

Public Law 89-171

AN ACT

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

September 6, 1965
[H. R. 7750]

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 1965".

Foreign Assistance Act of 1965.

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,
22 USC 2151.

(a) Strike out the last sentence in the seventh paragraph and substitute the following: "It is the sense of the Congress that in furnishing assistance under this part excess personal property shall be utilized wherever practicable in lieu of the procurement of new items for United States-assisted projects and programs. It is the further sense of the Congress that assistance under this part shall be complemented by the furnishing under any other Act of surplus agricultural commodities and by disposal of excess property under this and other Acts."

Excess property, utilization and disposal.

(b) Add at the end thereof the following new paragraph:

"It is the sense of the Congress that assistance under this or any other Act to any foreign country which hereafter permits, or fails to take adequate measures to prevent, the damage or destruction by mob action of United States property within such country, should be terminated and should not be resumed until the President determines that appropriate measures have been taken by such country to prevent a recurrence thereof."

Destruction of U.S. property.

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:

(a) Amend section 205, which relates to the use of the facilities of the International Development Association, to read as follows:

22 USC 2165.

"SEC. 205. USE OF INTERNATIONAL LENDING ORGANIZATIONS.—In order to serve the purposes of this title and the policy contained in section 619, the President, after consideration of the extent of additional participation by other countries, 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 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."

22 USC 2369.

(b) Add the following new section:

"SEC. 206. REGIONAL DEVELOPMENT IN AFRICA.—The President is requested to seek and to take appropriate action, in cooperation and consultation with African and other interested nations and with international development organizations, to further and assist in the

22 USC 2161.

advancement of African regional development institutions, including the African Development Bank, with the view toward promoting African economic development.”

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) Amend section 212, which relates to authorization, by striking out “1965” and “\$215,000,000” and substituting “1966” and “\$210,000,000”, respectively.

(b) Amend section 214, which relates to American schools and hospitals abroad, as follows:

(1) Amend subsection (b) by striking out “treatment, education,” and substituting “education”.

(2) Amend subsection (c) by striking out “1965, \$18,000,000” and substituting “1966, \$7,000,000”.

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:

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

(1) Amend the introductory clause to read as follows:

“(b) The President may issue guaranties to eligible United States investors—”.

(2) In paragraph (1), strike out “\$2,500,000,000” and substitute “\$5,000,000,000”.

(3) Amend paragraph (2) as follows:

(A) In the first proviso, strike out “, and no such guaranty in the case of a loan shall exceed \$25,000,000 and no other such guaranty shall exceed \$10,000,000”.

(B) In the third proviso, immediately after “\$300,000,000” insert the following: “, and guaranties issued under this paragraph (2) for other than housing projects similar to those insured by the Federal Housing Administration, shall not exceed \$175,000,000”.

(C) In the fourth proviso, strike out “1966” and substitute “1967”.

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

(1) Strike out “actual earnings or profits” and substitute “earnings or profits actually accrued”.

(2) Immediately after “guaranty” the third time it appears, insert “of an equity investment”.

(c) Amend section 222(b), which relates to general provisions, by inserting after “(exclusive of informational media guaranties),” the words “and to pay the costs of investigating and adjusting (including costs of arbitration) claims under such guaranties,”.

(d) Amend section 223, which relates to definitions, as follows:

(1) In subsection (a), strike out “and” at the end thereof and in subsection (b) strike out the period and substitute “; and”.

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

“(c) the term ‘eligible United States investors’ means United States citizens, or corporations, partnerships, or other associations created under the laws of the United States or any State or

75 Stat. 428;
78 Stat. 1009.
22 USC 2172.

22 USC 2174.

22 USC 2181.

22 USC 2182.

22 USC 2183.

“Eligible U.S.
investors.”

territory and substantially beneficially owned by United States citizens, as well as foreign corporations, partnerships, or other associations wholly owned by one or more such United States citizens, corporations, partnerships, or other associations: *Provided*, That the eligibility of a foreign corporation shall be determined without regard to any shares, in aggregate less than 5 per centum of the total of issued and subscribed share capital, required by law to be held by persons other than the United States owners."

