

States such citizen and spouse will legally adopt him in the United States and will care for him properly; and (3) who is ineligible for admission into the United States solely because the nonpreference portion of the quota to which he would otherwise be chargeable is oversubscribed by applicants registered on the consular waiting list at the time his visa application is made.

SEC. 3. No natural parent of any eligible orphan who shall be admitted into the United States pursuant to this Act shall thereafter, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

SEC. 4. Any eligible orphan granted a visa under this Act shall be deemed a nonquota immigrant for the purposes of the Immigration and Nationality Act.

Approved July 29, 1953.

## Public Law 163

## CHAPTER 282

### AN ACT

July 30, 1953  
[H. R. 5141]

To dissolve the Reconstruction Finance Corporation, to establish the Small Business Administration, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### TITLE I

RFC Liquidation Act.

SEC. 101. This title may be cited as the "Reconstruction Finance Corporation Liquidation Act".

Succession.

62 Stat. 262.

SEC. 102. (a) The first sentence of section 3 (a) of the Reconstruction Finance Corporation Act, as amended (15 U. S. C. 603 (a)), is amended by striking out "June 30, 1956" and inserting in lieu thereof "June 30, 1954".

Loans, termination.

62 Stat. 265.

(b) Subsection (f) of section 4 of the Reconstruction Finance Corporation Act, as amended (15 U. S. C. 604 (f)), is amended by striking out "June 30, 1954" and inserting in lieu thereof "the sixtieth day after the date of enactment of the Reconstruction Finance Corporation Liquidation Act".

Procedure.

61 Stat. 205.  
15 USC 608, 609.

(c) Except as otherwise provided in this title, the liquidation of assets and winding up of affairs of the Reconstruction Finance Corporation shall be carried out as expeditiously as possible in accordance with the provisions of sections 9 and 10 of the Reconstruction Finance Corporation Act.

Administrative expenses.

(d) The Secretary of the Treasury is authorized to incur and pay out of the funds of the Corporation all administrative expenses necessary to carry out the functions vested in him as a result of the enactment of this title. Such expenses shall be limited to and charged against amounts made available to the Corporation or to the Secretary of the Treasury in appropriation Acts for applicable administrative expenses, which amounts shall not include any sums transferred to an officer or agency of the Government, other than the Secretary of the Treasury. The activities engaged in by the Secretary of the Treasury as a result of the enactment of this Act shall continue to be subject to the provisions of the Government Corporation Control Act.

59 Stat. 597.  
31 USC 841 note.  
Tin-smelting industry.

50 USC 98 note.

SEC. 103. Section 2 of the joint resolution entitled "Joint resolution to strengthen the common defense and to meet industrial needs for tin by providing for the maintenance of a domestic tin-smelting industry", approved June 28, 1947 (61 Stat. 190), is amended by striking out "the Reconstruction Finance Corporation while that Corporation has succession, and thereafter by".

SEC. 104. Effective on the sixtieth day after the date of enactment of this Act, all functions, powers, duties, and authority of the Reconstruction Finance Corporation under section 409 of the Federal Civil Defense Act of 1950, together with those assets, funds, contracts, loans, liabilities, commitments, authorizations, allocations, personnel, and records of the Reconstruction Finance Corporation which the Director of the Bureau of the Budget shall determine to be primarily related to, and necessary for, the exercise of such functions, powers, duties, and authority, are transferred to the Secretary of the Treasury, and shall be performed, exercised, and administered by the Secretary in accordance with the provisions of such Act.

SEC. 105. No suit, action, or other proceeding lawfully commenced by or against the Reconstruction Finance Corporation shall abate by reason of the termination of succession of the Corporation; but the court may, on motion or supplemental petition filed at any time within twelve months after the date of such termination of succession and showing a necessity for a survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, allow the same to be maintained by or against the officer or agency of the Government performing the functions with respect to which any such suit, action, or other proceeding was commenced.

SEC. 106. (a) Upon the termination of succession of the Reconstruction Finance Corporation the Administrator of the Reconstruction Finance Corporation shall make a full report to the Congress.

(b) During such period of time as the Secretary of the Treasury shall be engaged in liquidating the assets and winding up the affairs of the Reconstruction Finance Corporation, pursuant to section 10 of the Reconstruction Finance Corporation Act, he shall make quarterly reports to the Congress setting forth the progress of such liquidation and winding up of affairs.

