

Public Law 85-140

AN ACT

For the relief of the Sergeant Bluff Consolidated School District.

August 14, 1957
[H. R. 1942]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Sergeant Bluff Consolidated School District, of the State of Iowa, the sum of \$15,217.53. The payment of such sum shall be in full settlement of all claims of the said school district against the United States for tuition for children of Air Force personnel stationed at Sioux City Air Force Base, Iowa, for the school years 1951-1952, 1952-1953, 1953-1954, which tuition payments the said school district failed to receive because of erroneous information given to them by an Air Force representative: *Provided*, That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Approved August 14, 1957.

Public Law 85-141

AN ACT

To amend further the Mutual Security Act of 1954, as amended, and for other purposes.

August 14, 1957
[S. 2130]

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 "Mutual Security Act of 1957".

SEC. 2. Title I, chapter 1, of the Mutual Security Act of 1954, as amended, which relates to military assistance, is further amended as follows:

(a) Amend section 103, which relates to authorizations, as follows:

(1) Strike out subsection (a) and substitute the following:

"(a) There is hereby authorized to be appropriated to the President for use beginning in the fiscal year 1958 to carry out the purposes of this chapter not to exceed \$1,600,000,000, which shall remain available until expended."

(2) In subsection (b), strike out "and of section 124".

(3) In subsection (c), add at the end thereof the following new sentence: "When appropriations made pursuant to this section are used to furnish military assistance on terms of repayment within three years or earlier, dollar repayments, including dollar proceeds derived from the sale of foreign currency received hereunder to any United States Government agency or program, may be credited to the current applicable appropriation and shall be available until expended for the purposes of military assistance on terms of repayment, and, notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law relating to the use of foreign currencies or other receipts accruing to the United States, repayments in foreign currency may be used for the purposes of this chapter: *Provided*, That the authority in this sentence shall apply to repayments from not to exceed \$175,000,000 of the appropriations used for such assistance."

Mutual Security
Act of 1957.Military assist-
ance.
68 Stat. 833; 69
Stat. 283; 70 Stat.
555.
22 USC 1813.Repayments in
foreign currency.66 Stat. 662.
31 USC 724.

68 Stat. 834,
22 USC 1814.

(b) In section 104 (a), which relates to infrastructure, strike out in the first sentence the word "already"; strike out "\$780,000,000" in the first sentence and substitute "\$1,000,000,000"; and strike out the second sentence.

68 Stat. 834; 69
Stat. 284.
22 USC 1815.

(c) In section 105 (b) (3), which relates to conditions applicable to military assistance, strike out the words between "Asia" and "the President".

68 Stat. 836,
22 USC 1817.

(d) Amend section 107, which relates to waivers of law, as follows:

(1) In subsection (a), strike out "1262 (a), and title 34, United States Code, section 546 (e)" and substitute "7307 (a)".

(2) In subsection (b), strike out "Revised Statutes 1222 (10 U. S. C. 576)" and substitute "title 10, United States Code, sections 3544 (b) and 8544 (b)".

Repeals.
22 USC 1818.

(e) Repeal section 108, which relates to transfer of military equipment to Japan.

68 Stat. 837,
22 USC 1831-
1834.

SEC. 3. Chapter 2 of title I of the Mutual Security Act of 1954, as amended, which relates to southeast Asia and the Western Pacific, and direct forces support, is hereby repealed.

Defense support.

SEC. 4. Title I, chapter 3, of the Mutual Security Act of 1954, as amended, which relates to defense support, is further amended as follows:

68 Stat. 838,
22 USC 1841.

(a) Amend section 131, which relates to general authority, as follows:

(1) In subsection (a), before "designed" in the first sentence, insert "specifically".

(2) Strike out subsection (b) and substitute the following:

"(b) There is hereby authorized to be appropriated to the President for use beginning in the fiscal year 1958 to carry out the purposes of this section not to exceed \$750,000,000, which shall remain available until expended."

(3) Strike out subsection (c), and redesignate subsection "(d)" as subsection "(c)".

Korea.

