

RESTRICTED - Not to be  
Accounting Office except on the basis of specific approval  
by the Office of Congressional Relations,



RELEASED

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

050279  
206.26  
72-2098

B-172647

RELEASED

AUG 2 1971

oitr

089728

19  
20  
24

Dear Senator Proxmire:

Reference is made to your letter, dated April 12, 1971, requesting us to determine whether the Office of Saline Water, Department of the Interior, paid a private contractor (Enviresearch Corporation, Bethesda, Maryland) \$38,790 to prepare testimony for a congressional hearing to justify its existence and, if true, to determine the legality of such a contract. 33

The Saline Water Conversion Act of 1952 authorizes the Office of Saline Water to provide for research into, and development of, practical means for the economical production--from sea water and other saline waters--of water suitable for agricultural, industrial, municipal, and other beneficial consumptive uses and for other purposes.

On August 6, 1970, the Office of Saline Water initiated work aimed at determining ways in which desalting technology could be practicably applied for the greater benefit of the water users of the Nation. The activities to be covered included identifying potential user communities, developing a plan of action to meet the needs of these communities, assessing financial needs and availability of assistance programs for desalting plants, and recommending changes required to implement a plan of action.

To assist in the above effort, the Office of Saline Water awarded a contract, in the amount of \$13,863, to Enviresearch on September 21, 1970, for a study of the feasibility of desalting as a practical means of augmenting a usable water supply. The work was to consist of economic studies and surveys to determine present and prospective costs of producing water suitable for agricultural, industrial, and municipal purposes by desalting instead of by other standard methods, such as streamflow and groundwater aquifers.

The contract was amended on February 22, 1971, to provide for (1) selecting communities having need for desalting in the next 5 years, (2) determining the communities' capabilities to finance and operate desalting plants, and (3) ascertaining the

905772

089728

B-172647

contributions and effects of desalting upon the emerging environmental policies of the Federal Government. The cost of the additional work increased the amount of the contract by \$24,927 to a total of \$38,790.

The contract was awarded under the authority of section 2(e) of Public Law 87-295, which amended the Saline Water Conversion Act of 1952 and which directed that the Secretary of the Interior:

"Undertake economic studies and surveys to determine present and prospective costs of producing water for beneficial consumptive purposes in various parts of the United States by the leading saline water processes as compared with other standard methods."

We were advised by officials of the Office of Saline Water that Enviresearch had prepared initial drafts of legislation, a draft of an opening statement for use at the congressional hearing, and a list of points that might be raised at such hearings. We noted that the work concerning the drafting of legislation was not a requirement under the terms of the contract. The Office of Saline Water requested the work, and the contractor agreed to perform the work.


We were advised by officials of the Office of Saline Water that the drafts of legislation, the draft of an opening statement, and the list of points prepared by Enviresearch were essentially a side effort stemming from work under the aforementioned contract. They stated that the effort had been completed and that no additional work along these lines was contemplated. Also they advised us that Enviresearch would be required to fully complete its commitments under the contract and that the final report would be delivered to the Office of Saline Water by August 31, 1971.

On the basis of our review, we have concluded that there is nothing in the law to prohibit the Office of Saline Water from entering into a contract for drafting of legislation and the preparation of testimony for congressional hearings and therefore, although we believe the arrangement should have been formally incorporated in the contract with Enviresearch, we find no legal basis to object to the subject contract.

B-172647

We plan to make no further distribution of this report unless copies are specifically requested, and then we shall make distribution only after your agreement has been obtained or public announcement has been made by you concerning the contents of this report.

Sincerely yours,

  
Comptroller General  
of the United States

CP <sup>12</sup>  
The Honorable William Proxmire  
United States Senate