

AMENDING THE FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949 TO PERMIT DONATIONS OF SURPLUS PROPERTY TO VOLUNTEER FIRE-FIGHTING ORGANIZATIONS, AND FOR OTHER PURPOSES

AUGUST 6, 1958.—Ordered to be printed

Mr. DAWSON, from the Committee on Government Operations, submitted the following

REPORT

[To accompany H. R. 13673]

The Committee on Government Operations, to whom was referred the bill (H. R. 13673) to amend the Federal Property and Administrative Services Act of 1949 to permit donations of surplus property to volunteer fire-fighting organizations, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

GENERAL STATEMENT

The Federal Property and Administrative Services Act of 1949, Public Law 152, 81st Congress, as amended by Public Law 61, 84th Congress, 1st session, and Public Law 655, 84th Congress, 2d session, provides that personal property which becomes surplus to all Federal requirements may be donated without cost (except for costs of care and handling) for use in any State, the District of Columbia, the Commonwealth of Puerto Rico, and the Territories and possessions of the United States for use for purposes of education, public health, or civil defense, or for research for any such purpose when the property is determined by proper authority to be useful and necessary for such purposes.

The determination as to whether property is useful and needed for purposes of education and health, except for educational activities which are of special interest to the armed services as determined by the Secretary of Defense, rests with the Secretary of the Department of Health, Education, and Welfare. The determination as to civil defense use and need rests with the Director, Office of Defense and Civilian Mobilization.

The allocation of property on a fair and equitable basis and the imposition and enforcement of reasonable compliance rests with the Secretary and Director with respect of education and health needs, and civil defense needs, respectively.

PURPOSE OF AMENDMENT

H. R. 13673 is a clean bill for H. R. 7929.

H. R. 13673 would extend the benefits of the surplus personal property donation program to any incorporated or unincorporated volunteer fire department, fire company, or other similar fire-fighting organization. As in the case of educational and health requirements, the Secretary of the Department of Health, Education, and Welfare would determine whether the property is useful and needed and allocate it for transfer by the Administrator of General Services to the duly authorized State agency for fair and equitable distribution.

Property donated for volunteer fire-fighting purposes is subject to compliance provisions similar to those which apply to the education and health activities.

Volunteer fire-fighting organizations would not be entitled to a priority. They would receive property through the regular channels of allocation and distribution.

H. R. 13673 specifically amends existing legislation to provide that property shall be donated without cost except for direct costs of care and handling. This provision will reduce unnecessary paperwork, prevent misunderstandings, and will be generally beneficial.

Congress has made surplus property available for civil defense purposes and volunteer fire-fighting organizations perform civil defense functions and all property donated to them is available in case of disaster.

NEEDS OF VOLUNTEER FIRE-FIGHTING ORGANIZATIONS

There are thousands of volunteer fire-fighting organizations throughout the land that are inadequately equipped for their responsibilities in protecting life and property. Tens of thousands of civic-minded individuals give unstintingly of their time, effort, and resources to maintain these units. Testimony before the committee revealed that modern fire engines may cost from \$25,000 to \$30,000 or more. Other types of needed equipment are also costly.

Except for such engines volunteer fire-fighting organizations' equipment needs are relatively small, consisting of such items as water tanks, pumps, fire hose, tank trucks, rope, axes, tarps, picks, shovels, lanterns, hooks, and, when a kitchen is maintained, items such as chinaware, knives, forks, spoons, and cooking utensils and sometimes stoves, etc. Witnesses testify that much of the equipment is in Federal Government warehouses; unused and unwanted and sometimes it is sold as scrap. Also, that sales of this property are usually in larger lots than the volunteer fire-fighting organizations can afford to acquire and hence they must purchase at higher retail prices.

AVAILABILITY OF SURPLUS FIRE-FIGHTING EQUIPMENT

Testimony also revealed that many items of surplus fire-fighting equipment are not utilized by the Federal agencies nor by the education, health, and civil defense agencies and hence are sold at small return to the Government and then offered for sale to fire-fighting organizations. It is the committee's belief that this property bought with public funds, if useful and needed, should be donated to such a high public purpose as protecting life and property by volunteer fire-fighting organizations.