(4) Add a new subsection (d) as follows:

"(d) To the extent necessary to accomplish the purposes of this section in Korea (1) assistance may be furnished under this section without regard to the other provisions of this title and (2) the authority provided in section 307 may be exercised in furnishing assistance under subsection (a) of this section; and funds available under this section may be used for payment of ocean freight charges on shipments for relief and rehabilitation in Korea without regard to section 409 of this Act."

22 USC 1897.

22 USC 1929.

22 USC 1842.

Mutual defense
assistance.

(b) Repeal section 132, which relates to the Korean program.

SEC. 5. Title I, chapter 4, of the Mutual Security Act of 1954, as amended, which relates to general provisions relating to mutual defense assistance, is further amended as follows:

69 Stat. 285; 70
Stat. 556.
22 USC 1852,
1853.

(a) In section 142 (b), which relates to agreements, strike out in the first sentence "chapter 2 or" and "or under title II".

(b) Section 143 is amended to read as follows:

Yugoslavia.

"SEC. 143. ASSISTANCE TO YUGOSLAVIA.—In furnishing assistance to Yugoslavia, the President shall continuously assure himself (1) that Yugoslavia continues to maintain its independence, (2) that Yugoslavia is not participating in any policy or program for the Communist conquest of the world, and (3) that the furnishing of such assistance is in the interest of the national security of the United States. The President shall keep the Foreign Relations Committee and the Appropriations Committee of the Senate and the Speaker of the House of Representatives fully and constantly informed of any assistance furnished to Yugoslavia under this Act."

Report.

(c) Add a new section 144 as follows:

"SEC. 144. SOUTHEAST ASIA.—Assistance under this title shall be made available subject to the provisions of sections 141 and 142, except that (1) in the case of assistance to the Associated States of Cambodia, Laos, and Vietnam, and (2) in the case of assistance (not to exceed in the aggregate 10 per centum of the amount appropriated pursuant to section 121, excluding unexpended balances of prior appropriations) to other nations in the area of southeast Asia, the President may waive specific provisions of section 142 to the extent he may deem necessary in the national interest to carry out the purposes of this Act. The President or such officer as he may designate shall report each instance of such waiver to the Foreign Relations, Appropriations, and Armed Services Committees of the Senate and the Speaker of the House of Representatives within thirty days."

Southeast Asia.

Report.

SEC. 6. Title II of the Mutual Security Act of 1954, as amended, which relates to development assistance, is further amended by striking out the heading of the title "DEVELOPMENT ASSISTANCE", and substituting "DEVELOPMENT LOAN FUND"; by striking out the section number and heading of section 201 and striking out subsections (a) and (b) of section 201; by redesignating subsection (c) of section 201 as subsection (d) of section 537 and striking out therein "this title" and "411 (c)" and substituting, respectively, "section 400 (a)" and "411 (b)"; and by inserting the following new sections:

Development
Loan Fund.

70 Stat. 556, 561.
22 USC 1871,
1797.

"SEC. 201. DECLARATION OF PURPOSE.—The Congress of the United States recognizes that the progress of free peoples in their efforts to further their economic development, and thus to strengthen their freedom, is important to the security and general welfare of the United States. The Congress further recognizes the necessity in some cases of assistance to such peoples if they are to succeed in these efforts. The Congress accordingly reaffirms that it is the policy of the United States, and declares it to be the purpose of this title, to strengthen friendly foreign countries by encouraging the development of their economies through a competitive free enterprise system; to minimize or eliminate barriers to the flow of private investment capital and international trade; to facilitate the creation of a climate favorable to the investment of private capital; and to assist, on a basis of self-help and mutual cooperation, the efforts of free peoples to develop their economic resources and to increase their productive capabilities.

Purpose.

"SEC. 202. GENERAL AUTHORITY.—(a) There is hereby established a fund to be known as the 'Development Loan Fund' (hereinafter referred to in this title as 'the Fund') to be used by the President to finance activities carried out pursuant to authority contained in this title.

Establishment.

