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# Calendar No. 467

81st CONGRESS 1st Session

# S. 2020

[Report No. 475]

#### IN THE SENATE OF THE UNITED STATES

JUNE 8 (legislative day, JUNE 2), 1949

Mr. McCLELLAN, from the Committee on Expenditures in the Executive Departments, reported the following bill; which was read twice and placed on the calendar

# A BILL

To simplify the procurement, utilization, and disposal of Govment property, to reorganize certain agencies of the Government, and for other purposes.

1 Be it enacted by the Senate and House of Representa-

2 tives of the United States of America in Congress assembled,

#### SHORT TITLE

That this Act may be cited as the "Federal Property

5 and Administrative Services Act of 1949".

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#### DECLARATION OF POLICY

SEC. 2. It is the intent of the Congress in enacting this

3 legislation to provide for the Government an economical and

efficient system for (a) the procurement and supply of per-1 sonal property and nonpersonal services, including related  $\mathbf{2}$ functions such as contracting, inspection, storage, issue, speci- $\mathbf{3}$ fications, property identification and classification, transporta-4 tion and traffic management, management of public utility 5 services, repairing and converting, establishment of inventory 6 levels, establishment of forms and procedures, and representa-7 tion before Federal and State regulatory bodies; (b) the 8 utilization of available property; (c) the disposal of surplus 9 property; and (d) records management. 10

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#### DEFINITIONS

SEC. 3. As used in this Act-

(a) The term "executive agency" means any executive
department or independent establishment in the executive
branch of the Government, including any wholly owned Government corporation.

(b) The term "Federal agency" means any executive
agency or any establishment in the legislative or judicial
branch of the Government.

20 (c) The term "Administrator" means the Administrator
21 of General Services provided for in title I hereof.

(d) The term "property" means any interest in property of any kind except (1) the public domain and lands
reserved or dedicated for national forest or national park

purposes; and (2) naval vessels of the following categories:
 Battleships, cruisers, aircraft carriers, destroyers, and sub marines.

4 (e) The term "excess property" means any property
5 under the control of any Federal agency which is not required
6 for its needs and the discharge of its responsibilities, as
7 determined by the head thereof.

8 (f) The term "foreign excess property" means any
9 excess property located outside the continental United
10 States, Hawaii, Alaska, Puerto Rico, and the Virgin
11 Islands.

(g) The term "surplus property" means any excess
property not required for the needs and the discharge of
the responsibilities of the Federal Government, as determined by the Administrator.

(h) The term "care and handling" includes completing, repairing, converting, rehabilitating, operating, preserving, protecting, insuring, packing, storing, handling, conserving, and transporting excess and surplus property, and, in
the case of property which is dangerous to public health or
safety, destroying or rendering innocuous such property.

(i) The term "person" includes any corporation, partnership, firm, association, trust, estate, or other entity.
(j) The term "nonpersonal services" means such con-

tractual services, other than personal and professional
 services, as the Administrator shall designate.

(k) The term "contractor inventory" means (1)3 any property acquired by and in the possession of a con-4 .5 tractor or subcontractor under a contract pursuant to the terms of which title is vested in the Government, and in 6 excess of the amounts needed to complete full performance 7 under the entire contract; and (2) any property which 8 9 the Government is obligated to take over under any type 10of contract as a result either of any changes in the speci-11 fications or plans thereunder or of the termination of such 12contract (or subcontract thereunder), prior to completion 13of the work, for the convenience or at the option of the Government. 14

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#### TITLE I—ORGANIZATION

#### GENERAL SERVICES AGENCY

17 SEC. 101. (a) There is hereby established an agency
18 in the executive branch of the Government which shall be
19 known as the General Services Agency.

(b) There shall be at the head of the General Services
Agency an Administrator of General Services who shall be
appointed by the President by and with the advice and
consent of the Senate, and perform his functions subject to
the direction and control of the President.

1 (c) There shall be in the General Services Agency a Deputy Administrator of General Services who shall be  $\mathbf{2}$ appointed by the Administrator of General Services. 3 The Deputy Administrator shall perform such functions 4 as the Administrator shall designate and shall be Acting 5 Administrator of General Services during the absence or 6 disability of the Administrator and, unless the President 7 shall designate another officer of the Government, in the 8 9 event of a vacancy in the office of Administrator.

10 (d) Pending the first appointment of the Administrator 11 under the provisions of this section, his functions shall be 12 performed temporarily by such officer of the Government 13 in office upon or immediately prior to the taking of effect 14 of the provisions of this Act as the President shall designate.

(e) The President is authorized to fix the compensation of the Administrator, the Deputy Administrator, and
of the heads and assistant heads of the principal organizational units of the General Services Agency at such rates
(not in excess of \$15,000 per annum) as he shall deem
to be commensurate with the responsibilities and duties
of their respective offices.

22 ABOLITION OF BUREAU OF FEDERAL SUPPLY AND TRANSFER

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### OF CONTRACT SETTLEMENT FUNCTIONS

SEC. 102. (a) The functions of the Bureau of Federal
Supply in the Department of the Treasury and its records,
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property, personnel, obligations, and commitments, are 1 hereby transferred to the Administrator of General Services,  $\mathbf{2}$ together with such additional records, property, and per-3 sonnel of the Department of the Treasury as the Director of 4 the Bureau of the Budget shall determine to relate primarily  $\mathbf{5}$ to functions transferred by this section or vested in the 6 Administrator by titles II, III, and V of this Act. The 7functions of the Director of the Bureau of Federal Supply, 8 and the functions of the Secretary of the Treasury, relating 9 to the Bureau of Federal Supply and the Director thereof,  $10^{-10}$ are hereby transferred to the Administrator. The Bureau 11 of Federal Supply and the office of the Director of the Bureau 12of Federal Supply are hereby abolished. 13

(b) The functions of the Director of Contract Settle-14 ment and of the Office of Contract Settlement, transferred 15to the Secretary of the Treasury by Reorganization Plan 16 Numbered 1 of 1947, are transferred to the Administrator 17 and shall be performed by him or, subject to his direction 18 and control, by such officers and agencies of the General 19 Services Agency as he may designate. The Contract Set-20tlement Act Advisory Board created by section 5 of the 21Contract Settlement Act of 1944 (58 Stat. 649) and the 22Appeal Board established under section 13 (d) of that Act 23are transferred from the Department of the Treasury to the 24General Services Agency, but the functions of these Boards 25

1 shall be performed by them, respectively, under con- $\mathbf{2}$ ditions and limitations prescribed by law. There shall 3 also be transferred to the General Services Agency such 4 records, property, personnel, obligations, commitments, and  $\mathbf{5}$ unexpended balances (available or to be made available) 6 of appropriations, allocations, and other funds of the Treas-7 ury Department as the Director of the Bureau of the Budget 8 shall determine to relate primarily to the functions trans-9 ferred by the provisions of this subsection.

10 (c) Any other provision of this section notwithstanding, 11 there may be retained in the Department of the Treasury 12any function referred to in subsection (a) of this section 13 which the Director of the Bureau of the Budget shall, within 14 ten days after the effective date of this Act, determine to be essential to the orderly administration of the affairs of the 15 16 agencies of such Department, other than the Bureau of Fed-17 eral Supply, together with such records, property, personnel, 18 obligations, commitments, and unexpended balances of appropriations, allocations, and other funds, available or to be 19 20made available, of said Department, as said Director shall 21 determine.

TRANSFER OF AFFAIRS OF THE FEDERAL WORKS AGENCY
SEC. 103. (a) There are hereby transferred to the
General Services Agency the Public Roads Administration and its functions, records, property, personnel,

obligations, and commitments. All other functions, records,
 property, personnel, obligations, and commitments of the
 Federal Works Agency, of the Federal Works Administrator,
 and of the Commissioner of Public Buildings are hereby
 transferred to the Administrator of General Services.

6 (b) There are hereby abolished the Federal Works 7 Agency, the Public Buildings Administration, the office of 8 Federal Works Administrator, the office of the Commissioner 9 of Public Buildings, and the office of Assistant Federal 10 Works Administrator.

(c) Without regard to the provisions of section 103 (b),
the President may continue, for such duration as he shall
determine, as a constituent agency of the General Services
Agency, the heretofore existing Bureau of Community
Facilities of the Federal Works Agency.

16 RECORDS MANAGEMENT: TRANSFER OF THE NATIONAL

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#### ARCHIVES

SEC. 104. (a) The National Archives Establishment 18 and its functions, records; property, personnel, obligations, 19 and commitments are hereby transferred to the General 20Services Agency. There are transferred to the Administra-21tor (1) the functions of the Archivist of the United States, 22except that the Archivist shall continue to be a member or 23chairman, as the case may be, of the bodies referred to in 24subsection (b) of this section, and (2) the functions of the 25

Director of the Division of the Federal Register of the
 National Archives Establishment. The Archivist of the
 United States shall hereafter be appointed by the
 Administrator.

 $\mathbf{5}$ (b) There are also transferred to the General Services Agency the following bodies, together with their respective 6 functions: (1) The National Archives Council and the Na-7 8 tional Historical Publications Commission, established by the 9 Act of June 19, 1934 (48 Stat. 1122), (2) the National 10 Archives Trust Fund Board, established by the Act of July 11 9, 1941 (55 Stat. 581), (3) the Board of Trustees of the 12Franklin D. Roosevelt Library, established by the Joint 13 Resolution of July 18, 1939 (53 Stat. 1062), and (4) the 14 Administrative Committee established by section 6 of the 15 Act of July 26, 1935 (49 Stat. 501), which shall hereafter be known as the Administrative Committee of the Federal 1617Register. The authority of the Administrator under section 18106 hereof shall not extend to the bodies or functions affected 19by this subsection.