The committee took testimony on Friday, August 1, 1958, on H. R. 7929 (Fogarty) and the following identical or closely related bills: H. R. 242 (Jennings), H. R. 2552 (Hyde), H. R. 3406 (Nimtz), H. R. 4107 (Hyde), H. R. 5451 (Bentley), H. R. 5460 (Chamberlain), H. R. 5470 (Griffiths), H. R. 6316 (Kee), H. R. 6537 (Gwinn), H. R. 9522 (Keating), H. R. 10377 (Broomfield), H. R. 11115 (Dennison), H. R. 11324 (May), H. R. 11516 (Tewes), H. R. 12025 (Haskell), and H. R. 12959 (McIntosh).

Witnesses testifying were:

Hon. John E. Fogarty, Democrat, of Rhode Island.

Hon. F. Jay Nimtz, Republican, of Indiana.

Hon. John F. Baldwin, Republican, of California.

Hon. A. Sydney Herlong, Jr., Democrat, of Florida.

Mr. Chester B. Lund, Director of Office of Field Services, Department of Health, Education, and Welfare.

Mr. Manuel B. Hiller, Office of General Counsel, Department of Health, Education, and Welfare.

Mr. W. J. Thomas III, president, Sandy Spring Volunteer Fire Department, Maryland.

Mr. Ferris Filley, president, Dunn Loring Volunteer Fire Department of Fairfax County, Va.

Mr. G. B. Robinson, chief, Burke Volunteer Fire Department of Fairfax County, Va.

Mr. Milton Alexander, fire commissioner of Franconia Fire Department of Fairfax County, Va.

Miss Fern Colborn, secretary of social education, National Federation of Settlements and Neighborhood Centers, New York City.

Mr. Louis B. Traycik, attorney, Flint, Mich.

Mr. James D. Currie, Bureau of the Budget.

PREVIOUS REPORTS

House Report No. 206, 84th Congress, 1st session, gives considerable detail and background on the surplus property donation program for education and health.

House Report No. 1455, 84th Congress, 1st session, likewise covers the civil defense aspects of the program.

REPORTS OF AGENCIES ON BILLS

The General Accounting Office stated that "we are not in a position to make a recommendation as to the merits of the bill."

The reports from responsible executive agencies were negative on this and related bills. (See statements in appendix.)

Despite the negative reports from executive agencies, the committee is of the opinion that since the Members of Congress are closely in touch with the missions, necessities, and financial status of volunteer fire-fighting organizations they can most appropriately weigh, pursuant to their constitutional authority, the public benefits which will flow from alternative methods of disposal of Federal Government surplus personal property.

SECTION-BY-SECTION ANALYSIS

Section 1 (a) amends the first sentence of section 203 (j) (1) of the Federal Property and Administrative Services Act of 1949 (40 U. S. C., sec. 484 (j) (1)) to provide (a) that volunteer fire-fighting organizations shall be eligible, under the provisions of the act to receive surplus personal property under the control of any executive agency for the purpose of aiding in the protection of life and property but not for purposes of research and (b) that property donated to all eligibles under section 203 (j) (1) shall be without cost except for direct costs of care and handling.

Section 1 (b) amends the last sentence of section 203 (j) (1) of the act to provide that a State agency may continue to receive surplus property for education, public health, and civil defense purposes (and for research for such purposes) even though that agency has not been authorized under State law to accept surplus property for use by volunteer fire-fighting organizations. The amendment does not affect the existing requirement that surplus property can be transferred only to the State agency designated as provided in section 203 (j) (1).

