

restraints and monopolies, and for other purposes", approved October 15, 1914 (38 Stat. 734, as amended; 15 U.S.C. 21). Each such proceeding shall be governed by the provisions of such section as they existed on the day preceding the date of enactment of this Act.

Approved July 23, 1959.

Public Law 86-108

July 24, 1959
[H. R. 7500]

AN ACT

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

Mutual Security
Act of 1959.

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 1959".

STATEMENT OF POLICY

70 Stat. 555.
22 USC 1750.

SEC. 2. Section 2 of the Mutual Security Act of 1954, as amended, which is a statement of policy, is amended to read as follows:

"SEC. 2. STATEMENT OF POLICY.—(a) It is the sense of the Congress that peace in the world increasingly depends on wider recognition, both in principle and practice, of the dignity and interdependence of men; and that the survival of free institutions in the United States can best be assured in a world wide atmosphere of expanded freedom.

"(b) Through programs of assistance authorized by this Act and its predecessors, the United States has helped thwart Communist intimidation in many countries of the world, has helped Europe recover from the wounds of World War II, has supported defensive military preparations of nations alerted by Communist aggression, and has soundly begun to help peoples of economically underdeveloped areas to develop their resources and improve their living standards.

"(c) Programs authorized by this Act continue to serve the following principal purposes:

"(1) The Congress recognizes the basic identity of interest which exists between the people of the United States and the peoples of other lands who are striving to establish and develop politically independent and economically viable units, and to produce more goods and services, and to improve ways of living by methods which reflect the popular will, and to realize aspirations for justice, for education, and for dignity and respect as individual human beings, and to establish responsible governments which will cooperate with other like-minded governments. The Congress declares it to be a primary objective and need of the United States, and one consistent with its tradition and ideals, to share these strivings by providing assistance, with due regard for our other obligations, to peoples willing to work energetically toward these ends.

"(2) The Congress recognizes that the peace of the world and the security of the United States are endangered so long as international communism and the nations it controls continue by threat of military action, by the use of economic pressure, and by internal subversion, or other means to attempt to bring under their domination peoples now free and independent and continue to deny the rights of freedom and self-government to peoples and nations once free but now subject to such domination. The Congress declares it to be the policy of the United States to continue so long as such danger to the peace of the world and to the security of the United States persists, to make available to other free nations and peoples upon request assistance of such

nature and in such amounts as the United States deems advisable compatible with its own stability, strength, and other obligations, and as may be needed and effectively used by such free nations and peoples to help them maintain their freedom.

“(d) It is the sense of the Congress that inasmuch as—

“(1) the United States, through mutual security programs, has made substantial contributions to the economic recovery and rehabilitation of the nations of Western Europe; and

“(2) due in part to those programs, it has been possible for such nations to achieve complete economic recovery and to regain their military strength; and

“(3) certain other friendly nations of the world remain in need of assistance in order that they may defend themselves against aggression and contribute to the security of the free world;

those nations which have been assisted in their recovery should, in the future, share with the United States to a greater extent the financial burden of providing aid to those countries which are still in need of assistance of the type provided under this Act.

“(e) It is the sense of the Congress that assistance provided under this Act shall be administered so as to assist other peoples in their efforts to achieve self-government or independence under circumstances which will enable them to assume an equal station among the free nations of the world and to fulfill their responsibilities for self-government or independence. To this end, assistance shall be rendered where appropriate and feasible in such a way as to promote the emergence of political units which are economically viable, either alone or in cooperation with neighboring units.”

CHAPTER I—MILITARY ASSISTANCE

MILITARY ASSISTANCE

SEC. 101. Chapter I of the Mutual Security Act of 1954, as amended, which relates to military assistance, is amended as follows:

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

“(a) There is hereby authorized to be appropriated to the President for use beginning in the fiscal year 1960 to carry out the purposes of this chapter not to exceed \$1,400,000,000, which shall remain available until expended. Programs of military assistance subsequent to the fiscal year 1960 program shall be budgeted so as to come into competition for financial support with other activities and programs of the Department of Defense. There is hereby authorized to be appropriated to the President for the fiscal years 1961 and 1962 such sums as may be necessary from time to time to carry out the purposes of this chapter, which sums shall remain available until expended.”