SEC. 107. (a) (1) All functions, powers, duties, and authority of the Reconstruction Finance Corporation under the Rubber Act of 1948, as amended, the Abaca Production Act of 1950, as amended, and Public Law 125, Eightieth Congress, as amended (the tin program), shall be transferred by the President not later than June 30, 1954, in accordance with the provisions of such Acts.

(2) All functions, powers, duties, and authority of the Reconstruction Finance Corporation under title III of the Defense Production Act of 1950, as amended, shall be transferred by the President not later than sixty days after the date of enactment of this Act in accordance with the provisions of such Act.

(b) All assets, funds, contracts, loans, liabilities, commitments, authorizations, allocations, personnel, and records of the Reconstruction Finance Corporation which the Director of the Bureau of the Budget shall determine to be primarily related to, and necessary for, the exercise of such functions, powers, duties, and authority, shall be transferred to the officer or agency of the Government to which such functions, powers, duties, and authority are transferred.

SEC. 108. (a) In order to aid in financing projects under Federal, State, or municipal law, the President, through such officer or agency of the Government (other than the Reconstruction Finance Corporation) as he may designate, may purchase the securities and obligations of, or make loans to, (1) States, municipalities and political subdivisions of States, (2) public agencies and instrumentalities of one or more States, municipalities, and political subdivisions of States, and (3) public corporations, boards, and commissions: *Provided*, That no such purchase or loan shall be made for payment of ordinary governmental or nonproject operating expenses as distinguished from purchases and loans to aid in financing specific public projects:

Transfer of functions to Treasury.

64 Stat. 1257.  
50 USC app.  
2261.

Pending suits, etc.

Report to Congress.

61 Stat. 206.  
15 USC 609.

Transfers of powers.

62 Stat. 101; 64 Stat. 435; 61 Stat. 190.  
50 USC app. 1921 note; 50 USC 541, 98 notes.

64 Stat. 800.  
50 USC 2091-2094.

Loans to States, etc.

*Provided, however,* That the foregoing powers shall be subject to the following restrictions and limitations:

**Restrictions.**

(A) No financial assistance shall be extended pursuant to this section unless the financial assistance applied for is not otherwise available on reasonable terms and all securities and obligations purchased and all loans made under this section shall be of such sound value or so secured as reasonably to assure retirement or repayment, and such loans may be made either directly or in cooperation with banks or other lending institutions through agreements to participate or by the purchase of participations or otherwise;

(B) No securities or obligations shall be purchased, and no loans shall be made, including renewals or extensions thereof, which have maturity dates in excess of forty years.

**Appropriations.**

(b) The officer or agency designated by the President under this section is authorized to obtain money from the Treasury of the United States for use in making purchases and loans under this section, not to exceed a total of \$25,000,000 outstanding at any one time. For this purpose appropriations not to exceed \$25,000,000 are hereby authorized to be made to a revolving fund in the Treasury. Advances shall be made to such officer or agency from the revolving fund, to be used to carry out this section, when requested by such officer or agency. Such officer or agency shall pay into miscellaneous receipts of the Treasury at the close of each fiscal year, interest on the amount of advances outstanding at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding interest-bearing marketable public debt obligations of the United States of comparable maturities.

(c) In carrying out this section, the officer or agency designated by the President shall have the powers granted to the Small Business Administration and the Administrator by section 205 of this Act.

**Termination of section.**

(d) This section and all authority conferred thereunder shall terminate at the close of June 30, 1955, except for purposes of liquidation, which shall be completed not to exceed six months after such termination. The termination of this section shall not affect the disbursement of funds under, or the carrying out of, any contract, commitment, or other obligation entered into pursuant to this section prior to the date of such termination, or the taking of any action necessary to preserve or protect the interests of the United States.

## TITLE II

**Small Business Act of 1953.**

SEC. 201. This title may be cited as the "Small Business Act of 1953".

**Policy of Congress.**

SEC. 202. The essence of the American economic system of private enterprise is free competition. Only through full and free competition can free markets, free entry into business, and opportunities for the expression and growth of personal initiative and individual judgment be assured. The preservation and expansion of such competition is basic not only to the economic well-being but to the security of this Nation. Such security and well-being cannot be realized unless the actual and potential capacity of small business is encouraged and developed. It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect insofar as is possible the interests of small-business concerns in order to preserve free competitive enterprise, to insure that a fair proportion of the total purchases and contracts for supplies and services for the Government be placed with small-business enterprises, and to maintain and strengthen the overall economy of the Nation.



