

Rescission Proposal No. R95-17

PROPOSED RESCISSION OF BUDGET AUTHORITY
Report Pursuant to Section 1012 of P.L. 93-344

AGENCY: Department of Transportation	New budget authority..... \$ <u>33,423,000</u> (P.L. 93-344)
BUREAU: Office of the Secretary	Other budgetary resources.. \$ _____
Appropriations title and symbol: Payments to air carriers (Airport and airway trust fund) 69X8304	Total budgetary resources... \$ <u>33,423,000</u>
OMB Identification code: 69-8304-0-1-402	Amount proposed for rescission..... \$ <u>7,680,000</u>
Grant program: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Legal authority (in addition to sec. 1012): <input type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____
Type of account or fund: <input type="checkbox"/> Annual <input type="checkbox"/> Multi-year: _____ (expiration date) <input checked="" type="checkbox"/> No-Year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

JUSTIFICATION: This proposal reflects savings from the rescission of remaining unobligated balances of contract authority authorized for the Payments to Air Carriers program. Termination is warranted because the communities that now receive subsidized air service through this program are within reasonable driving distance of other airports or other modes of transportation and because the per passenger subsidy cost is not merited.

ESTIMATED PROGRAM EFFECT: This proposal will encourage some currently subsidized air service operators to become self-supporting.

OUTLAY EFFECT: (in thousands of dollars):

1995 Outlay Estimate		Outlay Changes					
Without Rescission	With Rescission	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000
26,249	23,309	-2,940	-1,960	—	—	—	—