

**STATEMENT OF**

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**FEDERAL ACQUISITION SERVICE**

**U.S. GENERAL SERVICES ADMINISTRATION**

**BEFORE THE**

**SENATE COMMITTEE ON HOMELAND SECURITY**  
**AND GOVERNMENTAL AFFAIRS**  
**AD HOC SUBCOMMITTEE ON DISASTER RECOVERY**

**AND THE**

**U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON**  
**HOMELAND SECURITY**  
**SUBCOMMITTEE ON EMERGENCY COMMUNICATIONS,**  
**PREPAREDNESS, AND RESPONSE**

**JULY 31, 2008**



Good morning, Chairman Thompson, Congressman King, Chairwoman Landrieu, Senator Stevens and Members of the Subcommittees. Thank you for the opportunity to participate in today's hearing. I am Barney Brasseux, Deputy Commissioner of the Federal Acquisition Service (FAS) of the General Services Administration (GSA).

The Federal Acquisition Service carries out the GSA Administrator's role in providing acquisition and logistics services to Federal agencies. Included amongst these logistics services is management of the Federal program for the disposal of personal property. This is managed by our Office of Personal Property Management, part of our Office of General Supplies and Services.

Generally speaking, "personal property" is defined as any property except buildings, land, agency records, and naval vessels.

The primary mission of GSA's Office of Personal Property Management is to maximize the reuse of Federal property. As provided in Title 40 of the United States Code and implemented by the Federal Management Regulations (FMR), Federal agencies are required to report excess personal property to GSA for screening for redistribution to other Federal agencies and other eligible recipients. Property is generally transferred at no cost to Federal agencies, their authorized contractors, cooperatives, and project grantees.

Property is reported to GSAXcess®, a web based program that is used by our customers to screen and select needed property. Once reported, property is normally offered for screening for 21 calendar days. For Federal agencies, most property is transferred on a first-come, first-served basis, although for some specialized commodities, we will allow time for competition for these high demand items, such as aircraft and construction equipment. Property transfers are also processed through GSAXcess®. Recipients of property are responsible for making all necessary transportation arrangements. The FMR states the property should be removed within 15 days, although that can be lengthened on agreement between GSA and the holding agency. GSA ensures that property recipients are aware of this time deadline and that property recipients comply.

Excess property which is not selected for transfer within the Federal Government is declared by GSA to be surplus to the Federal Government at the conclusion of the screening period. Once GSA declares the property surplus, the property can be transferred under the Federal Surplus Personal Property Donation Program. This program is operated through the State Agency for Surplus Property (SASP) in each State, territory, and the District of Columbia. The SASPs are established under Title 40 of the U. S. Code. The SASP is responsible for determining the eligibility of activities within the State to receive donated Federal surplus property, in accordance with the requirements in statute and the FMR. The SASPs are also responsible for fair and equitable distribution of surplus property within the State and ensuring compliant use of donated property. Each State has a written State Plan of Operations for the SASP which is approved by GSA.

Eligible recipients of property under the donation program are specified in Title 40. Major categories of eligible recipients are:

- State and public agencies, which generally include States, their departments, divisions, and political subdivisions of States, including cities, counties, and other local government units and economic development districts.
- Nonprofit educational and public health activities exempt from taxation under Section 501 of the Internal Revenue Code, including, but are not limited to:
  - Medical institutions and hospitals;
  - Providers of services to the homeless; and
  - Providers of services to the impoverished.

SASPs will pick up and warehouse property for donation within the State or may allow the 'direct donation' of property meaning the donee will make arrangements to pickup and transport property which is allocated to them. Again, GSA will ensure removals are timely and within the established time frame.

Property that is donated is normally placed in use by a donee within one year, for one year. The usage requirement is lengthened to 18 months for property with an original acquisition value exceeding \$5,000. Donations are made to the SASPs at no cost to the Federal Government. As the SASPs are self sufficient, by law, they assess service and handling fees to the actual donee recipients in order to fund their operations. These fees are specified in the State Plan of Operation for each SASP.

SASP operations are reviewed by GSA Regional Offices on a regular basis to determine if operations are in compliance with the State Plan and applicable regulations.

GSA has the authority, under the FMR, to shorten screening when necessary or appropriate. Based on the concentration of property and its characteristics and potential demand, we often do so. At times, we will conduct an on-site, physical screening event. In these cases, we will most often offer screening for Federal agencies for one day. Once no Federal agencies express interest in the property, GSA declares the property surplus to the Federal Government. On the second day, GSA offers screening for the SASPs. These on-site screening events are well advertised in advance to allow customers to make travel and transportation plans.

Surplus property not selected for donation is offered for public sale. The Office of Personal Property Management's Sales Program is approved as a Sales Center under the Federal Asset Sales Program (eFAS), one of the initial e-government initiatives. GSA is the only nationwide activity approved as a Sales Center for all commodity groups and for all methods of sale. Surplus property is offered for competitive sales to the general public, most commonly through GSA Auctions®, our internet auction site. All GSA

sales, whether on the internet, or live auctions or other methods still utilized at times, are listed on GovSales.gov, the eFAS central portal for all government sales.

Regarding the event currently under discussion, in mid-December 2007, the Federal Emergency Management Agency (FEMA) initially advised GSA of its intent to report excess household goods to GSA and FEMA's request to conduct an on-site screening event. FEMA reported the excess household goods to GSA on February 4, 2008. GSA and FEMA worked together to conduct an on-site screening event. Our Property Management Office in Fort Worth advertised this event to our nationwide list of Federal agency customers and to all SASPs through direct emails and through the National Association of State Agencies for Surplus Property.

The first day of on-site screening, February 13, 2008, was for Federal agency customers and representatives of thirty different activities participated and requested property. The second day, February 14, 2008, the remaining property was offered for donation to the sixteen SASPs that elected to participate. Those SASPs were Alabama, Arkansas, Georgia, Illinois, Kansas, Minnesota, Mississippi, Missouri, Nebraska, New Mexico, North Carolina, North Dakota, Oklahoma, Pennsylvania, South Dakota, and Texas.

Thank you again for this opportunity to speak to the Subcommittees. I am happy to answer any questions you may have.