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Dear Senator Proxmire:

On August 6, 1971, you sent us a letter from Mr. William R. Meyer which questioned Hughes Tool Company and Bell Helicopter Company contractual restrictions against Government sale or donation of used helicopters to State or local governments. You requested a preliminary examination of Department of Defense disposal procedures.

We examined 17 contracts awarded between 1950 and 1969 to Bell Helicopter Company and Hughes Tool Company for OH-13 and TH-55 helicopters and found no contractual restrictions on Government resale.

On July 31, 1971, about 4,700 inactive aircraft were stored at the Military Aircraft Storage and Disposition Center, Davis-Monthan Air Force Base, Tucson, Arizona. These aircraft included about 800 helicopters, of which 270 were TH-55's.

The Department of Defense usually reclaims needed parts from excess aircraft before disposing of them. Aircraft then are available for transfer to other Government agencies and for donation to State or local governments or to other authorized donees.

We discussed the above information with your office and were told that no further work was necessary. As requested, we are returning Mr. Meyer's letter.

Sincerely yours,

Comptroller General
of the United States

Enclosure

The Honorable William Proxmire
United States Senate

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