

Fish and Wildlife Service of the Department of the Interior used primarily in connection with the administration of functions transferred by this Act are hereby transferred to the jurisdiction of the Secretary of Agriculture.

Effective date.

SEC. 3. This Act shall take effect sixty days after the date of its enactment.

Approved April 30, 1946.

[CHAPTER 243]

AN ACT

For the rehabilitation of the Philippines.

April 30, 1946
[S. 1610]
[Public Law 370]

Philippine Rehabilitation Act of 1946.
Post, pp. 805, 916.

Post, p. 140.

Commission established.
Composition, salaries, etc.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Philippine Rehabilitation Act of 1946".

TITLE I—COMPENSATION FOR WAR DAMAGE

SEC. 101. (a) There is hereby established a Philippine War Damage Commission (in this title referred to as the "Commission"). The Commission shall consist of three members, to be appointed by the President of the United States, by and with the advice and consent of the Senate. One of the members of the Commission shall be a Filipino. The members of the Commission shall receive compensation at the rate of \$12,000 a year. The terms of office of the members of the Commission shall expire at the time fixed in subsection (d) for winding up the affairs of the Commission. A vacancy in the membership of the Commission shall not impair the authority of the remaining two members of the Commission to exercise all of its functions. Vacancies occurring in the membership of the Commission shall be filled in the same manner as in the case of the original selection. Members of the Commission shall receive their necessary traveling and other expenses incurred in connection with their duties as such members, or a per diem allowance in lieu thereof, to be fixed by the Commission without regard to the limitation prescribed in any existing law.

Powers.

42 Stat. 1488.
5 U. S. C. §§ 661-674; Supp. V, § 661 *et seq.*
Post, pp. 216, 219.

(b) The Commission may, without regard to the civil-service laws or the Classification Act of 1923, as amended, appoint and fix the compensation and allowances of such officers, attorneys, and employees, and may make such expenditures, as may be necessary to carry out its functions. Officers and employees of any other department or agency of the Government may, with the consent of the head of such department or agency, be assigned to assist the Commission in carrying out its functions. The Commission may, with the consent of the head of any other department or agency of the Government, utilize the facilities and services of such department or agency in carrying out the functions of the Commission.

Rules and regulations.

(c) The Commission may prescribe such rules and regulations as are necessary for carrying out its functions, and may delegate functions to any member, officer, or employee of the Commission or of any other department or agency of the United States or of the Commonwealth of the Philippines and shall give public notice of the time when, and the limit of the time within which, claims may be filed, which notice shall be given in such manner as the Commission shall prescribe.

Filing of claims.

Recommendations of Filipino Rehabilitation Commission.
58 Stat. 626.
48 U. S. C., Supp. V, § 1243.
Post, p. 158.
Closing of affairs.

(d) The Commission shall, so far as practicable, give consideration to, but need not await, or be bound by, the recommendations of the Filipino Rehabilitation Commission (created by the Act approved June 29, 1944) with respect to Philippine war damage. The Commission shall wind up its affairs not later than two years after

the expiration of the time for filing claims under this title if possible, but, in no event later than five years from the enactment of this Act.