(b) Amend section 105(b), which relates to conditions applicable to military assistance, as follows:

(1) Amend paragraph (4) to read as follows:

“(4) Military equipment and materials may be furnished to the other American Republics only in furtherance of missions directly relating to the common defense of the Western Hemisphere which are found by the President to be important to the security of the United States. The President annually shall review such findings and shall determine whether military assistance is necessary. Internal security requirements shall not, unless the President determines otherwise, be the basis for military assistance programs to American Republics. The aggregate amount of funds which may be obligated or reserved during the fiscal year 1960

68 Stat. 833.
22 USC 1811-
1817.

22 USC 1813.

22 USC 1815.

for furnishing military assistance to American Republics shall not exceed the aggregate amount of funds obligated or reserved for such purpose during the fiscal year 1959."

(2) Add the following new paragraph:

"(5) To the extent feasible and consistent with the other purposes of this chapter, administrators of the military assistance program shall encourage the use of foreign military forces in underdeveloped countries in the construction of public works and other activities helpful to economic development."

CHAPTER II—ECONOMIC ASSISTANCE

DEFENSE SUPPORT

72 Stat. 262.
22 USC 1841.

SEC. 201. Section 131(b) of the Mutual Security Act of 1954, as amended, which relates to defense support, is amended by striking out "1959" and "\$810,000,000" and substituting "1960" and "\$751,000,000", respectively.

UTILIZATION OF COUNTERPART FUNDS

22 USC 1852.

SEC. 202. Clause (iii) of section 142(b) of the Mutual Security Act of 1954, as amended, which relates to utilization of funds in Special Accounts, is amended by inserting immediately before the period at the end thereof the following: "*Provided further*, That whenever funds from such Special Account are used by a country to make loans, all funds received in repayment of such loans prior to termination of assistance to such country shall be reused only for such purposes as shall have been agreed to between the country and the Government of the United States".

DEVELOPMENT LOAN FUND

SEC. 203. Title II of chapter II of the Mutual Security Act of 1954, as amended, which relates to the Development Loan Fund, is amended as follows:

(a) Amend section 202(b), which relates to general authority, as follows:

(1) Insert the following sentence immediately after the second sentence: "The Fund in its operations shall recognize that development loan assistance will be most effective in those countries which show a responsiveness to the vital long-term economic, political, and social concerns of their people, demonstrate a clear willingness to take effective self-help measures, and effectively demonstrate that such assistance is consistent with, and makes a contribution to, workable long-term economic development objectives."

(2) In the next to last sentence, immediately before the period at the end thereof, insert the following: "nor shall the fractional reserve maintained by the Development Loan Fund for any guaranty made pursuant to this section be less in any case than 50 per centum of the contractual liability of the Development Loan Fund under such guaranty, and the total contractual liability of the Development Loan Fund under all of such guaranties shall not, at any one time, exceed \$100,000,000".

(b) Amend section 203, which relates to capitalization, to read as follows:

"SEC. 203. CAPITALIZATION.—There is hereby authorized to be appropriated to the President at any time after enactment of the Mutual Security Act of 1959 without fiscal year limitation for advances to the Fund after June 30, 1959, not to exceed \$1,800,000,000 of which not to

71 Stat. 357; 72
Stat. 263.
22 USC 1872.

71 Stat. 358.
22 USC 1873.

exceed \$700,000,000 may be advanced prior to July 1, 1960, and not to exceed an additional \$1,100,000,000 may be advanced prior to July 1, 1961."

(c) In section 204(b), which relates to fiscal provisions, strike out "(a)" in the second sentence.

(d) Amend section 205, which relates to management, powers, and authorities, as follows:

(1) In subsection (b), strike out "three" in the second sentence and substitute "four".

(2) In subsection (c), strike out the last sentence.

71 Stat. 358.
22 USC 1874.

72 Stat. 263.
22 USC 1875.

TECHNICAL COOPERATION

SEC. 204. Title III of chapter II of the Mutual Security Act of 1954, as amended, which relates to technical cooperation, is amended as follows:

(a) In section 304, which relates to authorization, strike out "\$150,000,000" and "1959" and substitute "\$179,500,000" and "1960", respectively.

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

(1) In subsection (a), which relates to contributions to the United Nations Expanded Program of Technical Assistance and related fund, strike out "\$20,000,000" and "1959" and substitute "\$30,000,000" and "1960", respectively, and immediately after "for such purpose" the last time it appears insert "(including assessed and audited local costs)".

(2) In subsection (b), which relates to contributions to the technical cooperation program of the Organization of American States, strike out "1959" and substitute "1960".

(c) In section 308, which relates to the International Development Advisory Board, insert "or officers" after "officer" in the first sentence and strike out "to administer this title" in that sentence.

