



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

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SEP 7 1973

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Attention: Matthew S. Perlman, Esquire

Gentlemen:

This is in reply to your letter dated June 22, 1973, on behalf of Solon Automated Services of Richmond, Incorporated (Solon), protesting against the Department of the Army's decision to replace contractor-owned and maintained washers and dryers with Government-owned washers and dryers in bachelor housing at Fort Eustis and Fort Story, Virginia.

Solon furnished and maintained coin-operated washers and dryers at Fort Eustis and Fort Story for fiscal year 1973 under contract No. DAMD-23-72-C-0323, and has indicated that it is prepared to negotiate a new contract or respond to an invitation for bids to furnish these services for fiscal year 1974. By letter of May 21, 1973, however, Solon was informed by the Army that the Government would procure its own washers and dryers for fiscal year 1974.

You claim that such procurement would be a violation of Section 725 of the Department of Defense Appropriations Act, 1973, P. L. 92-570, (86 Stat. 1114), which states:

"None of the funds appropriated in this Act shall be used for the construction, replacement, or reactivation of any bakery, laundry, or drycleaning facility in the United States, its territories or possessions, as to which the Secretary of Defense does not certify in writing, giving his reasons therefor, that the services to be furnished by such facilities are not obtainable from commercial sources at reasonable rates."

[Protest of Army Decision To Replace Contractor-Owned  
Equipment]

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You state that after making numerous inquiries of various offices in the Department of the Army, you concluded that the Secretary of Defense has made no determination with respect to the laundry facilities at Fort Eustis and Fort Story which are being replaced by Government equipment.

The language of Section 725 was first used in Section 604 of the Second Supplemental Appropriations Act of 1952, 65 Stat. 765-66. Later it was incorporated into the Defense Appropriations Act, 1955, 68 Stat. 337, and has been included in all Defense Appropriations Acts since that time. We think it is reasonably clear from the legislative history that the term laundry facility refers to a laundry plant and not to individual washers and dryers to be placed in barracks-type buildings and operated by the servicemen themselves. For example, when this provision was originally introduced by Senator Allen J. Blumberg, he stated that it "would deny funds appropriated by the present Congress for the construction of Government laundry and dry-cleaning plants." Proceedings on H. R. 9550 before the Senate Comm. on Appropriations, 2nd Cong., 1st Sess. 10 (1951). (Emphasis supplied.) See also H.R. Rep. No. 1110, (2nd Cong., 1st Sess. 203 (1951); Sen. Rep. 1036, (2nd Cong., 1st Sess. 4 (1951); Hearings on H.R. 9550 before the Subcomm. on Legislation of the Army and Navy Appropriations Committee, 2nd Cong., 1st Sess., 3rd Cong., 2nd Sess. 1036 (1951); Proceedings on H.R. 9550 before the Subcomm. on the Department of the Army Comm. on Appropriations, 3rd Cong., 2nd Sess. 901-02 (1951).

In view of such expressions of congressional intent, we agree with the Army that Section 725 of the Department of Defense Appropriations Act, 1973, does not prohibit the Army's acquisition of washers and dryers for placement in living quarters for use by individual servicemen.

Accordingly, your protest is denied.

Sincerely yours,

Paul G. Dembling

For the Comptroller General  
of the United States

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