Section 2 amends the first sentence of section 203 (j) (3) of such act (40 U. S. C., sec. 484 (j) (3)) to provide that the Secretary of Health, Education, and Welfare shall determine whether surplus personal property is usable and necessary for the purpose of aiding in the protection of life and property by volunteer fire-fighting organizations and shall allocate such property for transfer and distribution through established channels, to any incorporated or unincorporated volunteer fire department, fire company, or other similar fire-fighting organization which is tax-supported or has been held exempt from taxation under section 501, title 26, of the Internal Revenue Code of 1954. The Secretary, after consulting with appropriate groups, will issue eligibility standards.

Section 2 (b) makes an editorial change in the second sentence of section 203 (j) (3) by inserting "or for the purpose of aiding in the protection of life and property by volunteer fire-fighting organizations" in the proper place.

Section 3 amends section 203 (k) (2) of the act to grant to the Secretary of Health, Education, and Welfare the same authority with respect to compliance with terms and conditions of transfers of property for use by volunteer fire-fighting organizations as he now has with respect to compliance with terms and conditions of transfers of property for educational and public health uses.

Section 4 makes an editorial change in section 203 (o) of the act (40 U. S. C., sec. 484 (n)).

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

SUBSECTIONS (j), (k), AND (o) OF SECTION 203 OF THE FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, AS AMENDED

SEC. 203. (a) * * *

* * * * *

(j) (1) Under such regulations as he may prescribe, the Administrator is authorized in his discretion to donate without cost (except for *direct* costs of care and handling) for use in any State for purposes of education, public health, or civil defense, or for research for any such purpose, *or for the purpose of aiding in the protection of life and property by volunteer fire-fighting organizations*, any equipment, materials, books, or other supplies (including those capitalized in a working capital or similar fund) under the control of any executive agency which shall have been determined to be surplus property and which shall have been determined under paragraph (2), (3), or (4) of this subsection to be usable and necessary for any such purpose. In determining whether property is to be donated under this subsection, no distinction shall be made between property capitalized in a working-capital fund established under section 405 of the National Security Act of 1947, as amended, or any similar fund, and any other property. No such property shall be transferred for use within any State except to the State agency designated under State law for the purpose of distributing, in conformity with the provisions of this subsection, all property allocated under this subsection for use within such State, *except that notwithstanding a State agency is not designated under State law for the purpose of distributing property for use by volunteer fire-fighting organizations, such property may be transferred to such State agency for use for purposes of education, public health, or civil defense, or for research for any such purpose.*

* * * * *

(3) Determination whether such surplus property (except surplus property allocated in conformity with paragraph (2) of this subsection) is usable and necessary for purposes of education or public health, or for research for any such purpose, *or for the purpose of aiding in the protection of life and property by volunteer fire-fighting organizations*, in any State shall be made by the Secretary of Health, Education, and Welfare, who shall allocate such property on the basis of needs and utilization for transfer by the Administrator to such State agency for distribution to (A) tax-supported medical institutions, hospitals, clinics, health centers, school systems, schools, colleges, and universities, [and] (B) other nonprofit medical institutions, hospitals, clinics, health centers, schools, colleges, and universities which are exempt from taxation under section 501 (c) (3) of the Internal Revenue Code of [1954] 1954, or (C) to any incorporated or unincorporated

volunteer fire department, fire company, or other similar fire-fighting organization which is tax-supported or has been held exempt from taxation under section 501 of the Internal Revenue Code of 1954. No such property shall be transferred to any State agency until the Secretary of Health, Education, and Welfare has received, from such State agency, a certification that such property is usable and needed for educational or public health purposes in the State, or for the purpose of aiding in the protection of life and property by volunteer fire-fighting organizations in the State, and until the Secretary has determined that such State agency has conformed to minimum standards of operation prescribed by the Secretary for the disposal of surplus property.