72 Stat. 265.
22 USC 1894.

22 USC 1896.

72 Stat. 265.

72 Stat. 266.

22 USC 1898.

SPECIAL ASSISTANCE AND OTHER PROGRAMS

SEC. 205. Title IV of chapter II of the Mutual Security Act of 1954, as amended, which relates to special assistance and other programs, is amended as follows:

(a) Amend section 400, which relates to special assistance, as follows:

(1) In subsection (a), which relates to authorization, strike out "1959" and "\$202,500,000" and substitute "1960" and "\$247,500,000", respectively.

(2) In subsection (c), which relates to assistance to American-sponsored schools and libraries abroad, strike out "\$10,000,000" and substitute "\$20,000,000", and in the last sentence of such subsection strike out "for the purposes of this subsection" and insert in lieu thereof the following: "and notwithstanding the provisions of Public Law 213, Eighty-second Congress, the President is authorized to utilize foreign currencies accruing to the United States under this or any other Act, for the purposes of this subsection and for hospitals abroad designed to serve as centers for medical treatment, education and research, founded or sponsored by citizens of the United States".

(b) Insert after section 400 the following new section:

"Sec. 401. UNITED NATIONS EMERGENCY FORCE.—The Congress of the United States, recognizing the important contribution of the United Nations Emergency Force to international peace and security, declares it to be the policy of the United States and the purpose of

22 USC 1920.

72 Stat. 266.

71 Stat. 360.

65 Stat. 644.
22 USC 1611
note.

this section to support the United Nations Emergency Force. The President is hereby authorized to use during the fiscal year 1960 funds made available pursuant to section 400(a) of this Act for contributions on a voluntary basis to the budget of the United Nations Emergency Force."

72 Stat. 266.
22 USC 1922.

68 Stat. 458; 72
Stat. 286.

49 Stat. 774.

72 Stat. 266.
22 USC 1923.

72 Stat. 266.
22 USC 1925.

72 Stat. 266.
22 USC 1926.

72 Stat. 266.
22 USC 1927.

22 USC 1928.

22 USC 1929.

22 USC 1930.

72 Stat. 267.

71 Stat. 362; 70
Stat. 588.

65 Stat. 645.

(c) In section 402, which relates to earmarking of funds, strike out "1959" in the first sentence and substitute "1960"; in the same sentence, after the words "foreign currencies" insert the words "or the grant", and at the end of the section, add the following new sentences: "Surplus food commodities or products thereof made available for transfer under this Act (or any other Act) as a grant or as a sale for foreign currencies may also be made available to the maximum extent practicable to eligible domestic recipients pursuant to section 416 of the Agricultural Act of 1949, as amended (7 U.S.C. 1431), or to needy persons within the United States pursuant to clause (2) of section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c). Section 416 of the Agricultural Act of 1949, as amended (7 U.S.C. 1431), is amended by inserting 'whether in private stocks or' after 'commodities' the first time that word appears."

(d) In section 403, which relates to responsibilities in Germany, strike out "1959" and "\$8,200,000" in the first sentence and substitute "1960" and "\$7,500,000", respectively.

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

(1) In subsection (c), strike out "1959" and "\$1,200,000" and substitute "1960" and "\$1,100,000", respectively.

(2) In subsection (d), strike out "1959" and "\$8,600,000" and substitute "1960" and "\$5,200,000", respectively.

(f) In section 406, which relates to children's welfare, strike out "\$11,000,000" and "1959" and substitute "\$12,000,000" and "1960", respectively.

(g) In section 407, which relates to Palestine refugees in the Near East, strike out "1959" in the first sentence and substitute "1960", and in the proviso in the first sentence, strike out "15 per centum" and substitute "10 per centum".

(h) In section 408(c), which relates to the North Atlantic Treaty Organization, strike out "four" and substitute "five".

(i) In section 409(c), which relates to ocean freight charges, strike out "1959" and "\$2,100,000" and substitute "1960" and "\$2,300,000", respectively.

(j) Section 410, which relates to Control Act expenses, is repealed.

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

(1) In subsection (b), strike out "1959" and "\$33,000,000" and substitute "1960" and "\$39,500,000", respectively.

(2) In subsection (c), strike out ", not to exceed \$7,000,000 in any fiscal year,"; and insert before the period ", and for expenses of carrying out the objectives of the Mutual Defense Assistance Control Act of 1951 (22 U.S.C. 1611): *Provided*, That, in addition, funds made available for carrying out chapter I of this Act shall be available for carrying out the objectives of the Mutual Defense Assistance Control Act of 1951 in such amounts as the President may direct".

