

Public Law 88-633

AN ACT

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

October 7, 1964
[H. R. 11380]

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 1964".

Foreign Assist-
ance Act of 1964.

PART I

CHAPTER 2—DEVELOPMENT ASSISTANCE

TITLE I—DEVELOPMENT LOAN FUND

SEC. 101. Section 201(d) of the Foreign Assistance Act of 1961, as amended, which relates to the Development Loan Fund, is amended as follows:

77 Stat. 380.
22 USC 2161.

(a) Strike out "Foreign Assistance Act of 1963" and substitute "Foreign Assistance Act of 1964".

(b) Strike out "2 per centum" and substitute "2½ per centum".

(c) Strike out "three-fourths of 1 per centum" and substitute "1 per centum".

TITLE II—TECHNICAL COOPERATION AND DEVELOPMENT GRANTS

SEC. 102. Title II of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to development grants and technical cooperation, is hereby amended as follows:

(a) Amend the title heading to read as follows: "TITLE II—TECHNICAL COOPERATION AND DEVELOPMENT GRANTS".

22 USC 2172.

(b) Amend section 212, which relates to authorization, by striking out "1964" and "\$220,000,000" and substituting "1965" and "\$215,000,000", respectively.

22 USC 2174.

(c) Amend section 214(c), which relates to American schools and hospitals abroad, by striking out "1964, \$19,000,000" and substituting "1965, \$18,000,000", and by striking out the second sentence.

(d) Amend section 216(a), which relates to voluntary agencies, by inserting after "ports" the first time it appears, the words "or, in the case of excess or surplus property supplied by the United States, from foreign ports".

75 Stat. 429.
22 USC 2176.

(e) Add the following new section at the end thereof:

"SEC. 217. USED EQUIPMENT.—The President is authorized to use funds made available for the purposes of section 211 to conduct a study and investigation to determine the feasibility of establishing programs for the furnishing to less developed friendly countries and areas of used tools, machinery, and other equipment to be donated by private enterprises, or acquired through normal channels of trade, and the extent to which such programs are likely to be utilized by and contribute to the economic development of the receiving country. The President shall submit to the Congress at the earliest practicable date a report of the results of such study and investigation, together with such recommendations for legislation as he deems advisable."

75 Stat. 427;
76 Stat. 256.
22 USC 2171.

Report to
Congress.

TITLE III—INVESTMENT GUARANTIES

SEC. 103. Title III of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to investment guaranties, is hereby amended as follows:

76 Stat. 256;
77 Stat. 381.
22 USC 2181.

(a) Amend section 221(b)(2), which relates to general authority, as follows:

(1) Strike out "\$180,000,000" in the third proviso and substitute "\$300,000,000".

(2) Strike out "1965" in the last proviso and substitute "1966".

22 USC 2184.

(b) Amend section 224(b), which relates to housing projects in Latin American countries, by striking out "\$150,000,000" and substituting "\$250,000,000".

TITLE IV—SURVEYS OF INVESTMENT OPPORTUNITIES

76 Stat. 257.
22 USC 2192.

SEC. 104. Section 232 of the Foreign Assistance Act of 1961, as amended, which relates to surveys of investment opportunities, is amended by striking out "1963" and "\$2,000,000" and substituting "1965" and "\$2,100,000", respectively.

TITLE VI—ALLIANCE FOR PROGRESS

77 Stat. 383.
22 USC 2212.

SEC. 105. Section 252 of the Foreign Assistance Act of 1961, as amended, which relates to the Alliance for Progress, is amended by striking out in the first sentence the words beginning with "of the funds" the first time they appear through the words "fiscal year 1964" and substituting "in each of the fiscal years 1963 and 1964 and \$85,000,000 in fiscal year 1965 of the funds appropriated pursuant to this section for use beginning in each such fiscal year".

CHAPTER 3—INTERNATIONAL ORGANIZATIONS AND PROGRAMS

75 Stat. 433;
77 Stat. 383.
22 USC 2222.

SEC. 106. Section 302 of the Foreign Assistance Act of 1961, as amended, which relates to international organizations and programs, is amended as follows:

(a) Strike out "1964" and "\$136,050,000" and substitute "1965" and "\$134,272,400", respectively.

(b) At the end thereof, add the following new sentence: "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

22 USC 2242.

Reports to
Congress.

