

## Public Law 89-581

## AN ACT

To rename a lock of the Cross-Florida Barge Canal the "R. N. Bert Dosh lock".

September 16, 1966  
[H. R. 790]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Silver Springs lock of the Cross-Florida Barge Canal shall, after the date of enactment of this Act, be known and designated as the "R. N. Bert Dosh lock". Any law, regulation, map, document, or record of the United States in which such lock is referred to shall be held and considered to refer to such lock as the "R. N. Bert Dosh lock".

R. N. Bert Dosh  
lock.  
Designation.

Approved September 16, 1966.

## Public Law 89-582

## AN ACT

To amend the Ship Mortgage Act, 1920, relating to fees for certification of certain documents, and for other purposes.

September 16, 1966  
[H. R. 8000]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the third sentence of subsection I of the Ship Mortgage Act, 1920 (41 Stat. 1002; 46 U.S.C. 927), is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "except that if a person requesting certification of more than ten copies of a mortgage which includes more than one vessel, furnishes such copies to the collector, the fee for certification of each copy in excess of ten shall be \$1 per copy."

Ship Mortgage  
Act, 1920, amend-  
ments.  
Documents.

SEC. 2. (a) Subsection E of the Ship Mortgage Act, 1920 (42 U.S.C. 923), is amended by inserting at the end thereof the following: "The requirement of this subsection that a copy of a preferred mortgage be placed and retained on board the mortgaged vessel shall not apply in the case of a mortgaged vessel which is not self-propelled (including but not limited to, barges, scows, lighters, and car floats)."

41 Stat. 1001.  
46 USC 923.

(b) The amendment made by subsection (a) of this section shall apply to all mortgages whether made before, on, or after the date of enactment of this section.

Approved September 16, 1966.

## Public Law 89-583

## AN ACT

To amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

September 19, 1966  
[H. R. 15750]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Foreign Assistance Act of 1966".

Foreign Assist-  
ance Act of 1966.

## PART I

## CHAPTER 1—POLICY

SEC. 101. Section 102 of the Foreign Assistance Act of 1961, as amended, which relates to the statement of policy, is amended as follows:

75 Stat. 424;  
79 Stat. 653.  
22 USC 2151.

(a) In the last paragraph, immediately before the period at the end thereof, insert the following: "and to provide adequate compensation for such damage or destruction".

(b) At the end of section 102 add the following new paragraph:  
"The furnishing of economic, military, or other assistance under this Act shall not be construed as creating a new commitment or as affecting any existing commitment to use armed forces of the United States for the defense of any foreign country."

## CHAPTER 2—DEVELOPMENT ASSISTANCE

## TITLE I—DEVELOPMENT LOAN FUND

SEC. 102. Title I of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to the Development Loan Fund, is amended as follows:

75 Stat. 426;  
77 Stat. 380.  
22 USC 2161.

(a) Section 201(b), which relates to general authority to make loans from the Development Loan Fund, is amended as follows:

(1) In the second sentence, strike out the word "and" at the end of clause (5) and strike out the period at the end of the sentence and insert a comma and the following: "(7) the degree to which the recipient country is making progress toward respect for the rule of law, freedom of expression and of the press, and recognition of the importance of individual freedom, initiative, and private enterprise, (8) the degree to which the recipient country is taking steps to improve its climate for private investment, and (9) whether or not the activity to be financed will contribute to the achievement of self-sustaining growth."

(2) At the end thereof add the following new sentence: "Funds made available under this title, except funds made available pursuant to section 205, shall not be used to make loans in more than ten countries in any fiscal year, except that such loans may be made in any additional country after at least thirty days shall have elapsed following the submission by the President to the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives of a report stating that the making of loans in such additional country during such fiscal year is in the national interest and giving his reasons therefor."

Post, p. 797.

Report to Congress.

22 USC 2162.

(b) Section 202(a), which relates to authorization for the Development Loan Fund, is amended as follows:

(1) Strike out "\$1,200,000,000" and all that follows down through "succeeding fiscal years" and insert in lieu thereof "\$685,000,000 for the fiscal year 1967 and \$750,000,000 for each of the fiscal years 1968 and 1969".

(2) In the second proviso, strike out "June 30, 1965, and June 30, 1966" and insert in lieu thereof "June 30, 1967, through June 30, 1969".

(c) Amend section 205, which relates to use of international lending organizations, to read as follows:

79 Stat. 653.  
22 USC 2165.

"SEC. 205. In order to serve the purposes of this title and the policy contained in section 619, 10 per centum of the funds made available for this title shall be available only for transfer, on such terms and conditions as the President determines, to the International Development Association, the International Bank for Reconstruction and Development, or the International Finance Corporation for use pursuant to the laws governing United States participation in such institutions, if any, and the governing statutes thereof and without regard to section 201 or any other requirements of this or any other Act."