(e) Amend section 224, which relates to housing projects in Latin American countries, to read as follows:

75 Stat. 432.
22 USC 2184.

"SEC. 224. HOUSING PROJECTS IN LATIN AMERICAN COUNTRIES.—

(a) It is the sense of Congress that in order to stimulate private home ownership and assist in the development of stable economies in Latin America, the authority conferred by this section should be utilized for the purpose of assisting in the development in the American Republics of self-liquidating pilot housing projects, the development of institutions engaged in Alliance for Progress programs, including cooperatives, free labor unions, savings and loan type institutions, and other private enterprise programs in Latin America engaged directly or indirectly in the financing of home mortgages, the construction of homes for lower income persons and families, the increased mobilization of savings and the improvement of housing conditions in Latin America.

"(b) To carry out the purposes of subsection (a), the President is authorized to issue guaranties, on such terms and conditions as he shall determine, to eligible United States investors as defined in section 223 assuring against loss of loan investments made by such investors in—

Ante, p. 654.

"(1) pilot or demonstration private housing projects in Latin America of types similar to those insured by the Federal Housing Administration and suitable for conditions in Latin America;

"(2) credit institutions in Latin America engaged directly or indirectly in the financing of home mortgages, such as savings and loan institutions and other qualified investment enterprises;

"(3) housing projects in Latin America for lower income families and persons, which projects shall be constructed in accordance with maximum unit costs established by the President for families and persons whose incomes meet the limitations prescribed by the President;

"(4) housing projects in Latin America which will promote the development of institutions important to the success of the Alliance for Progress, such as free labor unions, cooperatives, and other private enterprise programs; or

"(5) housing projects in Latin America 25 per centum or more of the aggregate of the mortgage financing for which is made available from sources within Latin America and is not derived from sources outside Latin America, which projects shall, to the maximum extent practicable, have a unit cost of not more than \$6,500.

"(c) The total face amount of guaranties issued under this section outstanding at any one time shall not exceed \$400,000,000: *Provided*, That no payment may be made under this section for any loss arising out of fraud or misconduct for which the investor is responsible: *Provided further*, That this authority shall continue until June 30, 1967."

TITLE VI—ALLIANCE FOR PROGRESS

SEC. 105. Section 252 of the Foreign Assistance Act of 1961, as amended, which relates to the Alliance for Progress, is amended by inserting immediately after "fiscal year 1965" the following: "and \$75,000,000 in fiscal year 1966".

76 Stat. 258;
78 Stat. 1010.
22 USC 2212.

CHAPTER 3—INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 106. 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:

75 Stat. 433,
22 USC 2221.

(a) Amend section 301(c), which relates to assistance for Palestine refugees in the Near East, by adding at the end thereof the following: "Contributions by the United States to the United Nations Relief and Works Agency for Palestine Refugees in the Near East for the calendar year 1966 shall not exceed \$15,200,000."

78 Stat. 1010,
22 USC 2222.

(b) Amend section 302, which relates to authorization, by striking out "1965" and "\$134,272,400" and substituting "1966" and "\$144,755,000", respectively.

CHAPTER 4—SUPPORTING ASSISTANCE

SEC. 107. Section 402 of the Foreign Assistance Act of 1961, as amended, which relates to supporting assistance, is amended by striking out in the first sentence "1965" and "\$405,000,000" and substituting "1966" and "\$369,200,000", respectively.

75 Stat. 434;
78 Stat. 1010,
22 USC 2242.

CHAPTER 5—CONTINGENCY FUND

SEC. 108. Section 451 of the Foreign Assistance Act of 1961, as amended, which relates to the contingency fund, is amended as follows:

22 USC 2261.

(a) Amend subsection (a) as follows:

(1) Strike out "1965" and "\$150,000,000" and substitute "1966" and "\$50,000,000", respectively.

Southeast Asia.