(l) After section 411, insert a new section as follows:

"SEC. 412. PRESIDENT'S SPECIAL EDUCATION AND TRAINING FUND.—Of the funds appropriated pursuant to this Act for use beginning in each of the fiscal years 1960 through 1964, \$10,000,000 for each such year shall be available only as follows:

“(a) \$5,000,000 shall be available until expended only for financing studies, research, instruction, and other educational activities of citizens of underdeveloped countries in educational institutions in the United States, Puerto Rico, and the Virgin Islands. Such financing may include payment for transportation, tuition, maintenance and other expenses incident to scholastic activities. The President may employ such funds to augment programs of this character authorized by section 32(b)(2) of the Surplus Property Act of 1944, as amended, and by the United States Information and Educational Exchange Act of 1948, as amended, and he may consolidate such portions of such \$5,000,000 as he may deem appropriate with appropriations made to carry out these two Acts.

“(b) \$5,000,000 shall be available until expended only for the training of people of underdeveloped countries in skills which will contribute to economic development. Such training shall be carried out in accordance with the policies set forth in title III of chapter II, relating to technical cooperation, and such \$5,000,000 may be consolidated with appropriations made for carrying out title III of chapter II.”

(m) Amend section 413, which relates to encouragement of free enterprise and private participation, as follows:

(1) In subparagraph (b)(4)(A), strike out “any of the purposes of this Act” and substitute “the development of the economic resources and productive capacities of economically underdeveloped areas or, in the case of guaranties issued prior to January 1, 1960, on the basis of applications submitted prior to July 1, 1959, any of the purposes of this Act”.

(2) In subparagraph (b)(4)(F), strike out “\$500,000,000” and substitute “\$1,000,000,000”.

(3) In subparagraph (b)(4)(G), strike out “achieving any of the purposes of this Act” and substitute “furthering the development of the economic resources and productive capacities of economically underdeveloped areas or, in the case of guaranties issued prior to January 1, 1960, on the basis of applications submitted prior to July 1, 1959, any of the purposes of this Act”.

(4) In subsection (c), delete the words “a study” following the words “shall conduct” and insert in lieu thereof “annual studies to keep the data up to date”; insert immediately before the period at the end of the first sentence the following: “, and to the net position of the United States in its balance of trade with the rest of the world”; and in the final sentence delete the word “study” following “such” and insert in lieu thereof “studies”.

(5) Add the following new subsection:

“(d) Under the direction of the President, the Department of State and such other agencies of the Government as the President shall deem appropriate shall conduct a study of methods by which the United States and other nations including those which are parties to regional agreements for economic cooperation to which the United States is a party, or any of them, might best together formulate and effectuate programs of assistance to strengthen the economies of free nations so as to advance the principal purposes of this Act, as stated in section 2 thereof.”

(n) In section 419(a), which relates to atoms for peace, strike out “1959” and “\$5,500,000” in the second sentence and substitute “1960” and “\$6,500,000”, respectively.

60 Stat. 754.
50 USC app.
1641.
62 Stat. 6.
22 USC 1431
note.

22 USC 1933.

72 Stat. 267.

72 Stat. 267.
22 USC 1939.

72 Stat. 268.
22 USC 1951.

CHAPTER III—CONTINGENCY FUND

SEC. 301. Section 451(b) of the Mutual Security Act of 1954, as amended, which relates to the President's special authority and contingency fund, is amended by striking out "1959" in the first sentence and substituting "1960".

22 USC 1755.

CHAPTER IV—GENERAL AND ADMINISTRATIVE PROVISIONS

SEC. 401. Chapter IV of the Mutual Security Act of 1954, as amended, which relates to general and administrative provisions, is amended as follows:

22 USC 1933.

(a) In section 503, which relates to termination of assistance, insert "(a)" immediately after "TERMINATION OF ASSISTANCE.—", and add at the end thereof the following:

"(b) In any case in which the President determines that a nation has hereafter nationalized or expropriated the property of any person as defined in section 413(b) and has failed within six months of such nationalization or expropriation to take steps determined by the President to be appropriate to discharge its obligations under international law toward such person, the President shall, unless he determines it to be inconsistent with the national interest, suspend assistance under this Act to such nation until he is satisfied that appropriate steps are being taken.

"(c) The President shall include in his recommendations to the Congress for the fiscal year 1961 programs under this Act a specific plan for each country receiving bilateral grant assistance in the categories of defense support or special assistance whereby, wherever practicable, such grant assistance shall be progressively reduced and terminated."

