

GRIFFIN DEFINES S. 1974

S. 1974 would amend section 203(j) (1) of the Federal Property and Administrative Services Act of 1949, as amended, for the purpose of giving State agencies for surplus property first choice on Federal excess personal property acquired by the Agency for International Development and being held by that Agency pursuant to section 608 of the Foreign Assistance Act of 1961 for use in connection with the assistance programs.

Section 608 of the Foreign Assistance Act of 1961, as amended, provides for an advance acquisition program under which AID obtains the transfer of items of excess property in advance of known requirements. The amount of personal property held by AID pursuant to section 608 cannot exceed at any one time \$15 million in total original acquisition cost. Under section 608, a maximum Federal utilization should be made of Government-owned excess property.

ADVERSE REACTIONS OF GSA

Through the excess property utilization program, Federal agencies reduce or eliminate the need for procuring new commodities in carrying out their program missions. General Services Administration's long experience in managing the utilization program has clearly demonstrated that the use of excess property does reduce new procurement and thereby has eliminated substantial expenditures for such new items.

OPPOSES ENACTMENT OF S. 1974

In addition, S. 1974 would also have an adverse impact on another basic concept of the Federal Property Act; namely, that Federal agencies have first priority on available excess property. No provision is made in S. 1974 for the transfer of domestic excess property held by AID to other Federal activities prior to offering for donation. If such personal property acquired by AID under its advance acquisition program is not subsequently used for foreign assistance, it would normally be reported by AID to GSA as excess and would be made available to other Federal agencies.