(2) Add the following new sentence: "In addition, there is hereby authorized to be appropriated to the President for use in Southeast Asia such sums, not to exceed \$89,000,000, as may be necessary in the fiscal year 1966 for programs authorized by parts I and II of this Act."

22 USC 2151-
2321.

(b) Amend subsection (b) by striking out "this section" and substituting "the first sentence of subsection (a)"

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:

75 Stat. 435,
22 USC 2311.

(a) Amend section 503(b), which relates to general authority, by striking out the words "in foreign countries".

78 Stat. 1011,
22 USC 2312.

(b) Amend section 504, which relates to authorization, by striking out "1965" and "\$1,055,000,000" in the first sentence and substituting "1966" and "\$1,170,000,000", respectively.

75 Stat. 436;
77 Stat. 384,
22 USC 2313.

(c) Amend section 505, which relates to utilization of assistance, as follows:

(1) In subsection (a), strike out the colon and add the following: "or for the purpose of assisting foreign military forces in less developed friendly countries (or the voluntary efforts of personnel of the Armed Forces of the United States in such countries) to construct public works and to engage in other activities helpful to the economic and social development of such friendly countries. It is the sense of the Congress that such foreign military forces

should not be maintained or established solely for civic action activities and that such civic action activities not significantly detract from the capability of the military forces to perform their military missions and be coordinated with and form part of the total economic and social development effort."

(2) Strike out subsection (b) and redesignate the proviso of subsection (a) as subsection (b).

(3) In redesignated subsection (b), strike out "Provided. That except" and substitute "Except"; strike out "or (2)" and substitute "or (2) for civic action assistance, or (3)".

(d) Amend section 507, which relates to sales, as follows:

(1) In subsection (a), insert the following new sentence between the second and third sentences: "Notwithstanding the provisions of section 644(m)(2), nonexcess defense articles may be sold under this subsection at the standard price in effect at the time such articles are offered for sale to the purchasing country or international organization."

(2) In subsection (b), strike out the period at the end of the first proviso, substitute a colon and add the following: "Provided further, That the President may, when he determines it to be in the national interest, enter into sales agreements with purchasing countries or international organizations which fix prices to be paid by the purchasing countries or international organizations for the defense articles or defense services ordered. Funds available under this part for financing sales shall be used to reimburse the applicable appropriations in the amounts required by the contracts which exceed the price so fixed, except that such reimbursement shall not be required upon determination by the President that the continued production of the defense article being sold is advantageous to the Armed Forces of the United States. Payments by purchasing countries or international organizations which exceed the amounts required by such contracts shall be credited to the account established under section 508. To the maximum extent possible, prices fixed under any such sales agreement shall be sufficient to reimburse the United States for the cost of the defense articles or defense services ordered. The President shall submit to the Congress promptly a detailed report concerning any fixed-price sales agreement under which the aggregate cost to the United States exceeds the aggregate amount required to be paid by the purchasing country or international organization."

(e) Amend section 508, which relates to reimbursement as follows:

(1) After "this part" the first time it appears, insert "have been or".

(2) After "United States Government," the first time it appears insert "receipts received from the disposition of evidences of indebtedness and charges (including fees and premiums) or interest collected".

(3) Strike out "the current applicable appropriation" and substitute "a separate fund account".

(4) Strike out "furnishing further military assistance on cash or credit terms" and substitute "financing sales and guaranties, including the overhead costs thereof".

(f) Amend section 509(b), which relates to exchanges and guaranties, by inserting "(excluding contracts with any agency of the United States Government)" in the second sentence between the last word thereof and the period.

75 Stat. 437;
78 Stat. 1011.
22 USC 2315.

Post, p. 661.

Sales agree-
ments.

Infra.

Report to
Congress.

75 Stat. 437.
22 USC 2316.

78 Stat. 1011.
22 USC 2317.

78 Stat. 1012.
22 USC 2318.

(g) Amend section 510(a), which relates to special authority, as follows:

(1) In the first sentence strike out "1965" and substitute "1966".

