



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

B-164769

JUL 16 1968

JUL 16

Dear Mr. Chairman:

Your letter of July 1, 1968 (together with enclosure), discloses that during hearings on H.R. 15268, a question was asked of the Army witness as to what the Army believed its powers were in regard to lending equipment to private groups without specific congressional authorization. The Army's subsequent answer in writing reads, in pertinent part, as follows:

"Article IV, Section 3 of the United States Constitution provides that the 'Congress shall have the Power to dispose of and make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States . . .'. The Comptroller General of the United States has ruled that this provision applies to any disposition of Federal property by a Federal agency. However, certain types of short-term arrangements, such as revocable licenses, are not considered to be dispositions of Federal property. The Comptroller General has therefore ruled that heads of agencies have the authority to loan property on a short-term basis on condition that the property will be returned at any time that it is required. Such loans are permissible if the head of the agency determines that a Governmental interest is being furthered by the loan. Many forms of loans could not be authorized because no Governmental interest would be served."

You state that the Army's answer is quite broad but that it appears to be based on decisions of the General Accounting Office. You request that we review the matter and advise you if we concur with the opinion provided by the Department of the Army.

There are many decisions of this Office and of the Attorney General of the United States relative to granting revocable licenses for the use of Government property under certain circumstances and conditions. See, for example, 47 Comp. Gen. 307; 44 id. 824; 38 id. 36; 36 id. 561; 25 id. 909; B-57383, February 25, 1947; 34 Op. Atty. Gen. 320; 30 id. 470; 22 id. 240. Such decisions have held generally that the head of a Government department or agency has authority to grant to a private individual or business a revocable license to use Government property, subject to termination at any time at the will of the Government, provided that such use does not injure the property

**B-164769**

**in question and serves some purpose useful or beneficial to the Government itself. The Attorney General has stated that the question as to whether the granting of such a license in any given case is beneficial to the Government is for the exercise of the judgment of the official vested with the power to grant, rather than a question of law to be determined in advance by the law officers of the Government. 30 Op. Atty. Gen. 482.**

**In light of the foregoing you are advised that we concur generally with the above-quoted views of the Department of the Army.**

**Sincerely yours,**

**(SIGNED) ELMER B. STAATS**

**Comptroller General  
of the United States**

**The Honorable L. Mendel Rivers  
Chairman, Committee on Armed Services  
House of Representatives**