Further, it is the declared policy of the Congress that the Government should aid and assist victims of floods or other catastrophes.

SEC. 203. For the purposes of this title, a small-business concern shall be deemed to be one which is independently owned and operated and which is not dominant in its field of operation. In addition to the foregoing criteria the Administration, in making a detailed definition, may use these criteria, among others: Number of employees and dollar volume of business.

SEC. 204. (a) In order to carry out the policies of this title there is hereby created an agency under the name "Small Business Administration" (herein referred to as the Administration), which Administration shall be under the general direction and supervision of the President and shall not be affiliated with or be within any other agency or department of the Federal Government. The principal office of the Administration shall be located in the District of Columbia, but the Administration may establish such branch offices in other places in the United States as may be determined by the Administrator of the Administration.

(b) The Administration is authorized to obtain money from the Treasury of the United States for use in the performance of the powers and duties granted to or imposed upon it by law, not to exceed a total of \$275,000,000 outstanding at any one time. For this purpose appropriations not to exceed \$275,000,000 are hereby authorized to be made to a revolving fund in the Treasury. Advances shall be made to the Administration from the revolving fund when requested by the Administration. This revolving fund shall be used for the purposes enumerated subsequently in sections 207 (a), (b), (c), and (d). Not to exceed an aggregate of \$150,000,000 shall be outstanding at any one time for the purposes enumerated in section 207 (a). Not to exceed an aggregate of \$25,000,000 shall be outstanding at any one time for the purposes enumerated in section 207 (b). Not to exceed an aggregate of \$100,000,000 shall be outstanding at any one time for the purposes enumerated in sections 207 (c) and (d). The Administration shall pay into miscellaneous receipts of the Treasury at the close of each fiscal year, interest on the amount of advances outstanding at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding interest-bearing marketable public debt obligations of the United States of comparable maturities.

(c) The management of the Administration shall be vested in an Administrator who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, and who shall be a person of outstanding qualifications known to be familiar and sympathetic with small-business needs and problems. The Administrator shall receive compensation at the rate of \$17,500 per annum. The Administrator shall not engage in any other business, vocation, or employment than that of serving as Administrator. The Administrator is authorized to appoint three deputy administrators to assist in the execution of the functions vested in the Administration. Deputy administrators shall be paid at the rate of \$15,000 per annum.

(d) There is hereby created the Loan Policy Board of the Small Business Administration, which shall consist of the following members, all ex officio: The Administrator, as Chairman, the Secretary of the Treasury, and the Secretary of Commerce. Either of the said Secretaries may designate an officer of his Department, who has been appointed by the President by and with the advice and consent of the Senate, to act in his stead as a member of the Loan Policy Board with respect to any matter or matters. The Loan Policy Board shall establish general policies (particularly with reference to the public interest

Definition.

Small Business  
Administration.

Appropriations.  
Limitations.

Administrator.

Loan Policy  
Board.

involved in the granting and denial of applications for financial assistance by the Administration and with reference to the coordination of the functions of the Administration with other activities and policies of the Government) which shall govern the granting and denial of applications for financial assistance by the Administration.

Seal, employees,  
etc.

SEC. 205. (a) The Administration shall have power to adopt, alter, and use a seal, which shall be judicially noticed. The Administrator is authorized, subject to the civil-service and classification laws, to select, employ, appoint, and fix the compensation of such officers, employees, attorneys, and agents as shall be necessary to carry out the provisions of this title; to define their authority and duties, require bonds of them, and fix the penalties thereof. The Administration, with the consent of any board, commission, independent establishment, or executive department of the Government, may avail itself on a reimbursable basis of the use of information, services, facilities, including any field service thereof, officers, and employees thereof, in carrying out the provisions of this title.

Powers, etc., of  
Administrator.

(b) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Administrator may—

Suits.

(1) sue and be sued in any court of record of a State having general jurisdiction, or in any United States district court, and jurisdiction is conferred upon such district court to determine such controversies without regard to the amount in controversy: *Provided*, That no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Administrator or his property;

Sale of evidence  
of debt, etc.

