

Mr. LAWRENCE. That is correct.

Mr. ROMNEY. And that is the letter which attaches the list of ineligible items and includes the new language for groups 15 and 16?

Mr. LAWRENCE. That is right.

Mr. ROMNEY. Did the General Services Administration have any comments during the course of this discussion about the exception?

Mr. LAWRENCE. Not to my recollection, sir. A statement was made that they were cognizant of the interchange of correspondence with DOD with regard to the Navy exception, and as far as the exception with regard to the communications between GSA and DOD on the groups 15 and 16, there was no indication of any information with regard to that discussion.

Mr. ROMNEY. When did you first obtain a copy of the exchange of correspondence between the Defense Department and GSA?

Mr. LAWRENCE. I received that on June 13.

Mr. ROMNEY. This included the administrative letter of—

Mr. LAWRENCE. I am sorry, sir. It was June 11 we received a copy of the interchange of correspondence between DOD and GSA.

Mr. ROMNEY. What was the interpretation within the Office of Surplus Property Utilization of the language used in the implementing instructions that you saw?

Mr. ELSON. It was my feeling at that time that there appeared to be an erosion of the number of categories which were not eligible for exchange/sale in view of the fact that the State agencies concerned had kept me constantly informed of the fact that there was a lessening of the amount of property available to them for donation purposes. And then with these two broad categories now also being declared eligible rather than ineligible, I became fearful of the fact that there would be a further deterioration in the donation program. That was my initial reaction to it, because of its broad aspects.

Mr. ROMNEY. Were you present this morning, Mr. Elson, when the General Services Administration witnesses gave the explanation of their intent in granting this exception?

Mr. ELSON. Yes, I was.

Mr. ROMNEY. And did your understanding at the time you first became aware of this change correspond with the explanation given by GSA?

Mr. ELSON. No, not at all. As a matter of fact, my fears are now much more allayed since the writing of the letter that Mr. Griffin quoted.

Mr. ROMNEY. I want to go back in time before the July 3 letter from GSA to the Defense Department. At the time you became aware of the change in groups 15 and 16 and construed it, as you put it, as an erosion of two important categories, what was your evaluation of the specific impact on actual donations, in existence and in prospect, of aircraft and of aircraft parts and structural components?

Mr. ELSON. Well, we have better than 100 institutions now who are involved in the training of aeronautics and aeronautic engineering who rely very heavily on our program for support by way of parts as well as entire aircraft. With these two categories being excluded, we felt that this would be very harmful to the furtherance of those programs.