(c) The Administrator is authorized (1) to make surveys of Government records and records management and
disposal practices and obtain reports thereon from Federal
agencies; (2) to promote, in cooperation with the executive
agencies, improved records management practices and controls in such agencies, including the central storage or disposiApproved For Release 2001/08/15 : CIA-RDP57-00384R001000040005-4

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tion of records not needed by such agencies for their current
 use; and (3) to report to the Congress and the Director
 of the Bureau of the Budget from time to time the results of
 such activities.

## 5 TRANSFER FOR LIQUIDATION OF THE AFFAIRS OF THE WAR 6 ASSETS ADMINISTRATION

 $\mathbf{7}$ SEC. 105. The functions, records, property, personnel, 8 obligations, and commitments of the War Assets Admin-9 istration are hereby transferred to the General Services 10Agency. The functions of the War Assets Administrator 11are hereby transferred to the Administrator of General 12Services. The War Assets Administration, the office of 13the War Assets Administrator, and the office of Associate 14 War Assets Administrator are hereby abolished. Personnel 15now holding appointments granted under the second sentence of section 5 (b) of the Surplus Property Act of 1944, as 16amended, may be continued in such positions or may be 1718appointed to similar positions for such time as the Admin-19istrator may determine.

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#### REDISTRIBUTION OF FUNCTIONS

SEC. 106. The Administrator is hereby authorized, in his discretion, in order to provide for the effective accomplishment of the functions transferred to or vested in him by this Act, and from time to time, to regroup, transfer, and distribute any such functions within the General Services

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Agency, and with the approval of the Director of the Bureau
 of the Budget to make appropriate transfers of funds in
 connection therewith.

#### TRANSFER OF FUNDS

SEC. 107. (a) All unexpended balances of appropriations,  $\mathbf{5}$ allocations, or other funds available or to be made available, 6 for the use of the Bureau of Federal Supply, the War Assets 7 Administration, the Federal Works Agency, and the Na-8 tional Archives Establishment, and so much of the other 9 unexpended balances of appropriations, allocations, or other 10 funds of the Department of the Treasury, available or to be 11 made available, as the Director of the Bureau of the Budget 12 shall determine to relate primarily to functions transferred 13 to or vested in the Administrator by the provisions of this 14 Act, shall be transferred to the General Services Agency 15 for use in connection with the functions to which such bal-16 ances relate, respectively. 17

(b) When other functions are transferred to the General Services Agency from any Federal agency, there shall be transferred such records, property, personnel, appropriations, allocations, and other funds of such agency to the General Services Agency as the Director of the Bureau of the Budget shall determine to relate primarily to the functions so transferred.

1 STATUS OF TRANSFERRED EMPLOYEES SEC. 108. Subject to other provisions of this title relating  $\mathbf{2}$ to personnel, employees transferred by the provisions of this 3 title shall be deemed to be employees of the General Services 4 Agency, and their reappointment shall not be required by 5 reason of the enactment of this Act. 6 7 GENERAL SUPPLY FUND SEC. 109. (a) There is hereby authorized to be set 8 aside in the Treasury a special fund which shall be known 9 as the General Supply Fund. Such fund shall be composed 10 of the assets of the general supply fund (including any 11 12surplus therein) created by section 3 of the Act of February 27, 1929 (45 Stat. 1342; 41 U. S. C. 7c), and 13transferred to the Administrator by section 102 of this Act, 14 and such sums as may be appropriated thereto, and the 15fund shall assume all of the liabilities, obligations, and com-16mitments of the general supply fund created by such Act 17 of February 27, 1929. The capital of the General Supply 18 Fund shall be in an amount not greater than \$100,000,000. 19 The General Supply Fund shall be available for use by or 20under the direction and control of the Administrator (1) 21for procuring personal property (including the purchase 22from or through the Public Printer of standard forms and 23

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blankbook work for field warehouse issue) and nonpersonal 1 services for the use of Federal agencies in the proper dis- $\mathbf{2}$ 3 charge of their responsibilities, and (2) for paying all ele-4 ments of cost of the procurement, handling, and distribution thereof, except that on and after July 1, 1950, those elements  $\mathbf{5}$ of cost which are determined by the Administrator with the 6 approval of the Director of the Bureau of the Budget to be 7 indirect or overhead costs shall not be paid from the fund. 8 (b) Payment by requisitioning agencies shall be at 9 prices fixed by the Administrator. Until July 1, 1950, such 10 prices shall be fixed in accordance with law and regulations 11 applicable on the date of enactment of this Act to prices 12fixed by the Director of the Bureau of Federal Supply. On 1314 and after such date, such prices shall be fixed at levels so as to recover so far as practicable all costs except those 15which are determined by the Administrator with the approval 16of the Director of the Bureau of the Budget to be indirect 1718 or overhead costs. Requisitioning agencies shall pay by 19advance of funds in all cases where it is determined by the 20Administrator that there is insufficient capital otherwise avail-21able in the General Supply Fund. Advances of funds also may be made by agreement between the requisitioning agen-2223cies and the Administrator. Where an advance of funds is not made, requisitioning agencies shall promptly reimburse 2425the General Services Agency on vouchers prepared by the

requisitioning agency on the basis of itemized invoices sub-1 mitted by the Administrator and receiving reports evidencing  $\mathbf{2}$ , the delivery to the requisitioning agency of such supplies or 3 services: Provided, That in any case where payment shall 4 not have been made by the requisitioning agency within 5 6 forty-five days after the date of billing by the Administrator, 7 reimbursement may be obtained by the Administrator by the issuance of transfer and counterwarrants supported by item-8 9 ized invoices.

10 (c) The General Supply Fund shall be credited with all 11 reimbursements, advances of funds, and refunds or recoveries 12relating to supplies or services procured through the fund, 13including the net proceeds of disposal of surplus supplies procured through the fund and receipts from carriers and 14others for loss of, or damage to, supplies procured through 15the fund; and the same are hereby reappropriated for the 1617purposes of the fund.

(d) A special deposit account may be established as a 18 part of the General Supply Fund with the Treasurer of the 19 20United States for use by the chief disbursing officer or any 21regional disbursing officer, Department of the Treasury, 22which may be credited with (1) funds advanced from the 23General Supply Fund account on the books of the Division  $\mathbf{24}$ of Bookkeeping and Warrants and (2) other funds properly 25for credit to the General Supply Fund without being covered Approved For Release 2001/08/15 : CIA-RDP57-00384R001000040005-4

into the Treasury of the United States; and such special
 deposit account may be charged with payments properly
 chargeable to the General Supply Fund.

(e) The Comptroller General of the United States shall 4 make an annual audit of the General Supply Fund as of 5 June 30, and there shall be covered into the United States 6 Treasury as miscellaneous receipts any surplus found therein, 7 all assets, liabilities, and prior losses considered, above the 8 amounts transferred or appropriated to establish and main-9 tain said fund, and the Comptroller General shall report 10 to the Congress annually the results of the audit, together 11 with such recommendations as he may have regarding the 1213 status and operations of the fund.

(f) Subject to the requirements of subsections (a) to 14 (e), inclusive, of this section, the General Supply Fund 15also may be used for the procurement of supplies and non-16personal services authorized to be acquired by mixed-own-17ership Government corporations, or by the municipal 18 government of the District of Columbia, or by a requisitioning 19non-Federal agency when the function of a Federal agency 20authorized to procure for it is transferred to the General 21Services Agency: Provided, That the prices charged by the 22Administrator in such cases shall be fixed at levels which 23he estimates will be sufficient to recover, in addition to the 24direct costs of the procurement, handling, and distribution 25Approved For Release 2001/08/15 : CIA-RDP57-00384R001000040005-4

of such supplies and services, the indirect and overhead
 costs that the Administrator determines are allocable
 thereto.

4 TITLE II—PROPERTY MANAGEMENT

5 PROCUREMENT, WAREHOUSING, AND RELATED ACTIVITIES 6 SEC. 201. (a) The Administrator shall, in respect of 7 executive agencies, and to the extent that he determines 8 that so doing is advantageous to the Government in 9 terms of economy, efficiency, or service, and with due 10 regard to the program activities of the agencies concerned—

11 (1) prescribe policies and methods of procurement 12 and supply of personal property and nonpersonal serv-13 ices, including related functions such as contracting, 14 inspection, storage, issue, specifications, property iden-15 tification and classification, transportation and traffic 16 management, management of public utility services, and 17 repairing and converting; and

(2) operate, and, after consultation with the executive agencies affected, consolidate, take over, or arrange for the operation by any executive agency of warehouses, supply centers, repair shops, fuel yards, and other similar facilities; and

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(3) procure and supply personal property and
 nonpersonal services for the use of executive agencies
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to at a manager lighten of their regroupsibilities and
in the proper discharge of their responsibilities, and
2 perform functions related to procurement and supply
3 such as those mentioned above in subparagraph (1):
4 Provided, That contracts for public utility services may
5 be made for periods not exceeding ten years; and
6 (4) with respect to transportation and other
7 public utility services for the use of executive agencies,
8 represent such agencies in negotiations with carriers
9 and other public utilities and in proceedings involving
10 carriers or other public utilities before Federal and
11 State regulatory bodies;
12 Provided, That the Secretary of Defense may from time
13 to time, unless the President shall otherwise direct, exempt
14 the National Military Establishment from action taken or
15 which may be taken by the Administrator under clauses (1),
16 (2), (3), and (4) above whenever he determines such
17 exemption to be in the best interests of national security.
18 (b) The Administrator shall as far as practicable provide
19 any of the services specified in subsection (a) of this section
20 to any other Federal agency, mixed ownership corporation
21 (as defined in the Government Corporation Control Act), or
22 the District of Columbia, upon its request.
23 (c) In acquiring personal property, any executive
24 agency, under regulations to be prescribed by the Adminis-
25 trator, may exchange or sell similar items (provided that

such items are exchanged as a general practice in trade channels), and may apply the exchange allowance or proceeds of sale in such cases in whole or in part payment for the property acquired: *Provided*, That any transaction carried out under the authority of this subsection shall be evidenced in writing.