75 Stat. 444.  
22 USC 2369.

## TITLE II—TECHNICAL COOPERATION AND DEVELOPMENT GRANTS

SEC. 103. Title II of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to technical cooperation and development grants, is amended as follows:

(a) Section 211, which relates to general authority, is amended as follows:

75 Stat. 427.  
22 USC 2171.

(1) In the second sentence of subsection (a) strike out "and" at the end of clause (5) and strike out the period at the end of the sentence and insert a comma and the following: "(7) the degree to which the recipient country is making progress toward respect for the rule of law, freedom of expression and of the press, and recognition of the importance of individual freedom, initiative, and private enterprise, and (8) whether or not the activity to be financed will contribute to the achievement of self-sustaining growth."

(2) At the end of subsection (a), add the following new sentence: "The authority of this title shall not be used to furnish assistance to more than forty countries in any fiscal year, except that such assistance may be furnished to any additional country after at least thirty days shall have elapsed following the submission by the President to the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives of a report stating that the furnishing of assistance to such additional country during such fiscal year is in the national interest and giving his reasons therefor."

Report to  
Congress.

(3) At the end of section 211, add the following new subsections:

"(d) Not to exceed \$10,000,000 of funds made available under section 212, or under section 252 (other than loan funds), may be used for assistance, on such terms and conditions as the President may specify, to research and educational institutions in the United States for the purpose of strengthening their capacity to develop and carry out programs concerned with the economic and social development of less developed countries.

22 USC 2172;  
22 USC 2212.

"(e) In any developing countries or areas where food production is not increasing enough to meet the demands of an expanding population, or diets are seriously deficient, a high priority shall be given to efforts to increase agricultural production, particularly the establishment or expansion of adaptive research programs designed to increase acre-yields of the major food crops. Such research programs, to the greatest extent possible, should be based on cooperative undertakings between universities and research institutions in the developing countries and United States universities and research institutions."

(b) Section 212, which relates to authorization, is amended by striking out "1966" and inserting in lieu thereof "1967".

79 Stat. 654.

22 USC 2174.

(c) Section 214, which relates to American schools and hospitals abroad, is amended as follows:

75 Stat. 428.

(1) In subsection (b), strike out "to hospitals outside the United States founded or sponsored by United States citizens and serving as centers for medical education and research" and insert in lieu thereof "to institutions referred to in subsection (a) of this section, and to hospital centers for medical education and research outside the United States, founded or sponsored by United States citizens".

79 Stat. 654.

(2) Subsection (c), which relates to authorization, is amended by striking out "1966, \$7,000,000" and inserting in lieu thereof "1967, \$10,989,000".

(3) At the end of such section add the following new subsection:

"(d) There is authorized to be appropriated to the President for the purposes of section 214(b), in addition to funds otherwise available for such purposes, for the fiscal year 1967, \$1,000,000 in foreign currencies which the Secretary of the Treasury determines to be excess to the normal requirements of the United States."

### TITLE III—INVESTMENT GUARANTIES

SEC. 104. Title III of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to investment guaranties, is amended as follows:

22 USC 2181.

(a) Section 221(b), which relates to general authority for investment guaranties, is amended as follows:

(1) In paragraph (1), strike out "\$5,000,000,000" and insert in lieu thereof "\$7,000,000,000"

(2) In the third proviso of paragraph (2), strike out "\$300,000,000" and "\$175,000,000" and insert in lieu thereof "\$375,000,000" and "\$215,000,000", respectively, and strike out "Federal Housing Administration" and insert in lieu thereof "Department of Housing and Urban Development".

(3) In the fourth proviso of paragraph (2), strike out "1967" and insert in lieu thereof "1969".

22 USC 2182.

(b) Section 222, which relates to general provisions, is amended by adding at the end thereof the following new subsection:

"(h) In the case of any loan investment for housing guaranteed under section 221(b)(2) or section 224, the Administrator of the Agency for International Development shall prescribe the rate of interest allowable to the eligible United States investor, which rate shall not be less than one-half of 1 per centum above the then current rate of interest applicable to housing mortgages insured by the Department of Housing and Urban Development. In no event shall the Administrator prescribe an allowable rate of interest which exceeds by more than 1 per centum the then current rate of interest applicable to housing mortgages insured by such Department."

22 USC 2184.

(c) Section 224, which relates to housing projects in Latin American countries, is amended as follows:

79 Stat. 655.

(1) In subsection (b)(1), strike out "Federal Housing Administration" and insert in lieu thereof "Department of Housing and Urban Development".

