Colonel REGAN. The normal sale cycle for selling through the Foreign Excess Sales Office is 90 to 120 days. This is the normal sales cycle, and we must recognize that all the sales cannot be made at one time so they have to be staggered.

Mrs. HECKLER. Do you have any target date for the final disposition of all these properties?

Colonel REGAN. In the initial talk with Ambassador Bohlen it was estimated the maximum life for MLS would be April 1969. That seems a long time off but it must be recognized there are other matters to be disposed of. This is, again, an estimate.

Mrs. HECKLER. You told us of an overhead of $1.5 million a year.

Colonel REGAN. This is an estimate too.

Mrs. HECKLER. Does this include cost of administration?

Colonel REGAN. When I said $1.5 million a year, this is associated with the Military Liquidation Section functions. There are portions of our offices, for example, Mr. Sidman's office, that deal with the handling of military aid, which are not our functions.

Mrs. HECKLER. The cost of the custodial functions, would that be included?

Colonel REGAN. They are in the total of $1.5 million.

Mrs. HECKLER. I think it would be interesting to know the cost of the custodial functions on installations in which the French Government has not expressed an interest. I would be interested in that figure.

Colonel REGAN. I can get that.

(Subsequently, the following information was supplied by the Department of Defense:)

COST OF CUSTODIAL FUNCTIONS ON NON-INTEREST BASES

The cost figure of $1.5 million as it is contained in the text is not clearly understood and evidently was an estimated figure furnished at a time when the budget for the Military Liquidation Section was still being formulated. The Military Liquidation Section FY 68 budget submitted recently to higher headquarters is in a total amount of $3.9 million. This includes pay for both military and civilian personnel, utility costs, rent, communications, costs for necessary travel, etc. Included in the military and civilian personnel costs are the custodial charges for those bases in which the Government of France has not expressed an interest. The estimated cost for this purpose is $418,000 for FY 68. It must be noted that these costs are only an estimate and are dependent entirely upon actions of the Government of France in negotiated sales and turnover of the bases themselves. For budgetary planning, we have used the following factors:

a. That all negotiated sales on interest bases and the turnover of these bases to the Government of France would be completed by 31 October 1967.

b. In order not to jeopardize the negotiations on the interest bases, sales by the Foreign Excess Sales Office (except in those selected areas which will not place the negotiations in jeopardy) are scheduled to commence full activity 1 October 1967. The normal cycle for sales by the Foreign Excess Sales Office is from 90 to 120 days. Therefore, it has been estimated that the turnover of non-interest bases will be completed by 15 February 1968.

Mrs. HECKLER. You talked about the general functions of MLS, one being to negotiate operational base sales.

Colonel REGAN. Yes.

Mrs. HECKLER. Who does the negotiation for the sale of other property?

Colonel REGAN. We do on all sales. This was spelled out because it was felt the Commanding Officer would want to negotiate the sales.

Mrs. HECKLER. You mentioned housing. Will you negotiate that?