* * * * *

(k) (1) * * *

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(2) Subject to the disapproval of the Administrator within thirty days after notice to him of any action to be taken under this subsection—

(A) The Secretary of Health, Education, and Welfare, through such officers or employees of the Department of Health, Education, and Welfare as he may designate, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, and pursuant to this Act, to States, political subdivisions, and instrumentalities thereof, and tax-supported and other nonprofit educational institutions for school, classroom, or other educational use;

(B) the Secretary of Health, Education, and Welfare, through such officer or employees of the Department of Health, Education, and Welfare as he may designate, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, and pursuant to this Act, to States, political subdivisions and instrumentalities thereof, tax-supported medical institutions, and to hospitals and other similar institutions not operated for profit, for use in the protection of public health (including research);

(C) the Secretary of the Interior, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, and pursuant to this Act, to States, political subdivisions, and instrumentalities thereof, and municipalities for use as a public park, public recreational area, or historic monument for the benefit of the public;

(D) the Secretary of Defense, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, to States, political subdivisions, and tax-supported instrumentalities thereof for use in the training and maintenance of civilian components of the armed forces; **[or]**

(E) the Federal Civil Defense Administrator, in the case of property transferred pursuant to this Act to civil defense organizations of the States or political subdivisions or instrumentalities thereof which are established by or pursuant to State law **[,]**; or

(F) the Secretary of Health, Education, and Welfare, through such officers or employees of the Department of Health, Education,

and Welfare as he may designate, in the case of property transferred pursuant to this Act to volunteer fire-fighting organizations for aiding in the protection of life and property by such organizations, is authorized and directed—

(i) to determine and enforce compliance with the terms, conditions, reservations, and restrictions contained in any instrument by which such transfer was made;

(ii) to reform, correct, or amend any such instrument by the execution of a corrective, reformatory, or amendatory instrument where necessary to correct such instrument or to conform such transfer to the requirements of applicable law; and

(iii) to (I) grant releases from any of the terms, conditions, reservations, and restrictions contained in, and (II) convey, quitclaim, or release to the transferee or other eligible user any right or interest reserved to the United States by, any instrument by which such transfer was made, if he determines that the property so transferred no longer serves the purpose for which it was transferred, or that such release, conveyance, or quitclaim deed will not prevent accomplishment of the purpose for which such property was so transferred: *Provided*, That any such release, conveyance, or quitclaim deed may be granted on, or made subject to, such terms and conditions as he shall deem necessary to protect or advance the interests of the United States.

* * * * *

(o) The Secretary of Health, Education, and Welfare shall submit, during each calendar quarter, a report to the Senate (or to the Secretary of the Senate if the Senate is not in session) and to the House of Representatives (or to the Clerk of such House if it is not in session) showing the acquisition cost of all personal property donated under subsection (j) and of all real property disposed of under subsection (k) during the preceding calendar quarter to, or for distribution to, educational or public health institutions or *volunteer fire-fighting organizations* in each State, Territory, and possession. The first report under this subsection shall be made with respect to property donated or disposed of during the first calendar quarter which begins after the enactment of this subsection.

APPENDIX

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., October 23, 1957.

HON. WILLIAM L. DAWSON,
Chairman, Committee on Government Operations.

MY DEAR MR. CHAIRMAN: This is in reply to your request for a report on H. R. 7929, a bill to amend the Federal Property and Administrative Service Act of 1949 to permit the donation of surplus property to volunteer fire-fighting organizations.

We believe it inadvisable to enlarge the number of organizations or purposes for which surplus property may be donated. You may recall that the Government has had very unsatisfactory experience in the past under statutes authorizing donations for many different purposes. In 1949 those statutes were repealed because it had been found that the numerous claimants caused surplus property to remain in warehouses at Government expense for long periods, sometimes even for years, while first one group and then another examined the lists of available surplus. In the end, most of the property was not wanted by any group and had to be sold. In such instances the losses due to damage and deterioration of stock and the added costs of warehouse space, care and handling, and administration seemed unjustified. The laws were repealed in order to speed up, simplify, and make less costly the task of surplus property disposal. We have therefore generally opposed bills proposing to expand the donation program to include such purposes and institutions as mosquito control districts, municipal water and gas systems, 4-H Clubs, municipal governments, and scientific and research organizations. For the same reasons we oppose extending the program to fire-fighting organizations as proposed in H. R. 7929.