SEC. 107. Section 402 of the Foreign Assistance Act of 1961, as amended, which relates to supporting assistance, is amended by striking out "1964" and "\$380,000,000" and substituting "1965" and "\$405,000,000", respectively, and by adding at the end thereof the following new sentence: "Of the funds made available for the fiscal year 1965 to carry out the purposes of this chapter, not less than \$200,000,000 shall be available solely for use in Vietnam, unless the President determines otherwise and promptly reports such determination to the Committees on Foreign Relations and Appropriations of the Senate and to the Speaker of the House of Representatives."

CHAPTER 5—CONTINGENCY FUND

22 USC 2261.

SEC. 108. Section 451(a) of the Foreign Assistance Act of 1961, as amended, which relates to the contingency fund, is amended by striking out "1964" and "\$160,000,000" and substituting "1965" and "\$150,000,000", respectively.

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) Amend section 503, which relates to general authority, as follows:

75 Stat. 435.
22 USC 2311.

(1) In subsection (c) strike out “and” at the end thereof and in subsection (d) strike out the period at the end thereof and substitute “; and”.

(2) Add the following new subsection (e):

“(e) guarantying, insuring, coinsuring, and reinsuring any individual, corporation, partnership, or other association doing business in the United States against political and credit risks of nonpayment arising in connection with credit sales financed by such individual, corporation, partnership or other association for defense articles and defense services procured in the United States by such friendly country or international organization.”

77 Stat. 384.
22 USC 2312.

(b) Amend section 504(a), which relates to authorization, by striking out “1964” and “\$1,000,000,000” and substituting “1965” and “\$1,055,000,000”, respectively, and by adding at the end thereof the following new sentence: “Of the funds made available for the fiscal year 1965 to carry out the purposes of this part, not less than \$200,000,000 shall be available solely for use in Vietnam, unless the President determines otherwise and promptly reports such determination to the Committees on Foreign Relations and Appropriations of the Senate and to the Speaker of the House of Representatives.”

Reports to
Congress.

(c) Amend section 507(b), which relates to sales, by inserting after “are due” at the end of the first sentence the following: “: *Provided*, That the President may, when he determines it to be in the national interest, accept a dependable undertaking to make full payment within one hundred and twenty days after delivery of the defense articles, or the rendering of the defense services, and appropriations available to the Department of Defense may be used to meet the payments required by the contracts and shall be reimbursed by the amounts subsequently received from the country or international organization”.

75 Stat. 437.
22 USC 2315.

(d) Amend section 509, which relates to exchanges, as follows:

22 USC 2317.

(1) The section heading is amended to read as follows:

“EXCHANGES AND GUARANTIES”.

(2) After the section heading insert “(a)”.

(3) Add the following new subsection (b):

“(b) In issuing guaranties, insurance, coinsurance, and reinsurance, the President may enter into contracts with exporters, insurance companies, financial institutions, or others, or groups thereof, and where appropriate may employ any of the same to act as agent in the issuance and servicing of such guaranties, insurance, coinsurance, and reinsurance, and the adjustment of claims arising thereunder. Fees and premiums shall be charged in connection with contracts of guaranty, insurance, coinsurance, and reinsurance. Obligations shall be recorded against the funds available for credit sales under this part in an amount not less than 25 per centum of the contractual liability related to any guaranty, insurance, coinsurance, and reinsurance issued pursuant to this part and the funds so obligated together with fees and premiums shall constitute a single reserve for the payment of claims under such contracts. Any guaranties, insurance, coinsur-

ance, and reinsurance issued pursuant to this part shall be considered contingent obligations backed by the full faith and credit of the United States of America."

77 Stat. 384.
22 USC 2318.

(e) Section 510(a), which relates to special authority, is amended by striking out "1964" in the first and second sentences thereof and substituting "1965".

22 USC 2320.

(f) Section 512, which relates to restrictions on military aid to Africa, is amended by striking out "1964" and substituting "1965".

Defense arti-
cles.

(g) Add the following new section at the end thereof:

75 Stat. 437.
22 USC 2315.

"SEC. 513. CERTIFICATION OF RECIPIENT'S CAPABILITY.—(a) Except as provided in subsection (b) of this section, no defense article having a value in excess of \$100,000 shall hereafter be furnished to any country or international organization under the authority of this Act (except under the authority of section 507) unless the chief of the appropriate military assistance advisory group representing the United States with respect to defense articles used by such country or international organization or the head of any other group representing the United States with respect to defense articles used by such country or international organization has certified in writing within six months prior to delivery that the country or international organization has the capability to utilize effectively such article in carrying out the purposes of this part.