(2) under regulations prescribed by him, assign or sell at public or private sale, or otherwise dispose of for cash or credit, in his discretion and upon such terms and conditions and for such consideration as the Administrator shall determine to be reasonable, any evidence of debt, contract, claim, personal property, or security assigned to or held by him in connection with the payment of loans granted under this title, and to collect or compromise all obligations assigned to or held by him and all legal or equitable rights accruing to him in connection with the payment of such loans until such time as such obligation may be referred to the Attorney General for suit or collection;

Real property.

(3) deal with, complete, renovate, improve, modernize, insure, or rent, or sell for cash or credit upon such terms and conditions and for such consideration as the Administrator shall determine to be reasonable, any real property conveyed to or otherwise acquired by him in connection with the payment of loans granted under this title;

Claims against  
third parties.

(4) pursue to final collection, by way of compromise or otherwise, all claims against third parties assigned to the Administrator in connection with loans made by him. This shall include authority to obtain deficiency judgments or otherwise in the case of mortgages assigned to the Administrator. Section 3709 of the Revised Statutes, as amended (41 U. S. C. 5), shall not be construed to apply to any contract of hazard insurance or to any purchase or contract for services or supplies on account of property obtained by the Administrator as a result of loans made under this title if the premium therefor or the amount thereof does not exceed \$1,000. The power to convey and to execute in the name of the Administrator deeds of conveyance, deeds of release, assignments and satisfactions of mortgages, and any other written instrument relating to real property or any interest therein acquired by the Administrator pursuant to the provisions of this

title may be exercised by the Administrator or by any officer or agent appointed by him without the execution of any express delegation of power or power of attorney. Nothing in this section shall be construed to prevent the Administrator from delegating such power by order or by power of attorney, in his discretion, to any officer or agent he may appoint;

(5) acquire, in any lawful manner, any property (real, personal, or mixed, tangible or intangible), whenever deemed necessary or appropriate to the conduct of the activities authorized in sections 207 (a) or 207 (b) of this title;

(6) make such rules and regulations as he deems necessary to carry out the authority vested in him by or pursuant to this title; and

(7) in addition to any powers, functions, privileges, and immunities otherwise vested in him, take any and all actions determined by him to be necessary or desirable in making, servicing, compromising, modifying, liquidating, or otherwise dealing with or realizing on loans made under the provisions of this title.

(c) To such extent as he finds necessary to carry out the provisions of this title, the Administrator is hereby authorized to procure the temporary (not in excess of six months) service of experts or consultants or organizations thereof, including stenographic reporting services, by contract or appointment, and in such cases such service shall be without regard to the civil-service and classification laws, and, except in the case of stenographic reporting services by organizations, without regard to section 3709, Revised Statutes, as amended (41 U. S. C. 5).

SEC. 206. (a) All moneys of the Administration not otherwise employed may be deposited with the Treasurer of the United States subject to check by authority of the Administration. The Federal Reserve banks are authorized and directed to act as depositories, custodians, and fiscal agents for the Administration in the general performance of its powers conferred by this title. Any banks insured by the Federal Deposit Insurance Corporation, when designated by the Secretary of the Treasury, shall act as custodians, and financial agents for the Administration. Each Federal Reserve bank, when designated by the Administrator as fiscal agent for the Administration, shall be entitled to be reimbursed for all expenses incurred as such fiscal agent.

(b) The Administrator shall contribute to the civil-service retirement and disability fund, on the basis of annual billings as determined by the Civil Service Commission, for the Government's share of the cost of the civil-service retirement system applicable to the employees engaged in carrying out the functions financed by the revolving fund established by section 204 (b) of this Act. The Administrator shall also contribute to the employees' compensation fund, on the basis of annual billings as determined by the Secretary of Labor, for the benefit payments made from such fund on account of employees engaged in carrying out the functions financed by such revolving fund. The annual billings shall also include a statement of the fair portion of the cost of the administration of the respective funds, which shall be paid by the Administrator into the Treasury as miscellaneous receipts.

SEC. 207. The Administration is empowered—

(a) to make loans to enable small-business concerns to finance plant construction, conversion, or expansion, including the acquisition of land; or to finance the acquisition of equipment, facilities, machinery, supplies, or materials; or to supply such concerns with working capital to be used in the manufacture of articles, equipment, supplies, or materials for war, defense, or essential civilian production or as may be necessary to insure a well-balanced national economy; and such loans may be made or

Property acquisition.

Rules and regulations.

Action on loans.

Consultants, etc.

Deposits.

Retirement and compensation funds, contributions.