"(b) To carry out the purposes of this title, the President is hereby authorized to make loans, credits, or guaranties, or to engage in other financing operations or transactions (not to include grants or direct purchases of equity securities), to or with such nations, organizations, persons or other entities, and on such terms and conditions, as he may determine, taking into account (1) whether financing could be obtained in whole or in part from other free world sources on reasonable terms, (2) the economic and technical soundness of the activity to be financed, and (3) whether the activity gives reasonable promise of contributing to the development of economic resources or to the increase of productive capacities in furtherance of the purposes of this title. Loans shall be made from the Fund only on the basis of firm commitments by the borrowers to make repayment and upon a finding that there are reasonable prospects of such repayment. The Fund shall be administered so as to support and encourage private investment and other private participation furthering the purposes of this title, and

it shall be administered so as not to compete with private investment capital, the Export-Import Bank or the International Bank for Reconstruction and Development. The authority of section 401 (a) of this Act may not be used to waive the requirements of this title or of the Mutual Defense Assistance Control Act of 1951 with respect to this title, nor may the authority of section 501 of this Act be used to increase or decrease the funds available under this title. No guaranties of equity investment against normal business-type risks shall be made available under this subsection. The Manager of the Fund shall furnish to the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Speaker of the House of Representatives a report on each financing operation or transaction involving the Fund's assets. Such report shall be made at the time such financing operation or transaction is consummated.

68 Stat. 843; 69 Stat. 286; 70 Stat. 557.

22 USC 1921.
65 Stat. 644.
22 USC 1611 note.
22 USC 1743.

Report.

Capitalization.

"SEC. 203. CAPITALIZATION.—(a) There is hereby authorized to be appropriated to the President without fiscal year limitation, for advances to the Fund, not to exceed \$500,000,000. In addition, there is hereby authorized to be appropriated to the President without fiscal year limitation, for advances to the Fund beginning in the fiscal year 1959, not to exceed \$625,000,000.

Fiscal provisions.

66 Stat. 662.
31 USC 724.

"SEC. 204. FISCAL PROVISIONS.—(a) All receipts from activities or transactions under this title shall be credited to the Fund and, notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law relating to the use of foreign currencies or other receipts accruing to the United States, shall be available for use for purposes of this title.

"(b) The President is authorized to incur, in accordance with the provisions of this title, obligations against the Fund in amounts which may not at any time exceed the assets of the Fund. The term 'assets of the Fund' as used in this section shall mean the amount of liquid assets of the Fund at any given time including any amount of capitalization authorized pursuant to section 203 (a) of this Act which has not been advanced to the Fund as of such time. The Fund shall be available without fiscal year limitation for any obligations or expenditures in connection with the performance of functions under this title.

Budget program.

59 Stat. 597; 61 Stat. 584.
31 USC 841 note,
849.

"(c) In the performance of and with respect to the functions, powers, and duties vested in him by this title, the President shall prepare annually and submit a budget program in accordance with the provisions of the Government Corporation Control Act, as amended; and he shall cause to be maintained an integral set of accounts which shall be audited by the General Accounting Office in accordance with principles and procedures applicable to commercial corporate transactions as provided by the Government Corporation Control Act, as amended, and no other audit shall be required.

Manager of Fund.

"SEC. 205. POWERS AND AUTHORITIES.—(a) In carrying out the purposes of this title, the President shall, by and with the advice and consent of the Senate, appoint in the International Cooperation Administration of the Department of State a Manager of the Fund. The office of Manager of the Fund shall be in addition to other offices provided for by law, and the compensation for such office shall be at a rate not in excess of \$19,000 a year.

Loan Committee.

"(b) The President shall also establish a Loan Committee, consisting of the Deputy Under Secretary of State for Economic Affairs, who shall be chairman, the Director of the International Cooperation Administration, and the Chairman of the Board of Directors of the Export-Import Bank, which shall, under the foreign policy guidance of the Secretary of State, establish basic financial terms and conditions for the operations and transactions of the Fund.