(2) In subsection (c), strike out "\$400,000,000" and insert in lieu thereof "\$450,000,000: *Provided*, That \$300,000,000 be used for the purposes of section 224(b)(1)".

(3) In the last proviso of subsection (c), strike out "1967" and insert in lieu thereof "1969".

## TITLE VI—ALLIANCE FOR PROGRESS

SEC. 105. Title VI of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to the Alliance for Progress, is amended as follows:

(a) Section 251, which relates to general authority, is amended as follows:

76 Stat. 257;  
77 Stat. 382.  
22 USC 2211.

(1) In the second sentence of subsection (b), strike out "and" at the end of clause (3) and strike out the period at the end of the sentence and insert a semicolon and the following: "(5) the degree to which the recipient country is making progress toward respect for the rule of law, freedom of expression and of the press, and recognition of the importance of individual freedom, initiative, and private enterprise; (6) the degree to which the recipient country is taking steps to improve its climate for private investment; (7) whether or not the activity to be financed will contribute to the achievement of self-sustaining growth; and (8) the extent to which the activity to be financed will contribute to the economic or political integration of Latin America."

(2) At the end of such section add the following new subsection:

"(h) Loans may be made under authority of this title only for social and economic development projects and programs which are consistent with the findings and recommendations of the Inter-American Committee for the Alliance for Progress in its annual review of national development activities. Whenever the President determines that the purposes of this title would be better served thereby, he may make available, in addition to any other funds available for such purposes, on such terms and conditions as he determines, not to exceed 15 per centum of the funds made available for this title to the Inter-American Development Bank, or to any of the institutions named in section 205, for use pursuant to the laws governing United States participation in the said Bank or in such institutions and the governing statutes thereof and without regard to section 201 or any other requirements of this or any other Act."

Ante, p. 797.

(b) Section 252, which relates to authorization, is amended as follows:

22 USC 2212.

(1) In the first sentence, strike out "use beginning" the first place it appears and all that follows down through "year 1966" and insert in lieu thereof "the fiscal year 1967, \$696,500,000, and for each of the fiscal years 1968 and 1969, \$750,000,000, which amounts are authorized to remain available until expended and which, except for not to exceed \$100,000,000 in each such fiscal year".

(2) In the second sentence, strike out "1964 through 1966" and insert in lieu thereof "1968 and 1969".

(3) In the last sentence, strike out "June 30, 1965 and June 30, 1966" and insert in lieu thereof "June 30, 1967, through June 30, 1969".

## TITLE VIII—SOUTHEAST ASIA MULTILATERAL AND REGIONAL PROGRAMS

SEC. 106. Chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, is amended by adding at the end thereof the following new titles:

22 USC 2161-2216.

"TITLE VIII—SOUTHEAST ASIA MULTILATERAL AND REGIONAL PROGRAMS

"SEC. 271. GENERAL PROVISIONS.—The acceleration of social and economic progress in southeast Asia is important to the achievement of the United States foreign policy objectives of peace and stability in that area. It is the sense of Congress that this objective would be

served by an expanded effort by the countries of southeast Asia and other interested countries in cooperative programs for social and economic development of the region, employing both multilateral and bilateral channels of assistance.

“SEC. 272. SPECIAL PROVISIONS.—In providing assistance to further the purposes of this title the President shall take into account:

“(1) initiatives in the field of social and economic development by Asian peoples and institutions;

“(2) regional economic cooperation and integration in southeast Asia;

“(3) the extent of participation by other potential donor countries;

“(4) the degree of peaceful cooperation among the countries of southeast Asia toward the solution of common problems; and

“(5) the ability of multilateral institutions or other administering authorities to carry out projects and programs effectively, efficiently, and economically.

“SEC. 273. AUTHORIZATION.—The President is authorized to utilize not to exceed \$10,000,000 of the funds otherwise available to carry out the provisions of part I of this Act (other than title VI of this chapter) to furnish assistance under this title on such terms and conditions as he may determine, in order to promote social and economic development and stability in southeast Asia.

#### “TITLE IX—UTILIZATION OF DEMOCRATIC INSTITUTIONS IN DEVELOPMENT

“SEC. 281. In carrying out programs authorized in this chapter, emphasis shall be placed on assuring maximum participation in the task of economic development on the part of the people of the developing countries, through the encouragement of democratic private and local governmental institutions.”

