter to the Chairman of the Senate Committee on Veterans Affairs, is enclosed.

Sincerely yours,

*Harry R. Van Cleve*

Harry R. Van Cleve  
Acting General Counsel

Enclosures