"(6) In administering the provisions of this section, the Administrator may use the facilities and services of private insurance organizations, and he may contract to pay a reasonable compensation therefor. Any contract made under the provisions of this subsection may be made without regard to the provisions of section 3709 of the Revised Statutes (41 U.S.C. 5), upon a showing by the Administrator that advertising is not reasonably practicable, and advance payments may be made.

"(7) The authority to indemnify contractors under this section does not create any rights in third persons which would not otherwise exist by law.

"Contractor."

"(8) As used in this section, the term 'contractor' includes subcontractors of any tier under a contract in which an indemnification provision pursuant to subsection (b)(1) is contained."

(c) Such section 216 is further amended by adding the following at the end of the catchline: "**; indemnification of contractors**".

(d) The analysis of chapter 3 of such title 38 regarding section 216 is amended by inserting before the period at the end thereof "; indemnification of contractors".

Special restorative training. Effective date.

SEC. 2. The amendments made by section 6 of the Act of July 7, 1964 (Public Law 88-361, 78 Stat. 297), shall take effect as of January 1, 1964.

Approved August 14, 1964.

Public Law 88-434

August 14, 1964
[H. R. 7751]

AN ACT

To extend certain construction authority to the Administrator of Veterans' Affairs in order to provide adequate veterans' hospital facilities in Los Angeles, California.

Los Angeles, Calif.; Hazard Park. Army Reserve Center, construction.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to make available an adequate site for the proposed Veterans' Administration hospital on land known as Hazard Park, city of Los Angeles, California, the Administrator of Veterans' Affairs is authorized to construct for the Department of Defense an Army Reserve Center on a site approved by the Department of Defense to be provided for such purpose by the city of Los Angeles and pursuant to specifications established by such Department or any component thereof. Such construction may be effected under any procedure now authorized for the construction of Veterans' Administration hospitals.

SEC. 2. Upon completion of such Reserve Center the Department of Defense is authorized to (1) assume full control and jurisdiction thereof, and (2) relinquish to the Veterans' Administration all right, title, and interest in and to the now existing Army Reserve Center located on the Hazard Park tract.

SEC. 3. Funds appropriated to the Veterans' Administration for the construction of hospital and domiciliary facilities shall be available for the purpose of the first section of this Act.

Approved August 14, 1964.

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