"(c) In carrying out his functions with respect to this title, the Manager of the Fund may: enter into, perform, and modify contracts, leases, agreements, or other transactions, on such terms as may be deemed appropriate, with any agency or instrumentality of the United States, with any foreign government or foreign government agency, or with any person, partnership, association, corporation, organization, or other entity, public or private, singly or in combination; accept and use gifts or donations of services, funds, or property (real, personal or mixed, tangible or intangible); contract for the services of attorneys; determine the character of and necessity for obligations and expenditures under this title, and the manner in which they shall be incurred, allowed, and paid, subject to provisions of law specifically applicable to Government corporations; acquire and dispose of, upon such terms and conditions and for such consideration as the Manager of the Fund shall determine to be reasonable, through purchase, exchange, discount, rediscount, public or private sale, negotiation, assignment, exercise of option or conversion rights, or otherwise, for cash or credit, with or without endorsement or guaranty, any property, real, personal, mixed, tangible or intangible, including, but not limited to, mortgages, bonds, debentures (including convertible debentures), liens, pledges, and other collateral or security, contracts, claims, currencies, notes, drafts, checks, bills of exchange, acceptances including bankers' acceptances, cable transfers and all other evidences of indebtedness or ownership (provided that equity securities may not be directly purchased although such securities may be acquired by other means such as by exercise of conversion rights or through enforcement of liens, pledges or otherwise to satisfy a previously incurred indebtedness), and guarantee payment against any instrument above specified; issue letters of credit and letters of commitment; collect or compromise any obligations assigned to or held by, and any legal or equitable rights accruing to, the Manager of the Fund, and, as the Manager of the Fund may determine, refer any such obligations or rights to the Attorney General for suit or collection; and otherwise take any and all actions determined by the Manager of the Fund to be necessary or desirable in making, carrying out, servicing, compromising, liquidating, or otherwise dealing with or realizing on any transaction or operation authorized by this title. The Export-Import Bank shall administer loans made from the Fund, as provided in section 505 (b) of this Act.

Powers.

22 USC 1757.

"SEC. 206. NATIONAL ADVISORY COUNCIL.—The Fund shall be administered subject to the applicable provisions of section 4 of the Bretton Woods Agreements Act (22 U. S. C. 286b) with respect to the functions of the National Advisory Council on International Monetary and Financial Problems."

59 Stat. 512; 68 Stat. 678.

SEC. 7. Title III of the Mutual Security Act of 1954, as amended, which relates to technical cooperation, is further amended as follows:

Technical cooperation.

(a) In section 304, which relates to authorization, strike out subsections (a) and (b) and substitute the following: "There is hereby authorized to be appropriated to the President to remain available until expended not to exceed \$151,900,000 to carry out the purposes of this title."

69 Stat. 285.
22 USC 1894.

(b) Amend section 306, which relates to multilateral technical cooperation, as follows:

69 Stat. 285; 70 Stat. 557.
22 USC 1896.

(1) Strike out the text of subsection (a) and substitute the following:

"\$15,500,000 for the fiscal year 1958 for contributions to the United Nations Expanded Program of Technical Assistance: *Provided*, That, notwithstanding the limitation of 33.33 per centum contained in the Mutual Security Appropriation Act, 1957, the United States contribution to this program may constitute for the calendar year

UN Technical Assistance.

1958 as much as but not to exceed 45 per centum of the total amount contributed to the program for that period, for the calendar year 1959 as much as but not to exceed 38 per centum of the total amount contributed to the program for that period, and for the calendar year 1960 as much as but not to exceed 33.33 per centum of the total amount contributed to the program for that period."

Organization of
American States.

(2) Strike out the text of subsection (b) and substitute the following:

"\$1,500,000 for the fiscal year 1958 for contributions to the technical cooperation program of the Organization of American States."

SEC. 8. Title IV of the Mutual Security Act of 1954, as amended, which relates to other programs, is further amended as follows:

68 Stat. 843,
22 USC 1921.

(a) Insert before section 401 the following new section:

"SEC. 400. SPECIAL ASSISTANCE.—(a) There is hereby authorized to be appropriated to the President for the fiscal year 1958 not to exceed \$250,000,000 for use on such terms and conditions as he may specify for assistance designed to maintain or promote political or economic stability or for assistance in accordance with the provisions of this Act applicable to the furnishing of assistance under title I, section 304, section 405, or section 407 of this Act. \$50,000,000 of the funds authorized to be appropriated pursuant to this section for any fiscal year may be used in such year in accordance with the provisions of section 401 (a).