SBA powers. Loans.



effected either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis: *Provided, however,* That the foregoing powers shall be subject to the following restrictions and limitations:

Restrictions.

(1) No financial assistance shall be extended pursuant to (a) above unless the financial assistance applied for is not otherwise available on reasonable terms and all loans made shall be of such sound value or so secured as reasonably to assure repayment; no immediate participation may be purchased unless it is shown that a deferred participation is not available; and no loan may be made unless it is shown that a participation is not available;

(2) No loan shall be extended pursuant to (a) above if the total amount outstanding and committed (by participation or otherwise) to the borrower from the revolving fund established by this title would exceed \$150,000, and no loan, including renewals or extensions thereof, may be made for a period or periods exceeding ten years, except that any loan made for the purpose of constructing industrial facilities may have a maturity of ten years plus such additional period as is estimated may be required to complete such construction;

(3) In agreements to participate in loans on a deferred basis, such participations by the Administration shall not be in excess of 90 per centum of the balance of the loan outstanding at the time of disbursement;

Floods, etc.

(b) to make such loans as the Administration may determine to be necessary or appropriate because of floods or other catastrophes: *Provided,* That no such loan including renewals and extensions thereof may be made for a period or periods exceeding ten years except that where such loan is for acquisition or construction (including acquisition of site therefor) of housing for the personal occupancy of the borrower, it may be made for a period not to exceed twenty years;

Government contracts.

(c) to enter into contracts with the United States Government and any department, agency, or officer thereof having procurement powers obligating the Administration to furnish articles, equipment, supplies, or materials to the Government;

Subcontracts.

(d) to arrange for the performance of such contracts by negotiating or otherwise letting subcontracts to small-business concerns or others for the manufacture, supply, or assembly of such articles, equipment, supplies, or materials, or parts thereof, or servicing or processing in connection therewith, or such management services as may be necessary to enable the Administration to perform such contracts; and

Technical and managerial aids.

(e) to provide technical and managerial aids to small-business concerns, by advising and counseling on matters in connection with Government procurement and on policies, principles, and practices of good management, including but not limited to cost accounting, methods of financing, business insurance, accident control, wage incentives and methods engineering, by cooperating and advising with voluntary business, professional, educational, and other nonprofit organizations, associations, and institutions and with other Federal and State agencies, by maintaining a clearinghouse for information concerning the managing, financing, and operation of small-business enterprises, by disseminating such information, and by such other activities as are deemed appropriate by the Administration.

SEC. 208. In any case in which the Administration certifies to any officer of the Government having procurement powers that the Administration is competent to perform any specific Government procurement contract to be let by any such officer, such officer shall be authorized in his discretion to let such procurement contract to the Administration upon such terms and conditions as may be agreed upon between the Administration and the procurement officer.

Certification.

SEC. 209. (a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of obtaining for himself or for any applicant any loan, or extension thereof by renewal, deferment of action, or otherwise, or the acceptance, release, or substitution of security therefor, or for the purpose of influencing in any way the action of the Administration, or for the purpose of obtaining money, property, or anything of value, under this title, shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than two years, or both.

False statement.

(b) Whoever, being connected in any capacity with the Administration (A) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to it or pledged or otherwise entrusted to it, or (B) with intent to defraud the Administration or any other body politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Administration makes any false entry in any book, report, or statement of or to the Administration, or, without being duly authorized, draws any order or issues, puts forth, or assigns any note, debenture, bond, or other obligation, or draft, bill of exchange, mortgage, judgment, or decree thereof, or (C) with intent to defraud participates, shares, receives directly or indirectly any money, profit, property, or benefit through any transaction, loan, commission, contract, or any other act of the Administration, or (D) gives any unauthorized information concerning any future action or plan of the Administration which might affect the value of securities, or, having such knowledge, invests or speculates, directly or indirectly, in the securities or property of any company or corporation receiving loans or other assistance from the Administration shall be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

Embezzlement,  
etc.

SEC. 210. It shall be the duty of the Administration and it is hereby empowered, whenever it determines such action is necessary—

(a) to make a complete inventory of all productive facilities of small-business concerns which can be used for war or defense production, or to arrange for such inventory to be made by any other governmental agency which has the facilities. In making any such inventory, the appropriate agencies in the several States may be requested to furnish an inventory of the productive facilities of small-business concerns in each respective State if such an inventory is available or in prospect; and

Defense produc-  
tion, inventory,  
etc.