### CHAPTER 3—INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 107. Chapter 3 of part I of the Foreign Assistance Act of 1961, as amended, which relates to international organizations and programs, is amended as follows:

(a) Section 301(a), which relates to general authority, is amended by inserting immediately after “by such organizations” the following: “; and in the case of the Indus Basin Development Fund administered by the International Bank for Reconstruction and Development to make grants and loans payable as to principal and interest in United States dollars and subject to the provisions of section 201(d),”.

(b) Section 301(b), which relates to general authority, is amended by striking out “United Nations Expanded Program of Technical Assistance and the United Nations Special Fund” and inserting in lieu thereof “United Nations Development Program” and by adding at the end thereof the following new sentence: “The President shall seek to assure that no contribution to the United Nations Development Program authorized by this Act shall be used for projects for economic or technical assistance to the Government of Cuba, so long as Cuba is governed by the Castro regime.”

(c) Section 301(c), which relates to assistance for Palestine refugees in the Near East, is amended by striking out the last sentence and inserting in lieu thereof the following: “Contributions by the United States for the fiscal year 1967 shall not exceed \$13,300,000. No contributions under this subsection shall be made except on the condition that the United Nations Relief and Works Agency take all possible

75 Stat. 433.  
22 USC 2221.

22 USC 2161.  
Economic or  
technical assist-  
ance to Cuba, re-  
striction.

79 Stat. 656.

measures to assure that no part of the United States contribution shall be used to furnish assistance to any refugee who is receiving military training as a member of the so-called Palestine Liberation Army.”

(d) Section 302, which relates to authorization, is amended to read as follows:

75 Stat. 433;  
79 Stat. 656.  
22 USC 2222.

“SEC. 302. AUTHORIZATION.—(a) There is authorized to be appropriated to the President for grants to carry out the purposes of this chapter, in addition to funds available under any other Act for such purposes, for the fiscal year 1967 not to exceed \$140,433,000.

“(b) There is authorized to be appropriated to the President, for the fiscal year 1967, \$1,000,000 for contributions to the United Nations Children’s Fund during the calendar year 1967. Funds made available under this subsection shall be in addition to funds available under this or any other Act for such contributions and shall not be taken into account in computing the aggregate amount of United States contributions to such fund for the calendar year 1967.

“(c) None of the funds available to carry out this chapter shall be contributed to any international organization or to any foreign government or agency thereof to pay the costs of developing or operating any volunteer program of such organization, government, or agency relating to the selection, training, and programing of volunteer manpower.”

#### CHAPTER 4—SUPPORTING ASSISTANCE

SEC. 108. Chapter 4 of part I of the Foreign Assistance Act of 1961, as amended, which relates to supporting assistance, is amended as follows:

(a) Section 401, which relates to general authority, is amended by striking out the period at the end thereof and inserting a colon and the following: “*Provided*, That not more than thirteen countries may receive assistance under the authority of this chapter in any fiscal year, unless the President determines that it is in the national interest of the United States to furnish such assistance to an additional country or countries. Any such determination, together with the reasons therefor, shall be reported to the Committee on Foreign Relations of the Senate and to the Speaker of the House of Representatives.”

75 Stat. 434.  
22 USC 2241.

Report to  
Congress.

(b) Section 402, which relates to authorization, is amended to read as follows:

Ante, p. 74.

“SEC. 402. AUTHORIZATION.—There is authorized to be appropriated to the President to carry out the purposes of this chapter for the fiscal year 1967 not to exceed \$715,000,000: *Provided*, That where commodities are furnished on a grant basis under this chapter under arrangements which will result in the accrual of proceeds to the Government of Vietnam from the sale thereof, arrangements shall be made to assure that such proceeds will not be budgeted by the Government of Vietnam for economic assistance projects or programs unless the President or his representative has given his prior written approval. Amounts appropriated under this section are authorized to remain available until expended.”

#### CHAPTER 5—CONTINGENCY FUND

SEC. 109. Section 451 of the Foreign Assistance Act of 1961, as amended, which relates to contingency fund, is amended as follows:

Ante, p. 74.

(a) Subsection (a) is amended as follows:

(1) Strike out “1966” and “\$150,000,000” in the first sentence and insert in lieu thereof “1967” and “\$110,000,000”, respectively.

(2) Strike out the second and third sentences.

(b) Subsection (b) is amended by striking out “the first sentence of”.