We have not questioned the worthiness of these purposes but have recommended to your committee and to the Senate Committee on Government Operations that, in view of the serious administrative difficulties involved, any further expansion of the donation program should be supported only for major purposes which are compelling in the national interest, and which are not primarily local responsibilities.

Sincerely yours,

PERCIVAL F. BRUNDAGE, *Director.*

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
Washington.

HON. WILLIAM L. DAWSON,
Chairman, Committee on Government Operations,
House of Representatives, Washington, D. C.

DEAR MR. CHAIRMAN: This letter is in response to your requests for reports on the following bills, listed in numerical order:

H. R. 242, to amend the Federal Property and Administrative Services Act of 1949 to permit the donation of surplus property to certain community organizations, i. e., volunteer fire departments and volunteer rescue and lifesaving squads.

H. R. 2504, to provide that Government surplus property may be donated to 4-H Clubs for the construction, equipment, and operation of camps and centers.

H. R. 2552, to amend the Federal Property and Administrative Services Act of 1949 to permit the donation of surplus property to volunteer fire-fighting organizations.

H. R. 3406, to amend the Federal Property and Administrative Services Act of 1949 to permit the donation of surplus property to volunteer fire-fighting organizations.

H. R. 4007, to amend section 203 of the Federal Property and Administrative Services Act of 1949 to permit the disposal of surplus property to publicly owned water districts and publicly owned sewer districts.

H. R. 4107, to amend the Federal Property and Administrative Services Act of 1949 to permit the donation of surplus property to volunteer fire-fighting organizations, volunteer reserve services, squads, and first-aid crews.

H. R. 5451, to amend section 203 of the Federal Property and Administrative Services Act of 1949 to permit the disposal of surplus property to municipalities.

H. R. 6316, to amend the Federal Property and Administrative Services Act of 1949 to permit the donation of surplus property to volunteer fire-fighting organizations, volunteer reserve services, squads, and first-aid crews.

H. R. 7929, to amend the Federal Property and Administrative Services Act of 1949 to permit the donation of surplus property to volunteer fire-fighting organizations.

All of these bills would amend section 203 of the Federal Property and Administrative Services Act of 1949 so as to authorize donations of surplus personal property for certain purposes, and to certain organizations, now not eligible.

Of the above-mentioned bills, H. R. 2552, H. R. 3406, and H. R. 7929, relating to volunteer fire-fighting organizations, appear to be identical. (Such organizations are also specifically covered by H. R. 242, H. R. 4107, and H. R. 6316, bills which also cover certain other comparable types of organizations.)

For the reasons stated below, we do not favor enactment of any of these bills.

Under section 203 (j) of the act, Federal surplus personal property determined by this Department to be usable and necessary for educational or public health purposes, including research, may be donated by the Administrator of General Services through State surplus property distribution agencies to tax-supported or nonprofit tax-

exempt medical institutions, hospitals, clinics, health centers, school systems, schools, colleges, and universities. Under a recent amendment (Public Law 655, 84th Cong.), surplus personal property usable and necessary for the civil defense purposes may in like manner be donated to civil defense organizations of States or political subdivisions and instrumentalities thereof. With respect to both of these programs—by delegation from the Federal Civil Defense Administration in the latter case—such property is allocated among the several States by this Department, although within the several States distribution to eligible activities and organizations is made by the State distribution agencies subject to basic Federal regulations and standards.

Also, surplus personal property under the control of the Defense Department which is determined by the Secretary of Defense to be usable and necessary for “educational activities which are of special interest to the armed services”—a phrase which has been very broadly interpreted—may be donated for such activities pursuant to allocation by the Secretary of Defense. Such defense-related donations are given priority over donations under the other two programs.

The present bills would, respectively, add to the eligible list for donation of Federal surplus property such diverse organizations as 4-H Club camps and centers; volunteer fire-fighting organizations, volunteer rescue and lifesaving squads, and other organizations performing community services that in their absence would be performed by a State or its political subdivisions; publicly owned water and sewer districts; and, finally, municipalities, for municipal purposes generally.