22 USC 1894,
1925, 1927.

22 USC 1921.

"(b) For the purpose of promoting economic development in Latin America there is hereby authorized to be appropriated to the President not to exceed \$25,000,000, which shall remain available until expended, and in the utilization of such sum preference shall be given to (A) projects or programs that will clearly contribute to promoting health, education, and sanitation in the area as a whole or among a group or groups of countries of the area, (B) joint health, education, and sanitation assistance programs undertaken by members of the Organization of American States, and (C) such land resettlement programs as will contribute to the resettlement of foreign and native migrants in the area as a whole, or in any country of the area, for the purpose of advancing economic development and agricultural and industrial productivity: *Provided*, That assistance under this sentence shall emphasize loans rather than grants wherever possible, and not less than 90 per centum of the funds made available for assistance under this subsection shall be available only for furnishing assistance on terms of repayment in accordance with the provisions of section 505.

68 Stat. 851.
22 USC 1757.

"(c) The President is authorized to use not to exceed \$10,000,000 of funds appropriated pursuant to subsection (a) of this section for assistance, on such terms and conditions as he may specify, to schools and libraries abroad, founded or sponsored by citizens of the United States, and serving as study and demonstration centers for ideas and practices of the United States, notwithstanding any other Act authorizing assistance of this kind. Further, in addition to the authority contained in this subsection, it is the sense of Congress that the President should make a special and particular effort to utilize foreign currencies accruing under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, for the purposes of this subsection."

Ante, p. 345.

22 USC 1921.

Special au-
thority.

(b) Amend section 401, which relates to special fund, as follows:

(1) Strike out the title of this section and substitute "PRESIDENT'S SPECIAL AUTHORITY".

(2) In subsection (a), strike out "to be appropriated under subsection (b) hereof" in the first sentence and substitute "for such use by section 400 (a) of this Act"; before "in furtherance of" in the first sentence, insert "or any Act appropriating funds pursuant to authorizations contained in this Act".

(3) Strike out subsection (b).

(4) Redesignate subsection "(c)" as subsection "(b)".

(c) In section 402, which relates to earmarking of funds, strike out all preceding "shall be used" in the first sentence and substitute "Of the funds authorized to be made available in the fiscal year 1958 pursuant to this Act (other than funds made available pursuant to title II), not less than \$175,000,000".

22 USC 1922.

(d) Amend section 403, which relates to special assistance in joint control areas, as follows:

22 USC 1923.
Joint control
areas.

(1) In subsection (a), strike out the subsection designation "(a)"; and in the second sentence strike out all following "the President" and substitute "for the fiscal year 1958 not to exceed \$11,500,000 to carry out this section."

(2) Strike out subsection (b).

(e) Amend section 405, which relates to migrants, refugees, and escapees, as follows:

22 USC 1925.
Migrants, etc.

(1) In subsection (a), strike out the words between "appropriated" and "such amounts"; and strike out the last sentence.

(2) In subsection (c), strike out the words between "appropriated" and "for contributions" and substitute "for the fiscal year 1958 not to exceed \$2,233,000".

(3) In subsection (d), strike out the words between "President" and "for continuation" and substitute "for the fiscal year 1958 not to exceed \$5,500,000".

(f) Amend section 406, which relates to children's welfare, as follows:

22 USC 1926.

(1) In subsection (a), strike out the subsection designation "(a)"; and strike out all following "exceed" and substitute "\$11,000,000 for the fiscal year 1958 for contributions to the United Nations Children's Fund."

UN Children's
Fund.

(2) Strike out subsection (b).

(g) In section 407, which relates to Palestine refugees in the Near East, strike out the first two sentences in subsection (a) and substitute in lieu thereof the text of the present subsection (b) with the addition of the following sentence: "In determining whether or not to continue furnishing assistance for Palestine refugees in the Near East, the President shall take into account whether Israel and the Arab host governments are taking steps toward the resettlement and repatriation of such refugees."; strike out the subsection designation "(a)"; and strike out subsection (b).

Palestine refu-
gees.
22 USC 1927.

(h) In section 408, which relates to the North Atlantic Treaty Organization, strike out in subsection (a) the words between "appropriated" and "such amounts".

NATO.
22 USC 1928.

(i) Amend section 409, which relates to ocean freight charges, as follows:

69 Stat. 286.
22 USC 1929.

(1) Strike out the text of subsection (c) and substitute "There is hereby authorized to be appropriated to the President for the fiscal year 1958 not to exceed \$2,200,000 to carry out the purposes of this section."

