

PROCUREMENT OF INDUSTRIAL PRODUCTS AND SERVICES PURSUANT
TO BOB CIRCULAR A-76 (SEE APP. 13, P. 611)

Mr. KNOTT. Bureau of the Budget Circular A-76, revised, has to do with the question of buying, or relying on private enterprise system to provide the services and products which are needed by the Government. The inventory by GSA of the commercial and industrial type of products and services which could be procured through private sources rather than produced or performed in-house by GSA has recently been completed. Thirteen activities meriting analysis and study were identified in the inventory. Four studies have been completed and the remaining nine studies are scheduled for completion by June 30, 1968.

The four completed studies are—

- (1) Cleaning of public buildings;
- (2) Maintenance and repair of Government-owned buildings;
- (3) Operation of interagency motor pools; and
- (4) Repair of office machines.

Studies of the first two activities justify distribution of the work between Government and commercial contractors based on a cost comparison for each building. The third study indicates that continued operation of interagency motor pools by the Government is more economical than operation of the pools under commercial contracts. The study of the fourth activity—office machine repairs—justifies the continuation of the operation of facilities located in Denver, Colo., and Washington, D.C., by the Government on the basis of cost and local shortages of qualified repair technicians and facilities. In all other geographical areas office machine repairs are being performed by commercial concerns.

Chairman PROXMIRE. You do not use prison labor?

Mr. KNOTT. We have arrangements with the prison industries, yes, sir: for certain products. Do you have some examples?

Mr. ABERSFELLER. Yes; we buy paintbrushes and several items from the prisons—furniture.

Mr. KNOTT. Some of the rehabilitation of furniture is done by them.

On short-shelf-life items—I am pleased that we were able to clear a report on your bill, I believe, just yesterday.

Chairman PROXMIRE. Good. That is mighty welcome.

Mr. KNOTT. The report is with the committee now.

Chairman PROXMIRE. Fine.

(Note: Bill is S. 1717. See also p. 309.)

CONTROL OF SHORT-SHELF-LIFE ITEMS

Mr. KNOTT. We advised you in May that 186 items valued at \$42.5 million were subject to rotation by December 1968. We now understand—

That \$9.9 million of these items have been transferred to other Federal agencies for utilization or will be transferred prior to expiration of shelf life;

An additional \$5.4 million of items have been discontinued as stockpile items and will be declared excess by December 1968; also, \$3.3 million in biologicals and antibiotics have been determined by