"(b) Defense articles included in approved military assistance programs may be furnished to any country or international organization for which the certification required by subsection (a) of this section cannot be made when determined necessary and specifically approved in advance by the Secretary of State (or, upon appropriate delegation of authority by an Under Secretary or Assistant Secretary of State) and the Secretary of Defense (or, upon appropriate delegation of authority by the Deputy Secretary or an Assistant Secretary of Defense). The Secretary of State, or his delegate, shall make a complete report to the Speaker of the House of Representatives and to the Committee on Foreign Relations and the Committee on Appropriations of the Senate of each such determination and approval and the reasons therefor."

Reports to
Congress.

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:

77 Stat. 385.
22 USC 2351.

(a) Amend section 601(c), relating to the Advisory Committee on Private Enterprise, by striking out in paragraph (4) "December 31, 1964" and substituting "June 30, 1965".

Engineering and
professional serv-
ices of U.S. firms.

(b) Section 601, which relates to the encouragement of free enterprise and private participation, is amended by adding at the end thereof the following new subsection:

"(d) It is the sense of Congress that the Agency for International Development should continue to encourage, to the maximum extent consistent with the national interest, the utilization of engineering and professional services of United States firms (including, but not limited to, any corporation, company, partnership, or other association) or by an affiliate of such United States firms in connection with capital projects financed by funds authorized under this Act."

22 USC 2362.

(c) Amend section 612, which relates to the use of foreign currencies, by adding the following new subsection (c):

"(c) Any Act of the Congress making appropriations to carry out programs under this or any other Act for United States operations

abroad is hereby authorized to provide for the utilization of United States-owned excess foreign currencies to carry out any such operations authorized by law.

"The President shall take all appropriate steps to assure that, to the maximum extent possible, United States-owned excess foreign currencies are utilized, in lieu of dollars. As used in this subsection, the term 'excess foreign currencies' means foreign currencies or credits owned by or owed to the United States which are, under applicable agreements with the foreign country concerned, available for the use of the United States Government and are determined by the President to be excess to the normal requirements of departments and agencies of the United States for such currencies or credits and are not prohibited from use under this subsection by an agreement entered into with the foreign country concerned."

(d) Amend subsection 620(e), relating to expropriations and other similar matters, as follows:

77 Stat. 386.
22 USC 2370.

(1) After "(e)" insert "(1)".

(2) Redesignate subparagraphs (1), (2), and (3) of the first paragraph as subparagraphs (A), (B), and (C), respectively.

(3) Strike out "paragraphs (1), (2), or (3)" and substitute "subparagraphs (A), (B), or (C) of paragraph (1)".

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

"(2) Notwithstanding any other provision of law, no court in the United States shall decline on the ground of the federal act of state doctrine to make a determination on the merits giving effect to the principles of international law in a case in which a claim of title or other right is asserted by any party including a foreign state (or a party claiming through such state) based upon (or traced through) a confiscation or other taking after January 1, 1959, by an act of that state in violation of the principles of international law, including the principles of compensation and the other standards set out in this subsection: *Provided*, That this subparagraph shall not be applicable

(1) in any case in which an act of a foreign state is not contrary to international law or with respect to a claim of title or other right acquired pursuant to an irrevocable letter of credit of not more than 180 days duration issued in good faith prior to the time of the confiscation or other taking, or (2) in any case with respect to which the President determines that application of the act of state doctrine is required in that particular case by the foreign policy interests of the United States and a suggestion to this effect is filed on his behalf in that case with the court, or (3) in any case in which the proceedings are commenced after January 1, 1966."

(e) In section 620(f), relating to prohibitions on furnishing assistance to Communist countries, immediately after "Union of Soviet Socialist Republics" insert the following: "(including its captive constituent republics)".

76 Stat. 260.

(f) Amend section 620(k) by striking out "1964" each place it appears and substituting "1965" in each such place.

77 Stat. 386.

(g) In section 620(m), relating to prohibitions on furnishing assistance to Cuba and certain other countries, after "during" insert "each" and also strike out "1964" and "\$1,000,000" and substitute for the latter "\$500,000".

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:

75 Stat. 449;
76 Stat. 262.
22 USC 2385.

(a) Amend section 625, which relates to employment of personnel, as follows:

(1) In subsection (d) (2) in the third proviso strike out "more than thirty persons in the aggregate" and substitute "the assignment to such duty of more than twenty persons at any one time".

(2) Add the following new subsection (j):

Alliance for
Progress.
Inter-American
Committee repre-
sentative.

"(j) The President may appoint or assign a United States citizen to be representative of the United States to the Inter-American Committee on the Alliance for Progress and, in his discretion, may terminate such appointment or assignment, notwithstanding any other provision of law. Such person may be compensated at a rate not to exceed that authorized for a chief of mission, class 2, within the meaning of the Foreign Service Act of 1946, as amended."

