

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

B-219771

August 28, 1985

RELEASED

The Honorable Jamie L. Whitten
Chairman, Committee on Appropriations
House of Representatives

Dear Mr. Chairman:

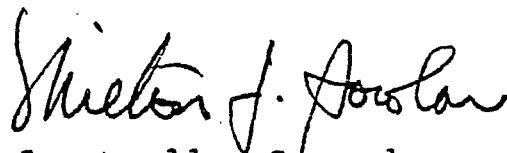
In its report on the fiscal year 1986 Agriculture appropriation, your Committee asked that we investigate and report on a possible unreported impoundment in the Department of Agriculture's Rural Housing Preservation Grant Program (Program). H.R. Rep. No. 99-211, 72 (1985). The Committee's concern was that the Office of Management and Budget (OMB) had not yet approved the proposed regulations necessary to implement the Program.

Since the issuance of your Committee's report, OMB has approved the regulations. They were published in the Federal Register, with 60 days allowed for public comment, on July 26, 1985.

Because the regulations have been released and published, no current impoundment exists. The funds are available for obligation, although the administrative process of receiving and considering comments on the proposed regulations, revising and publishing them in final form, and selecting eligible grantees will consume so much time that there is virtually no possibility of the funds being obligated before the end of their period of availability on September 30. Your Committee's bill, as passed by the House, addresses this problem by extending the availability of the funds through fiscal year 1986. H.R. 3037, 99th Cong. 1st Sess. (1985).

Based on my staff's previous discussions with Mr. Robert Foster of the Committee staff, we trust this response fully satisfies the Committee's concern. If we can be of further assistance in this matter, please have your staff contact Messrs. Barry Bedrick or Gary Kepplinger of our Office of General Counsel (275-5881).

Sincerely yours,



Acting Comptroller General
of the United States