(2) In the second sentence, strike out "1965" and substitute "1966".

75 Stat. 438;
77 Stat. 384.
22 USC 2319.

(h) Amend section 511, which relates to restrictions on military aid to Latin America, as follows:

(1) In subsection (a), strike out "a part may be used during each fiscal year for assistance in implementing a feasible plan for regional defense", and insert "\$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"; and amend the proviso to read as follows: ": *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 \$55,000,000 limitation provided by this subsection".

(2) Amend subsection (b) to read as follows:

Reports to
Congress.

"(b) To the maximum extent feasible, military assistance shall be furnished to American Republics in accordance with joint plans (including joint plans relating to internal security problems) approved by the Organization of American States. The President shall submit semiannual reports to the Speaker of the House of Representatives and to the Committee on Foreign Relations of the Senate on the implementation of this subsection."

77 Stat. 384;
78 Stat. 1012.
22 USC 2320.

(i) Amend section 512, which relates to restrictions on military aid to Africa, as follows:

(1) Strike out "programs described in section 505(b) of this chapter" and substitute "civic action requirements".

(2) Strike out "1965" and substitute "1966".

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:

75 Stat. 440.
22 USC 2355.

(a) Amend section 605, which relates to retention and use of items, as follows:

(1) In the section heading strike out "ITEMS" and substitute "CERTAIN ITEMS AND FUNDS".

(2) Add the following new subsections:

Reversion of
funds.

22 USC 2151-
2271.

"(c) Funds realized as a result of any failure of a transaction financed under authority of part I of this Act to conform to the requirements of this Act, or to applicable rules and regulations of the United States Government, or to the terms of any agreement or contract entered into under authority of part I of this Act, shall revert to the respective appropriation, fund, or account used to finance such transaction or to the appropriation, fund, or account currently available for the same general purpose.

"(d) Funds realized by the United States Government from the sale, transfer, or disposal of defense articles returned to the United States Government by a recipient country or international organization as no longer needed for the purpose for which furnished shall be credited to the respective appropriation, fund, or account used to procure such defense articles or to the appropriation, fund, or account currently available for the same general purpose."

(b) Amend section 612, which relates to use of foreign currencies, by redesignating subsection (c) as subsection (b), and by striking out the first sentence of the second paragraph of such subsection and by adding at the end thereof the following new paragraph:

78 Stat. 1012,
22 USC 2362.

"The President shall take all appropriate steps to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars. Dollar funds made available pursuant to this Act shall not be expended for goods and services when United States-owned foreign currencies are available for such purposes unless the administrative official approving the voucher certifies as to the reason for the use of dollars in each case."

Foreign currencies, use.

(c) Amend section 613, which relates to foreign currencies, as follows:

75 Stat. 443,
22 USC 2363.

(1) Strike out the section heading and substitute the following: "ACCOUNTING, VALUATION, REPORTING, AND ADMINISTRATION OF FOREIGN CURRENCIES".

(2) Add the following new subsection:

"(d) In cases where assistance is to be furnished to any recipient country in furtherance of the purposes of this or any other Act on a basis which will result in the accrual of foreign currency proceeds to the United States, the Secretary of the Treasury shall issue regulations requiring that agreements, in respect of such assistance, include provisions for the receipt of interest income on the foreign currency proceeds deposited in authorized depositories: *Provided*, That whenever the Secretary of State determines it not to be in the national interest to conclude arrangements for the receipt of interest income he may waive the requirement thereof: *Provided further*, That the Secretary of State, or his delegate, shall promptly make a complete report to the Congress on each such determination and the reasons therefor."

Foreign currencies, interest income.

Report to Congress.

(d) Amend section 620, which relates to prohibitions against furnishing assistance to Cuba and certain other countries, as follows:

22 USC 2370.

(1) Amend the section heading to read as follows:

"PROHIBITIONS AGAINST FURNISHING ASSISTANCE.—"

(2) Amend subsection (e) (2), which relates to the act of state doctrine, by inserting after the words "other right" each time they appear the words "to property", and by striking out ", or (3) in any case in which the proceedings are commenced after January 1, 1966".