(2) In subsection (d), strike out all preceding "to pay" in the first sentence and substitute "In addition, any funds made available under this Act may be used, in amounts determined by the President,"; and strike out the second sentence.

(j) In section 410, which relates to Control Act expenses, strike out the words between "President" and "for carrying out" in the first sentence and substitute "for the fiscal year 1958 not to exceed \$1,000,000".

22 USC 1930.

69 Stat. 287; 70
Stat. 558.
22 USC 1931.

(k) Amend section 411, which relates to administrative and other expenses, as follows:

(1) In subsection (b), strike out the words between "President" and "for necessary" and substitute "for the fiscal year 1958 not to exceed \$32,750,000"; strike out "and section 124"; and before the period at the end of the subsection, insert "and functions under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U. S. C. 1691 and the following) performed by any agency or officer administering nonmilitary assistance".

Ante, p. 345.

(2) Strike out subsection (c), and redesignate subsections "(d)" and "(e)" as subsections "(c)" and "(d)", respectively.

68 Stat. 846,
22 USC 1932.

(l) Repeal section 412, which relates to Chinese and Korean students.

22 USC 1936.
International
travel.

(m) At the end of section 416, which relates to facilitation and encouragement of travel, add the following: "To this end, under the direction of the President, the Departments of State and Commerce, the agency primarily responsible for administering nonmilitary assistance under this Act and such other agencies of the Government as the President shall deem appropriate, in cooperation to the fullest extent practicable with private enterprise concerned with international travel, shall conduct a study of barriers to international travel and ways and means of promoting, developing, encouraging, and facilitating such travel in the mutual interests of the United States and countries assisted under this Act."

62 Stat. 441; 69
Stat. 288; 70 Stat.
559.
22 USC 290b,
279a.

(n) Repeal sections 419 and 421, relating, respectively, to World Health Organization and Food and Agriculture Organization, which repeals shall not be deemed to affect amendments contained in such sections to Acts other than the Mutual Security Act of 1954, as amended; and add the following new sections:

Atoms for peace.

"SEC. 419. ATOMS FOR PEACE.—(a) The President is hereby authorized to furnish from funds made available pursuant to this section, in addition to other funds available for such purposes, and on such terms and conditions as he may specify, assistance designed to promote the peaceful uses of atomic energy abroad. There is hereby authorized to be appropriated to the President for the fiscal year 1958 not to exceed \$7,000,000 to carry out the purposes of this section.

"(b) The United States' share of the cost of any research reactor made available to another government under this section shall not exceed \$350,000.

"(c) In carrying out the purposes of this section, the appropriate United States departments and agencies shall give full and continuous publicity through the press, radio, and all other available mediums, so as to inform the peoples of the participating countries regarding the assistance, including its purpose, source, and character, furnished by the United States. Such portions of any research reactor furnished under this section as may be appropriately die-stamped or labeled as a product of the United States shall be so stamped or labeled.

Malaria eradica-
tion.

"SEC. 420. MALARIA ERADICATION.—The Congress of the United States, recognizing that the disease of malaria, because of its widespread prevalence, debilitating effects, and heavy toll in human life, constitutes a major deterrent to the efforts of many peoples to develop their economic resources and productive capacities and to improve their living conditions, and further recognizing that it now appears technically feasible to eradicate this disease, declares it to be the policy of the United States and the purpose of this section to assist other peoples in their efforts to eradicate malaria. The President is hereby authorized to furnish to such nations, organizations, persons or other entities as he may determine, and on such terms and conditions as he may specify, financial and other assistance to carry out the purpose

of this section. Not to exceed \$23,300,000 of the funds made available pursuant to authorizations contained in this Act (other than title I, chapter 1, and title II) may be used during the fiscal year 1958 to carry out the purpose of this section."

SEC. 9. Title V, chapter 1, of the Mutual Security Act of 1954, as amended, which relates to general provisions, is further amended as follows:

General provisions.

(a) Amend section 503, which relates to termination of assistance, as follows: 22 USC 1755.

(1) Strike out the subsection designation "(a)"; and in the last sentence of subsection (a) strike out "subsection" and substitute "section".

(2) Strike out subsection (b).