## CHAPTER 7—JOINT COMMISSIONS ON RURAL DEVELOPMENT

75 Stat. 424.  
22 USC 2151-  
2271.

SEC. 110. Part I of the Foreign Assistance Act of 1961, as amended, is amended by adding at the end thereof a new chapter as follows:

### “CHAPTER 7—JOINT COMMISSIONS ON RURAL DEVELOPMENT

“SEC. 471. JOINT COMMISSIONS ON RURAL DEVELOPMENT.—(a) The President is authorized to conclude agreements with less developed countries providing for the establishment in such countries of Joint Commissions on Rural Development each of which shall be composed of one or more citizens of the United States appointed by the President and one or more citizens of the country in which the Commission is established. A majority of the members of each such Commission shall be citizens of the country in which it is established. Each such agreement shall provide for the selection of the members who are citizens of the country in which the Commission is established who wherever feasible shall be selected in such manner and for such terms of office as will insure to the maximum extent possible their tenure and continuity in office.

“(b) A commission established pursuant to an agreement authorized by this section shall be authorized to formulate and carry out programs for development of rural areas in the country in which it is established, which may include such research, training and other activities as may be necessary or appropriate for such development.

“(c) Not to exceed 10 per centum of the funds made available pursuant to section 212 shall be available to the President in negotiating and carrying out agreements entered into under this section, including the financing of appropriate activities of Commissions established pursuant to such agreements.

“(d) The furnishing of assistance under this section shall not be construed as an express or implied assumption by the United States of any responsibility for making further contributions for such purpose.

“(e) Nothing in this chapter shall be construed to restrict the authority contained in any other chapters of this Act.”

## PART II

### CHAPTER 2—MILITARY ASSISTANCE

SEC. 201. Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended, which relates to military assistance, is amended as follows:

(a) Section 504(a), which relates to authorization, is amended to read as follows:

“(a) In addition to such amounts as may be otherwise authorized to support Vietnamese forces and other free world forces in Vietnam, there is authorized to be appropriated to the President to carry out the purposes of this part (excluding the support of Vietnamese forces and other free world forces in Vietnam) not to exceed \$875,000,000 for the fiscal year 1967: *Provided*, That funds made available for assistance under this chapter (other than training in the United States) shall not be used to furnish such assistance to more than forty countries in any fiscal year. Amounts appropriated under this subsection are authorized to remain available until expended.”

22 USC 2312.

75 Stat. 428;  
79 Stat. 654.  
22 USC 2172.

(b) Section 506, which relates to conditions of eligibility, is amended by adding at the end thereof the following new subsection:

75 Stat. 436;  
76 Stat. 259.  
22 USC 2314.

“(e) From and after the sixtieth day after the date of enactment of the Foreign Assistance Act of 1966, no assistance shall be provided under this chapter to any country to which sales are made under title I of the Agricultural Trade Development and Assistance Act of 1954 until such country has entered into an agreement to permit the use of foreign currencies accruing to the United States under such title I to procure equipment, materials, facilities, and services for the common defense including internal security, in accordance with the provisions of section 104(c) of such title I.”

68 Stat. 454.  
7 USC 1701-  
1709.

(c) Section 508, which relates to reimbursements, is amended by adding at the end thereof the following new sentence: “Such amounts of the appropriations made available under this part (including unliquidated balances of funds heretofore obligated for financing sales and guarantees) as may be determined by the President shall be transferred to, and merged with, the separate fund account.”

22 USC 2316.

(d) Section 510(a), which relates to special authority, is amended by striking out “1966” each place it appears and inserting in lieu thereof in each such place “1967”.

79 Stat. 658.  
22 USC 2318.

(e) Section 512, which relates to restrictions on military aid to Africa, is amended by striking out “fiscal year 1966” and inserting in lieu thereof “each fiscal year”.

22 USC 2320.

(f) At the end of such chapter 2, add the following new section:

“SEC. 514. ADMINISTRATION OF SALES AND EXCHANGE PROGRAMS INVOLVING DEFENSE ARTICLES AND SERVICES.—(a) Programs for the sale or exchange of defense articles or defense services under this chapter shall be administered so as to encourage regional arms control and disarmament agreements and so as to discourage arms races.

“(b) In order to further encourage regional arms control and disarmament agreements and discourage arms races in the American Republics, notwithstanding the provisions of section 511(a) of this Act, the total value of military assistance and sales (other than training) under this Act or in accordance with section 7307 of title 10, United States Code, for American Republics in any fiscal year shall not exceed \$85,000,000, of which \$25,000,000 may be used for assistance on a cost-sharing basis to an inter-American military force under the control of the Organization of American States: *Provided*, That the cost of defense articles supplied for use by elements of the Inter-American Peace Force in the Dominican Republic shall not be charged against the \$85,000,000 limitation provided by this subsection.”

22 USC 2319.

70A Stat. 452.  
10 USC 7307.