78 Stat. 1013.

(3) In section 620(1), which relates to the prohibition against furnishing assistance to countries which fail to enter into agreements to institute the investment guaranty program and providing protection against certain risks, strike out "December 31, 1965" and substitute "December 31, 1966".

77 Stat. 388.

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

"(n) In view of the aggression of North Vietnam, the President shall consider denying assistance 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 1965—

North Vietnam.

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

"(i) any items of economic assistance,

"(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

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

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.

U.S. fishing
vessels.

“(o) In determining whether or not to furnish assistance under this Act, consideration shall be given to excluding from such assistance any country which hereafter seizes, or imposes any penalty or sanction against, any United States fishing vessel on account of its fishing activities in international waters. The provisions of this subsection shall not be applicable in any case governed by international agreement to which the United States is a party.”

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. 446,
22 USC 2382.

(a) Amend section 622, which relates to coordination with foreign policy, as follows:

(1) In subsection (b), immediately after “military assistance” insert “(including any civic action and sales program)”.

(2) In subsection (c), immediately after “military assistance program” insert “(including any civic action and sales program)”.

75 Stat. 447;
76 Stat. 262.
22 USC 2384.

(b) Amend section 624, which relates to statutory officers, as follows:

(1) In subsection (b), strike out “paragraph (3) of” and “of the officers provided for in paragraphs (1) and (2) of that subsection”, and substitute for the latter “of one or more of said officers”.

(2) In subsection (d), strike out “Public Law 86-735” wherever it appears and substitute “the Latin American Development Act, as amended”.

22 USC 1942
note,
76 Stat. 262;
78 Stat. 1014.
22 USC 2385.

(c) Amend section 625(d), which relates to the employment of personnel, by striking out “twenty” in paragraph (2) and substituting “forty”.

(d) Amend section 626, which relates to experts, consultants, and retired officers, by redesignating subsection (d) as subsection (c).

75 Stat. 451.
22 USC 2386.

(e) Amend section 630, which relates to terms of detail or assignment, by inserting “benefits” after “travel expenses,” in paragraphs (2) and (4).

22 USC 2390.

(f) Amend section 631, which relates to missions and staffs abroad, by adding the following new subsection:

“(d) Wherever practicable, especially in the case of the smaller programs, assistance under this Act shall be administered under the direction of the Chief of the United States Diplomatic Mission by the principal economic officer of the mission in the case of assistance under part I, and by the senior military officer of the mission in the case of assistance under part II.”

22 USC 2395.

(g) Amend section 635(g), which relates to general authorities, by inserting “and sales” after “loans” in the introductory clause.

22 USC 2396.

(h) Amend section 636, which relates to provisions on uses of funds, as follows:

(1) In subsection (e), strike out “section 2 of the Act of July 31, 1894, as amended (5 U.S.C. 62)” and substitute “section 301 of the Dual Compensation Act (5 U.S.C. 3105)”.

78 Stat. 488.

(2) In subsection (f), strike out "Act to provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes" and substitute "Latin American Development Act, as amended".

(i) Amend section 637(a), which relates to administrative expenses, by striking out "1965" and "\$52,500,000" and substituting "1966" and "\$54,240,000", respectively.

(j) Amend section 638, which relates to Peace Corps assistance, by striking out all beginning with "; or famine" and substituting a period.

(k) Add the following new sections:

"SEC. 639. FAMINE AND DISASTER RELIEF.—No provision of this Act shall be construed to prohibit assistance to any country for famine or disaster relief.

"SEC. 640. MILITARY SALES.—Except as otherwise provided in part II of this Act, no provision of this Act shall be construed to prohibit the sale, exchange, or the guaranty of a sale, of defense articles or defense services to any friendly country or international organization if the President shall have found, pursuant to section 503, that the assisting of such country or organization will strengthen the security of the United States and promote world peace."