22 USC 1756.

(b) In section 504, which relates to small businesses, add the following new subsection:

"(d) Of the funds appropriated pursuant to section 451(b) of this Act, the President is authorized to utilize not to exceed \$2,500,000 for the fiscal year 1960 to make available to foreign small business concerns in underdeveloped countries, or to foreign government organizations established for the purpose of helping such concerns in underdeveloped countries, on such terms and conditions as he may determine, machine tools, industrial equipment and other equipment owned by agencies of the United States Government."

22 USC 1757.

(c) In section 505(b), which relates to loan assistance and sales, strike out the third sentence and substitute the following: "United States dollars received in repayment of principal and payment of interest on any loan made under this section shall be deposited in miscellaneous receipts of the Treasury. Foreign currencies received in repayment of principal and payment of interest on any such loan which are in excess of the requirements as determined from time to time by the Secretary of State for purposes authorized in section 32(b)(2) of the Surplus Property Act of 1944, as amended (50 App. U.S.C. 1641(b)), may be sold by the Secretary of the Treasury to United States Government agencies for payment of their obligations abroad and the United States dollars received as reimbursement shall also be deposited into miscellaneous receipts of the Treasury. Foreign currencies so received which are in excess of the requirements of the United States in the payment of its obligations abroad, as such requirements may be determined from time to time by the President, shall be credited to and be available for the authorized purposes of the Development Loan Fund in such amounts as may be specified from time to time in appropriation Acts."

70 Stat. 563.

(d) In section 510, which relates to purchase of commodities, delete the comma following the words "industrial mobilization base" in the third sentence and insert the following: "or to the net position of the United States in its balance of trade with the rest of the world,".

22 USC 1762.

(e) In section 517, which relates to completion of plans and cost estimates, delete the words "title I or" in the first sentence, and insert "title I, II, or", and add at the end of such section the following: "To the maximum extent practicable, all contracts for construction outside the United States made in connection with any agreement or grant subject to this section, except any agreement for assistance authorized under title II of chapter II, shall be made on a competitive basis."

72 Stat. 269.
22 USC 1766c.

(f) Amend section 523, which relates to coordination with foreign policy, as follows:

22 USC 1871.
22 USC 1783.

(1) In subsection (b), add the following new sentence: "The chief of the diplomatic mission shall make sure that recommendations of such representatives pertaining to military assistance are coordinated with political and economic considerations, and his comments shall accompany such recommendations if he so desires."

71 Stat. 364.

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

"(c) Under the direction of the President, the Secretary of State shall be responsible for the continuous supervision and general direction of the assistance programs authorized by this Act, including but not limited to determining whether there shall be a military assistance program for a country and the value thereof, to the end that such programs are effectively integrated both at home and abroad and the foreign policy of the United States is best served thereby."

(g) In section 527(b), which relates to employment of personnel, strike out "sixty" and "thirty-five" in the first sentence and substitute "seventy" and "forty-five", respectively, and add the following new sentence at the end of such section: "One of the offices established by section 1(d) of Reorganization Plan Numbered 7 of 1953 may notwithstanding the provisions of any other law be compensated at a rate not in excess of \$20,000 per annum."

68 Stat. 857; 70
Stat. 740.
22 USC 1787.

(h) Insert immediately after section 533 the following new section:

SEC. 533A. INSPECTOR GENERAL AND COMPTROLLER.—(a) There is hereby established in the Department of State an office to be known as the "Office of the Inspector General and Comptroller", which shall be headed by an officer designated as the "Inspector General and Comptroller", whose salary shall be fixed at the annual rate of \$19,000, and who shall be appointed by the Secretary of State and be responsible to an Under Secretary of State designated for such purpose by the Secretary of State. In addition, there shall be a Deputy Inspector General and Comptroller, whose salary shall not exceed the maximum rate provided under the General Schedule of the Classification Act of 1949, as amended, and such other personnel as may be required to carry out the functions vested in the Inspector General and Comptroller by or pursuant to this section.

67 Stat. 639.
5 USC 1332-15
note.

(b) There are hereby transferred to the Inspector General and Comptroller all functions, powers, and duties of the Office of Evaluation of the International Cooperation Administration, and so much of the functions, powers, and duties of the Office of Personnel Security and Integrity as relate to investigations of improper activities in connection with programs under the International Cooperation Administration.