It may be noted at the outset that municipalities, as a practical matter, are already beneficiaries of the donation program under section 203 of the act in the fields of education, public health, and civil defense, and have received many millions of dollars of donated personal property for these purposes.

The mere enumeration of the activities and organizations now proposed to be added, by the 9 bills covered by this report, to the eligible categories under the section 203 donation program—not to mention still other proposals heretofore made—highlights 2 things.

In the first place, Congress in 1949 abolished the complex systems of priorities for surplus property disposal existing under the Surplus Property Act of 1944 and limited donations of surplus personal property to educational and public health activities carried on by certain types of organizations. (Apparently through inadvertence, the public health part was at first omitted from the personal property donation provisions of sec. 203 (j) of the 1949 act, although it was included in the real property disposal provisions of sec. 203 (k) and public health had been on an equal priority footing with education in the 1944 act. The omission was corrected the next year by Public Law 754, 81st Cong.) With respect to the abolished systems of priorities, the second Hoover Commission's Task Force on Surplus Property, in its report (p. 105), stated that they “proved to be an almost insuperable impediment to an orderly disposal program * * *. They resulted in long delays, vast paperwork and procedures, and administrative costs which in many cases exceed the disposal revenues.” Yet in both the task force's and the Commission's opinion, the extension of eligibility to municipalities for municipal purposes generally, let alone the additional adoption of the other proposals,

would again require the establishment of a priority system and would greatly complicate the administration of the program.

In the second place, as is demonstrated by the present list and by various other past and present proposals for extension of eligibility under the donation program to new organizations and activities, any proposal for an extension immediately raises the question of extension to other activities and organizations equally deserving, not only to health and educational organizations not yet eligible—e. g., mosquito districts, nurseries, institutions engaged in scientific research, libraries, museums, etc.—but to activities of public or nonprofit organizations in the welfare field or in other public purpose fields indicated by these and other bills. Thus, apart from an extension to purposes essential in the interest of national security, such as the recently established civil defense program, either the gates would have to be thrown wide open without limitation, thus diluting the program so as to be, perhaps, of little benefit to anyone, or new lines would have to be drawn which would be difficult to justify on grounds of equity and for that reason difficult to hold.

We have, in the past several months, earnestly explored the feasibility of extending eligibility under the surplus personal property donation program to a carefully limited and defined group of those activities and organizations in the welfare field, public or voluntary, which might be analogized, from the point of view of their nature and accountability, to those now eligible and hence least subject to abuse. However, any recommendations along that line would of necessity require a careful evaluation of the present and potential needs of the existing program and projected programs, in terms of the number of eligible organizations, the amount of property available for distribution, and the like. In view of the very recent enactment of the civil defense donation program, it became clear that no well-founded appraisal can be made at this time of the impact which the recent extension of eligibility to include civil defense organizations will have on the program as a whole. For example, the civil defense director of Pennsylvania advises that at least 2,900 civil defense organizations have been designated under Pennsylvania State law and are qualified to receive donations for civil defense purposes. We have no figures as yet for the country as a whole, nor do we have experience which would make possible a reasonable estimate as to the amounts of property in the field of common-use items for which these organizations would compete.

Hence, either for the purposes of these bills or for the above-mentioned extension in the welfare field, forecasts could not reasonably be made at this time respecting the increased costs of administration, the extent of dilution of the amount and quality of the property available, and the dimensions of the conflict of interest for the same property which might result from any additional extension of eligibility. Under these circumstances, even apart from the formidable problems of equity in deciding which, if any, new organizations and activities (either those enumerated in the bills to which this report is addressed or those referred to in other proposals) should be made eligible, we believe that even if otherwise advisable no further expansion of eligibility should be recommended at this time pending the accumulation of adequate experience as to the impact of the civil defense donation program. This will require at least a year or two in view of the newness of that program.

In conclusion, we recommend against enactment of any of the above-mentioned bills. We have therefore not analyzed these bills from the point of view of their technical adequacy, nor have we explored the question whether, in the event of the enactment of these bills, a number of which involve activities outside the field of interest of the Department, administration of the donation and disposal program for surplus property by this Department would still be appropriate.

