CONTROL AND USE OF EXCESS PROPERTY AND RE-LATED FOREIGN ASSISTANCE PROBLEMS FOLLOW-ING U.S. MILITARY EXCLUSION FROM FRANCE-1966-67

TUESDAY, MAY 16, 1967

House of Representatives, SPECIAL SUBCOMMITTEE ON DONABLE PROPERTY, COMMITTEE ON GOVERNMENT OPERATIONS,

Washington, D.C.

The subcommittee met, pursuant to notice, at 10 a.m., in room 2203, Rayburn House Office Building, Hon. John S. Monagan presiding. Present: Representatives John S. Monagan, Fernand J. St Germain, and Margaret M. Heckler.

Professional staff members present: Miles Q. Romney, counsel; Peter S. Barash, legal assistant; and William H. Copenhaver, minority staff.

Mr. Monagan. I will call the hearing to order.

Since 1965, the Special Subcommittee on Donable Property has been engaged in an active examination of the use of excess property in the U.S. foreign aid program. "Excess property" is, of course, any property under the control of any Federal agency which is not required for its needs and the discharge of its responsibilities. As excess, it is available for use by other Federal agencies.

The principal authority for the use of excess property in the U.S. foreign aid program is the Foreign Assistance Act of 1961, as amended. In enacting the Foreign Assistance Act of 1965, Congress added new language which directly called upon AID to utilize excess personal property whenever practicable in lieu of the procurement of new items

for U.S. assisted projects and programs.

During the 89th Congress, the subcommittee undertook an extensive review of the use of excess property by our AID program in Latin America. That review resulted in House Report No. 1466, 89th Congress, entitled, "The Use of Excess Property by the U.S. Foreign Aid Program in Latin America." Significant improvements in the effective-

ness of the program there have ensued.

The hearing today has been called to receive testimony on the opportunities and problems created by the generation of foreign excess property as a result of Operation FRELOC, the relocation of materiel necessitated by the pullback of NATO and the closing of U.S. military bases and related facilities in France. Our concern is focused on U.S.owned personal property, now largely removed from France, which is or can reasonably be expected to become excess to the needs of the Department of Defense and thereby become available for use by AID