(b) to coordinate and to ascertain the means by which the productive capacity of small-business concerns can be most effectively utilized for war or defense production.

SEC. 211. When directed by the President, it shall be the duty of the Administration to consult and cooperate with governmental departments and agencies in the issuance of all orders or in the formulation of policy or policies in any way affecting small-business concerns. When directed by the President all such governmental departments or agencies are required, before issuing such orders or announcing such policy or policies, to consult and cooperate with the Administration in order that the interests of small-business enterprises may be recognized, protected, and preserved.

Consultation  
with Government  
agencies, etc.



Procurement,  
subcontracts, etc.  
Powers of Ad-  
ministration.

SEC. 212. The Administration shall have power, and it is hereby directed, whenever it determines such action is necessary—

(a) to consult and cooperate with officers of the Government having procurement powers, in order to utilize the potential productive capacity of plants operated by small-business concerns;

(b) to obtain information as to methods and practices which Government prime contractors utilize in letting subcontracts and to take action to encourage the letting of subcontracts by prime contractors to small-business concerns at prices and on conditions and terms which are fair and equitable;

(c) to determine within any industry the concerns, firms, persons, corporations, partnerships, cooperatives, or other business enterprises, which are to be designated "small-business concerns" for the purpose of effectuating the provisions of this title;

(d) to certify to Government procurement officers with respect to the competency, as to capacity and credit, of any small-business concern or group of such concerns to perform a specific Government procurement contract;

(e) to obtain from any Federal department, establishment, or agency engaged in procurement or in the financing of procurement or production such reports concerning the letting of contracts, and subcontracts and making of loans to business concerns as it may deem pertinent in carrying out its functions under this title;

(f) to obtain from suppliers of materials information pertaining to the method of filling orders and the bases for allocating their supply, whenever it appears that any small business is unable to obtain materials from its normal sources for war or defense production;

(g) to make studies and recommendations to the appropriate Federal agencies to insure a fair and equitable share of materials, supplies, and equipment to small-business concerns to effectuate war or defense programs;

(h) to consult and cooperate with all Government agencies for the purpose of insuring that small-business concerns shall receive fair and reasonable treatment from said agencies; and

(i) to establish such advisory boards and committees wholly representative of small business as may be found necessary to achieve the purposes of this title.

Finality of cer-  
tification.

SEC. 213. In any case in which a small-business concern or group of such concerns has been certified by or under the authority of the Administration to be a competent Government contractor with respect to capacity and credit as to a specific Government procurement contract, the officers of the Government having procurement powers are directed to accept such certification as conclusive, and are authorized to let such Government procurement contract to such concern or group of concerns without requiring it to meet any other requirement with respect to capacity and credit.

Awards and con-  
tracts.

SEC. 214. To effectuate the purposes of this title, small-business concerns within the meaning of this title shall receive any award or contract or any part thereof as to which it is determined by the Administration and the contracting procurement agency (A) to be in the interest of mobilizing the Nation's full productive capacity, or (B) to be in the interest of war or national defense programs.

Reports.

SEC. 215. The Administration shall make a report every six months of operations under this title to the President, the President of the Senate, and the Speaker of the House of Representatives. Such report shall include the names of the business concerns to whom contracts are let and for whom financing is arranged by the Administration, to-

gether with the amounts involved, and such report shall include such other information and such comments and recommendations as the Administration may deem appropriate.

SEC. 216. The Administration is hereby empowered to make studies of the effect of price, credit, and other controls imposed under war or defense programs and wherever it finds that these controls discriminate against or impose undue hardship upon small business, to make recommendations to the appropriate Federal agency for the adjustment of controls to the needs of small business.

Studies of price controls, etc.  
Recommendations.

SEC. 217. (a) The President is authorized to consult with representatives of small-business concerns with a view to encouraging the making by such persons with the approval of the President of voluntary agreements and programs to further the objectives of this title.

Voluntary agreements, etc.

(b) No act or omission to act pursuant to this title which occurs while this title is in effect, if requested by the President pursuant to a voluntary agreement or program approved under subsection (a) of this section and found by the President to be in the public interest as contributing to the national defense, shall be construed to be within the prohibition of the antitrust laws or the Federal Trade Commission Act of the United States. A copy of each such request intended to be within the coverage of this section, and any modification or withdrawal thereof, shall be furnished to the Attorney General and the Chairman of the Federal Trade Commission when made, and it shall be published in the Federal Register unless publication thereof would, in the opinion of the President, endanger the national security.

