



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

B-177617

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The Honorable Frederick B. Dent
The Secretary of Commerce

Dear Mr. Secretary:

By letter dated December 8, 1972, your Acting Assistant Secretary for Administration requested our opinion as to whether the National Technical Information Service (NTIS) may contract with a national credit card company for customer use of its credit card services as a means of payment for purchases from NTIS.

NTIS is the central clearinghouse for the collection and dissemination of scientific, technical and engineering information and under section 1152 of title 15, United States Code, is responsible for making the results of technological research readily available to industry, business and the general public. The Secretary is authorized by section 1153 of title 15 to establish, from time to time, schedules of reasonable fees for services or documents furnished.

The proposed credit card plan is not to result in increased prices to the public nor is it expected to escalate the administrative costs of NTIS above the level experienced under existing procedures. Payment of all authorized charges will be guaranteed by the credit card company.

There is no statutory prohibition against the Government providing services on credit. Nevertheless, though there are statutes which specifically authorize certain sales by the Government on a credit basis, the Government ordinarily does not provide goods or services on a credit basis. See 40 U.S.C. 484(c).

The proposed arrangement would further the statutory mandate by providing more rapid and convenient service to NTIS customers than is now possible. Recognizing there is a diversity of buyers of relatively small individual amounts, it is apparent that the interests of the Government are adequately protected by the credit card company guarantee. Under the circumstances, we find no basis for objection to the proposed

Re: [Opinion on Proposed Credit Card
Plan]

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procedure or to the implementing Mail Order Agreement with the American Express Company which the Acting Assistant Secretary forwarded with his letter.

We understand that credit card companies other than American Express are not participating because of conditions they imposed which were unacceptable to NTIS. We assume that execution of the agreement with American Express will not impede participation by other major credit card companies upon relaxation of the unacceptable conditions.

Sincerely yours,

(SIGNED) ELMER B. STAATS

Comptroller General
of the United States