#### PROPERTY UTILIZATION

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8 SEC. 202. (a) In order to minimize expenditures for 9 property, the Administrator shall prescribe policies and 10 methods to promote the maximum utilization of excess prop-11 erty by executive agencies, and he shall provide for the 12 transfer of excess property among Federal agencies.

13(b) Each executive agency shall (1) maintain adequate inventory controls and accountability systems for the 14property under its control, (2) continuously survey prop-15erty under its control to determine which is excess property, 16and promptly report such property to the Administrator, 17(3) perform the care and handling of such excess property, 18 19 and (4) transfer or dispose of such property as promptly as possible in accordance with authority delegated and 2021regulations prescribed by the Administrator.

(c) Each executive agency shall, as far as practicable,
(1) make reassignments of property among activities within
the agency when such property is determined to be no longer
required for the purposes of the appropriation from which
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it was purchased, (2) transfer excess property under its
 control to other Federal agencies, and (3) obtain excess
 property from other Federal agencies.

4 (d) Under existing provisions of law and procedures 5 defined by the Secretary of Defense, and without regard to 6 the requirements of this section except subsection (f), ex-7 cess property of one of the departments of the National Mili-8 tary Establishment may be transferred to another department 9 thereof.

(e) Transfers of excess property between Federal agen-10 cies (except transfers for redistribution to other Federal 11 12agencies or for disposal as surplus property) shall be at the 13fair value thereof, as determined by, or pursuant to regulations of, the Administrator, unless such transfer is other-14 wise authorized by any law approved subsequent to June 15 21, 1944, to be without reimbursement or transfer 1617 of funds.

18 (f) The Director of the Bureau of the Budget shall 19 prescribe regulations providing for the reporting to said 20 Director by executive agencies of such reassignments or 21 transfers of property between activities financed by different 22 appropriations as he shall deem appropriate, and the re-23 assignments and transfers so reported shall be reported to 24 the Congress in the annual budget or otherwise as said 25 Director may determine.

(g) Whenever the Administrator determines that the 1 temporary assignment or reassignment of any space in  $\mathbf{2}$  $\mathbf{3}$ excess real property to any Federal agency for office, storage, or related facilities would be more advantageous than 4 5the permanent transfer of such property, he may make such 6 assignment or reassignment for such period of time as he 7 shall determine and obtain, in the absence of appropriation 8 available to him therefor, appropriate reimbursement from 9 the using agency for the expense of maintaining such space. 10 (h) The Administrator may authorize the abandonment, destruction, or donation to public bodies of property which 11 12has no commercial value or of which the estimated cost of 13continued care and handling would exceed the estimated 14proceeds from its sale.

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#### DISPOSAL OF SURPLUS PROPERTY

16SEC. 203. (a) Except as otherwise provided in this 17section, the Administrator shall have supervision and direc-18tion over the disposition of surplus property. Such property 19shall be disposed of to such extent, at such time, in such 20areas, by such agencies, at such terms and conditions, and in 21such manner, as may be prescribed in or pursuant to this Act. 22(b) The care and handling of surplus property, pending 23its disposition, and the disposal of surplus property, may be 24performed by the General Services Agency or, when so 25determined by the Administrator, by the executive agency

in possession thereof or by any other executive agency
 consenting thereto.

3 (c) Any executive agency designated or authorized by the Administrator to dispose of surplus property may do 4 so by sale, exchange, lease, permit, or transfer, for cash, 5 credit, or other property, with or without warranty, and 6 7 upon such other terms and conditions as the Administrator 8 deems proper, and it may execute such documents for the 9 transfer of title or other interest in property and take such 10other action as it deems necessary or proper to dispose of 11 such property under the provisions of this title.

(d) A deed, bill of sale, lease, or other instrument
executed by or on behalf of any executive agency purporting
to transfer title or any other interest in property under this
title shall be conclusive evidence of compliance with the
provisions of this title insofar as concerns title or other
interest of any bona fide grantee or transferee for value
and without notice of lack of such compliance.

(e) Unless the Administrator shall determine that disposal by advertising will in a given case better protect the
public interest, surplus property disposals may be made without regard to any provision of existing law for advertising
until 12 o'clock noon, eastern standard time, December 31,
1950.

25 (f) Subject to regulations of the Administrator, any Approved For Release 2001/08/15 : CIA-RDP57-00384R001000040005-4

executive agency may authorize any contractor with such
 agency or subcontractor thereunder to retain or dispose of
 any contractor inventory.

(g) The Administrator, in formulating policies with 4 respect to the disposal of surplus agricultural commodities,  $\mathbf{5}$ surplus foods processed from agricultural commodities, and 6 surplus cotton or woolen goods, shall consult with the Sec-7 retary of Agriculture. Such policies shall be so formulated 8 as to prevent surplus agricultural commodities, or surplus 9 food processed from agricultural commodities, from being 10dumped on the market in a disorderly manner and dis-11 rupting the market prices for agricultural commodities. 12

(h) Whenever the Secretary of Agriculture determines 13such action to be required to assist him in carrying out his 14 responsibilities with respect to price support or stabilization, 15the Administrator shall transfer without charge to the De-16partment of Agriculture any surplus agricultural commod-17 ities, foods, or cotton or woolen goods to be disposed of. 18 Receipts resulting from disposal by the Department of 19Agriculture under this subsection shall be deposited pursuant 20to any authority available to the Secretary of Agriculture, 21except that net proceeds of any sale of surplus property 22so transferred shall be credited pursuant to section 204 (b), 23when applicable. Surplus farm commodities so transferred 24shall not be sold, other than for export, in quantities in 25

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excess of, or at prices less than, those applicable with respect
 to sales of such commodities by the Commodity Credit
 Corporation.

4 (i) The United States Maritime Commission shall dis-5 pose of surplus vessels of one thousand five hundred gross 6 tons or more which the Commission determines to be mer-7 chant vessels or capable of conversion to merchant use, and 8 such vessels shall be disposed of only in accordance with the 9 provisions of the Merchant Marine Act, 1936, as amended, 10 and other laws authorizing the sale of such vessels.

11 (1) Under such regulations as he may prescribe, (i)12the Administrator is authorized in his discretion to donate for educational purposes in the States, Territories, and pos-13 14 sessions without cost (except for costs of care and handling) 15such equipment, materials, books, or other supplies under the control of any executive agency as shall have been 16 determined to be surplus property and which shall have 17 18 been determined under paragraph 2 or paragraph 3 of this subsection to be usable for educational purposes. 19

(2) Determination whether such property (except surplus property donated in conformity with paragraph 3 of this
subsection) is usable and necessary for educational purposes
shall be made by the Federal Security Administrator, who
shall allocate such property on the basis of needs and utilization for transfer by the Administrator of General Services to

tax-supported school systems, schools, colleges, and univer-1  $\mathbf{2}$ sities, and to other nonprofit schools, colleges, and uni-3 versities which have been held exempt from taxation under 4 section 101 (6) of the Internal Revenue Code, or to State  $\mathbf{5}$ departments of education for distribution to such taxsupported and nonprofit school systems, schools, colleges. 6  $\mathbf{7}$ and universities; except that in any State where another 8 agency is designated by State law for such purpose such 9 transfer shall be made to said agency for such distribution 10within the State.

11 (3) In the case of surplus property under the control of 12the National Military Establishment, the Secretary of Defense 13shall determine whether such property is usable and neces- $\mathbf{14}$ sary for educational activities that are of special interest to 15the armed services, such as maritime academies or military, naval, Air Force, or Coast Guard preparatory schools. If 1617such Secretary shall determine that such property is usable 18and necessary for such purposes, he shall allocate it for 19transfer by the Administrator to such educational activities. 20If he shall determine that such property is not usable and necessary for such purposes, it may be disposed of in accord-2122ance with paragraph 2 of this subsection.

(k) (1) Under such regulations as he may prescribe,
 the Administrator is authorized, in his discretion, to assign .

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to the Federal Security Administrator for disposal such 1 surplus real property, including buildings, fixtures, and  $\mathbf{2}$ equipment situated thereon, as is recommended by the 3 Federal Security Administrator as being needed for school, 4 classroom, or other educational use, or for use in the pro-5tection of public health, including research. 6

7 (A) Subject to the disapproval of the Administrator 8 within thirty days after notice to him by the Federal 9 Security Administrator of a proposed transfer of property 10for school, classroom, or other educational use, the 11 Federal Security Administrator, through such officers or 12employees of the Federal Security Agency as he may 13 designate, may sell or lease such real property, including 14buildings, fixtures, and equipment situated thereon, for 15 educational purposes to the States and their political sub-16 divisions and instrumentalities, and tax-supported educa-17tional institutions, and to other nonprofit educational 18 institutions which have been held exempt from taxation 19 under section 101 (6) of the Internal Revenue Code.