72 Stat. 203.
5 USC 1113.

(c) The Inspector General and Comptroller shall have the following duties, in addition to those duties transferred to him under subsection (b) of this section:

“(1) Establishing or reviewing and approving a system of financial controls over programs of assistance authorized by this Act to insure compliance with applicable laws and regulations;

“(2) Advising and consulting with the Secretary of Defense or his delegate with respect to the controls, standards, and procedures established or approved under this section insofar as such controls, standards, and procedures relate to assistance furnished under chapter I of this Act;

“(3) Establishing or reviewing and approving policies and standards providing for extensive internal audits of programs of assistance authorized by this Act;

“(4) Reviewing and approving internal audit programs under this section, and coordinating such programs with the appropriate officials of other Government departments in order to insure maximum audit coverage and to avoid duplication of effort;

“(5) Reviewing audit findings and recommendations of operating agencies and the action taken thereon, and making recommendations with respect thereto to the Under Secretary of State and other appropriate officials;

“(6) Conducting or requiring the conduct of such special audits as in his judgment may be required in individual cases, and of inspections with respect to end-item use in foreign countries;

“(7) Establishing or reviewing and approving a system of financial and statistical reporting with respect to all programs of assistance authorized by this Act;

“(8) Advising the Under Secretary of State and other appropriate officials on fiscal and budgetary aspects of proposed programs of assistance authorized by this Act;

“(9) Designing the form and prescribing the financial and statistical content of the annual program presentation to the Congress;

“(10) Coordinating and cooperating with the General Accounting Office in carrying out his duties, to the extent that such duties are within areas of responsibility of the General Accounting Office; and

“(11) Carrying out such other duties as may be vested in him by the Under Secretary of State.

“(d) Expenses of the Office of the Inspector General and Comptroller with respect to programs under this Act shall be charged to the appropriations made to carry out such programs: *Provided*, That all documents, papers, communications, audits, reviews, findings, recommendations, reports, and other material which relate to the operation or activities of the Office of Inspector General and Comptroller shall be furnished to the General Accounting Office and to any committee of the Congress, or any duly authorized subcommittee thereof, charged with considering legislation or appropriation for, or expenditures of, such Office, upon request of the General Accounting Office or such committee or subcommittee as the case may be.”

(i) Amend section 534, which relates to reports to the Congress, by inserting “(a)” immediately after “REPORTS.—” and by adding at the end thereof the following:

“(b) All documents, papers, communications, audits, reviews, findings, recommendations, reports, and other material which relate to the operation or activities of the International Cooperation Administration shall be furnished to the General Accounting Office and to any committee of the Congress, or any duly authorized subcommittee thereof, charged with considering legislation or appropriation for, or expenditures of, such Administration, upon request of the General Accounting Office or such committee or subcommittee as the case may be.”

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

(1) In paragraph (5) of subsection (a), strike out "\$3,300" and substitute "\$3,500".

(2) In subsection (c), strike out "\$26,000,000" and substitute "\$27,750,000".

(3) Amend subsection (f) to read as follows:

"(f) During the annual presentation to the Congress of requests for authorizations and appropriations under this Act, there shall be submitted a detailed report on the assistance to be furnished, country-by-country, under title I of chapter II, and under section 400(a), of this Act. The report with respect to each country shall contain a clear and detailed explanation of the proposed level of aid for such country, and shall include a listing of all significant factors considered, and the methods used, in determining the level of aid for such country; the reason for including each such factor and an explanation of the manner in which each of such factors is related to the specific dollar figure which constitutes the proposed level of aid for each such country. In addition, with respect to assistance proposed to be furnished under title I of chapter II of this Act, the report shall contain a clear and detailed explanation on a country-by-country basis of the determination of the particular level of forces to be supported by the proposed request for authorization and appropriation for military assistance, the factors considered and methods used in arriving at each country determination, and where the level of forces supported by military assistance differs from the total level of forces maintained in any such country, an explanation, in detail, of the reason for the difference in such level of forces."

(k) In section 543(d), which relates to saving provisions, strike out the words between "repealed" and "shall" in the first sentence and substitute "subsequent to the time such funds are appropriated"; insert "or subsequent Acts" after "1957" both times it appears in the second sentence; and strike out the last sentence.

(l) Section 549, which relates to special provisions on availability of funds, is repealed.

(m) After section 549 add the following new sections:

"**SEC. 550. INFORMATION POLICY.**—The President shall, in the reports required by section 534, or in response to requests from Members of the Congress or inquiries from the public, make public all information concerning the mutual security program not deemed by him to be incompatible with the security of the United States.