(b) In section 504 (a), which relates to small business, strike out "chapters 2 and" and substitute "chapter". 22 USC 1756.

(c) Amend section 505, which relates to loan assistance and sales, as follows: 22 USC 1757.

(1) In subsection (a), strike out "Assistance" in the first sentence and substitute "Except as otherwise specifically provided in this Act, assistance"; and after "commodities" both times it appears in the second sentence, insert ", equipment, materials,".

(2) In subsection (b), strike out the first sentence; and strike out "shall" both times it appears in the second sentence and substitute "may".

(d) In section 509, which relates to shipping on United States vessels, strike out the first sentence. 22 USC 1761.

(e) In section 511 (c), which relates to retention and return of equipment, after "materials" the first time it appears, insert "on a grant basis"; and strike out "(other than equipment or materials sold under the provisions of section 106)". 22 USC 1763.

(f) Repeal section 513 and add the following new section: 22 USC 1765.

"SEC. 513. NOTICE TO LEGISLATIVE COMMITTEES.—When any transfer is made under section 501, or any other action is taken under this Act which will result in furnishing assistance of a kind, for a purpose, or to an area, substantially different from that included in the presentation to the Congress during its consideration of this Act or Acts appropriating funds pursuant to authorizations contained in this Act or which will result in expenditures greater by 50 per centum or more than the proposed expenditures included in such presentation for the program concerned, the President or such officer as he may designate shall promptly notify the Committee on Foreign Relations and, when military assistance is involved, the Committee on Armed Services of the Senate, and the Speaker of the House of Representatives, stating the justification for such changes. Notice shall also be given to the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives of any determination under the first sentence of section 401 (except with respect to unvouchered funds), and copies of any certification as to loyalty under section 531 shall be filed with them."

Notification of changes.

22 USC 1921.

22 USC 1791.
Organization,
etc.

SEC. 10. Title V, chapter 2, of the Mutual Security Act of 1954, as amended, which relates to organization and administration, is further amended as follows:

(a) In section 521, add the following new subsection: 22 USC 1781.

"(c) The President shall continue to exercise the powers conferred on him under chapter 3 of title I, relating to defense support, only through the Secretary of State and his subordinates."

(b) In section 523, add the following new subsection:

22 USC 1783.

“(c) Under the direction of the President, the Secretary of State shall:

“(1) coordinate the various forms of assistance authorized by this Act so that the foreign policies of the United States may be best served thereby; and

“(2) determine the value of the program under chapter 1 of title I for any country.”

22 USC 1784.

(c) In section 524 (b), strike out the second sentence.

22 USC 1785.

(d) In section 525, strike out the first sentence.

22 USC 1787.

(e) In section 527 (c), which relates to employment of personnel, after “shall be entitled” in paragraph (1), insert “, except to the extent that the President may specify otherwise in cases in which the period of the employment or assignment exceeds thirty months,”; and before the period at the end of paragraph (2), insert “: *Provided, however,* That the President may by regulation make exceptions to the application of section 528 in cases in which the period of the appointment or assignment exceeds thirty months”.

22 USC 1788.

Reports.

22 USC 1794.

(f) In section 534, which relates to reports, after “504,” insert “202, 400, 416.”

22 USC 1795.

(g) In section 535 (b), which relates to cooperation with nations and international organizations, before “in furtherance of” in the first sentence insert “consistent with and”; and before “nations” where it appears for the first time in the first sentence insert “free”.

70 Stat. 561.

22 USC 1797.

(h) Amend section 537, which relates to provisions on uses of funds, as follows:

(1) In the opening clause of subsection (a), within the parentheses, strike out “and section 124”.

(2) In subsection (a), paragraph (1), strike out “1957” and substitute “1958”.

(3) Amend the text of subsection (a), paragraph (10), to read “rental or lease outside the continental limits of the United States of offices, buildings, grounds, and living quarters to house personnel; maintenance, furnishings, necessary repairs, improvements, and alterations to properties owned or rented by the United States Government abroad; and costs of fuel, water and utilities for such properties;”.

(4) In subsection (a), paragraph (17), strike out “or” preceding “(iii)” ; and after “another”, insert “, (iv) when he is temporarily absent from his post under orders, or (v) when through no fault of the employee storage costs are incurred on such furniture and effects (including automobiles) in connection with authorized travel”.