(B) Subject to the disapproval of the Administrator within thirty days after notice to him by the Federal Security Administrator of a proposed transfer of property for public-health use, the Federal Security Administrator, through such officers or employees of the Federal Security Agency as he may designate, may sell or lease Approved For Release 2001/08/15 : CIA-RDP57-00384R001000040005-4

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1	such real property for public-health purposes, including
2	research, to the States and their political subdivisions and
3	instrumentalities, and to tax-supported medical institu-
4	tions, and to hospitals or other similar institutions not
5	operated for profit which have been held exempt from
6	taxation under section 101 (6) of the Internal Revenue
7	Code.
8	(C) In fixing the sale or lease value of property
9	to be disposed of under subparagraph (A) and sub-
10	paragraph (B) of this paragraph, the Federal Security
11	Administrator shall take into consideration any benefit
12	which has accrued or may accrue to the United States
13	from the use of such property by any such State, political
14	subdivision, instrumentality, or institution.
15	(D) "States" as used in this subsection includes
16	the District of Columbia and the Territories and posses-
17	sions of the United States.
18	(2) Subject to the disapproval of the Administrator
19	within thirty days after notice to him of any action to be
20	taken under this subsection-
21	(A) the Federal Security Administrator, through
22	such officers or employees of the Federal Security
23	Agency as he may designate, in the case of property
24	transferred pursuant to the Surplus Property Act of
25	1944, as amended, and pursuant to this Act, to States,
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1 political subdivisions, and instrumentalities thereof, and  $\mathbf{2}$ tax-supported and other nonprofit educational institu-3 tions for school, classroom, or other educational use;

(B) the Federal Security Administrator, through such officer or employees of the Federal Security Agency as he may designate, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, and pursuant to this Act, to States, political subdivisions and instrumentalities thereof, tax-supported medical institutions, and to hospitals and other similar institutions not operated for profit, for use in the protection of public health (including research);

13 (C) the Secretary of the Interior, in the case of property transferred pursuant to the Surplus Property 14 15 Act of 1944, as amended, and pursuant to this Act, to 16 States, political subdivisions, and instrumentalities thereof, and municipalities for use as a public park, public recreational area, or historic monument for the benefit of the public; or

20(D) the Secretary of Defense, in the case of prop-21erty transferred pursuant to the Surplus Property Act 22of 1944, as amended, to States, political subdivisions, 23and tax-supported instrumentalities thereof for use in

1 the training and maintenance of civilian components of 2 the armed forces,

3 is authorized and directed—

(i) to determine and enforce compliance with the 4 terms, conditions, reservations, and restrictions contained 5in any instrument by which such transfer was made; 6 (ii) to reform, correct, or amend any such instru-7 ment by the execution of a corrective, reformative, or 8 9 amendatory instrument where necessary to correct such 10 instrument or to conform such transfer to the require-11 ments of applicable law; and

12(iii) to (I) grant releases from any of the terms, conditions, reservations, and restrictions contained in, 13 and (II) convey, quitclaim, or release to the transferee 14 or other eligible user any right or interest reserved to 15the United States by, any instrument by which such 16transfer was made, if he determines that the property 17so transferred no longer serves the purpose for which it 18 was transferred, and that such release, conveyance, or 19quitclaim deed will not prevent accomplishment of the 20purpose for which such property was so transferred: 21Provided, That any such release, conveyance, or quit-22claim deed may be granted on, or made subject to, such 23

1 terms and conditions as he shall deem necessary to  $\mathbf{2}$ protect or advance the interests of the United States. 3 (1) The Administrator is authorized to take possession 4 of abandoned and other unclaimed property on premises 5 owned or leased by the Government, to determine when 6 title thereto vested in the United States, and to utilize, 7 transfer or otherwise dispose of such property. Former 8 owners of such property upon proper claim filed within three 9 years from the date of vesting of title in the United States 10shall be paid the proceeds realized from the disposition of 11 such property or, if the property is used or transferred, the 12fair value therefor as of the time title was vested in the 13 United States as determined by the Administrator, less in either case the costs incident to the care and handling of 14 15 such property as determined by the Administrator.

16 PROCEEDS FROM TRANSFER OR DISPOSITION OF PROPERTY
17 SEC. 204. (a) All proceeds under this title from any
18 transfer of excess property to a Federal agency for its use,
19 or from any sale, lease, or other disposition of surplus prop20 erty, shall be covered into the Treasury as miscellaneous
21 receipts, except as provided in subsections (b), (c), and (d)
22 of this section.

(b) Where the property transferred or disposed of was
acquired by the use of funds either not appropriated from
the general fund of the Treasury or appropriated therefrom

but by law reimbursable from assessment, tax, or other rev-1 enue or receipts, then the net proceeds of the disposition or  $\mathbf{2}$ transfer shall be credited to the reimbursable fund or ap-3 propriation or paid to the Federal agency which determined 4 such property to be excess: Provided, That the proceeds 5 shall be credited to miscellaneous receipts in any case when 6 the agency which determined the property to be excess shall 7 deem it uneconomical or impractical to ascertain the amount 8 of net proceeds. As used in this subsection, the term "net 9 proceeds of the disposition or transfer" means the proceeds 10of the disposition or transfer minus all expenses incurred 11 for care and handling and disposition or transfer. 12

(c) Any Federal agency disposing of surplus property 13 under this title (1) may deposit, in a special account with  $\mathbf{14}$ the Treasurer of the United States, such amount of the 15 proceeds of such dispositions as it deems necessary to permit 16 appropriate refunds to purchasers when any disposition is 17 rescinded or does not become final, or payments for breach 18 of any warranty, and (2) may withdraw therefrom amounts 19 so to be refunded or paid, without regard to the origin of 20the funds withdrawn. 21

(d) Where any contract entered into by an executive
agency or any subcontract under such contract authorizes
the proceeds of any sale of property in the custody of the
contractor or subcontractor to be credited to the price or

cost of the work covered by such contract or subcontract,
 the proceeds of any such sale shall be credited in accordance
 with the contract or subcontract.

(e) Where credit has been extended in connection with 4 any disposition of surplus property under this title or by 56 War Assets Administration (or its predecessor agencies) 7under the Surplus Property Act of 1944, or where such 8 disposition has been by lease or permit, the Administrator 9 shall administer and manage such credit, lease, or permit, and any security therefor, and may enforce, adjust, and 10settle any right of the Government with respect thereto in 11 12such manner and upon such terms as he deems in the best 13 interest of the Government.

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#### POLICIES, REGULATIONS, AND DELEGATIONS

15 SEC. 205. (a) The President may prescribe such poli-16 cies and directives, not inconsistent with the provisions of 17 this Act, as he shall deem necessary to effectuate the provi-18 sions of this Act, which policies and directives shall govern 19 the Administrator and executive agencies in carrying out 20 their respective functions hereunder.

(b) The Comptroller General shall prescribe principles
and standards of accounting for property, after considering
the needs and requirements of the executive agencies, cooperate with the Administrator and with the executive agencies
in the development of property accounting systems, and ap-

prove such systems when deemed to be adequate and in con-1 formity with prescribed principles and standards. From time  $\mathbf{2}$ to time the General Accounting Office shall examine such 3 property accounting systems as are established by the ex-4 ecutive agencies to determine the extent of compliance with  $\mathbf{5}$ prescribed principles and standards and approved systems, 6 and the Comptroller General shall report to the Congress any 7 failure to comply with such principles and standards or to 8 adequately account for property. 9

10 (c) The Administrator shall prescribe such regulations 11 as he deems necessary to effectuate his functions under 12 this Act, and the head of each Federal agency shall cause 13 to be issued such orders and directives as such head deems 14 necessary to carry out such regulations.

(d) The Administrator is authorized to delegate and 15 to authorize successive redelegation of any authority trans-16ferred to or vested in him by this Act (except for the 17authority to issue regulations on matters of policy having 18application to executive agencies, the authority contained 19 in section 106, and except as otherwise provided in this 20Act) to any official in the General Services Agency or to 21the head of any other Federal agency. 22

(e) With respect to any function transferred to or
-vested in the General Services Agency or the Administrator
by this Act, the Administrator may (1) direct the under-

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taking of its performance by the General Services Agency 1 or by any constituent organization therein which he may  $\mathbf{2}$ designate or establish; or (2) designate and authorize any 3 executive agency to perform such function for itself; or (3) 4 designate and authorize any other executive agency to per- $\mathbf{5}$ form such function; or (4) provide for such performance 6 by any combination of the foregoing methods. Any desig-7, 8 nation or assignment of functions or delegation of authority 9 to another executive agency under this section shall be 10made only with the consent of the executive agency con-11 cerned or upon direction of the President.

12(f) When any executive agency (including the 13General Services Agency and constituent organizations thereof) is authorized and directed by the Administrator to carry 14 out any function under this Act, the Administrator may, 15with the approval of the Director of the Bureau of the 1617Budget, provide for the transfer of appropriate personnel, records, property, and allocated funds of the General Services 18Agency, or of such other executive agency as has theretofore 1920carried out such function, to the executive agency so author-21ized and directed.

(g) The Administrator may establish advisory committees to advise with him with respect to any function transferred to or vested in the Administrator by this Act. The
members thereof shall serve without compensation but
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shall be entitled to transportation and not to exceed \$25
 per diem in lieu of subsistence, as authorized by section 5
 of the Act of August 2, 1946 (5 U. S. C. 73b-2), for
 persons so serving.

5 (h) The Administrator shall advise and consult with 6 interested Federal agencies with a view to obtaining their 7 advice and assistance in carrying out the purposes of this 8 title.

#### SURVEYS AND STANDARDIZATION

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10 SEC. 206. (a) As he may deem necessary for the effectuation of his functions under this title, and after adequate 11 advance notice to the agencies affected, and with due regard 12to the requirements of the National Military Establishment 13as determined by the Secretary of Defense, the Adminis-14 trator is authorized (1) to make surveys of Government 15property and property management practices and obtain 16reports thereon from Federal agencies; (2) to cooperate 17with executive agencies in the establishment of reasonable 1819inventory levels for property stocked by them and from time to time report any excessive stocking to the Congress and 20to the Director of the Bureau of the Budget; (3) to estab-21lish and maintain such uniform Federal supply catalog system 22as may be appropriate to identify and classify personal prop-23erty under the control of Federal agencies: Provided, That 2425the Administrator shall coordinate his activities hereunder Approved For Release 2001/08/15 : CIA-RDP57-00384R001000040005-4

with the cataloging activities of the National Military Establishment so as to avoid unnecessary duplication; and (4) to
prescribe standardized forms and procedures, except such
as the Comptroller General is authorized by law to prescribe,
and standard purchase specifications.

