

should not have acquired. I think this has been a huge mistake. I think in the end, the United States probably will get better use out of that than if this had simply been allowed to go the route of the rest of the equipment, but we want to perfect our program. I should not say "perfect" it. I don't think we will never have a perfect program in dealing with excess property.

We want to improve it.

Again, I would like to say that we would want to work with the subcommittee. We want to work with the States to see if we can find the ideal way of using this excess equipment. We would not want to see our priority taken away from it.

Senator GRUENING. Thank you very much, Mr. Lee.

We are glad to receive those other statements.

I now direct that any and all pertinent letters or documents be added at this point to the printed record of this hearing.

EXHIBIT 27

LETTER TO SENATOR ERNEST GRUENING FROM MR. LAWSON B. KNOTT, JR.,
ADMINISTRATOR, GENERAL SERVICES ADMINISTRATION

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., Oct. 19, 1967.

project and the
completion of a project.

However, we are in full accord with the position that the possible availability of excess property should be taken into consideration by Government agencies prior to procurement of new items, and that there should be effective internal systems for so doing. This is the concept which General Services Administration stresses in its regulations and vigorously emphasizes in numerous interagency meetings and day to day Government contacts. The keynote, well known to Government property management people, is that "excess is the first source of supply."

In like vein, the Comptroller General, in one of his reports to the Congress of the United States to which you referred, B-146995, April 1966, while stating that the General Accounting Office saw no basis for questioning the furnishing of excess property by AID as supplemental assistance, stressed that the primary emphasis should be on using excess in all possible cases to avoid planned purchases of new property.

On the matter of GSA's role, we testified at the September 21, 1967 hearing that GSA does have a responsibility for seeing that excess property is acquired by Federal agencies for valid purposes. We believe, however, that GSA's activities along this line, having the objective of maintaining a highly productive program for excess property utilization, do not, and should not relieve agencies of a basic responsibility for determination of property requirements. The heads of agencies and departments and their authorized representatives, supported by technical staffs, are in the best position to determine what property will advance the missions which have been assigned to them by hundreds of legislative enactments.

When cases of possible nonuse or misuse by any agency of property acquired from excess come to our attention, we endeavor to ascertain the facts and discuss them with the responsible personnel. This has had good effect.