S. 3385 OPPOSITION REREAD INTO RECORD

This bill is identical for all intents and purposes to S. 3385 on which AID testified in June of 1966. We opposed the bill at that time and we do so again.

I should like to read into the record our reasons for opposition to this bill, which were stated during the testimony last year:

(1) It would materially and adversely affect the legal authority of AID to efficiently and effectively administer the Advance Acquisition Program, both as regards domestic and foreign excess, by making the requirement that such property be offered to the States a condition precedent to the use of property held by AID for economic assistance programs.

(2) This bill would, of necessity, create an additional screening period for excess property. For example, where AID acquired excess property which had already been screened by Federal agencies, for the Advance Acquisition Program, AID would be required to then offer such property to a completely new class of potential claimants, the States, before it could be used for the purpose for which AID acquired it in the first instance.

(3) Each year, approximately $4.5 billion——original acquisition cost——of property is declared excess. In Fiscal Year 1965, AID under the Advance Acquisition Program received and 1.5 percent in 1967.

I would like to point out one thing. We keep talking about millions or hundreds of millions of dollars worth of property. I think this is a little misleading to the public and everyone else. Actually, the value of this excess equipment across the country or around the world is somewhere between 7 and 10 percent of the acquisition cost. We are not talking about millions of dollars of excess property. We are talking about real values of somewhere around $70,000 to $100,000 instead of $1 million.

LEE REALIZES LOCAL NEEDS

I think in terms of practicality—you heard many witnesses here this morning who talked about the need for equipment in our communities. Certainly, I would not want to deny that need.

We heard the witnesses from Virginia and Maryland who stated how badly they needed transportation, air conditioning, and other