"**SEC. 551. LIMITATION ON THE USE OF THE PRESIDENT'S SPECIAL AUTHORITY.**—The authority contained in sections 403, 451, and 501 of this Act shall not be used to augment appropriations made pursuant to sections 103(b), 408, 411(b), and 411(c) or used otherwise to finance activities which normally would be financed from appropriations for administrative expenses."

22 USC 1797.

70 Stat. 561.

72 Stat. 270.

72 Stat. 270.

22 USC 1841.
71 Stat. 360.
22 USC 1920.

22 USC 1841.

22 USC 1768.

Repeal.
22 USC 1759a.

72 Stat. 266.
22 USC 19½
1951, 1753, 18
1928, 1931.

CHAPTER V—INTERNATIONAL COOPERATION IN HEALTH; COLOMBO PLAN COUNCIL FOR TECHNICAL COOPERATION

INTERNATIONAL COOPERATION IN HEALTH

SEC. 501. (a) The Congress of the United States recognizes that large areas of the world are being ravaged by diseases and other health deficiencies which are causing widespread suffering, debility, and death, and are seriously deterring the efforts of peoples in such areas to develop their resources and productive capacities and to improve

their living conditions. The Congress also recognizes that international efforts are needed to assist such peoples in bringing diseases and other health deficiencies under control, in preventing their spread or reappearance, and in eliminating their basic causes. Accordingly, the Congress affirms that it is the policy of the United States to accelerate its efforts to encourage and support international cooperation in programs directed toward the conquest of diseases and other health deficiencies.

(b) In order to carry out the purposes of subsection (a) of this section and in order to plan logically for an orderly expansion of United States support to international health activities, the President is authorized to undertake, in cooperation directly with other governments, or indirectly through utilizing the resources and services of the United Nations and the Organization of American States or any of their specialized agencies, programs and projects of research, studies, field surveys, trials, and demonstrations to determine the feasibility of future intensive programs for reduction, control, or eradication of disease problems of international importance. Of the funds appropriated pursuant to section 451(b) of the Mutual Security Act of 1954, as amended, the sum of \$2,000,000 shall be available to carry out the purposes of this section.

72 Stat. 268.
22 USC 1951.

COLOMBO PLAN COUNCIL FOR TECHNICAL COOPERATION

SEC. 502. To enable the United States to maintain membership in the Colombo Plan Council for Technical Cooperation, there is hereby authorized to be appropriated from time to time to the Department of State such sums as may be necessary for the payment by the United States of its share of the expenses of the Colombo Plan Council for Technical Cooperation.

CHAPTER VI—CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST

STATEMENT OF PURPOSE

SEC. 601. The purpose of this chapter is to promote better relations and understanding between the United States and the nations of Asia and the Pacific (hereinafter referred to as "the East") through cooperative study and research, by establishing in Hawaii a Center for Cultural and Technical Interchange Between East and West, either as a branch of an existing institution of higher learning or as a separate institution, where scholars and students, in various fields from the nations of the East and the Western World may meet, study, exchange ideas and views, and conduct other activities primarily in support of the objectives of the United States Information and Educational Exchange Act of 1948, as amended, and title III of chapter II of the Mutual Security Act of 1954 and other Acts promoting the international educational, cultural, and related activities of the United States.

ESTABLISHMENT OF CENTER

SEC. 602. In order to carry out the purposes of this chapter the Secretary of State (hereinafter referred to as Secretary), after consultation with appropriate public and private authorities, shall on or before January 3, 1960, prepare and submit to the Congress a plan and program for—

62 Stat. 6.
22 USC 1431
note.
68 Stat. 841.
22 USC 1894
1898.

Report to Congress.

(1) the establishment and operation in Hawaii of an educational institution to be known as the Center for Cultural and Technical Interchange Between East and West through arrangements to be made with public, educational, or other nonprofit institutions;

(2) grants, fellowships, and other payments to outstanding scholars and authorities from the nations of the East and Western World as may be necessary to attract such scholars and authorities to the Center;

(3) grants, scholarships, and other payments to qualified candidates from the nations of the East and West as may be necessary to enable such students to engage in study at the Center; and

(4) making the facilities of the Center available for study to other qualified persons on a reasonable basis.

AUTHORIZATION OF APPROPRIATIONS

SEC. 603. There are authorized to be appropriated, to remain available until expended, such amounts as may be necessary to carry out the provisions of this chapter.