(b) Each executive agency shall utilize such uniform 6 Federal supply catalog system and standard purchase speci-7 fications as far as practicable, taking into consideration 8 efficiency, economy, and other interests of the Government. 9 (c) The General Accounting Office shall audit all types 10 of property accounts and transactions at such times and in 11 such manner as determined by the Comptroller General. 12Such audit shall be conducted as far as practicable at the 13 place or places where the property or records of the execu-14 tive agencies are kept and shall include but not necessarily 15 be limited to an evaluation of the effectiveness of internal 16controls and audits, and a general audit of the discharge of 17accountability for Government-owned or controlled property 18 based upon generally accepted principles of auditing. 19

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#### APPLICABILITY OF ANTITRUST LAWS

SEC. 207. Whenever any executive agency shall begin negotiations for the disposition to private interests of a plant or plants, or other property, which cost the Government \$1,000,000 or more, or of patents, processes, techniques, or inventions, irrespective of cost, the executive agency shall
promptly notify the Attorney General of the proposed dis-1 posal and the probable terms or conditions thereof. Within 2a reasonable time, in no event to exceed thirty days after 3 receiving such notification, the Attorney General shall advise 4 the Administrator and the interested executive agency 5whether, insofar as he can determine, the proposed disposition 6 would tend to create or maintain a situation inconsistent with 7 Upon the request of the Attorney the antitrust laws. 8 General, the Administrator or interested executive agency 9 shall furnish or cause to be furnished such information as it 10may possess which the Attorney General determines to be 11 appropriate or necessary to enable him to give the advice 12called for by this section or to determine whether any other 13disposition or proposed disposition of surplus property 14 violates the antitrust laws. Nothing in this Act shall impair, 15amend, or modify the antitrust laws or limit and prevent their 16 application to persons who buy or otherwise acquire property 17under the provisions of this Act. As used in this section, the 18term "antitrust laws" includes the Act of July 2, 1890 (26 19 Stat. 209, as amended); the Act of October 15, 1914 (38 20Stat. 730, as amended); the Federal Trade Commission 2122Act (38 Stat. 717, as amended); and sections 73 and 74 of the Act of August 27, 1894 (28 Stat. 570, as amended). 2324EMPLOYMENT OF PERSONNEL

25 SEC. 208. (a) The Administrator is authorized, subject Approved For Release 2001/08/15 : CIA-RDP57-00384R001000040005-4

to the civil-service and classification laws, to appoint and fix
 the compensation of such personnel as may be necessary
 to carry out the provisions of title I, II, III, and V of this
 Act.

 $\mathbf{5}$ (b) To such extent as he finds necessary to carry out the provisions of titles I, II, III, and V of this Act, the Ad-6 ministrator is hereby authorized to procure the temporary 7 (not in excess of one year) or intermittent services of experts 8 9 or consultants or organizations thereof, including stenographic 10reporting services, by contract or appointment, and in such 11 cases such service shall be without regard to the civil-service 12and classification laws, and, except in the case of stenographic reporting services by organizations, without regard to section 133709, Revised Statutes, as amended (41 U.S.C.5). 14

15(c) Notwithstanding the provisions of section 1222 of the Revised Statutes (10 U. S. C. 576) or of any other 16provision of law, the Administrator in carrying out the 17functions imposed upon him by this Act is authorized to 18 utilize in his agency the services of officials, officers, and 1920other personnel in other executive agencies, including per-21sonnel of the armed services, with the consent of the head of 22the agency concerned.

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# CIVIL REMEDIES AND PENALTIES

24 SEC. 209. (a) Where any property is transferred or 25 disposed of in accordance with this Act and any regulations Approved For Release 2001/08/15 : CIA-RDP57-00384R001000040005-4

prescribed hereunder, no officer or employee of the Govern ment shall (1) be liable with respect to such transfer or
 disposition except for his own fraud, or (2) be accountable
 for the collection of any purchase price for such property
 which is determined to be uncollectible by the Federal agency
 responsible therefor.

(b) Every person who shall use or engage in, or cause 7 to be used or engaged in, or enter into an agreement, com-8 bination, or conspiracy to use or engage in or to cause to 9 be used or engaged in, any fraudulent trick, scheme, or 10device, for the purpose of securing or obtaining, or aiding to 11 secure or obtain, for any person any payment, property, or 12other benefits from the United States or any Federal agency 13in connection with the procurement, transfer, or disposition 14 of property hereunder-15

(1) shall pay to the United States the sum of \$2,000 for each such act, and double the amount of any damage which the United States may have sustained by reason thereof, together with the cost of suit; or

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(2) shall, if the United States shall so elect, pay
to the United States, as liquidated damages, a sum equal
to twice the consideration agreed to be given by the
United States or any Federal agency to such person or
by such person to the United States or any Federal
agency, as the case may be; or

(3) shall, if the United States shall so elect, re-1 store to the United States the money or property thus  $\mathbf{2}$ secured and obtained and the United States shall retain 3 as liquidated damages any property, money, or other 4 consideration given to the United States or any Federal  $\mathbf{5}$ agency for such money or property, as the case may be. 6 7 (c) The several district courts of the United States, the District Court of the United States for the District of .8 Columbia, and the several district courts of the Territories 9 and possessions of the United States, within whose jurisdic-10 tional limits the person, or persons, doing or committing such 11 act, or any one of them, resides or shall be found, shall where-12soever such act may have been done or committed, have 13full power and jurisdiction to hear, try, and determine such 14 suit. 15

16 (d) The civil remedies provided in this section shall
17 be in addition to all other criminal penalties and civil
18 remedies provided by law.

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#### REPORTS TO CONGRESS

20 SEC. 210. The Administrator shall submit a report to 21 the Congress, in January of each year and at such 22 other times as he may deem it desirable, regarding the ad-23 ministration of his functions under this Act, together with 24 such recommendations for amendments to this Act as

he may deem appropriate as the result of the administration 1  $\mathbf{2}$ of this Act.

TITLE III—PROCUREMENT PROCEDURE

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DECLARATION OF PURPOSE

5SEC. 301. The purpose of this title is to facilitate the  $\mathbf{6}$ procurement of supplies and services.

APPLICATION AND PROCUREMENT METHODS

8 SEC. 302. (a) The provisions of this title shall be applicable to purchases and contracts for supplies or services 9 10 made---

(1) by the General Services Agency for the use of such agency or otherwise; and

(2) by any other executive agency (except any agency named in section 2 (a) of the Armed Services 14Procurement Act of 1947), to the extent of and in con-15 formity with authority delegated by the Administrator 16 pursuant to the provisions of this subsection.

The Administrator may delegate to the head of any other 18such agency authority to make purchases and contracts for 19supplies or services pursuant to the provisions of this title 2021(A) for the use of two or more executive agencies or (B) in other cases upon a determination by the Administrator 22that by reason of circumstances set forth in such determina-23tion such delegation is advantageous to the Government in 24

terms of economy, efficiency, or national security. Notice
 of every such delegation of authority so made shall be fur nished to the General Accounting Office.

(b) It is the declared policy of the Congress that a fair 4 proportion of the total purchases and contracts for supplies 5 and services for the Government shall be placed with small-6 Whenever it is proposed to make a 7 business concerns. contract or purchase in excess of \$10,000 by negotiation 8 and without advertising, pursuant to the authority of para-9 graph (7) or (8) of section 302 (c) of this title, suitable 10 advance publicity, as determined by the agency head with 11 due regard to the type of supplies involved and other rel-12evant considerations, shall be given for a period of at least 13 fifteen days, wherever practicable, as determined by the 14 agency head. 15

(c) All purchases and contracts for supplies and services shall be made by advertising, as provided in section 303,
except that such purchases and contracts may be negotiated
by the agency head without advertising if—

20 (1) determined to be necessary in the public
21 interest during the period of a national emergency
22 declared by the President or by the Congress;

23 (2) the public exigency will not admit of the delay
24 incident to advertising;

25 (3) the aggregate amount involved does not exceed Approved For Release 2001/08/15 : CIA-RDP57-00384R001000040005-4

1 \$1,000: Provided, That no agency other than the
2 General Services Agency shall make any purchase of,
3 or contract for, supplies or services in excess of \$500
4 under this paragraph except in the exercise of authority
5 conferred by the Administrator to procure and furnish
6 supplies and services for the use of two or more executive
7 agencies;
8 (4) for personal or professional services;
9 (5) for any service to be rendered by any univer-
sity, college, or other educational institution;
11 (6) the supplies or services are to be procured and
12 used outside the limits of the United States and its
13 possessions;
14 (7) for medicines or medical supplies;
15 (8) for supplies purchased for authorized resale;
16 (9) for supplies or services for which it is imprac-
ticable to secure competition;
18 (10) the agency head determines that the purchase
19 or contract is for experimental, developmental, or re-
20 search work, or for the manufacture or furnishing of
21 supplies for experimentation, development, research, or
test: <i>Provided</i> , That beginning six months after the
23 effective date of this title and at the end of each six-
24 month period thereafter, there shall be furnished to the
25 Congress a report setting forth the name of each con-

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tractor with whom a contract has been entered into pursuant to this paragraph (10) since the date of the last such report, the amount of the contract, and, with due consideration given to the national security, a description of the work required to be performed thereunder;

(11) for supplies or services as to which the agency head determines that the character, ingredients, or components thereof are such that the purchase or contract should not be publicly disclosed;

(12) for equipment which the agency head determines to be technical equipment, and as to which he determines that the procurement thereof without advertising is necessary in special situations or in particular localities in order to assure standardization of equipment and interchangeability of parts and that such standardization and interchangeability is necessary in the public interest;

19 (13) for supplies or services as to which the agency 20 head determines that bid prices after advertising there-21 for are not reasonable (either as to all or as to some part 22 of the requirements) or have not been independently 23 arrived at in open competition: *Provided*, That no 24 negotiated purchase or contract may be entered into 25 under this paragraph after the rejection of all or some

of the bids received unless (A) notification of the intention to negotiate and reasonable opportunity to negotiate shall have been given by the agency head to each responsible bidder and (B) the negotiated price is the lowest negotiated price offered by any responsible supplier; or

(14) otherwise authorized by law.

8 (d) If in the opinion of the agency head bids received 9 after advertising evidence any violation of the antitrust laws 10 he shall refer such bids to the Attorney General for appro-11 priate action.

(e) This section shall not be construed to (A) authorize 12the erection, repair, or furnishing of any public building or 13public improvement, but such authorization shall be required 14 in the same manner as heretofore, or (B) permit any con-15tract for the construction or repair of buildings, roads, side-16walks, sewers, mains, or similar items to be negotiated with-17 out advertising as required by section 303, unless such con-18 tract is to be performed outside the continental United States 19 or unless negotiation of such contract is authorized by the 20provisions of paragraph (1), (2), (3), (9), (10), (11), 21or (13) of subsection (c) of this section. 22

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## ADVERTISING REQUIREMENTS

24 SEC. 303. Whenever advertising is required—

(a) The advertisement for bids shall be made a sufficient Approved For Release 2001/08/15 : CIA-RDP57-00384R001000040005-4

1 time previous to the purchase or contract, and specifications
2 and invitations for bids shall permit such full and free com3 petition as is consistent with the procurement of types of
4 supplies and services necessary to meet the requirements of
5 the agency concerned.

6 (b) All bids shall be publicly opened at the time and 7 place stated in the advertisement. Award shall be made with 8 reasonable promptness by written notice to that responsible 9 bidder whose bid, conforming to the invitation for bids, will 10be most advantageous to the Government, price and other factors considered: Provided, That all bids may be rejected 11 12when the agency head determines that it is in the public 13 interest so to do.

### REQUIREMENTS OF NEGOTIATED CONTRACTS

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15SEC. 304. (a) Except as provided in subsection (b) 16 of this section, contracts negotiated pursuant to section 302 17(c) may be of any type which in the opinion of the agency 18head will promote the best interests of the Government. 19Every contract negotiated pursuant to section 302 (c) shall 20contain a suitable warranty, as determined by the agency 21head, by the contractor that no person or selling agency 22has been employed or retained to solicit or secure such 23contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting 2425bona fide employees or bona fide established commercial or Approved For Release 2001/08/15 : CIA-RDP57-00384R001000040005-4

1 selling agencies maintained by the contractor for the pur-2 pose of securing business, for the breach or violation of 3 which warranty the Government shall have the right to 4 annul such contract without liability or in its discretion to 5 deduct from the contract price or consideration the full 6 amount of such commission, percentage, brokerage, or 7 contingent fee.

(b) The cost-plus-a-percentage-of-cost system of con-8 9 tracting shall not be used, and in the case of a cost-plus-afixed-fee contract the fee shall not exceed 10 per centum 10of the estimated cost of the contract, exclusive of the fee, 11 as determined by the agency head at the time of entering 12into such contract (except that a fee not in excess of 15 13 per centum of such estimated cost is authorized in any 14such contract for experimental, developmental, or research 15work and that a fee inclusive of the contractor's costs and 1617not in excess of 6 per centum of the estimated cost, exclusive of fees, as determined by the agency head at the time 18of entering into the contract, of the project to which such 19fee is applicable is authorized in contracts for architectural 20or engineering services relating to any public works or 21utility project). Neither a cost nor a cost-plus-a-fixed-fee 22contract nor an incentive-type contract shall be used unless 23the agency head determines that such method of contract-24ing is likely to be less costly than other methods or that 25Approved For Release 2001/08/15 : CIA-RDP57-00384R001000040005-4

it is impractical to secure supplies or services of the kind 1 or quality required without the use of a cost or cost-plus- $\mathbf{2}$ 3 a-fixed-fee contract or an incentive-type contract. All cost 4 and cost-plus-a-fixed-fee contracts shall provide for advance notification by the contractor to the procuring agency of  $\mathbf{5}$ any subcontract thereunder on a cost-plus-a-fixed-fee basis 6 and of any fixed-price subcontract or purchase order which 7 8 exceeds in dollar amount either \$25,000 or 5 per centum 9 of the total estimated cost of the prime contract; and a 10 procuring agency, through any authorized representative 11 thereof, shall have the right to inspect the plans and to audit 12the books and records of any prime contractor or subcon-13tractor engaged in the performance of a cost or cost-plus-a-14 fixed-fee contract.

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### ADVANCE PAYMENTS

16 SEC. 305. (a) The agency head may make advance 17payments under negotiated contracts heretofore or hereafter executed in any amount not exceeding the contract price 18upon such terms as the parties shall agree: Provided, That 19 20advance payments shall be made only upon adequate security and if the agency head determines that provision for such 21advance payments is in the public interest or in the interest 22of the national defense and is necessary and appropriate in 23order to procure required supplies or services under the 2425contract.

The terms governing advance payments may in-1 (b) clude as security provision for, and upon inclusion of such  $\mathbf{2}$ 3 provision there shall thereby be created, a lien in favor of the Government, paramount to all other liens, upon the 4 supplies contracted for, upon the credit balance in any special  $\mathbf{5}$ account in which such payments may be deposited and upon 6 such of the material and other property acquired for perform-7 8 ance of the contract as the parties shall agree.

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## WAIVER OF LIQUIDATED DAMAGES

10 SEC. 306. Whenever any contract made on behalf of the Government by the agency head or by officers authorized 11 12by him so to do includes a provision for liquidated damages for delay, the Comptroller General on the recommendation 13 of the agency head is authorized and empowered to remit 14 the whole or any part of such damages as in his discretion 1516may be just and equitable.

ADMINISTRATIVE DETERMINATIONS AND DELEGATIONS SEC. 307. (a) The determinations and decisions pro-18 19 vided in this title to be made by the Administrator or other agency head may be made with respect to individual pur-20chases and contracts or with respect to classes of purchases 2122or contracts, and shall be final. Except as provided in sub-23section (b) of this section, the agency head is authorized  $\mathbf{24}$ to delegate his powers provided by this title, including the 25making of such determinations and decisions, in his discre-

1 tion and subject to his direction, to any other officer or2 officers or officials of the agency.

(b) The power of the agency head to make the deter-3 minations or decisions specified in paragraphs (11) and 4 (12) of section 302 (c) and in section 305 (a) shall not  $\mathbf{5}$ be delegable, and the power to make the determinations 6 or decisions specified in paragraph (10) of section 302 (c) 7 shall be delegable only to a chief officer responsible for 8 9 procurement and only with respect to contracts which will not require the expenditure of more than \$25,000. The 10power of the Administrator to make the delegations and 11 determinations specified in section 302 (a) shall be delegable 12only to the Deputy Administrator or to the chief official 13 of any principal organizational unit of the General Services 1415Agency.

16 (c) Each determination or decision required by paragraphs (10), (11), 12), or (13) of section 302 (c), by 1718 section 304 or by section 305 (a) shall be based upon 19written findings made by the official making such deter-20mination, which findings shall be final and shall be available 21within the agency for a period of at lease six years following 22the date of the determination. A copy of the findings shall 23be submitted to the General Accounting Office with the  $\mathbf{24}$ contract.

25 (d) In any case where any purchase or contract is Approved For Release 2001/08/15 : CIA-RDP57-00384R001000040005-4

negotiated pursuant to the provisions of section 302 (c),
 except in a case covered by paragraphs (2), (3), (4),
 (5), or (6) thereof, the data with respect to the negotiation
 shall be preserved in the files of the agency for a period of
 six years following final payment on such contract.

# STATUTES CONTINUED IN EFFECT

7 SEC. 308. No purchase or contract shall be exempt 8 from the Act of June 30, 1936 (49 Stat. 2036, as amended; 9 41 U. S. C. 35 to 45), or from the Act of March 3, 1931 10 (46 Stat. 1494, as amended; 40 U. S. C. 276a to 276a-6), 11 solely by reason of having been entered into pursuant to sec-12tion 302 (c) hereof without advertising, and the provisions 13of said Acts and of the Act of June 19, 1912 (37 Stat. 137, as amended; 40 U. S. C. 324 and 325a), if otherwise 14 15applicable, shall apply to such purchases and contracts.

16

6

#### DEFINITIONS

17 SEC. 309. As used in this title—

18 (a) The term "agency head" shall mean the head or 19 any assistant head of any executive agency, and may at the 20option of the Administrator include the chief official of any 21principal organizational unit of the General Services Agency. 22(b) The term "supplies" shall mean all property except 23land, and shall include, by way of description and without 24 limitation, public works, buildings, facilities, ships, floating 25equipment, and vessels of every character, type and descrip-

tion (except the categories of naval vessels named in section
 3 (d)), aircraft, parts, accessories, equipment, machine tools
 and alteration or installation thereof.

4

# STATUTES NOT APPLICABLE

5 SEC. 310. The following provisions of law shall not 6 apply to the procurement of supplies or services (1) by 7 the General Services Agency, or (2) within the scope of 8 authority delegated by the Administrator to any other 9 executive agency:

10 Revised Statutes, section 3709, as amended (41 U. S. C.
11 5);

12 Revised Statutes, section 3735 (41 U. S. C. 13);

13 Sections 1 and 2 of the Act of October 10, 1940 (54

14 Stat. 1109, as amended; 41 U. S. C. 6 and 6a).

15 TITLE IV—FOREIGN EXCESS PROPERTY

16 DISPOSAL OF FOREIGN EXCESS PROPERTY

SEC. 401. Each executive agency having foreign excess 17 property shall be responsible for the disposal thereof: Pro-18vided, That (a) the head of each such executive agency 19shall, with respect to the disposition of such property, con-20form to the foreign policy of the United States; (b) the 21Secretary of State shall have the authority to use foreign 22currencies and credits acquired by the United States under 23section 402 (b) of this Act in order to effectuate the pur-24poses of section 32 (b) (2) of the Surplus Property Act 25

of 1944, as amended, and the Foreign Service Buildings 1 Act of May 7, 1926, as amended (including Public Law  $\mathbf{2}$ 547, Seventy-ninth Congress (60 Stat. 663)), and for  $\mathbf{3}$ the purpose of paying any other governmental expenses pay-4 able in local currencies, and the authority to amend, modify, 5and renew agreements in effect on the effective date of  $\mathbf{6}$ this Act; (c) any foreign currencies or credits acquired 7by the Department of State pursuant to such agreements 8 shall be administered in accordance with procedures that 9 may from time to time be established by the Secretary of 10the Treasury and, if and when reduced to United States 11 12currency, shall be covered into the Treasury as miscellaneous 13 receipts; and (d) the Department of State shall, except to such extent as the President shall otherwise determine, con-14 tinue to perform other functions with respect to agreements 15for the disposal of foreign excess property in effect on the 16 17 effective date of this Act.

18

# METHODS AND TERMS OF DISPOSAL

19 SEC. 402. Foreign excess property may be disposed of 20 (a) by sale, exchange, lease, or transfer, for cash, credit, 21 or other property, with or without warranty, and upon such 22 other terms and conditions as the head of the executive 23 agency concerned deems proper; but in no event shall any 24 agricultural commodity, food, or cetton or woolen goods be 25 sold without a condition forbidding their importation into

the United States, unless the Secretary of Agriculture deter-1 mines that such property is in short supply in this country,  $\mathbf{2}$ or (b) for foreign currencies or credits, or substantial bene-3 fits or the discharge of claims resulting from the compromise 4 or settlement of such claims by any executive agency in  $\mathbf{5}$ accordance with the law, whenever the head of the execu-6 tive agency concerned determines that it is in the interest 7 of the United States to do so. Such property may be dis-8 posed of without advertising when the head of the executive 9 agency concerned finds so doing to be most practicable and 10 to be advantageous to the Government. The head of each 11 executive agency responsible for the disposal of foreign 12excess property may execute such documents for the transfer 13 of title or other interest in property and take such other 14 action as he deems necessary or proper to dispose of such 15 property; and may authorize the abandonment, destruction, 16 or donation of foreign excess property under his control 17 which has no commercial value or the estimated cost of 18 care and handling of which would exceed the estimated 19 20proceeds from its sale.

21

# PROCEEDS, FOREIGN CURRENCIES

SEC. 403. Proceeds from the sale, lease, or other disposition of foreign excess property, (a) shall, if in the form of foreign currencies or credits, be administered in accordance with procedures that may from time to time be Approved For Release 2001/08/15 : CIA-RDP57-00384R001000040005-4

established by the Secretary of the Treasury, and (b) shall, 1 if in United States currency, or when any proceeds in foreign  $\mathbf{2}$ currencies or credits shall be reduced to United States car-3 rency, be covered into the Treasury as miscellaneous re-4 ceipts: *Provided*, That the provisions of section 204 (b) 5(which by their terms apply to property disposed of under 6 title II) shall be applicable to proceeds of foreign excess 7 property disposed of for United States currency under this 8 title IV: And provided further, That any executive agency 9 10disposing of foreign excess property under this title (1) may 11 deposit, in a special account with the Treasurer of the United 12States, such amount of the proceeds of such dispositions as it deems necessary to permit appropriate refunds to 13purchasers when any disposition is rescinded or does not 14 become final, or payments for breach of any warranty, and 15(2) may withdraw therefrom amounts so to be refunded or 16paid, without regard to the origin of the funds withdrawn. 17

# MISCELLANEOUS PROVISIONS

18

19 SEC. 404. (a) The President may prescribe such poli-20 cies, not inconsistent with the provisions of this title, as he 21 shall deem necessary to effectuate the provisions of this title, 22 which provisions shall guide each executive agency in carry-23 ing out its functions hereunder.

(b) Any authority conferred upon any executive agency
or the head thereof by the provisions of this title may be
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1 delegated, and successive redelegation thereof may be author-

2 ized, by such head to any official in such agency or to the
3 head of any other executive agency.

(c) The head of each executive agency responsible for 4  $\mathbf{5}$ the disposal of foreign excess property hereunder may, as 6 may be necessary to carry out his functions under this 7 title, (1) subject to the civil-service and classification laws. appoint and fix the compensation of personnel, and (2) 8 . 9 without regard to the civil-service and classification laws, 10appoint and fix the compensation of personnel outside the 11 continental limits of the United States.

(d) Each executive agency responsible for the disposal of foreign excess property under this title shall submit
a report to Congress in January of each year or at such other
time or times as he may deem desirable relative to its
activities under this title, together with any appropriate
recommendations.

18 (e) There shall be transferred from the Department of 19 State to each other executive agency affected by this title 20such records, property, personnel, obligations, commitments, 21and unexpended balances of appropriations, allocations, and 22other funds, available or to be made available, as the Director of the Bureau of the Budget shall determine to relate to 23 $\mathbf{24}$ functions of such agency under this title which have here-25tofore been administered by the Department of State.

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	1	TITLE V—GENERAL PROVISIONS
	<b>2</b>	APPLICABILITY OF EXISTING PROCEDURES
	3	SEC. 501. All policies, procedures, and directives
	.4	prescribed—
	5	(a) by either the Director, Bureau of Federal Sup-
	6	ply, or the Secretary of the Treasury and relating to
	7	any function transferred to or vested in the Adminis-
	8	trator by the provisions of this Act;
	9	(b) by any officer of the Government under the
	10	authority of the Surplus Property Act of 1944, as
	11	amended, or under other authority with respect to sur-
	12	plus property or foreign excess property;
	13	(c) by or under authority of the Federal Works
	14	Administrator or the head of any constituent agency of
	15	the Federal Works Agency; and
	16	(d) by the Archivist of the United States or any
	17	other officer or body whose functions are transferred by
	18	title I of this Act,
	19	in effect upon the effective date of this Act and not incon-
	20	sistent herewith, shall remain in full force and effect unless
	21	and until superseded, or except as they may be amended,
	22	under the authority of this Act or under other appropriate
	23	authority.
	24	REPEAL AND SAVING PROVISIONS
	25	SEC. 502. (a) There are hereby repealed

1 (1) the Surplus Property Act of 1944, as amended  $\mathbf{2}$ (except sections 13 (g), 13 (h), 28, and 32 (b) 3 (2)), and sections 501 and 502 of Reorganization 4 Plan Numbered 1 of 1947; 5(2) that portion of the Act entitled "An Act mak- $\mathbf{6}$ ing supplemental appropriations for the Executive Office 7 and sundry independent executive bureaus, boards, com-8 missions, and offices, for the fiscal year ending June 9 30, 1949, and for other purposes?', approved June 30, 10 (Public Law 862, Eightieth Congress), as 194811 amended, appearing under the caption "Surplus prop-12erty disposal"; 13 (3) the Act entitled "An Act to authorize the 14Secretary of War to dispose of material no longer needed by the Army", approved February 28, 1936 (49 Stat. 15161147; 10 U. S. C. 1258); 17 (4) the Act entitled "An Act to authorize the 18 Secretary of the Navy to dispose of material no longer 19 needed by the Navy", approved May 23, 1930, as 20amended (46 Stat. 378; 34 U.S.C. 546c); 21(5) section 5 of the Act of July 11, 1919 (41 22Stat. 67; 40 U. S. C. 311); 23(6) section 1 of the Act of December 20, 1928 24(45 Stat. 1030; 40 U. S. C. 311a) : 25(7) the Act entitled "An Act to authorize the Approved For Release 2001/08/15 : CIA-RDP57-00384R001000040005-4