The Bureau of the Budget advises that it perceives no objection to the submission of this report to your committee.

Sincerely yours,

_____, *Secretary.*

GENERAL SERVICES ADMINISTRATION,
Washington, D. C., October 30, 1957.

Hon. WILLIAM F. DAWSON,
*Chairman, Committee on Government Operations,
House of Representatives, Washington, D. C.*

DEAR MR. CHAIRMAN: Your letter of June 10, 1957, requested a report by GSA on H. R. 7929, to amend the Federal Property and Administrative Services Act of 1949 to permit the donation of surplus property to volunteer fire-fighting organizations.

This bill is one of a number of bills which have been introduced for the purpose of extending the existing authorization for donation of surplus personal property (limited to the purposes of education, public health, and civil defense) to cover various other special activities and organizations.

Initially, we wish to point out that in the drafting of H. R. 7929 there has been a failure to reflect the amendments made in section 203 of the Federal Property and Administrative Services Act of 1949 by Public Law 655 of the 84th Congress, approved July 3, 1956 (70 Stat. 493).

Notwithstanding how salutary may be the objective of these fire-fighting organizations, GSA objects to the enactment of H. R. 7929 for the reasons hereinafter set forth.

The enactment of this legislative proposal would necessarily increase the operating costs and impede the operations of this Administration. To illustrate:

Inquiries from, and interviews with, the representatives of the volunteer fire-fighting organizations seeking information about surplus property and about procedures for obtaining it would be time-consuming and costly, particularly because such organizations are numerous in many States, and operate independently of others in adjoining communities.

The reviewing of records and stocks and the screening of available surplus against the competitive requests of the many fire-fighting organizations in order that determinations of usability and need could be made would undoubtedly be laborious, and might often seriously interfere with regular operations for utilization of excess and delay the disposal of surplus property by sale.

The settlement of competing claims between individual fire-fighting organizations, and of requests for donations from such groups and of vying demands on account of education, public health, and civil

defense, would constitute a recurring problem likely to engender ill will and create still further delays in warehouse clearance.

To broaden the surplus property donation authority of the Federal Property and Administrative Services Act of 1949 to cover this new group would operate as an invitation to present still more proposals for inclusion of additional organizations. Adoption of such proposals would inevitably result not only in increased administrative costs and complication of disposal operations, but also in jeopardizing the orderly procedures for surplus property disposal now being carried out under the direction of GSA pursuant to the provisions of that act.

The nature of this legislative proposal is such as to make impossible any firm estimate by us of the probable cost attributable thereto.

The Bureau of the Budget has advised that there is no objection to the submission of this report to your committee.

Sincerely yours,

FRANKLIN G. FLOETE,
Administrator.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D. C., June 18, 1957.

HON. WILLIAM L. DAWSON,
*Chairman, Committee on Government Operations,
House of Representatives.*

DEAR MR. CHAIRMAN: Further reference is made to your letter of June 10, 1957, requesting our comments on H. R. 7929.

The bill would amend the Federal Property and Administrative Services Act of 1949 to permit disposal of surplus property to volunteer fire-fighting organizations.

We have no direct knowledge of the need of those organizations for surplus property of the United States nor of the type, value, or quantity of such surplus property which might be used by them. Therefore, we are not in a position to make a recommendation as to the merits of the bill. We should like to point out, however, that recently several bills have been introduced which would permit the donation of surplus property to similar public organizations. While we do not question the worthiness of such bills we believe that if such legislation is deemed necessary or desirable, the enactment of general legislation is preferable to the enactment of separate legislation for each individual purpose.

If the bill is favorably considered it is believed that it should be redrafted since apparently consideration was not given to the recent amendments made to section 203 of the Federal Property and Administrative Services Act of 1949, by Public Law 200, approved August 1, 1955 (69 Stat. 430), and Public Law 655, approved July 3, 1956 (70 Stat. 493).

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

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