

troller General, is that essentially nothing should be exempted unless there is some real, crying security need for it. Otherwise, some other agencies, as Mr. Mahoney pointed out, might use this same equipment for 8 hours a day.

We have with us now the Honorable Bernard Boutin, Administrator of General Services Administration. Mr. Boutin is well known to the subcommittee and is making an enviable record for himself in the administration of the important post he holds.

Before turning to specific questions, Mr. Boutin, I would like to introduce the people you have with you. I see Joe Moody, who is General Counsel; Mr. William P. Turpin, Assistant Administrator for Finance and Administration; Robert T. Griffin, Assistant Administrator.

If you have a statement to make concerning H.R. 5171, we will be pleased to hear it at this time.

STATEMENT OF BERNARD L. BOUTIN, ADMINISTRATOR, GENERAL SERVICES ADMINISTRATION; ACCOMPANIED BY ROBERT T. GRIFFIN, ASSISTANT ADMINISTRATOR; WILLIAM P. TURPIN, ASSISTANT ADMINISTRATOR FOR FINANCE AND ADMINISTRATION; AND JOE E. MOODY, GENERAL COUNSEL

Mr. BOUTIN. Mr. Chairman and members of the subcommittee, it is a pleasure as always to appear before you and your subcommittee concerning any matter in which you are interested. I am here today at your request for the purpose of expressing the views of the General Services Administration on your bill H.R. 5171 to authorize the Administrator of the General Services Administration to coordinate and otherwise provide for the economic and efficient purchase, lease, maintenance, operation, and utilization of electronic data processing equipment by Federal departments and agencies.

Basically, the proposed legislation would add a new section 111 to title I of the Federal Property and Administrative Services Act of 1949 (5 U.S.C. 630), as amended, so as to centralize in the General Services Administration control over all electronic data processing equipment required by Federal agencies.

The bill would authorize the establishment on the books of the Treasury of an electronic data processing fund which would be available without fiscal year limitation for expenses, including personal services, other costs, and the procurement by lease, purchase, transfer, or otherwise of equipment, maintenance and repair of such equipment by contract or otherwise, necessary for the efficient coordination, operation, and utilization of such equipment by and for Federal agencies. Original capitalization of this fund would be by appropriation and transfer of assets, which would be reimbursed through user charges. In this connection it should be pointed out that according to the report of the Comptroller General to the Congress, dated March 6, 1963, and entitled "Study of Financial Advantages of Purchasing Over Leasing of Electronic Data Processing Equipment in the Federal Government," there would be very substantial savings to the Government if it purchased more of its requirements for electronic computers instead of leasing as was the case with respect to 86 percent of Federal