(5) In subsection (c), strike out “\$12,000,000” and insert “\$18,000,000”; and strike out “in the fiscal year 1957”.

(6) Add the following new subsection:

Personnel training.

22 USC 1787.

“(e) Funds available under this Act may be used to pay costs of training United States citizen personnel employed or assigned pursuant to section 527 (c) (2) of this Act (through interchange or otherwise) at any State or local unit of government, public or private nonprofit institution, trade, labor, agricultural, or scientific association or organization, or commercial firm; and the provisions of Public Law 918, Eighty-fourth Congress, may be used to carry out the foregoing authority notwithstanding that interchange of personnel may not be involved or that the training may not take place at the institutions specified in that Act. Such training shall not be considered employment or holding of office under title 5, United States Code, section 62, and any payments or contributions in connection therewith may, as deemed appropriate by the head of the United States Government agency authorizing such training, be made by private or public sources and be accepted by any trainee, or may be accepted by and credited to the current applicable appropriation of such agency:

70 Stat. 934.

7 USC 1881-1888.

28 Stat. 205.

Provided, however, That any such payments to an employee in the nature of compensation shall be in lieu of or in reduction of compensation received from the Government of the United States."

SEC. 11. Title V, chapter 3, of the Mutual Security Act of 1954, as amended, which relates to repeal and miscellaneous provisions, is further amended as follows:

(a) In section 543, relating to saving provisions, insert the following new subsections:

22 USC 1768.
Savings clause.

"(d) Funds appropriated pursuant to provisions of this Act repealed by the Mutual Security Act of 1956 or the Mutual Security Act of 1957 shall remain available for their original purposes in accordance with the provisions of law originally applicable thereto. References in any Act to provisions of this Act repealed or stricken out by the Mutual Security Act of 1957 are hereby stricken out; and references in any Act to provisions of this Act redesignated by the Mutual Security Act of 1957 are hereby amended to refer to the new designations."

70 Stat. 555.
22 USC 1750
note.

(b) Amend section 544, which relates to amendments to other laws, as follows:

22 USC 1442.

(1) Repeal subsections (a), (c), (d), (e), (f), (g), (h), and (i), which repeals shall not be deemed to affect amendments contained in such subsections to Acts other than the Mutual Security Act of 1954, as amended; and redesignate subsection "(b)" as subsection "(a)".

(2) Add the following new subsections:

"(b) Public Law 174, Seventy-ninth Congress, as amended, is hereby further amended by striking out '31.5' in the proviso at the end of section 2 and inserting '33.33'.

70 Stat. 559.
22 USC 279a.

"(c) Section 104 (h) of the Agricultural Trade Development and Assistance Act of 1954, as amended (Public Law 480, Eighty-third Congress; 7 U. S. C. 1704) is amended by changing the period at the end thereof to a comma and adding: 'such special and particular effort to include the setting aside of such amounts from sale proceeds and loan repayments under this title, not in excess of \$1,000,000 a year in any one country for a period of not more than five years in advance, as may be determined by the Secretary of State to be required for the purposes of this subsection;'"

68 Stat. 457.

(c) In section 546 (b), relating to construction, strike out "Atomic Energy Act of 1946, as amended (42 U. S. C. 1801)" and substitute "Atomic Energy Act of 1954, as amended (42 U. S. C. 2011)".

(d) Repeal section 547, which relates to reduction of authorizations.

68 Stat. 921.
22 USC 1767.

(e) In section 549, relating to special provision on availability of funds, strike out "chapter 3 of title I," and strike out the comma following "title III".

70 Stat. 565.
22 USC 1759a.

Approved August 14, 1957.

Public Law 85-142

AN ACT

To amend section 6 of the Act of June 20, 1918, as amended, relating to the retirement pay of certain members of the former Lighthouse Service.

August 14, 1957
[S. 236]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6 of the Act entitled "An Act to authorize aids to navigation and for other works in the Lighthouse Service, and for other purposes", approved June 20, 1918, as amended and supplemented (33 U. S. C. 763), is amended by adding at the end thereof the following: "Any person entitled to retirement pay under this section may decline to

Lighthouse Service.
Retirement pay.

40 Stat. 608.