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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-160932

November 7, 1978

The Honorable Patrick J. Leahy
United States Senate

Dear Senator Leahy:

In your letter of October 6, 1978, you expressed an interest in the current status of the project that you requested on June 8, 1978, concerning cost differentials which may exist in the provision of Federal social services to urban and rural areas. As indicated in your letter, GAO has worked closely with your staff in delineating the scope of the project. In the late winter and spring of 1978, GAO staff presented to your staff several discussion papers on the appropriate scope of the project. After these discussions, we received the formal request from you.

We believe that your requested study will provide useful information and analysis for the Congress with regard to the numerous Federal programs that are provided to both urban and rural areas of the United States. However, despite our own desire to start this work as soon as possible, we have not yet been able to do so because staff with the necessary skills has not been available. This reflects attrition among our staff of economists which we have not been able to replace (partly because of the five percent reduction in GAO's budget). The present staff has been heavily engaged in previous requests and statutorily mandated studies. Our present schedule calls for the cost differential study to begin in December of this year. I regret the delay, but it was unavoidable, given the constraints on our available resources.

We will keep in close contact with your staff and provide periodic briefings on the status of the study.

Sincerely yours,

Comptroller General
of the United States