

PROPOSED LEASE OF FACILITIES COMPRISING AIR FORCE PLANT NO. 13, WICHITA,
KANSAS, TO THE BOEING COMPANY FOR NONDEFENSE USE

On September 9, 1966, a letter was submitted by the Assistant Secretary of Defense (Installations and Logistics) requesting approval of an Air Force proposal to lease the facilities comprising Air Force Plant No. 13, Wichita, Kansas, to the Boeing Company for nondefense work.

On October 13, 1966, the Director, Office of Emergency Planning, approved the proposed lease subject to certain conditions which were made subject to review based on further information.

On October 20, 1966, the Assistant Secretary of the Air Force (Installations and Logistics) requested the Office of Emergency Planning to remove the conditions imposed in the letter of October 13, 1966, on the basis of additional information.

In light of the additional information presented by the Air Force, the Office of Emergency Planning, on October 24, 1966, modified the conditions set forth in its letter of October 13, 1966, as follows:

"The lease will be for a five-year period with two additional five-year options for renewal.

"The annual rental rates established in Defense Mobilization Order 8555.1 for machinery and equipment may be applied to the age of the machinery and equipment at the mid-point of the initial five-year period of the lease. This same rate will be applicable during each of the five-year option periods provided for in the lease."

We have not examined into the extent to which other requests have been made to the Office of Emergency Planning subsequent to November 21, 1966. In the event you wish us to pursue this matter, we shall be glad to do so.

We trust that this information is responsive to the questions raised in your inquiry.

Sincerely yours,

FRANK H. WEITZEL,
Assistant Comptroller General of the United States.

DECEMBER, 12, 1967.

HON. THOMAS D. MORRIS,
Assistant Secretary of Defense, Installations and Logistics, Department of Defense, Washington, D.C.

DEAR TOM: Members of the Subcommittee on Economy in Government were granted permission to ask additional written questions of witnesses who appeared at subcommittee hearings ending on December 8, 1967.

The following questions are therefore submitted to the DOD for answers:

1. GAO Report, "Need for Improvements in Controls over Government-Owned Property in Contractors' Plants," B-140389, November 24, 1967, page 10, states that DCAS and the military services have cognizance over the administration of Government-owned property at about 5508 contractors' plants.

Will you furnish a listing of the contractor plants and the value (cost or otherwise) of the Government-owned property at each.

Your reply will be appreciated as soon as possible but not later than December 21, 1967.

Sincerely,

WILLIAM PROXMIRE, *Chairman.*

NOTE: Information furnished in response to above letter is retained in the subcommittee files and not included herein.

HOUSE OF REPRESENTATIVES,
Washington, D.C., December 14, 1967.

HON. WILLIAM E. PROXMIRE,
Chairman, Subcommittee on Economy in Government, Joint Economic Committee, U.S. Senate, Washington, D.C.

DEAR BILL: I had intended asking the Comptroller General the following questions concerning the A-76 Program.

If it is not too late, will you please ask him to submit answers to these questions for the record: