SEC. 15. CONFLICT WITH OTHER LAWS.—All laws and parts of laws of the District inconsistent with this Act are hereby superseded with respect to matters covered by this Act. D.C. Code 35-1914.

SEC. 16. SEPARABILITY OF PROVISIONS.—If any provision of this Act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this Act which can be given effect without the invalid provision or application, and for this purpose the provisions of this Act are separable. D.C. Code 35-1915.

SEC. 17. EFFECTIVE DATE.—This Act shall take effect thirty days after the date of its enactment. D.C. Code 35-1901 note.

Approved August 24, 1974.

Public Law 93-389

AN ACT

To extend for three years the District of Columbia Medical and Dental Manpower Act of 1970.

August 24, 1974
[H. R. 11108]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 303(c) of the District of Columbia Medical and Dental Manpower Act of 1970 (D.C. Code, sec. 31-922(c)) is amended to read as follows: District of Columbia Medical and Dental Manpower Act of 1970, extension.

"(c) There are authorized to be appropriated such sums as may be necessary for the fiscal years ending June 30, 1975, and June 30, 1976, to make grants under this section.".

(b) Section 303(b) of such Act is amended by striking out "section 772 of the Public Health Service Act (42 U.S.C. 295f-2)" and inserting in lieu thereof "section 773 of the Public Health Service Act". 42 USC 295f-3.

Approved August 24, 1974.

Public Law 93-390

AN ACT

To amend the title of the Foreign Assistance Act of 1961 concerning the Overseas Private Investment Corporation to extend the authority for the Corporation, to authorize the Corporation to issue reinsurance, to terminate certain activities of the Corporation, and for other purposes.

August 27, 1974
[S. 2957]

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 "Overseas Private Investment Corporation Amendments Act of 1974". Overseas Private Investment Corporation Amendments Act of 1974.

SEC. 2. Title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2191-2200a) is amended as follows: 22 USC 2191 note. 22 USC 2191.

(1) In section 231—

(A) in the first sentence, strike out "progress" and insert in lieu thereof "development";

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(B) strike out clause (a) and insert in lieu thereof the following:

"(a) to conduct financing, insurance, and reinsurance operations on a self-sustaining basis, taking into account in its financing operations the economic and financial soundness of projects;";

(C) in clause (d) strike out ", when appropriate,", and insert after "efforts to share its insurance" the following: "and reinsurance";

(D) strike out clause (e) and insert in lieu thereof the following:

"(e) to give preferential consideration in its investment insurance, financing, and reinsurance activities (to the maximum extent practicable consistent with the Corporation's purposes) to investment projects involving businesses of not more than $2,500,000 net worth or with not more than $7,500,000 in total assets;";

(E) in clause (i), after "balance-of-payments" insert "and employment";

(F) in clause (j), strike out "and" after the semicolon;

(G) at the end of clause (k), strike out the period and insert in lieu thereof a semicolon; and

(H) add at the end thereof the following new clauses:

"(l) to the maximum extent practicable, to give preferential consideration in the Corporation's investment insurance, financing, and reinsurance activities to investment projects in the less developed friendly countries which have per capita incomes of $450 or less in 1973 United States dollars; and

"(m)(1) to decline to issue any contract of insurance or reinsurance, or any guaranty, or to enter into any agreement to provide financing for an eligible investor's proposed investment if the Corporation determines that such investment is likely to cause such investor (or the sponsor of an investment project in which such investor is involved) significantly to reduce the number of his employees in the United States because he is replacing his United States production with production from such investment which involves substantially the same product for substantially the same market as his United States production; and (2) to monitor conformance with the representations of the investor on which the Corporation relied in making the determination required by clause (1)."

22 USC 2194.

(2) Section 234 is amended—

(A) by striking out the section caption and inserting in lieu thereof the following: "INVESTMENT INSURANCE AND OTHER PROGRAMS";

(B) by striking out subsection (a)(2) and inserting in lieu thereof the following:

"(2) Recognizing that major private investments in less developed friendly countries or areas are often made by enterprises in which there is multinational participation, including significant United States private participation, the Corporation may make arrangements with foreign governments (including agencies, instrumentalities, or

political subdivisions thereof) or with multilateral organizations and institutions for sharing liabilities assumed under investment insurance for such investments and may in connection therewith issue insurance to investors not otherwise eligible hereunder, except that liabilities assumed by the Corporation under the authority of this subsection shall be consistent with the purposes of this title and that the maximum share of liabilities so assumed shall not exceed the proportionate participation by eligible investors in the total project financing, and that the maximum share of liabilities so assumed under paragraph (1) (A) and (B) or paragraph (1) (C) shall not exceed the Corporation's proportional share for such liabilities as specified in paragraph (4) or (5) of this subsection."

(C) by adding at the end of subsection (a) thereof the following new paragraphs:

"(4) (A) It is the intention of Congress that the Corporation achieve participation by private insurance companies, multilateral organizations, or others in liabilities incurred in respect of the risks referred to in paragraph (1) (A) and (B) of this subsection under contracts issued on and after January 1, 1975, of at least 25 per centum, and, under contracts issued on and after January 1, 1978, of at least 50 per centum. If for good reason it is not possible for the Corporation to achieve either such percentage of participation, the Corporation shall report in detail to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives the reasons for its inability to achieve either such percentage of participation, and the date by which such percentage is to be achieved.

Report to congressional committees.

"(B) The Corporation shall not participate as insurer under contracts of insurance issued after December 31, 1979, in respect of the risks referred to in paragraph (1) (A) and (B) of this subsection unless Congress by law modifies this paragraph.

"(5) (A) It is the intention of Congress that the Corporation achieve participation by private insurance companies, multilateral organizations, or others in liabilities incurred in respect of the risks referred to in paragraph (1) (C) of this subsection under contracts issued on and after January 1, 1976, of at least 12½ per centum, and, under contracts issued on and after January 1, 1979, of at least 40 per centum. If for good reason it is not possible for the Corporation to achieve either such percentage of participation, the Corporation shall report in detail to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives the reasons for its inability to achieve either such percentage of participation and the date by which such percentage is to be achieved.

Report to congressional committees.

"(B) The Corporation shall not participate as insurer under contracts of insurance issued after December 31, 1980, in respect of the risks referred to in paragraph (1) (C) of this subsection unless Congress by law modifies this paragraph.

"(6) Notwithstanding any of the percentages of participation under paragraphs (4) (A) and (5) (A) of this subsection, the Corporation may agree to assume liability as insurer for any contract of insurance, or share thereof, that a private insurance company, multilateral

organization, or any other person has issued in respect of the risks referred to in paragraph (1) of this subsection, and neither the execution of any such agreement to assume liability nor its performance by the Corporation shall be considered as participation by the Corporation in any such contract for purposes of such percentages of participation. On and after January 1, 1981, the Corporation shall not enter into any such agreement to assume liability.

"(7) On and after December 31, 1979, the Corporation shall not manage direct insurance issued after such date in respect of risks referred to in paragraph (1)(A) or (B) of this subsection unless Congress by law modifies this sentence. On and after December 31, 1980, the Corporation shall not manage direct insurance issued after such date in respect of risks referred to in paragraph (1)(C) of this subsection unless Congress by law modifies this sentence. It shall thereafter act solely as a reinsurer except to the extent necessary to manage its outstanding insurance and reinsurance contracts and any contracts of insurance the Corporation assumes pursuant to paragraph (6)."; and

(D) by adding at the end thereof the following new subsection:

"(f) OTHER INSURANCE FUNCTIONS.—(1) To make and carry out contracts of insurance or reinsurance, or agreements to associate or share risks, with insurance companies, financial institutions, any other persons, or groups thereof, and employing the same, where appropriate, as its agent, or acting as their agent, in the issuance and servicing of insurance, the adjustment of claims, the exercise of subrogation rights, the ceding and accepting of reinsurance, and in any other matter incident to an insurance business.

"(2) To enter into pooling or other risk-sharing arrangements with other national or multinational insurance or financing agencies or groups of such agencies.

"(3) To hold an ownership interest in any association or other entity established for the purposes of sharing risks under investment insurance.

"(4) To issue, upon such terms and conditions as it may determine, reinsurance of liabilities assumed by other insurers or groups thereof in respect of risks referred to in subsection (a)(1).

The authority granted by paragraph (3) may be exercised notwithstanding the prohibition under subsection (c) against the Corporation purchasing or investing in any stock in any other corporation. The amount of reinsurance of liabilities under this title which the Corporation may issue shall not exceed $600,000,000 in any one year, and the amount of such reinsurance shall not in the aggregate exceed at any one time an amount equal to the amount authorized for the maximum contingent liability outstanding at any one time under section 235(a)(1). All reinsurance issued by the Corporation under this subsection shall require that the reinsured party retain for his own account specified portions of liability, whether first loss or otherwise, and the Corporation shall endeavor to increase such specified portions to the maximum extent possible."

22 USC 2195.

(3) In section 235—

(A) strike out "1974" in subsection (a)(4) and insert in lieu thereof "1977";

(B) in subsection (d), strike out "insurance issued under section 234(a)" and insert in lieu thereof the following: "insurance or reinsurance issued under section 234"; and

Ante, p. 764.

(C) strike out subsection (f) and insert in lieu thereof the following:

"(f) There are authorized to be appropriated to the Corporation, to remain available until expended, such amounts as may be necessary from time to time to replenish or increase the insurance and guaranty fund, to discharge the liabilities under insurance, reinsurance, or guaranties issued by the Corporation or issued under predecessor guaranty authority, or to discharge obligations of the Corporation purchased by the Secretary of the Treasury pursuant to this subsection. However, no appropriations shall be made to augment the Insurance Reserve until the amount of funds in the Insurance Reserve is less than $25,000,000. Any appropriations to augment the Insurance Reserve shall then only be made either pursuant to specific authorization enacted after the date of enactment of the Overseas Private Investment Corporation Amendments Act of 1974, or to satisfy the full faith and credit provision of section 237(c). In order to discharge liabilities under investment insurance or reinsurance, the Corporation is authorized to issue from time to time for purchase by the Secretary of the Treasury its notes, debentures, bonds, or other obligations; but the aggregate amount of such obligations outstanding at any one time shall not exceed $100,000,000. Any such obligation shall be repaid to the Treasury within one year after the date of issue of such obligation. Any such obligation shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of any obligation authorized by this subsection. The Secretary of the Treasury shall purchase any obligation of the Corporation issued under this subsection, and for such purchase he may use as a public debt transaction the proceeds of the sale of any securities issued under the Second Liberty Bond Act after the date of enactment of the Overseas Private Investment Corporation Amendments Act of 1974. The purpose for which securities may be issued under such Bond Act shall include any such purchase."

Appropriation.

Infra.

31 USC 774.

(4) In section 237—

22 USC 2197.

(A) in subsection (a), strike out "and guaranties" and insert in lieu thereof a comma and "guaranties, and reinsurance"; and strike out "or guaranties" and insert in lieu thereof a comma and "guaranties, or reinsurance";

(B) in subsection (b), strike out "or guaranty" in both places and insert in lieu thereof in both places the following: ", guaranty or reinsurance";

(C) in subsection (c), insert ", reinsurance," after "insurance" in both places it occurs:

(D) strike out subsection (d) and insert in lieu thereof the following:

"(d) Fees shall be charged for insurance, guaranty, and reinsurance coverage in amounts to be determined by the Corporation. In the event fees charged for investment insurance, guaranties, or reinsurance are reduced, fees to be paid under existing contracts for the same type of insurance, guaranties, or reinsurance and for similar guaranties issued under predecessor guaranty authority may be reduced.";

(E) in subsection (e), strike out "or guaranty" and insert in lieu thereof a comma and "guaranty, or reinsurance";

(F) in subsection (f), insert ", reinsurance," after "insurance" in both places it occurs;

(G) add at the end of subsection (f) the following: "Notwithstanding the preceding sentence, the Corporation shall limit the amount of direct insurance and reinsurance issued by it under section 234 so that risk of loss as to at least 10 per centum of the total investment of the insured and its affiliates in the project is borne

Ante, p. 764.

by the insured and such affiliates. The preceding sentence shall not apply to the extent not permitted by State law.";

(H) in subsection (g), after "guaranty", insert a comma and "insurance, or reinsurance";

(I) in subsection (h), strike out "or guaranties" and insert in lieu thereof a comma and "guaranties, or reinsurance";

(J) in subsection (i), after "insurance", insert ", reinsurance,"; and

(K) strike out subsection (k) and insert in lieu thereof the following:

"(k) In making a determination to issue insurance, guaranties, or reinsurance under this title, the Corporation shall consider the possible adverse effect of the dollar investment under such insurance, guaranty, or reinsurance upon the balance of payments of the United States."

22 USC 2199.

(5) In section 239—

(A) in subsection (b), add the following new sentences at the end thereof: "On December 31, 1979, the Corporation shall cease operating the programs authorized by section 234 (b) through (e) and section 240. Thereafter, the President is authorized to transfer such programs, and all obligations, assets, and related rights and responsibilities arising out of, or related to, such programs to other agencies of the United States. Upon any such transfer, these programs shall be limited to countries with per capita income of $450 or less in 1973 dollars."; and

22 USC 2194.
22 USC 2200.

(B) add at the end thereof the following:

"(h) Within six months after the date of enactment of this subsection the Corporation shall develop and implement specific criteria intended to minimize the potential environmental implications of projects undertaken by investors abroad in accordance with any of the programs authorized by this title."

22 USC 2200.

(6) In section 240(h), strike out "1974" and insert in lieu thereof "1977".

22 USC 2200a.

(7) In section 240A, strike out subsection (b) and insert in lieu thereof the following:

Report to Congress.

"(b) Not later than January 1, 1976, the Corporation shall submit to the Congress an analysis of the possibilities of transferring all of its activities to private insurance companies, multilateral organizations and institutions, or other entities."

Approved August 27, 1974.

Public Law 93-391

August 28, 1974
[H. R. 15405]

AN ACT

Making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1975, and for other purposes.

Department of Transportation and Related Agencies Appropriation Act, 1975.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Transportation and related agencies for the fiscal year ending June 30, 1975, and for other purposes, namely: