

**§ 831e. Officers and employees; nonpolitical appointment; removal for violation**

In the appointment of officials and the selection of employees for said Corporation, and in the promotion of any such employees or officials, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency. Any member of said Board who is found by the President of the United States to be guilty of a violation of this section shall be removed from office by the President of the United States, and any appointee of said Board who is found by the Board to be guilty of a violation of this section shall be removed from office by said Board.

(May 18, 1933, ch. 32, § 6, 48 Stat. 63; Pub. L. 108-447, div. C, title VI, § 603(a)(2), Dec. 8, 2004, 118 Stat. 2966.)

**Editorial Notes**

**AMENDMENTS**

2004—Pub. L. 108-447 substituted “Board” for “board” wherever appearing.

**Statutory Notes and Related Subsidiaries**

**EFFECTIVE DATE OF 2004 AMENDMENT**

Amendment by Pub. L. 108-447 effective on the later of the date on which at least three persons nominated under section 604(a) of Pub. L. 108-447 take office or May 18, 2005, see section 604(b) of Pub. L. 108-447, set out in an Appointments; Effective Date; Transition note under section 831a of this title.

**§ 831f. Control of plants and property vested in Corporation; transfer of other property to Corporation**

In order to enable the Corporation to exercise the powers and duties vested in it by this chapter—

(a) The exclusive use, possession, and control of the United States nitrate plants numbered 1 and 2, including steam plants, located, respectively, at Sheffield, Alabama, and Muscle Shoals, Alabama, together with all real estate and buildings connected therewith, all tools and machinery, equipment, accessories, and materials belonging thereto, and all laboratories and plants used as auxiliaries thereto; the fixed-nitrogen research laboratory, the Waco limestone quarry, in Alabama, and Dam Numbered 2, located at Muscle Shoals, its power house, and all hydroelectric and operating appurtenances (except the locks), and all machinery, lands, and buildings in connection therewith, and all appurtenances thereof, and all other property to be acquired by the Corporation in its own name or in the name of the United States of America, are intrusted to the Corporation for the purposes of this chapter.

(b) The President of the United States is authorized to provide for the transfer to the Corporation of the use, possession, and control of such other real or personal property of the United States as he may from time to time deem necessary and proper for the purposes of the Corporation as herein stated.

(May 18, 1933, ch. 32, § 7, 48 Stat. 63.)

**Executive Documents**

**DELEGATION OF FUNCTIONS**

Authority of President under subsection (b) of this section to provide for transfer to Tennessee Valley Authority of use, possession, and control of real or personal property of United States deemed by Administrator of General Services to be necessary and proper for purposes of that Authority as provided for in this section, delegated to Administrator of General Services, see section 1(17) of Ex. Ord. No. 11609, July 22, 1971, 36 F.R. 13747, set out as a note under section 301 of Title 3, The President.

**§ 831g. Principal office of Corporation; books; directors’ oath**

**(a) Location**

The Corporation shall maintain its principal office in the immediate vicinity of Muscle Shoals, Alabama. The Corporation shall be held to be an inhabitant and resident of the northern judicial district of Alabama within the meaning of the laws of the United States relating to the venue of civil suits.

**(b) Account books**

The Corporation shall at all times maintain complete and accurate books of accounts.

**(c) Oath of office**

Each member of the Board, before entering upon the duties of his office, shall subscribe to an oath (or affirmation) to support the Constitution of the United States and to faithfully and impartially perform the duties imposed upon him by this chapter.

(May 18, 1933, ch. 32, § 8, 48 Stat. 63; Pub. L. 108-447, div. C, title VI, § 603(a)(2), Dec. 8, 2004, 118 Stat. 2966.)

**Editorial Notes**

**AMENDMENTS**

2004—Subsec. (c). Pub. L. 108-447 substituted “Board” for “board”.

**Statutory Notes and Related Subsidiaries**

**EFFECTIVE DATE OF 2004 AMENDMENT**

Amendment by Pub. L. 108-447 effective on the later of the date on which at least three persons nominated under section 604(a) of Pub. L. 108-447 take office or May 18, 2005, see section 604(b) of Pub. L. 108-447, set out in an Appointments; Effective Date; Transition note under section 831a of this title.

**§ 831h. Annual financial statement; purchases and contracts; audit by Comptroller General**

**(a) Financial statement and report**

The Board shall file with the President and with the Congress, in March of each year, a financial statement and a complete report as to the business of the Corporation covering the preceding governmental fiscal year. This report shall include an itemized statement of the cost of power at each power station, the total number of employees and the names, salaries, and duties of those receiving compensation at the rate of more than \$1,500 a year.

**(b) Bids**

All purchases and contracts for supplies or services, except for personal services, made by

the Corporation, shall be made after advertising, in such manner and at such times sufficiently in advance of opening bids, as the Board shall determine to be adequate to insure notice and opportunity for competition: *Provided*, That advertisement shall not be required when, (1) an emergency requires immediate delivery of the supplies or performance of the services; or (2) repair parts, accessories, supplemental equipment, or services are required for supplies or services previously furnished or contracted for; or (3) the aggregate amount involved in any purchase of supplies or procurement of services does not exceed \$25,000; in which cases such purchases of supplies or procurement of services may be made in the open market in the manner common among businessmen: *Provided further*, That in comparing bids and in making awards the Board may consider such factors as relative quality and adaptability of supplies or services, the bidder's financial responsibility, skill, experience, record of integrity in dealing, ability to furnish repairs and maintenance services, the time of delivery or performance offered, and whether the bidder has complied with the specifications.

#### (c) Audits

The Comptroller General of the United States shall audit the transactions of the Corporation at such times as he shall determine, but not less frequently than once each governmental fiscal year, with personnel of his selection. In such connection he and his representatives shall have free and open access to all papers, books, records, files, accounts, plants, warehouses, offices, and all other things, property, and places belonging to or under the control of or used or employed by the Corporation, and shall be afforded full facilities for counting all cash and verifying transactions with and balances in depositories. He shall make report of each such audit in quadruplicate, one copy for the President of the United States, one for the chairman of the Board, one for public inspection at the principal office of the Corporation, and the other to be retained by him for the uses of the Congress: *Provided*, That such report shall not be made until the Corporation shall have had reasonable opportunity to examine the exceptions and criticisms of the Comptroller General or the Government Accountability Office, to point out errors therein, explain or answer the same, and to file a statement which shall be submitted by the Comptroller General with his report. The expenses for each such audit shall be paid from any appropriation or appropriations for the Government Accountability Office, and such part of such expenses as may be allocated to the cost of generating, transmitting, and distributing electric energy shall be reimbursed promptly by the Corporation as billed by the Comptroller General. Nothing in this chapter shall be construed to relieve the Treasurer or other accountable officers or employees of the Corporation from compliance with the provisions of existing law requiring the rendition of accounts for adjustment and settlement pursuant to sections 3526(a) and 3702(a) of title 31, and accounts for all receipts and disbursements by or for the Corporation shall be rendered accordingly: *Provided*,

That, subject only to the provisions of this chapter, the Corporation is authorized to make such expenditures and to enter into such contracts, agreements, and arrangements, upon such terms and conditions and in such manner as it may deem necessary, including the final settlement of all claims and litigation by or against the Corporation; and, notwithstanding the provisions of any other law governing the expenditure of public funds, the Government Accountability Office, in the settlement of the accounts of the Treasurer or other accountable officer or employee of the Corporation, shall not disallow credit for, nor withhold funds because of, any expenditure which the Board shall determine to have been necessary to carry out the provisions of said chapter.

#### (d) Administrative accounts and business documents

The Corporation shall determine its own system of administrative accounts and the forms and contents of its contracts and other business documents except as otherwise provided in this chapter.

(May 18, 1933, ch. 32, § 9, 48 Stat. 63; Aug. 31, 1935, ch. 836, § 14, 49 Stat. 1080; Nov. 21, 1941, ch. 485, 55 Stat. 775; Aug. 30, 1954, ch. 1076, § 1 (32), 68 Stat. 968; Pub. L. 93-356, § 5, July 25, 1974, 88 Stat. 390; Pub. L. 94-273, § 5(1), Apr. 21, 1976, 90 Stat. 377; Pub. L. 98-191, § 9(d), Dec. 1, 1983, 97 Stat. 1332; Pub. L. 108-271, § 8(b), July 7, 2004, 118 Stat. 814; Pub. L. 108-447, div. C, title VI, § 603(a)(2), (b), Dec. 8, 2004, 118 Stat. 2966.)

### Editorial Notes

#### CODIFICATION

In subsec. (c), "sections 3526(a) and 3702(a) of title 31" substituted for "section 236, Revised Statutes, as amended by section 305 of the Budget and Accounting Act, 1921 (42 Stat. 24 [31 U.S.C. 71])" on authority of Pub. L. 97-258, § 4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

#### AMENDMENTS

2004—Subsec. (a). Pub. L. 108-447, § 603(a)(2), substituted "Board" for "board".

Subsec. (b). Pub. L. 108-447, § 603(b), designated second and third pars. as subsecs. (c) and (d), respectively.

Pub. L. 108-271, in second par., substituted "Government Accountability Office" for "General Accounting Office" wherever appearing.

Subsecs. (c), (d). Pub. L. 108-447, § 603(b), designated second and third pars. of subsec. (b) as subsecs. (c) and (d), respectively, and inserted headings.

1983—Subsec. (b)(3). Pub. L. 98-191 substituted "\$25,000" for "\$10,000".

1976—Subsec. (a). Pub. L. 94-273 substituted "March" for "December".

1974—Subsec. (b)(3). Pub. L. 93-356 substituted "\$10,000" for "\$500".

1954—Subsec. (b). Act Aug. 30, 1954, in second paragraph, repealed a sentence requiring the Comptroller General to make special reports of any transactions or conditions found to be in conflict with the powers or duties entrusted to the Tennessee Valley Authority by law, such provision now being covered by section 9101 et seq. of Title 31, Money and Finance.

1941—Subsec. (b). Act Nov. 21, 1941, inserted last paragraph and last sentence of next to last paragraph.

1935—Subsec. (b). Act Aug. 31, 1935, amended subsec. (b) generally.

**Statutory Notes and Related Subsidiaries****EFFECTIVE DATE OF 2004 AMENDMENT**

Amendment by Pub. L. 108-447 effective on the later of the date on which at least three persons nominated under section 604(a) of Pub. L. 108-447 take office or May 18, 2005, see section 604(b) of Pub. L. 108-447, set out in an Appointments; Effective Date; Transition note under section 831a of this title.

**TERMINATION OF REPORTING REQUIREMENTS**

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103-7 (in which certain reporting requirements under subsec. (a) of this section are listed in item 3 on page 193), see section 3003 of Pub. L. 104-66, as amended, and section 1(a)(4) [div. A, § 1402(1)] of Pub. L. 106-554, set out as notes under section 1113 of Title 31, Money and Finance.

**SINGLE AUDIT REQUIREMENTS**

Tennessee Valley Authority audits unaffected by single audit requirements of chapter 75 (§ 7501 et seq.) of Title 31, Money and Finance, see section 2(b) of Pub. L. 98-502, set out as a note under section 7501 of Title 31.

**§ 831h-1. Operation of dams primarily for promotion of navigation and controlling floods; generation and sale of electricity**

The Board is directed in the operation of any dam or reservoir in its possession and control to regulate the stream flow primarily for the purposes of promoting navigation and controlling floods. So far as may be consistent with such purposes, the Board is authorized to provide and operate facilities for the generation of electric energy at any such dam for the use of the Corporation and for the use of the United States or any agency thereof, and the Board is further authorized, whenever an opportunity is afforded, to provide and operate facilities for the generation of electric energy in order to avoid the waste of water power, to transmit and market such power as in this chapter provided, and thereby, so far as may be practicable, to assist in liquidating the cost or aid in the maintenance of the projects of the Authority.

(May 18, 1933, ch. 32, § 9a, as added Aug. 31, 1935, ch. 836, § 5, 49 Stat. 1076.)

**§ 831h-2. Repealed. Pub. L. 86-137, § 1, Aug. 6, 1959, 73 Stat. 280**

Section, act July 30, 1947, ch. 358, title II, § 201, 61 Stat. 574, placed a limitation on use of power revenues of the Tennessee Valley Authority. See section 831n-4 of this title.

**§ 831h-3. Recreational access****(a) Definition of floating cabin**

In this section, the term “floating cabin” means a watercraft or other floating structure—

- (1) primarily designed and used for human habitation or occupation; and
- (2) not primarily designed or used for navigation or transportation on water.

**(b) Recreational access**

The Board may allow the use of a floating cabin if—

- (1) the floating cabin is maintained by the owner to reasonable health, safety, and envi-

ronmental standards, as required by the Board;

(2) the Corporation has authorized the use of recreational vessels on the waters; and

(3) the floating cabin was located on waters under the jurisdiction of the Corporation as of December 16, 2016.

**(c) Fees**

The Board may levy fees on the owner of a floating cabin on waters under the jurisdiction of the Corporation for the purpose of ensuring compliance with subsection (b) if the fees are necessary and reasonable for such purpose.

**(d) Continued recreational use****(1) In general**

With respect to a floating cabin located on waters under the jurisdiction of the Corporation on December 16, 2016, the Board—

(A) may not require the removal of the floating cabin—

(i) in the case of a floating cabin that was granted a permit by the Corporation before December 16, 2016, for a period of 15 years beginning on such date; and

(ii) in the case of a floating cabin not granted a permit by the Corporation before December 16, 2016, for a period of 5 years beginning on such date; and

(B) shall approve and allow the use of the floating cabin on waters under the jurisdiction of the Corporation at such time and for such duration as—

(i) the floating cabin meets the requirements of subsection (b); and

(ii) the owner of the floating cabin has paid any fee assessed pursuant to subsection (c).

**(2) Savings provisions**

(A) Nothing in this subsection restricts the ability of the Corporation to enforce reasonable health, safety, or environmental standards.

(B) This section applies only to floating cabins located on waters under the jurisdiction of the Corporation.

**(e) New construction**

The Corporation may establish regulations to prevent the construction of new floating cabins.

(May 18, 1933, ch. 32, § 9b, as added Pub. L. 114-322, title IV, § 5003, Dec. 16, 2016, 130 Stat. 1886.)

**§ 831i. Sale of surplus power; preferences; experimental work; acquisition of existing electric facilities**

The Board is empowered and authorized to sell the surplus power not used in its operations, and for operation of locks and other works generated by it, to States, counties, municipalities, corporations, partnerships, or individuals, according to the policies hereinafter set forth; and to carry out said authority, the Board is authorized to enter into contracts for such sale for a term not exceeding twenty years, and in the sale of such current by the Board it shall give preference to States, counties, municipalities, and cooperative organizations of citizens or farmers,