



U.S. Congressman  
**Nick Rahall**  
*WORKING FOR WEST VIRGINIANS*

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**RAHALL BLASTS DEFENSE GIVEAWAYS**

WASHINGTON, D.C.-- U.S. Rep. Nick Rahall (D-WV) has introduced legislation that would halt the current practice of allocating millions of dollars in taxpayers surplus property to foreign governments, and return that property to state and local governments.

"American taxpayers paid for these materials. They should be the ones to benefit from them," said Rahall. "The Defense Department has used these materials to aid countries, and they have not even bothered to see if the they were being used properly, much less used at all. The states deserve first crack at this surplus. At a time when West Virginia is being told domestic assistance programs must be cut, DoD is letting foreign countries take a shopping spree with the U.S. taxpayer's charge card. I say America first."

That was the way the law was once written. In 1949, the Federal Property and Administrative Services Act was passed which stated that any excess property, not used by a Federal Agency, would then be offered to the states. This became an invaluable way for states to acquire quality equipment at no cost. They in turn were able to reinvest in the economy of their states whether it be education, health, or a host of other programs.

Then in 1986, a little known amendment to the Defense Department Authorization Act was passed which gives the Secretary of Defense the authority to make available to foreign governments any of its "nonlethal" excess property for "humanitarian relief purposes". The Humanitarian Assistance Program, commonly known as HAP, was then set up, and the states were virtually cut out of the process.

"My bill rights a wrong. My concern is not that the bigwigs over at Defense found another way to aid countries off the books, because what they did was perfectly legal," said Rahall. "My only concern is to change the law to the way it was and insure that the states receive their fair share."

Rahall added that his bill is currently before the Subcommittee on Government Activities and Transportation, which is under the jurisdiction of the Committee on Government Operations. The Congressman will be working directly with Chairwoman Cardiss Collins (D-IL) and the Minority counsel for the subcommittee.

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## FACTSHEET ON H.R. 4026

### LEGISLATION INTRODUCED BY CONGRESSMAN NICK RAHALL

#### BACKGROUND

- The Federal Government, and particularly the Department of Defense (DoD), is a significant procurer of non-lethal equipment including construction equipment, medical supplies, clothing, tents, desks, chairs, etc.
- The General Accounting Office (GAO) has recently uncovered that as a result of gross mismanagement the armed forces has \$34 billion worth of equipment in excess of DoD requirements. This excess supply of goods will only increase as we reduce our forces abroad in accordance with changes in Eastern Europe and the Soviet Union.
- Current law provides a mechanism to donate such property, no longer needed by the Federal Government, to states to distribute to local governments, non-profit educational or public health institutions, medical institutions, hospitals, clinics, health centers, schools, colleges, universities, schools for the mentally retarded, schools for the physically handicapped, child care centers, and other such institutions.
- The purpose of this distribution is to extend the use of this property to promote conservation, economic development, education, the development of parks and recreation, public health and public safety.
- BECAUSE THIS PROPERTY IS DONATED TO THE STATES, IT IS FREE OF CHARGE. The only costs borne by the states is for the transportation of the property from federal facilities and for administration.
- SUCH PROPERTY IS A MAJOR RESOURCE FOR ECONOMIC DEVELOPMENT THAT SHOULD BE FULLY TAPPED.

#### PROBLEM

- The Secretary of Defense was given the authority to make such property available to foreign governments for humanitarian assistance purposes before states have the opportunity to acquire the property for these much needed purposes.
- Millions of dollars worth of equipment is currently being sent to foreign governments. Now that GAO has made its findings, and now that changes must be made in our defense strategy because of changes in the Eastern Bloc, much more property will go at the expense of U.S. taxpayers if something is not done.

#### SOLUTION

- H.R. 4026 repeals the authority provided the Secretary of Defense to make available excess property for foreign distribution and makes surplus property available for foreign humanitarian assistance **ONLY AFTER ALL ELIGIBLE DOMESTIC RECIPIENTS HAVE HAD THE ABILITY TO ACQUIRE THE PROPERTY.**