

2. The provisions of H.R. 5171 limit control by the General Services Administration over in-house Government electronic data-processing equipment. We believe that, to the maximum extent practicable, such equipment or systems required by contractors in the performance of negotiated contracts with the Federal agencies where the whole or a substantial part of the cost of such equipment or systems would become a part of Government contract prices should likewise be furnished by the Government with title or leasehold interest remaining in the Government subject substantially to the same laws and regulations applicable to in-house Government equipment.

3. The bill proposes to establish an electronic data-processing fund for carrying out the functions enumerated therein to be "available without fiscal year limitation." This method of financing, not requiring annual congressional authorization—as compared with budgetary and appropriation processes followed in financing activities through annual appropriations—would materially diminish congressional control over such activities and should not be permitted in the absence of justifiable need therefor. It is our opinion that an annual congressional review of operations under the fund and affirmative annual congressional authority in respect of the availability of the fund is necessary to place the activities of the General Services Administration in this area under complete congressional control. Consequently, we suggest that after the word "limitation" appearing on page 2, line 24, there be added "within such amounts as may be provided annually in appropriation acts."

4. We suggest that, after a date determined upon, existing appropriations and, unless specifically so provided, future appropriations of the agencies concerned, other than appropriations to the fund, shall not be available for the purchase, lease, or installation of automatic data-processing equipment of the types taken over by the Administrator.

5. It is our opinion that no executive agency should be exempted from the provisions of the bill except under extraordinary circumstances.

6. We note the terms "organization, or persons" appearing on page 3, line 14 of the bill. If by use of these terms it be intended to authorize the Administrator to make equipment available for, or otherwise supply services to, private organizations or persons, which would constitute an exception to section 3678, Revised Statutes, 31 United States Code 628, requiring the application of appropriations solely to the objects for which made and no other, in the absence of specific authority to the contrary, then adding the word "private" before the word "organization" would obviate any doubt in the matter.

7. In order to carry out the policy expressed in the bill with reference to the purchase, lease, maintenance, and utilization of electronic data-processing equipment, we suggest that the President be required to issue regulations to provide for adequate notice to affected agencies, and to assure each such agency independent review of the Administrator's determination in the event of disagreement with the Administrator concerning such determinations. Similarly, the Administrator of General Services should be authorized to prescribe regulations to effectuate his functions under the bill subject, of course, to the regulations issued by the President thereunder.

We believe the enactment of the bill would be in the interest of the Government and will result in considerably more economical procurement and utilization of electronic data-processing equipment. Therefore, and subject to the changes suggested above, we favor enactment of the proposed legislation. If we can be of any further assistance in this matter please advise us.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

2. General Services Administration

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., May 27, 1963.

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

DEAR MR. CHAIRMAN: Your letter of April 1, 1963, requested the views of the General Services Administration on H.R. 5171, 88th Congress, a bill "To author-