

GAO

Testimony

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Revision of Excess and Surplus
Property Biennial Reporting
Requirement

Statement of
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Before the
Subcommittee on Government
Activities and Transportation
Committee on Government Operations
United States House of Representatives



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Madam Chairwoman and Members of the Subcommittee, we welcome this opportunity to appear before you today to discuss the provisions of Section 5 of H.R. 5104. This section would make several changes to Section 203(o) of the Federal Property and Administrative Services Act. One of these would modify reporting requirements by both the General Services Administration (GSA) and the Comptroller General on the program for transfers of excess personal property to nonfederal organizations and donation of surplus personal property through the States to nonfederal recipients. I will limit my remarks to those changes affecting the Comptroller General.

Since passage of Public Law 94-519 in October, 1976, the Comptroller General and the Administrator of General Services have had identical requirements to report biennially to Congress on several aspects of the program, including but not limited to (1) a full and independent evaluation of its operation, and (2) an assessment of the extent to which the objectives of Public Law 94-519 have been fulfilled.

To fulfill our requirement GAO has submitted a series of four biennial reports to the Congress, the most recent on May 13, 1988.¹ The four reports have provided a detailed picture of the significant changes that have taken place since the passage of Public Law 94-519 in 1976. We have provided data on the changing

¹Property Management: Excess and Surplus Property Transfers to Nonfederal Organizations (GAO/GGD-88-68), May 13, 1988.

patterns of excess and surplus property distribution. We have reviewed GSA's management of the overall program and have surveyed and commented on the State Agencies' operation and performance as their programs developed and matured. In the four reports we have made 13 recommendations, primarily to the Administrator of General Services but also to other federal agencies affected by the program. Almost all of these recommendations have been accepted.

We believe our series of reports has met Congress' objective of having GAO's independent evaluation of the program, and in particular has fully determined the effects of Public Law 94-519 and the changes it has brought about. We also believe that this is now a mature, fully implemented program that should be audited by us less regularly and intensively than Public Law 94-519 requires.

Having reached the conclusion that an oversight role comparable to that for many other programs had become appropriate, we asked your committee in October 1985 to eliminate this GAO reporting requirement. At that time we said that we would include personal property utilization and donation programs in planning and setting priorities on our normal audit work, or review their operations in response to a specific congressional request. We renewed our request in May 1988, upon completion of the fourth

biennial report, saying that since our first request in 1985 we had become even more convinced that it would be in the government's interest to eliminate this requirement.

The provisions of Section 5 that affect the Comptroller General do not fully repeal our reporting requirement as we requested. However, they represent a reasonable accommodation that will allow flexibility while assuring continued oversight and review by the Comptroller General. The provisions allow us to use GSA's reports to spot problem areas or undesirable trends and use our staff where they will have the most significant impact on program policies, procedures, and operations. We endorse this legislative change and urge its enactment.

This concludes my comments on Section 5 of the proposed bill. We would be pleased to answer your questions.