Anti-trust exemption.

38 Stat. 717.  
15 USC 58.

(c) The authority granted in subsection (b) of this section shall be delegated only (1) to an official who shall for the purpose of such delegation be required to be appointed by the President by and with the advice and consent of the Senate, and (2) upon the condition that such official consult with the Attorney General and with the Chairman of the Federal Trade Commission not less than ten days before making any request or finding thereunder, and (3) upon the condition that such official obtain the approval of the Attorney General to any request thereunder before making the request.

Limitation.

(d) Upon withdrawal of any request or finding made hereunder the provisions of this section shall not apply to any subsequent act or omission to act by reason of such finding or request.

Nonapplicability.

SEC. 218. (a) The President may transfer to the Administration any functions, powers, and duties of any department or agency which relate primarily to small-business problems. In connection with any such transfer, the President may provide for appropriate transfers of records, property, necessary personnel, and unexpended balances of appropriations and other funds available to the department or agency from which the transfer is made.

Transfer of functions, etc.

(b) The President may also provide for such transfers of records, property, and personnel from the Small Defense Plants Administration, during the period of its liquidation, as he considers appropriate to assist the Small Business Administration in carrying out its functions under this title.

Small Defense Plants Administration.

SEC. 219. No loan shall be made or equipment, facilities, or services furnished by the Administration under this title to any business enterprise unless the owners, partners, or officers of such business enterprise (1) certify to the Administration the names of any attorneys, agents, or other persons engaged by or on behalf of such business enterprise for the purpose of expediting applications made to the Administration for assistance of any sort, and the fees paid or to be paid to any such persons; (2) execute an agreement binding any such business enterprise for a period of two years after any assistance is rendered by the Administration to such business enterprise, to refrain from employing,

Loan requirements.

tendering any office or employment to, or retaining for professional services, any person who, on the date such assistance or any part thereof was rendered, or within one year prior thereto, shall have served as an officer, attorney, agent, or employee of the Administration occupying a position or engaging in activities which the Administration shall have determined involve discretion with respect to the granting of assistance under this title; and (3) furnish the names of lending institutions to which such business enterprise has applied for loans together with dates, amounts, terms, and proof of refusal.

SEC. 220. To the fullest extent the Administration deems practicable, it shall make a fair charge for the use of Government-owned property and make and let contracts on a basis that will result in a recovery of the direct costs incurred by the Administration.

**Termination.**

SEC. 221. (a) This title and all authority conferred thereunder shall terminate at the close of June 30, 1955, but the President may continue the Administration for purposes of liquidation for not to exceed six months after such termination.

(b) The termination of this title shall not affect the disbursement of funds under, or the carrying out of, any contract, commitment, or other obligation entered into pursuant to this title prior to the date of such termination, or the taking of any action necessary to preserve or protect the interests of the United States.

**Appropriation.**

SEC. 222. There are hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the provisions and purposes of this Act.

**Separability.**

SEC. 223. If any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of this Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

Approved July 30, 1953.

**Public Law 164**

**CHAPTER 283**

**AN ACT**

To amend the Atomic Energy Act of 1946, as amended.

July 31, 1953  
[S. 2399]

60 Stat. 757.  
42 USC 1802.

Division of Military Application, etc.

42 USC 1810.

Control of information.  
FBI investigations, etc.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2 (a) (4) (B) of the Atomic Energy Act of 1946, as amended, is amended to read as follows:

"(B) a Division of Military Application and such other program divisions (not to exceed ten in number) as the Commission may determine to be necessary to the discharge of its responsibilities. Each division shall be under the direction of a Director who shall be appointed by the Commission and shall be compensated at a rate determined by the Commission, but not in excess of \$16,000 per annum. The Director of the Division of Military Application shall be a member of the Armed Forces. The Commission shall require each such division to exercise such of the Commission's powers as the Commission may determine."

SEC. 2. Section 10 (b) (5) (B) (iv) of the Atomic Energy Act of 1946, as amended, is renumbered as section 10 (b) (5) (B) (vii).

SEC. 3. Section 10 (b) (5) (B) of the Atomic Energy Act of 1946, as amended, is amended by adding the following subsection:

"(iv) In the event an investigation made pursuant to sections 10 (b) (5) (B) (i) and (ii) develops any data reflecting that the individual who is the subject of the investigation is of questionable