

visions of 1950 Reorg. Plan No. 26 should be applicable to all functions vested by such act in any officer, employee, or agency of the Department of the Treasury.

#### REORGANIZATION PLAN NO. 27 OF 1950

Reorganization Plan No. 27 of 1950, which proposed establishment of a Department of Health, Education, and Security, was submitted to Congress on May 31, 1950, and was disapproved by the House of Representatives on July 10, 1950.

#### REORGANIZATION PLAN NO. 1 OF 1951

Eff. May 1, 1951, 16 F.R. 3690, 65 Stat. 773

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, February 19, 1951, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949 [see 5 U.S.C. 901 et seq.].

#### RECONSTRUCTION FINANCE CORPORATION

##### SECTION 1. ADMINISTRATOR OF THE CORPORATION

There is hereby established the office of Administrator of the Reconstruction Finance Corporation, hereinafter referred to as the Administrator. The Administrator shall be appointed by the President by and with the advice and consent of the Senate and shall receive compensation at the rate of \$17,500 per annum.

##### SEC. 2. DEPUTY ADMINISTRATOR

There is hereby established the office of Deputy Administrator of the Reconstruction Finance Corporation, who shall be appointed by the President by and with the advice and consent of the Senate, shall receive compensation at the rate of \$16,000 per annum, shall perform such duties as the Administrator may from time to time designate, and shall be Acting Administrator and perform the functions of the Administrator, including his functions as a member and the Chairman of the Loan Policy Board hereinafter provided for, during the absence or disability of the Administrator or in the event of a vacancy in the office of Administrator.

##### SEC. 3. OTHER EMPLOYMENT PROHIBITED

No person shall while holding the office of Administrator or Deputy Administrator engage in any business, vocation, or employment other than that involved in the holding of such office.

##### SEC. 4. LOAN POLICY BOARD

There is hereby established the Loan Policy Board of the Reconstruction Finance Corporation, which shall be composed of the following members, all ex officio: The Administrator, as Chairman, the Deputy Administrator, as Vice Chairman, the Secretary of the Treasury, the Secretary of Commerce, and one other member who shall be designated from time to time by the President from among the officers of the United States who are required to be appointed by and with the advice and consent of the Senate. Either of the said Secretaries and the said designee of the President may designate an officer of his department or agency to act in his stead as a member of the Loan Policy Board with respect to any matter or matters.

##### SEC. 5. FUNCTIONS TRANSFERRED TO ADMINISTRATOR

All functions of the Board of Directors of the Reconstruction Finance Corporation, including those of the members and chairman of the said Board and including those with respect to the management of the Corporation, are hereby transferred to the Administrator, except as the said functions are otherwise vested by the provisions of sections 6 and 7 of this reorganization plan.

##### SEC. 6. GENERAL POLICIES

The Loan Policy Board shall establish general policies (particularly with reference to the public interest

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

##### SEC. 7. FINANCIAL ASSISTANCE PROCEDURE

All applications for loans or other financial assistance totaling in excess of \$100,000 to any borrower shall be referred to a board of review, and such board shall submit a recommendation in each case to the Administrator. Any board of review shall consist of not less than five persons who shall be designated by the Administrator from among personnel of the Corporation having major responsibilities assigned to them and who shall receive no additional compensation for service hereunder. Whenever any loan or purchase of obligation shall be approved or declined in any case wherein the board of review has recommended otherwise, the Administrator shall place in the records of the Corporation a memorandum setting forth his reasons for granting or denying the financial assistance involved.

##### SEC. 8. DELEGATION OF FUNCTIONS

The Administrator may from time to time make such provisions as he shall deem appropriate with respect to the performance by any officer, employee, or administrative unit under his jurisdiction of any function of the Administrator under the provisions of this reorganization plan.

##### SEC. 9. ABOLITION OF PRESENT BOARD

The Board of Directors of the Reconstruction Finance Corporation, including the offices of the members of such Board, is hereby abolished, and the Administrator shall provide for winding up any outstanding affairs of the said Board not otherwise provided for in this reorganization plan.

##### SEC. 10. EFFECTIVE DATE

Sections 4 to 9, inclusive, of this reorganization plan shall become effective when, and not until, the Administrator first appointed hereunder enters upon office pursuant to the provisions of this reorganization plan.

[The Reconstruction Finance Corporation was abolished by section 6(a) of Reorg. Plan No. 1 of 1957, eff. June 30, 1957, 22 F.R. 4633, 71 Stat. 647.]

##### MESSAGE OF THE PRESIDENT

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 1 of 1951, prepared in accordance with the Reorganization Act of 1949.

The reorganization plan provides strengthened administration of the Reconstruction Finance Corporation by placing in a single Administrator of the Reconstruction Finance Corporation the functions of the present Board of Directors, except those that are specifically set forth and assigned to a new Loan Policy Board and to a board of review.

The Administrator is thus made the executive head of the Corporation with major responsibility and authority over the administration of the Government programs carried out by the Corporation.

At the same time that this plan provides strengthened administration for the Corporation, it also provides certain additional safeguards with respect to loan policy and to specific loan applications. Under the reorganization plan, the Loan Policy Board promulgates general policies which shall govern the granting and denial of applications for financial assistance by the Corporation. The reorganization plan likewise includes new provisions for ensuring that all loan applications are handled in accordance with established policy.

In addition to providing strengthened administration of the Corporation and additional safeguards with respect to loan policy and the approval of specific loan

applications, the reorganization plan provides the basis, by virtue of the composition of the Loan Policy Board, for better coordination of the Corporation's loan policies with other policies, programs, and activities of the Government. The reorganization plan provides that this Board shall have five members, all ex officio. These are the Administrator of the Corporation, the Deputy Administrator, the Secretary of the Treasury, the Secretary of Commerce, and one additional member to be designated from time to time by the President from among officials of the Government who are required to be appointed by the President and confirmed by the Senate. The participation of these officials will facilitate the development of loan policies consistent with the requirements of other broad programs of the Government.