### PART III

#### CHAPTER 1—GENERAL PROVISIONS

SEC. 301. Chapter 1 of part III of the Foreign Assistance Act of 1961, as amended, which relates to general provisions, is amended as follows:

(a) Section 601, which relates to encouragement of free enterprise and private participation, is amended as follows:

77 Stat. 385;  
78 Stat. 1012.  
22 USC 2351.

(1) In subsection (b), immediately after paragraph (1), insert the following new paragraph:

“(2) establish an effective system for obtaining adequate information with respect to the activities of, and opportunities for, nongovernmental participation in the development process, and for utilizing such information in the planning, direction, and execution of programs carried out under this Act, and in the coordination of such programs with the ever-increasing developmental activities of nongovernmental United States institutions;”.

75 Stat. 438;  
77 Stat. 385.  
22 USC 2351.

(2) In subsection (b), redesignate paragraphs (2), (3), (4), (5), and (6) as paragraphs (3), (4), (5), (6), and (7), respectively.

(3) In subsection (b), strike out "and" at the end of paragraph (6), as so redesignated by paragraph (2) of this subsection; strike out the period at the end of paragraph (7), as so redesignated by paragraph (2) of this subsection, and insert in lieu thereof a semicolon; and at the end thereof add the following new paragraph:

"(8) utilize wherever practicable the services of United States private enterprise on a cost-plus incentive fee contract basis to provide the necessary skills to develop and operate a specific project or program of assistance in a less developed friendly country or area in any case in which direct private investment is not readily encouraged, and provide where appropriate for the transfer of equity ownership in such project or program to private investors at the earliest feasible time."

(4) Subsection (c) is amended to read as follows:

"(c) (1) There is hereby established an International Private Investment Advisory Council on Foreign Aid to be composed of such number of leading American business specialists as may be selected, from time to time, by the Administrator of the Agency for International Development for the purpose of carrying out the provisions of this subsection. The members of the Council shall serve at the pleasure of the Administrator, who shall designate one member to serve as Chairman.

"(2) It shall be the duty of the Council, at the request of the Administrator, to make recommendations to the Administrator with respect to particular aspects of programs and activities under this Act where private enterprise can play a contributing role and to act as liaison for the Administrator to involve specific private enterprises in such programs and activities.

"(3) The members of the Advisory Council shall receive no compensation for their services but shall be entitled to reimbursement in accordance with section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b-2) for travel and other expenses incurred by them in the performance of their functions under this subsection.

"(4) The expenses of the Advisory Council shall be paid by the Administrator from funds otherwise available under this Act."

(b) Section 604, which relates to procurement, is amended as follows:

(1) Subsection (c), which relates to procurement of agricultural commodities, is amended by striking out the word "surplus" each time it appears and by inserting "or product thereof available for disposition under the Agricultural Trade Development and Assistance Act of 1954, as amended," after the word "commodity" the first time it appears.

(2) Add the following new subsection:

"(e) No funds made available under this Act shall be used for the procurement of any agricultural commodity or product thereof outside the United States when the domestic price of such commodity is less than parity."

(c) Section 608(a), which relates to advance acquisition of property, is amended by inserting "(including personnel costs)" immediately after "costs" the first place it appears in the first sentence.

(d) Section 610(b), which relates to transfer between accounts, is amended by striking out the last sentence and inserting in lieu thereof the following: "Not to exceed \$5,000,000 of the funds appropriated under section 402 of this Act for any fiscal year may be transferred to and consolidated with appropriations made under section 637(a) of this Act for the same fiscal year, subject to the further limitation

International  
Private Invest-  
ment Advisory  
Council on  
Foreign Aid.

60 Stat. 808;  
75 Stat. 339, 340.

75 Stat. 439.  
22 USC 2354.

68 Stat. 454.  
7 USC 1691  
note.

22 USC 2358.

Ante, p. 74.

that funds so transferred shall be available solely for additional administrative expenses incurred in connection with programs in Vietnam.”

(e) Section 612, which relates to the use of foreign currencies, is amended by adding a new subsection as follows:

79 Stat. 659.  
22 USC 2362.  
Excess foreign  
currencies.

“(c) In addition to funds otherwise available, excess foreign currencies, as defined in subsection (b), may be made available to friendly foreign governments and to private, nonprofit United States organizations to carry out voluntary family planning programs in countries which request such assistance. No such program shall be assisted unless the President has received assurances that in the administration of such program the recipient will take reasonable precautions to insure that no person receives any family planning assistance or supplies unless he desires such services. The excess foreign currencies made available under this subsection shall not, in any one year, exceed 5 per centum of the aggregate of all excess foreign currencies. As used in this subsection, the term ‘voluntary family planning program’ includes, but is not limited to, demographic studies, medical and psychological research, personnel training, the construction and staffing of clinics and rural health centers, specialized training of doctors and paramedical personnel, the manufacture of medical supplies, and the dissemination of family planning information, medical assistance, and supplies to individuals who desire such assistance.”

