



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

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Dear Mr. Chairman:

This is in reference to your letter of June 10, 1966, requesting our comments on H.R. 15544, a bill to authorize the Department of Commerce to make special studies, to provide services, and to engage in joint projects, and for other purposes.

The proposed legislation would substitute general authority for specific authority now provided in various statutes for the Department to perform upon request special services, and provide that funds received in payment therefor could be deposited in a special account and used to pay the costs of performing the requested work.

Section 1 of the bill would authorize the Department of Commerce to perform upon request, special services for any person, firm, organization, or others, public or private. The only limitation on the services that could be performed would be that they pertain to "matters within the province of the Department of Commerce." Considering the extent of operations of the Department, coupled with the fact that special services could, under the proposed authority, be accomplished without being dependant upon appropriated funds for financing, the Department would be in a position, without further congressional action, to embark upon projects beyond those intended to be encompassed by the proposed legislation. It would therefore appear advisable to include language to relate the special work to matters in which the Department is otherwise actively participating. This would retain the general authority and at the same time provide a safeguard against undertaking activities which technically could be said to be "within the province of the Department" but be an activity not specifically authorized by Congress.

The second paragraph of section 1 would appear to give the Secretary wide discretion as to when payments relating to projects and services for nonprofit organizations, research organizations, or public organizations or agencies may be waived. Although the Department's present general policy is to recover the full cost to the Department of rendering a special service, exceptions may now be made when (1) cost of collecting the fees would represent an unduly large part of the receipts from the activity; (2) furnishing the service without charge is an appropriate courtesy to a foreign country or international organization or is in accordance with an international agreement to which the United States has subscribed; (3) comparable fees are set on

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a reciprocal basis with a foreign country; (4) the special beneficiary is engaged in a nonprofit activity designed for the public safety, health, or welfare; or (5) payment of the full fee by a State, local government, or nonprofit group would not be in the interest of the program. In the interest of orderly administration, we suggest that consideration be given to the advisability of including in the bill or in the legislative history some criteria as to the circumstances under which the Secretary could waive such payments.

Section 2 appears to be unnecessary in view of the general authority contained in Public Law 89-473.

Section 3 provides that all payments for work or services performed or to be performed shall be deposited in a separate account or accounts which may be used to pay directly the costs of such work or services, to repay or make advances to appropriations or funds, or for refunds of excess sums when necessary. We believe that congressional control of Federal activities is best exercised through continued annual scrutiny of such activities and affirmative action by the appropriation committees and do not favor the financing of activities through unlimited revolving funds as here proposed. To provide a minimum of congressional control, we would suggest the deletion from said section of the words "to pay directly the costs of such work or services." By this deletion financing of the special services would be reflected in the appropriation accounts. Reimbursements to appropriations are subject to apportionment and are shown in annual budget presentations which are reviewed by the appropriation committees.

Section 4 of the bill would repeal certain specific provisions of law. We note that various other related provisions of law codified under 13 U.S.C. 8(b); 13 U.S.C. 8(d); 15 U.S.C. 273; and 15 U.S.C. 275a are not repealed.

Sincerely yours,

FRANK H. WEITZEL

Assistant Comptroller General
of the United States

The Honorable Harley O. Staggers
Chairman, Committee on Interstate
and Foreign Commerce
House of Representatives