Especially important is the participation of the Secretary of Commerce who, as head of the Department of Commerce, administers most of the Government programs for nonfinancial aids to business. Giving him a voice on the Loan Policy Board will aid in bringing under common policies the financial aids to business administered by the Corporation and the nonfinancial aids carried on in the Department of Commerce. Government aid to small and independent business should be particularly benefited by the participation of the Secretary of Commerce.

Specifically, the provision in the reorganization plan for a financial-assistance procedure governing the processing of applications in excess of \$100,000 to any borrower strengthens and gives statutory prescription to an administrative arrangement already existing in the Corporation. In handling such loans under the reorganization plan, applications will be referred for analysis and recommendation to a board of review composed of not less than five employees of the Corporation. Whenever the Administrator approves or denies an application for financial assistance on which a board of review has recommended otherwise, he must set forth, in a memorandum to be placed in the files of the Corporation, the reasons for his action. This procedure is provided in order to assure that all applications for loans involving large sums are fully analyzed by the technical staff of the Corporation and that the recommendations of the staff are fully available to the Administrator when acting finally upon such applications.

The reorganization plan continues the Reconstruction Finance Corporation as a separate corporate entity in the executive branch of the Government. Those functions which are currently performed by the Corporation or any of its agencies or officers pursuant to a delegation or assignment of functions made by the President will be subject to termination or modification of any such delegation by the President.

After investigation I have found and hereby declare that each reorganization included in Reorganization Plan No. 1 of 1951 is necessary to accomplish one or more of the purposes set forth in section 2(a) of the Reorganization Act of 1949. I also have found and hereby declare that by reason of these reorganizations it is necessary to include in the reorganization plan provisions for the appointment and compensation of the Administrator and Deputy Administrator of the Reconstruction Finance Corporation. The rates of compensation fixed for these officers are, respectively, those which I have found to prevail in respect of comparable officers of the executive branch of the Government.

The taking effect of the reorganization included in Reorganization Plan No. 1 of 1951 may not in itself result in substantial immediate savings. However, the important objective of achieving the maximum effectiveness in the administration of the Government's lending programs to aid business will be advanced. Increased effectiveness will in turn produce indirect savings. An itemization of these savings is not practicable.

The reorganization plan is especially important at this time of national emergency. It will strengthen the administration of the Reconstruction Finance Corporation and at the same time provide additional safe-

guards with respect to loan policy and the approval of individual loans. It will make possible the more effective coordination of the Government's general loan policies. I strongly urge the approval of the reorganization plan as a means of achieving these objectives.

HARRY S. TRUMAN.

THE WHITE HOUSE, February 19, 1951.

## REORGANIZATION PLAN NO. 1 OF 1952

Effective Mar. 14, 1952, 17 F.R. 2243, 66 Stat. 823, as amended June 28, 1955, ch. 189, §12(c)(19), 69 Stat. 182; Sept. 13, 1982, Pub. L. 97-258, §5(b), 96 Stat. 1068, 1085

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, January 14, 1952, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949 [see 5 U.S.C. 901 et seq.].

### BUREAU OF INTERNAL REVENUE

#### SECTION 1. ABOLITION OF EXISTING OFFICES

There are abolished the offices of Assistant Commissioner, Special Deputy Commissioner, Deputy Commissioner, Assistant General Counsel for the Bureau of Internal Revenue, Collector, and Deputy Collector, provided for in sections 3905, 3910, 3915, 3931, 3941, and 3990, respectively, of the Internal Revenue Code [of 1939]. The provisions of the foregoing sentence shall become effective with respect to each office abolished thereby at such time as the Secretary of the Treasury shall specify, but in no event later than December 1, 1952. The Secretary of the Treasury shall make such provisions as he shall deem necessary respecting the winding up of the affairs of any officer whose office is abolished by the provisions of this section.

#### SEC. 2. ESTABLISHMENT OF NEW OFFICES

(a) New offices are hereby established in the Bureau of Internal Revenue as follows: (1) three offices each of which shall have the title of "Assistant Commissioner of Internal Revenue"; (2) so many offices, not in excess of 25 existing at any one time, as the Secretary of the Treasury shall from time to time determine, each of which shall have the title of "District Commissioner of Internal Revenue"; and (3) so many other offices, not in excess of 70 existing at any one time, and with such title or titles, as the Secretary of the Treasury shall from time to time determine.

(b) [Repealed. Pub. L. 97-258, §5(b), Sept. 13, 1982, 96 Stat. 1068, 1085. Subsection established a new and additional office of Assistant General Counsel. See 31 U.S.C. 301.]

#### SEC. 3. APPOINTMENT AND COMPENSATION

Each assistant commissioner and district commissioner, the assistant general counsel, and each other officer provided for in section 2 of this reorganization plan shall be appointed by the Secretary of the Treasury under the classified civil service and shall receive compensation which shall be fixed from time to time pursuant to the classification laws, as now or hereafter amended. (As amended Act June 28, 1955, ch. 189, §12(c)(19), 69 Stat. 182).

#### SEC. 4. TRANSFER OF FUNCTIONS

There are transferred to the Secretary of the Treasury the functions, if any, that have been vested by statute in officers, agencies, or employees of the Bureau of Internal Revenue of the Department of the Treasury since the effective date of Reorganization Plan Numbered 26 of 1950 (15 F.R. 4935).

#### MESSAGE OF THE PRESIDENT

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 1 of 1952, prepared in accordance with the Reorganization