

Now, this is just one of a dozen reports on the excess property program. The Office has produced on this and which our own investigation has produced. Last year Mr. Herbert Waters testified before this subcommittee when he was Assistant Administrator of AID for material resources and had responsibility for the excess property program. He indicated that by far and large, this excess property was considered in light of extending the AID dollar which I believe is the phraseology he used, and he would not admit that he could attribute every piece of excess property or even the bulk of the excess property acquired and relate it to a substitution for new procurement.

Mr. GRIFFIN. Are we still talking of foreign excess?

Mr. LIPPMAN. No, we are not.

Mr. GRIFFIN. The language you just used certainly indicates it.

Mr. LIPPMAN. No, it does not. This property was acquired from a variety of sources. It is acquired overseas. It is acquired from domestic sources. You will find that the AID domestic rehabilitation program, the 608 program, is concerned with shipping these quantities of items to the very countries which receive the excess from foreign aid.

Mr. GRIFFIN. Well, let me just say, Mr. Lippman, if this was the intent of the GAO language, I do not understand that they so directed that comment to GSA as need under the domestic program for substitution of the property that my understanding.

my mind the whole question of the justification for giving priority and considering these programs as Federal programs when there is no such saving to the Government, and I think it might be appropriate for the agency, GSA, to reconsider its position in light of all of the evidence that has been adduced at these hearings over the last 2 years.

COULD EVIDENCE CHANGE GSA'S POSITION ON S. 1974?

Mr. GRIFFIN. Reconsider our position on the bill?

Mr. LIPPMAN. Yes, sir.

Mr. GRIFFIN. I don't think that we would change our position on the bill.

Mr. BEASER. Regardless of the evidence?

Mr. GRIFFIN. Well, the disposition that I would have on the bill