Ante, p. 428.
75 Stat. 451.
22 USC 2386.

(b) Amend section 626, which relates to experts, consultants and retired officers, as follows:

(1) Subsection (a) is amended by striking out "\$75" and substituting "\$100".

63 Stat. 802;
76 Stat. 499.
76 Stat. 451.
77 Stat. 389.
22 USC 2397.

(2) Subsection (c) is amended by striking out the words "Career Compensation Act of 1949, as amended (37 U.S.C. 231 et seq.)" and substituting "section 101(3) of title 37 of the United States Code".

(c) Amend section 637(a), which relates to administrative expenses, by striking out "1964" and "\$54,000,000" and substituting "1965" and "\$52,500,000", respectively.

CHAPTER 3—MISCELLANEOUS PROVISIONS

22 USC 2401-
2406.

SEC. 303. Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended, which relates to miscellaneous provisions, is amended by adding at the end thereof the following new section:

66 Stat. 662.
31 USC 724.

"SEC. 648. SPECIAL AUTHORIZATION FOR USE OF FOREIGN CURRENCIES.—Subject to the provisions of section 1415 of the Supplemental Appropriation Act, 1953, the President is authorized, as a demonstration of good will on the part of the people of the United States for the Polish and Italian people, to use foreign currencies accruing to the United States Government under this or any other Act, for assistance on such terms and conditions as he may specify, in the repair, rehabilitation, improvement, and maintenance of cemeteries in Italy serving as the burial place of members of the armed forces of Poland who died in combat in Italy during World War II."

PART IV—AMENDMENTS TO OTHER LAWS

76 Stat. 263.

SEC. 401. The first section of the Act entitled "An Act to authorize participation by the United States in the Interparliamentary Union", approved June 28, 1935 (22 U.S.C. 276), is amended to read as follows:

"That an appropriation of \$50,000 annually is authorized, \$23,100 of which shall be for the annual contributions of the United States toward the maintenance of the Bureau of the Interparliamentary Union for the promotion of international arbitration; and \$26,900, or so much thereof as may be necessary, to assist in meeting the expenses of the American group of the Interparliamentary Union for each fiscal year for which an appropriation is made, such appropriation to be disbursed on vouchers to be approved by the President and the executive secretary of the American group."

SEC. 402. Section 502(b) of the Mutual Security Act of 1954, as amended, is amended by inserting after the words "United States" where they first appear in the first sentence thereof a comma and the following: "which are in excess of the amounts reserved under section 612(a) of the Foreign Assistance Act of 1961, as amended, and of the requirements of the United States Government in payment of its obligations outside the United States, as such requirements may be determined from time to time by the President, (and any other local currencies owned by the United States in amounts not to exceed the equivalent of \$50 per day per person exclusive of the actual cost of transportation)".

68 Stat. 850.
22 USC 1754.

75 Stat. 443;
77 Stat. 385.
22 USC 2362.

PART V—RELIGIOUS PERSECUTION

SEC. 501. It is the sense of the Congress that the United States deeply believes in the freedom of religion for all people and is opposed to infringement of this freedom anywhere in the world. The Congress condemns the persecution of any persons because of their religion. It is further the sense of Congress that all persons should be permitted the free exercise of religion and the pursuit of their culture.

Approved October 7, 1964.

Public Law 88-634

AN ACT

Making appropriations for Foreign Assistance and related agencies for the fiscal year ending June 30, 1965, and for other purposes.

October 7, 1964
[H. R. 11812]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1965, namely:

Foreign Assistance and Related Agencies Appropriation Act, 1965.

TITLE I—FOREIGN ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, as amended, to remain available until June 30, 1965, unless otherwise specified herein, as follows:

75 Stat. 424.
22 USC 2151
note.

ECONOMIC ASSISTANCE

Technical cooperation and development grants: For expenses authorized by section 212, \$204,600,000.

Ante, p. 1009.

American schools and hospitals abroad: For expenses authorized by section 214(c), \$16,800,000.

Surveys of investment opportunities: For expenses authorized by section 232, \$1,600,000.

Ante, p. 1010.

International organizations and programs: For expenses authorized by section 302, \$134,272,400.

Supporting assistance: For expenses authorized by section 402, \$401,000,000.

Contingency fund: For expenses authorized by section 451(a), \$99,200,000.

Alliance for Progress, development grants: For expenses authorized by section 252, \$84,700,000.