<b>,1</b>	Secretary of the Army, the Secretary of the Navy, and
2	the Secretary of the Air Force to donate excess and
3	surplus property for educational purposes", approved
4	July 2, 1948 (Public Law 889, Eightieth Congress);
5	(8) section 203 of the Act of June 26, 1943 (57
6	Stat. 195, as amended; 5 U. S. C. 118d–1) ;
.7	(9) the Act of April 15, 1937 (50 Stat. 64; 5
8	U. S. C. 118d);
9	(10) the second proviso contained in the para-
10	graph of the Act of August 10, 1912 (37 Stat. 296;
11	5 U. S. C. 545), headed "Contingent expenses, Depart-
12	ment of Agriculture";
13	(11) the second proviso contained in the twentieth
14	paragraph of section 1 of the Act of March 2, 1917
15	(39 Stat. 973; 5 U. S. C. 494);
16	(12) the twenty-sixth paragraph under the head-
17	ing "National Parks" of the Act of January 24, 1923
. 18	(42 Stat. 1215; 16 U. S. C. 9);
19	(13) the fifth paragraph under the heading "Ex-
20	periments and demonstrations in livestock production
21	in the cane-sugar and cotton districts of the United
22	States" of the Act of June 30, 1914 (38 Stat. 441; 5
23	U. S. C. 546);
24	(14) the proviso contained in the second para-
25	graph under the heading "Library, Department of
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1	Agriculture" of the Act of March 4, 1915 (38 Stat.		
2	1107; 5 U. S. C. 548);		
3	(15) the second proviso contained in the second		
4	paragraph under the heading "Clothing and camp and		
5	garrison equipage" of section 1 of the Act of August		
6	29, 1916 (39 Stat. 635; 10 U. S. C. 1271);		
7	(16) the Act of May 11, 1939 (53 Stat. 739;		
8	10 U. S. C. 1271a);		
9	(17) the fifth paragraph under the heading "Office		
10	of the Chief Signal Officer" of the Act of May 12, 1917		
11	(40 Stat. 43, as amended; 10 U. S. C. 1272);		
12	(18) the third proviso contained in the second		
13	paragraph under the heading "Office of the Chief Signal		
14	Officer" of the Act of March 4, 1915 (38 Stat. 1064;		
15	10 U. S. C. 1273);		
16	(19) the fourteenth paragraph under the heading		
17	"Smithsonian Institution" of section 1 of the Act of		
18	March 3, 1915 (38 Stat. 839; 20 U. S. C. 66);		
19	(20) the second paragraph under the heading		
20	"Government hospital for the insane" of section 1 of		
21	the Act of August 1, 1914 (38 Stat. 649; 24 U. S. C.		
22	173);		
23	(21) the second paragraph under the heading		
24	"Saint Elizabeths Hospital" of section 1 of the Act of		
25	June 12, 1917 (40 Stat. 153; 24 U.S.C. 174);		
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1	(22) the proviso contained in the second para-
2	graph under the heading "Bureau of Supplies and Ac-
3	counts" of the Act of August 22, 1912 (37 Stat. 346;
4	34 U. S. C. 531a);
5	(23) the second proviso of the first paragraph
6	under the heading "Bureau of Yards and Docks" of
7	the Act of August 29, 1916 (34 U.S.C. 532);
- 8	(24) the proviso contained in the second paragraph
9	under the heading "Maintenance, Quartermaster's De-
10	partment, Marine Corps" of the Act of March 4, 1917
11	(39 Stat. 1189; 34 U. S. C. 723);
12	(25) the twentieth paragraph under the heading
13	"Bureau of Mines" of section 1 of the Act of July 19,
14	1919 (41 Stat. 200; 40 U. S. C. 118);
15	(26) the first sentence of section 5 of the Act of
16	March 4, 1915 (38 Stat. 1161; 41 U. S. C. 26);
17	(27) the third paragraph under the heading "In-
. 18	terstate Commerce Commission" of section 1 of the Act
19	of August 1, 1914 (38 Stat. 627; 49 U. S. C. 58);
20	(28) the Act of June 6, 1941 (55 Stat. 247;
21	14 U. S. C. 31b);
22	(29) section 4 of the Act of June 17, 1910 (36
23	Stat. 531; 41 U. S. C. 7);
<b>24</b>	(30) the Act of February 27, 1929 (45 Stat. 1341;
25	41 U. S. C. 7a, 7b, 7c, and 7d); and
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(31) section 1 of the Act of May 14, 1935 (49 Stat. 234; 41 U. S. C. 7c–1).

(b) The provisions of the first, third, and fifth paragraphs of section 1 of Executive Order Numbered 6166 of
June 10, 1933, are hereby superseded, insofar as they relate
to any function now administered by the Bureau of Federal
Supply except functions with respect to standard contract
forms.

9 (c) The authority conferred by this Act is in addition
10 to any authority conferred by any other law and shall not
11 be subject to the provisions of any law inconsistent herewith,
12 except that sections 205 (b) and 206 (c) of this Act shall
13 not be applicable to any Government corporation or agency
14 which is subject to the Government Corporation Control Act
15 (59 Stat. 597; 31 U. S. C. 841).

(d) Nothing in this Act shall impair or affect any
17 authority of—

(1) the President under the Philippine Property
Act of 1946 (60 Stat. 418; 22 U. S. C. 1381);

(2) any executive agency with respect to any phase
 (2) any executive agency with respect to any phase
 (including, but not limited to, procurement, storage,
 transportation, processing, and disposal) of any pro gram conducted for purposes of resale, price support,
 grants to farmers, stabilization, transfer to foreign gov ernments, or foreign aid, relief, or rehabilitation: *Pro-*

1	vided, That the agency carrying out such program shall,
2	to the maximum extent practicable, consistent with the
3	fulfillment of the purposes of the program and the effec-
4	tive and efficient conduct of its business, coordinate its
5	operations with the requirements of this Act and the
6	policies and regulations prescribed pursuant thereto;
7	(3) any executive agency named in the Armed
8	Services Procurement Act of 1947, and the head thereof,
9	with respect to the administration of said Act;
10	(4) the National Military Establishment with re-
11	spect to property required for or located in occupied
12	territories;
13	(5) the Secretary of Defense with respect to the
14	administration of the National Industrial Reserve Act
15	of 1948;
.16	(6) the Secretary of Defense, the Munitions Board,
17	and the Secretaries of the Army, Navy, and Air Force
18	with respect to the administration of the Strategic and
19	Critical Materials Stock Piling Act (60 Stat. 596),
20	and provided that any imported materials which the
21	authorized procuring agency shall certify to the Com-
22	missioner of Customs to be strategic and critical ma-
23	terials procured under said Act may be entered, or
24	withdrawn from warehouse, free of duty;

(7) the Secretary of State under the Foreign Servĺ  $\mathbf{2}$ ice Buildings Act of May 7, 1926, as amended; 3 (8) the Secretary of the Army and the Secretary 4 of the Air Force with respect to the administration of 5 section 1 (b) of the Act entitled "An Act to expedite 6 the strengthening of the national defense", approved  $\mathbf{7}$ July 2, 1940 (54 Stat. 712); 8 (9) the Secretary of Agriculture or the Depart-9 ment of Agriculture under (A) the National School 10Lunch Act (60 Stat. 230); (B) the Farmers Home 11 Administration Act of 1946 (60 Stat. 1062); (C) the 12Act of August 31, 1947, Public Law 298, Eightieth 13Congress, with respect to the disposal of labor supply centers, and labor homes, labor camps, or facilities; (D) 14 15 section 32 of the Act of August 24, 1935 (49 Stat. 16 774), as amended, with respect to the exportation and 17 domestic consumption of agricultural products; or (E) section 201 of the Agricultural Adjustment Act of 18191938 (52 Stat. 36) or section 203 (j) of the Agri-20cultural Marketing Act of 1946 (60 Stat. 1082); 21 (10) the Secretary of Agriculture, Farm Credit 22Administration, or any farm credit board under section 236 (b) of the Farm Credit Act of 1937 (50 Stat. 706), 24with respect to the acquisition or disposal of property;

25 (11) the Housing and Home Finance Agency, or Approved For Release 2001/08/15 : CIA-RDP57-00384R001000040005-4

any officer or constituent agency therein, with respect to the disposal of residential property, or of other property (real or personal) held as part of or acquired for or in connection with residential property, or in connection with the insurance of mortgages, loans, or savings and loan accounts under the National Housing Act;

(12) the Tennessee Valley Authority with respect to nonpersonal services, with respect to the matters referred to in section 201 (a) (4), and with respect to any property acquired or to be acquired for or in connection with any program of processing, manufacture, production, or force account construction: *Provided*, That the Tennessee Valley Authority shall to the maximum extent that it may deem practicable, consistent with the fulfillment of the purpose of its program and the effective and efficient conduct of its business, coordinate its operations with the requirements of this Act and the policies and regulations prescribed pursuant thereto;

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(13) the Atomic Energy Commission;

(14) the Administrator of Civil Aeronautics or the
Chief of the Weather Bureau with respect to the disposal of airport property and airway property for use
as such property. For the purpose of this paragraph
the terms "airport property" and "airway property"
shall have the respective meanings ascribed to them in

the International Aviation Facilities Act (62 Stat.  $\cdot 2$ 450);

(15) the Postmaster General or the Postal Establishment with respect to the means and methods of distribution and transportation of the mails, and contracts, negotiations, and proceedings before Federal and State regulatory and rate-making bodies, relating to the transportation of the mails;

9 (16) except as provided in subsections (a) and 10 (b) hereof, any other law relating to the procurement, 11 utilization, or disposal of property: *Provided*, That, 12subject to, and within the scope of authority conferred on the Administrator by other provisions of this Act, he 13 14 is authorized to prescribe regulations to govern any procurement, utilization, or disposal of property under any 1516such law, whenever but only to the extent he deems such action necessary to effect uate the provisions of title II; 17

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(17) the Central Intelligence Agency; nor

(18) for such period of time as the President may specify, any other authority of any executive agency which the President determines within one year after the effective date of this Act should, in the public interest, stand unimpaired by this Act.

24(e) Section 3709, Revised Statutes, as amended (41)

U. S. C. 5), is amended by striking out "\$100" wherever
 it appears therein and inserting in lieu thereof "\$500."

3 (f) The Administrator shall report to the Congress,
4 in January of each year, and at such other times as he may
5 deem it desirable, the laws becoming obsolete by reason of
6 the passage or operation of titles II and III of this Act.

7 AUTHORIZATION FOR APPROPRIATIONS AND TRANSFER

#### AUTHORITY

9 SEC. 503. (a) There are hereby authorized to be ap-10 propriated such sums as may be necessary to carry out the 11 provisions of this Act.

12 (b) When authorized by the Director of the Bureau 13 of the Budget, any Federal agency may use, for the dis-14 position of property under this Act, and for its care and 15 handling pending such disposition, any funds heretofore or 16 hereafter appropriated, allocated, or available to it for pur-17 poses similar to those provided for in sections 201, 202, 18 203, and 205 of this Act.

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#### SEPARABILITY

20 SEC. 504. If any provision of this Act, or the applica-21 tion thereof to any person or circumstances, is held invalid, 22 the remainder of this Act, and the application of such 23 provision to other persons or circumstances, shall not be 24 affected thereby.

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# EFFECTIVE DATE

SEC. 505. This Act shall become effective on July 1,
1949, except that the provisions of section 502 (a) (2)
(repealing prior law relating to the disposition of the affairs
of the War Assets Administration) shall become effective
on June 30, 1949.

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Calendar No. 467

S. 2020

81st CONGRESS 1st Session

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[Report No. 475]

# **A BILL**

To simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes.

#### By Mr. McClellan

JUNE 8 (legislative day, JUNE 2), 1949 Read twice and placed on the calendar