

PROVIDING FOR THE CONVEYANCE OF CERTAIN PROPERTY OF  
 THE UNITED STATES IN GULFPORT, MISS., TO THE GULFPORT  
 MUNICIPAL SEPARATE SCHOOL DISTRICT

August 12, 1957.—Ordered to be printed

Mr. BYRD, from the Committee on Finance, submitted the following

## R E P O R T

[To accompany S. 1746]

The Committee on Finance, to whom was referred the bill (S. 1746) to provide for the conveyance of certain property of the United States in Gulfport, Miss., to the Gulfport Municipal Separate School District, having considered the same, report favorably thereon with an amendment, and recommend that the bill, as amended, do pass.

The amendment is as follows:

On page 1, line 4, strike out the words "Veterans' Affairs" and insert the words "General Services".

### EXPLANATION OF THE BILL

The bill directs the transfer by the Administrator of General Services of 10 acres of certain property of the United States in Gulfport, Miss., to the Gulfport Municipal Separate School District, which has been declared surplus by the Veterans' Administration and turned over to the General Services Administration. The bill provides for the payment of \$1,000 to the United States for this property with the proviso that the property will be used for school purposes and in the event that it ceases to be so used title will revert to the United States. The bill also reserves to the United States all mineral rights, including gas and oil.

Departmental reports follow:

VETERANS' ADMINISTRATION,  
*June 13, 1957.*

HON. HARRY F. BYRD,  
*Chairman, Committee on Finance,  
 United States Senate, Washington, D. C.*

DEAR SENATOR BYRD: Further reference is made to your letter requesting a report by the Veterans' Administration relative to S. 1746, 85th Congress, a bill to provide for the conveyance of certain property

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of the United States in Gulfport, Miss., to the Gulfport Municipal Separate School District.

The bill proposes to require the Administrator of Veterans' Affairs to convey to the Gulfport Municipal Separate School District, Gulfport, Miss., all right, title, and interest of the United States in and to a tract of approximately 10 acres of land, together with improvements thereon, situated within the reservation of the Veterans' Administration Hospital, Gulfport, Miss., upon payment to the United States of \$1,000. The bill provides that the exact legal description shall be determined by the Administrator, but that the cost of any survey which may be required shall be paid by the school district. Section 2 states that the property shall be used solely for school purposes and in the event it ceases to be so used title thereto shall revert to the United States. The section also reserves to the United States all mineral rights, including gas and oil, in such property and provides that the property shall be subject to such additional terms, conditions, reservations, and restrictions as the Administrator deems necessary to protect the interests of the United States.

The Veterans' Administration hospital, Gulfport, Miss., is located on a portion of a tract of approximately 147 acres of land which was leased by the Navy, during World War I, as a training camp. Thereafter the property was leased by the Public Health Service which, after remodeling, opened it for patients of the Veterans' Bureau in 1921. The property was transferred to the management and control of the Veterans' Bureau by Executive Order 3669, dated April 29, 1922. Title to the 147-acre tract was acquired from the Mississippi Centennial Exposition Co. and the city of Gulfport, by warranty deed dated July 11, 1922, for a consideration of \$125,000. The Veterans' Administration currently operates a 915-bed hospital at Gulfport, Miss., with a preponderance of neuropsychiatric patients.

The most recent review of the land requirements at the Gulfport hospital was made after the introduction of S. 1746. It was concluded that the 10 acres in question were excess to the present and foreseeable requirements of the hospital. As a result, this tract was declared to the General Service Administration as excess to the needs of the Veterans' Administration. That agency was informed of the interest of the Gulfport Municipal Separate School District in this land, as evidenced by the subject bill. It is presumed that, pursuant to statutory requirements, the General Services Administration will screen other Government agencies to determine whether there is any other Federal requirement for the land. It may be noted that if there is none, the land could be made available to the Department of Health, Education, and Welfare and, if approved by that Department, it could be transferred to the school district for educational purposes.

The principal interest of the Veterans' Administration in the 10-acre tract with which S. 1746 is concerned is to assure that it is not used in a manner inimical to the proper and effective operation of the Veterans' Administration Hospital located on adjoining land. It is believed that the use of the land for school purposes, as required by section 2, together with the other protective features embodied in that section, would adequately protect the interest of the Government in this regard.

Since the land with which the bill is concerned is under the jurisdiction and control of the General Services Administration, it is

suggested, in the event the bill receives favorable consideration, that it be amended to delete the reference in the first section thereof to the Administrator of Veterans' Affairs and substitute therefor "Administrator of General Services." In this connection, your committee may desire to secure a report from the Administrator of General Services relative to the proposal.

Advice was received from the Bureau of the Budget with respect to a similar report on an identical bill (H. R. 6080, 85th Cong.) that there would be no objection by the Office to the submission of the report to the committee.

Sincerely yours,

H. V. HIGLEY, *Administrator.*

GENERAL SERVICES ADMINISTRATION,  
*Washington, D. C., July 12, 1957.*

HON. HARRY F. BYRD,  
*Chairman, Committee on Finance,  
United States Senate, Washington, D. C.*

DEAR MR. CHAIRMAN: Your letter of June 17, 1957, requested the comments of General Services Administration with reference to S. 1746, a bill To provide for the conveyance of certain property of the United States in Gulfport, Miss., to the Gulfport Municipal Separate School District.

The purpose of the bill is to require the Administrator of Veterans' Affairs to convey to the Gulfport Municipal Separate School District, Gulfport, Miss., upon the payment by the school district of the sum of \$1,000, a tract of land, together with improvements thereon, containing 10 acres situated within the Veterans' Administration Center Reservation, Gulfport Division, Gulfport, Miss. Section 2 of the bill provides that the conveyance shall be subject to the condition that the property shall be used solely for school purposes, and if it shall ever cease to be used for such purposes, title thereto shall revert to the United States. The bill would reserve all mineral rights in the property and authorizes the conveyance to be made subject to such additional terms, conditions, reservations, and restrictions as the Administrator deems necessary.

The property referred to in the bill comprises 10 acres of a 147-acre tract of land acquired by the Government from the Mississippi Centennial Commission in 1922, at a cost totaling \$125,000, as a site for a hospital facility. The 10-acre tract was reported to GSA as excess by the Veterans' Administration on June 6, 1957. We are now in the process of screening this property to determine whether there exists any other Federal requirement for its use. We have no information as to the current fair market value of the excess property.

General Services Administration is opposed in principle to the enactment of legislation providing for the disposition of specific property prior to a determination that it is surplus property within the meaning of the Federal Property and Administrative Services Act of 1949, as amended. Furthermore the act authorizes the Administrator of General Services, in his discretion, to assign to the Secretary of Health, Education, and Welfare for disposal surplus real property needed for school classroom, or other educational use, or for the protection of public health, including research; and, subject to the disapproval of the Administrator of General Services, the Secretary of Health,

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Education, and Welfare may transfer such surplus real property to States and their political subdivisions and instrumentalities for these purposes, and in fixing the sale value of the property to be disposed of for such purposes, the Secretary of Health, Education, and Welfare shall take into consideration any benefit which has accrued or may accrue to the United States from the use of such property, by any such State, political subdivision, instrumentality, or institution. Therefore, it appears that the essential purposes of S. 1746 can be accomplished within the framework of existing law, provided the property is determined to be surplus.

In view of the foregoing, General Services Administration is opposed to the enactment of this measure.

The enactment of this measure would not affect the budgetary requirements of General Services Administration.

The Bureau of the Budget has advised that there is no objection to the submission of this report to your committee.

Sincerely yours,

FRANKLIN G. FLOETE, *Administrator.*

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