(f) Section 614(a) which relates to special authorities, is amended by adding at the end thereof the following new sentence: “The limitation contained in the preceding sentence shall not apply to any country which is a victim of active Communist or Communist-supported aggression.”

75 Stat. 444.  
22 USC 2364.

(g) Section 614(c), which relates to special authorities, is amended by adding at the end thereof the following: “The President shall promptly and fully inform the Speaker of the House of Representatives and the chairman and ranking minority member of the Committee on Foreign Relations of the Senate of each use of funds under this subsection.”

Report to  
Congress.

(h) Section 620, which relates to prohibitions against furnishing assistance, is amended as follows:

77 Stat. 387.  
22 USC 2370.

(1) The first sentence of subsection (i) is amended to read as follows: “No assistance shall be provided under this or any other Act, and no sales shall be made under the Agricultural Trade Development and Assistance Act of 1954, to any country which the President determines is engaging in or preparing for aggressive military efforts, or which hereafter is officially represented at any international conference when that representation includes the planning of activities involving insurrection or subversion, which military efforts, insurrection, or subversion, are directed against—

68 Stat. 454.  
7 USC 1691  
note.

“(1) the United States,

“(2) any country receiving assistance under this or any other Act, or

“(3) any country to which sales are made under the Agricultural Trade Development and Assistance Act of 1954, until the President determines that such military efforts or preparations have ceased, or such representation has ceased, and he reports to the Congress that he has received assurances satisfactory to him

Report to  
Congress.

that such military efforts or preparations will not be renewed, or that such representation will not be renewed or repeated.”

77 Stat. 388.  
22 USC 2370.

(2) Subsection (k) is amended to read as follows:

22 USC 2318.

“(k) Without the express approval of Congress, no assistance shall be furnished under this Act to any country for construction of any productive enterprise with respect to which the aggregate value of assistance to be furnished by the United States will exceed \$100,000,000. Except as otherwise provided in section 510, no military assistance shall be furnished to any country under this Act for carrying out any program, with respect to which the aggregate value of assistance to be furnished beginning July 1, 1966, by the United States will exceed \$100,000,000 unless such program has been included in the presentation to the Congress during its consideration of authorizations for appropriations under this Act or of appropriations pursuant to authorizations contained in this Act. No provision of this or any other Act shall be construed to authorize the President to waive the provisions of this subsection.”

(3) Subsection (l) is amended to read as follows:

22 USC 2181.

“(l) The President shall consider denying assistance under this Act to the government of any less developed country which, after December 31, 1966, has failed to enter into an agreement with the President to institute the investment guaranty program under section 221 (b) (1) of this Act, providing protection against the specific risks of inconvertibility under subparagraph (A), and expropriation or confiscation under subparagraph (B), of such section 221 (b) (1).”

79 Stat. 659.

Countries assisting North Vietnam.

(4) Subsection (n) is amended to read as follows:

“(n) In view of the aggression of North Vietnam, no assistance shall be furnished under this Act to any country which has failed to take appropriate steps, not later than sixty days after the date of enactment of the Foreign Assistance Act of 1966—

“(A) to prevent ships or aircraft under its registry from transporting to North Vietnam—

“(i) any items of economic assistance,

65 Stat. 645.  
22 USC 1611-1611d.

“(ii) any items which are, for the purposes of title I of the Mutual Defense Assistance Control Act of 1951, as amended, arms, ammunition and implements of war, atomic energy materials, petroleum, transportation materials of strategic value, or items of primary strategic significance used in the production of arms, ammunition, and implements of war, or

“(iii) any other equipment, materials, or commodities; and

“(B) to prevent ships or aircraft under its registry from transporting any equipment, materials, or commodities from North Vietnam.”

(5) At the end of such section 620, add the following new subsections:

Assistance to United Arab Republic.  
Report to Congress.

“(p) No assistance shall be furnished under this Act to the United Arab Republic unless the President finds and reports within thirty days of such finding to the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives that such assistance is essential to the national interest of the United States, and further that such assistance will neither directly nor indirectly assist aggressive actions by the United Arab Republic.

Countries in default of payments.

“(q) No assistance shall be furnished under this Act to any country which is in default, during a period in excess of six calendar months,

in payment to the United States of principal or interest on any loan made to such country under this Act, unless such country meets its obligations under the loan or unless the President determines that assistance to such country is in the national interest and notifies the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate of such determination.