CHAPTER VII—AMENDMENTS TO OTHER LAWS AND MISCELLANEOUS PROVISIONS

AMENDMENTS TO OTHER LAWS

SEC. 701. (a) The Defense Base Act, as amended (42 U.S.C. 1651), is further amended by inserting in subsection (e) of the first section, between "the approval of this Act," and "and contracting officers" in the first sentence, the following: "and the liability under this Act of a contractor, subcontractor, or subordinate contractor engaged in performance of contracts, subcontracts, or subordinate contracts specified in subparagraph (5), subdivision (a) of this section, and the conditions set forth therein, shall hereafter be applicable to the remaining terms of such contracts, subcontracts, and subordinate contracts entered into prior to June 30, 1958, but not completed on the date of the enactment of the Mutual Security Act of 1959."

55 Stat. 622, 72
Stat. 272.

(b) Section 522 of the Foreign Service Act of 1946, as amended (60 Stat. 1009, 22 U.S.C. 922), is amended by striking out the word "and" at the end of subparagraph (1), by striking out the period at the end of subparagraph (2) and substituting a semicolon and the word "and", and by adding at the end thereof a new subparagraph (3) which shall read as follows:

"(3) extend the appointment or assignment of any Reserve officer, or continue the services of any such Reserve officer by reappointment without regard to the provisions of section 527 of this Act, for not more than five additional years if the Secretary deems it to be in the public interest to continue such officer in the Service, except that the assignment of any Reserve officer under paragraph (2) above may not be extended under the provisions of this paragraph without the consent of the head of the agency concerned."

(c) Section 1011(a) of the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1442), is amended by inserting before the period at the end thereof a colon and the following: "*Provided*, That the purpose of making informational media guaranties shall be the achievement of the foreign policy objectives of

70 Stat. 563.

22 USC 1933.
72 Stat. 275.
7 USC 1704.

the United States, including the objective mentioned in sections 413(b)(4)(A) and 413(b)(4)(G) of the Mutual Security Act of 1954, as amended".

(d) Section 104(k) of Public Law 480, Eighty-third Congress (68 Stat. 454), as amended, is further amended by inserting "research" immediately after "conduct", and by substituting for the phrase "but no foreign currencies shall be used for the purposes of this subsection (k) unless specific appropriations be made therefor;" the following: " : *Provided*, That foreign currencies shall be available for the purposes of this subsection (in addition to funds otherwise made available for such purposes) only in such amounts as may be specified from time to time in appropriation Acts;".

EXPENSES OF ANNUAL MEETING OF NORTH ATLANTIC TREATY
PARLIAMENTARY CONFERENCE

SEC. 702. There is authorized to be appropriated the sum of \$100,000 for the purpose of defraying the expenses incident to the annual meeting of the North Atlantic Treaty Parliamentary Conference for the year 1959, to be held in Washington, District of Columbia. Funds appropriated pursuant to this authorization shall be disbursed on vouchers jointly approved by the chairmen of the Senate and House delegations to the Conference, and such approval shall be final and conclusive upon the accounting officers in the auditing of accounts incident to the annual meeting.

UNITED STATES PARTICIPATION IN WORLD REFUGEE YEAR

72 Stat. 268.
22 USC 1951.

SEC. 703. Of the funds appropriated pursuant to section 451(b) of the Mutual Security Act of 1954, as amended, the sum of \$10,000,000 shall be available for United States participation in World Refugee Year. Such sum shall be available for allocation by the President for assistance, either directly or through intergovernmental organizations or agencies, to the various refugee groups, and shall be used primarily in furtherance of permanent solutions of the problems of such groups and in alleviating their urgent emergency needs.

Approved July 24, 1959.

Public Law 86-109

July 28, 1959
[H. R. 5446]

AN ACT

To provide for the recovery of costs of building space utilized by the Veterans' Canteen Service in the Veterans' Administration.

Veterans.
Canteen service.
72 Stat. 1248.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (3) of section 4202 of title 38, United States Code, is amended to read as follows:

"(3) furnish the Service for its use in connection with the establishment, maintenance, and operation thereof, such space, buildings, and structures under control of the Veterans' Administration as he may consider necessary, including normal maintenance and repair service thereon. Reasonable charges, to be determined by the Administrator, shall be paid annually by the Service for the space, buildings, and structures so furnished, except that the Administrator may reduce or waive such charges whenever payment of such charges would impair the working capital required by the Service;".

SEC. 2. This Act shall take effect on the first day of July 1959.
Approved July 28, 1959.