CHAPTER 3—MISCELLANEOUS PROVISIONS

SEC. 303. Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended, which relates to miscellaneous provisions, is amended as follows:

(a) Amend section 642(a)(2), which relates to statutes repealed, by striking out "143," and all beginning with ": *Provided*," up to the semicolon.

(b) Amend section 644, which relates to definitions, as follows:

(1) In subsection (g), insert ", and not procured in anticipation of military assistance or sales requirements, or pursuant to a military assistance or sales order," after "United States Government" and strike out "as grant assistance".

(2) In subsection (m)(2), strike out "Such price shall be the same standard price" and substitute "Such standard price shall be the same price (including authorized reduced prices)".

(3) Amend the paragraph following the numbered paragraph

(3) in subsection (m) as follows:

(A) In the first sentence, insert "and sales" after "Military assistance".

(B) In the second proviso, strike out "by the military assistance program".

(c) Amend section 645, which relates to unexpended balances, by striking out "Public Law 86-735" and substituting "the Latin American Development Act, as amended".

(d) At the end thereof add the following new section:

"SEC. 649. LIMITATION ON AGGREGATE AUTHORIZATION FOR USE IN FISCAL YEAR 1966.—Notwithstanding any other provision of this Act, the aggregate of the total amounts authorized to be appropriated for use during the fiscal year 1966 for furnishing assistance and for administrative expenses under this Act shall not exceed \$3,360,000,000."

74 Stat. 869;
77 Stat. 390.
22 USC 1942
note.
75 Stat. 460;
78 Stat. 1014.
22 USC 2397.
77 Stat. 389.
22 USC 2398.

22 USC 2301-
2321.

22 USC 2311.

75 Stat. 460.
22 USC 2151
note.

22 USC 2403.

77 Stat. 390.
22 USC 2404.

CHAPTER 4—AMENDMENT TO THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

SEC. 401. Section 107 of the Agricultural Trade Development and Assistance Act of 1954 is amended by adding at the end thereof the following new paragraph:

"No sale under title I of this Act shall be made to the United Arab Republic unless the President determines that such sale is essential to the national interest of the United States. No such sale shall be based on the requirements of the United Arab Republic for more than one fiscal year. 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 currently informed with respect to sales made to the United Arab Republic under title I of this Act."

Approved September 6, 1965.

Public Law 89-172

AN ACT

September 8, 1965
[H. R. 6007]

To amend title 10, United States Code, to authorize the promotion of qualified reserve officers of the Air Force to the reserve grades of brigadier general and major general.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 10, United States Code, is amended by inserting the following new section after section 8372:

"§ 8373. Commissioned officers: Air Force Reserve; promotion to brigadier general and major general

"(a) Officers of the Air Force Reserve may be promoted to the reserve grades of brigadier general and major general to fill vacancies in those grades.

"(b) The Secretary of the Air Force may furnish the names of any officers of the Air Force Reserve who are assigned to the duties of a general officer of the next higher reserve grade, and who meet standards to be prescribed by the Secretary, to a selection board for consideration for promotion to that grade.

"(c) Of those officers considered under subsection (b), the selection board shall recommend the best qualified of those whom it determines to meet the standards prescribed by the Secretary and to be fully qualified for promotion.

"(d) The name of any officer on a recommended list on June 30, 1964, for promotion to the reserve grade of brigadier general or major general under authority of the provisions of section 8373 of this title, which terminated July 1, 1964, may be placed on the appropriate recommended list maintained under subsection (c) effective July 1, 1964, without the necessity of further selection board action, provided such officer is currently qualified for such promotion. The promotion of any such officer shall be effective for date of rank purposes as of July 1, 1964.

"Sec. 2. This Act is effective July 1, 1964."

Approved September 8, 1965.

68 Stat. 457;
78 Stat. 1036.
7 USC 1707.
Sales to United
Arab Republic,
restriction.
7 USC 1701-
1709.
Report to
Congress.

Air Force Re-
serve.
Officer promo-
tions.

Effective date.