“(r) No recipient of a loan made under the authority of this Act, any part of which is outstanding on or after the date of enactment of this subsection, shall be relieved of liability for the repayment of any part of the principal of or interest on such loan.”

Notification of  
Congress.

## CHAPTER 2—ADMINISTRATIVE PROVISIONS

SEC. 302. Chapter 2 of part III of the Foreign Assistance Act of 1961, as amended, which relates to administrative provisions, is amended as follows:

(a) Section 622, which relates to coordination with foreign policy, is amended as follows:

75 Stat. 446;  
79 Stat. 660.  
22 USC 2382.

(1) Subsection (b) is amended by striking out “(including any civic action and sales program)” and substituting “(including civic action) or sales programs”.

(2) Subsection (c) is amended by striking all after “general direction of” and substituting “economic assistance and military assistance and sales programs, including but not limited to determining whether there shall be a military assistance (including civic action) or sales program for a country and the value thereof, to the end that such programs are effectively integrated both at home and abroad and the foreign policy of the United States is best served thereby.”

(b) Section 624(d), which relates to the Inspector General, Foreign Assistance, is amended by adding at the end thereof the following new paragraph:

76 Stat. 262.  
22 USC 2384.

“(8) Whenever the Inspector General, Foreign Assistance, deems it appropriate in carrying out his duties under this Act, he may from time to time notify the head of any agency primarily responsible for administering any program with respect to which the Inspector General, Foreign Assistance, has responsibilities under paragraph (2) of this subsection that all internal audit, end-use inspection, and management inspection reports submitted to the head of such agency or mission in the field in connection with such program from any geographic areas designated by the Inspector General, Foreign Assistance, shall be submitted simultaneously to the Inspector General, Foreign Assistance. The head of each such agency shall cooperate with the Inspector General, Foreign Assistance, in carrying out the provisions of this paragraph.”

(c) Section 634, which relates to reports and information, is amended by adding at the end thereof the following new subsection:

22 USC 2394.

“(f) The Secretary of the Treasury shall transmit to the Speaker of the House of Representatives and to the Committee on Foreign Relations of the Senate semiannual reports showing as of June 30 and December 31 of each year the repayment status of each loan theretofore made under authority of this Act any part of the principal or interest of which remains unpaid on the date of the report.”

Report to  
Congress.

(d) Section 635(h), which relates to general authorities, is amended by inserting “(except development loans)” immediately after “II, V, and VI”.

22 USC 2395.

79 Stat. 661.  
22 USC 2397.

(e) Section 637(a), which relates to administrative expenses, is amended by striking out "1966 not to exceed \$54,240,000" and inserting in lieu thereof "1967 not to exceed \$55,813,500".  
Approved September 19, 1966.

Public Law 89-584

AN ACT

September 19, 1966  
[S. 2747]

To authorize conclusion of an agreement with Mexico for joint measures for solution of the Lower Rio Grande salinity problem.

Lower Rio Grande.  
Agreement with Mexico.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of State, acting through the United States Commissioner, International Boundary and Water Commission, United States and Mexico, is authorized, notwithstanding any other provision of law and subject to the conditions provided in this Act, to conclude an agreement or agreements with the appropriate official or officials of the Government of the United Mexican States for the construction, operation, and maintenance by the United Mexican States under the supervision of the International Boundary and Water Commission, United States and Mexico, of a drainage conveyance canal through Mexican territory for the discharge of waters of El Morillo and other drains in the United Mexican States into the Gulf of Mexico in the manner, and having substantially the characteristics, described in said Commission's minute numbered 223, dated November 30, 1965. The agreement or agreements shall provide that the costs of construction, including costs of design and right-of-way and the costs of operation and maintenance, shall be equally divided between the United Mexican States and the United States. Before concluding the agreement or agreements, the Secretary of State shall receive satisfactory assurances from private citizens or a responsible local group that they or it will pay to the United States Treasury one-half of the actual United States costs of such construction, including costs of design and right-of-way, and one-half of the actual costs of operation and maintenance allocated under such agreement or agreements to the United States. Payments to the United States Treasury under this section shall be covered into the Treasury as miscellaneous receipts.

Appropriation.

SEC. 2. To defray costs that accrue to the United States under the agreement or agreements referred to in the first section of this Act for the construction, operation, and maintenance of drainage conveyance canal projects, there are authorized to be appropriated to the Department of State for use of the United States Section, International Boundary and Water Commission, United States and Mexico, the following amounts:

- (1) Not to exceed \$690,000 for costs of construction.
- (2) Upon completion of construction, not to exceed \$20,000 annually for costs of operation and maintenance.

Approved September 19, 1966.