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COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON 25

NOV 14 1952  
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Honorable Laurie C. Battle  
Member of Congress  
409 Federal Building  
Birmingham, Alabama

My dear Mr. Battle:

I have your letter of October 16, 1952, in which you refer to an inquiry made to you by members of the Vulcan Branch 530 of the National Association of Letter Carriers and Local 303 of the National Federation of Post Office Clerks, concerning a recent Office ruling relative to the disposition of proceeds received from vending machines installed on Government-owned property.

You state that these organizations purchased and installed three soft drink vending machines in the Federal Building in Birmingham, Alabama, and that it is their plan to pay for the machines from the proceeds, which they have done, and to use the profit for recreational and charitable purposes. You request the advice of this Office on their particular situation and information as to the law on which the referred-to Office ruling was based.

The decision to which you refer apparently is that of August 29, 1952, B-111086, 32 Comp. Gen. 124, to the Attorney General, and had to do with the disposition of funds received by the Federal Bureau of Investigation in connection with the installation of vending machines on Government-owned or controlled property. It was held therein to the effect that, in the absence of specific statutory authority to the contrary, funds received by the Federal Bureau of Investigation from the installation and operation of vending machines on Government-owned or controlled property are required to be deposited into the Treasury of the United States as miscellaneous receipts under the provisions of section 3617, Revised Statutes, 31 U.S.C. 484, and may not be used to finance employee recreation and welfare activities.

This Office has no information as to the statutory or other authority relied upon by the above employee organizations for the installation and operation of vending machines in the Federal Building, Birmingham, Alabama, and, therefore, is unable to make any specific answer

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in the matter. However, for your information, I am enclosing two copies of Office decision of August 29, 1952, referred to above. If the employees so desire, it is suggested that the matter be taken up with the Postmaster General through regular channels. If the Postmaster General feels that there is involved a question proper for decision by this Office, the matter can be submitted by him in accordance with established procedure.

Sincerely yours,

Lindsay G. Warren

Comptroller General  
of the United States

Enclosures