SEC. 102. (a) The Commission is hereby authorized to make compensation to the extent hereinafter provided on account of physical loss or destruction of or damage to property in the Philippines occurring after December 7, 1941 (Philippine time), and before October 1, 1945, as a result of one or more of the following perils: (1) Enemy attack; (2) action taken by or at the request of the military, naval, or air forces of the United States to prevent such property from coming into the possession of the enemy; (3) action taken by enemy representatives, civil or military, or by the representatives of any government cooperating with the enemy; (4) action by the armed forces of the United States or other forces cooperating with the armed forces of the United States in opposing, resisting or expelling the enemy from the Philippines; (5) looting, pillage, or other lawlessness or disorder accompanying the collapse of civil authority determined by the Commission to have resulted from any of the other perils enumerated in this section or from control by enemy forces: *Provided*, That such compensation shall be payable only to qualified persons having, on December 7, 1941 (Philippine time), and continuously to and including the time of loss or damage, an insurable interest as owner, mortgagee, lien holder, or pledgee in such property so lost or damaged: *Provided further*, That any qualified person who acquired any deceased person's interest in any property either (1) as heir, devisee, legatee, or distributee, or (2) as executor or administrator of the estate of any such deceased person for the benefit of one or more heirs, devisees, legatees, or distributees, all of whom are qualified persons, shall be deemed to have had the same interest in such property during such deceased person's lifetime that such deceased person had: *Provided further*, That no claim shall be approved in an aggregate amount which exceeds whichever of the following amounts, as determined by the Commission, is less: (a) The actual cash value, at the time of loss, of property lost or destroyed and the amount of the actual damage to other property of the claimant which was damaged as a direct result of the causes enumerated in this section; (b) the cost of repairing or rebuilding such lost or damaged property, or replacing the same with other property of like or similar quality: *Provided further*, That in case the aggregate amount of the claims which would be payable to any one claimant under the foregoing provisions exceeds \$500, the aggregate amount of the claims approved in favor of such claimant shall be reduced by 25 per centum of the excess over \$500.

(b) When used in this section, the term "qualified person" means—

(1) any individual, who on December 7, 1941 (Philippine time), and continuously to the time of filing claim pursuant to this title, was a citizen of the United States or of the Commonwealth of the Philippines or of the Republic of the Philippines or who, being a citizen of a nation not an enemy of the United States, which nation grants reciprocal war damage payments to American citizens resident in such countries was for five years prior to December 7, 1941, a resident of the Philippines;

(2) any individual, who at any time subsequent to September 16, 1940, and prior to August 14, 1945, served honorably in the armed forces of the United States or of the Commonwealth of the Philippines, or honorably performed "service in the merchant marine" (as defined in the first section of the Act entitled "An Act to provide reemployment rights for persons who leave

Compensation for loss of property, etc.

Payment to qualified persons.
Infra.

Deceased person's interest.

Claims disallowed.

Reduction of aggregate amount.

"Qualified person."

57 Stat. 162.
50 U. S. C., Supp.
V, app. § 1471.
Post, pp. 905, 945.

their positions to serve in the merchant marine, and for other purposes", approved June 23, 1943);

(3) any church or other religious organization; and

(4) any unincorporated association, trust, or corporation (or, upon dissolution, its successor) organized pursuant to the laws of any of the several States or of the United States or of any Territory or possession thereof (including any other unincorporated association, trust, corporation or sociedad anonima organized pursuant to the laws in effect in the Philippines at the time of its organization), but excluding any corporation wholly owned by the Commonwealth of the Philippines (or the Republic of the Philippines).

Restrictions on pay-
ments.

SEC. 103. The Commission shall make no payment under the provisions of this title—

(a) to any enemy alien;

(b) to any person who, by a civil or military court having jurisdiction, has been found guilty of collaborating with the enemy, or of any act involving disloyalty to the United States or the Commonwealth of the Philippines;

(c) to any unincorporated association, trust, corporation or sociedad anonima owned or controlled by any of the persons specified in clauses (a) and (b) of this section;

(d) to compensate for any loss of or damage to property which, at the time of loss or damage, was insured against any one or more of the perils specified in section 102 hereof, except to the extent that the loss or damage exceeds the amount of such insurance, whether or not collectible;

(e) to compensate for any loss or damage—

(1) for which the War Department or the Navy Department is authorized to make payment, or

(2) for which compensation or indemnity is otherwise payable, or has been paid, or is authorized to be paid, by the Government of the Commonwealth of the Philippines (Republic of the Philippines), or by the United States Government or by their respective departments, establishments, or agencies,

unless the War Department, Navy Department, respective department, establishment, or agency concerned has declined to pay compensation or indemnity for such loss or damage;

(f) unless the claimant shall file with the Commission, within twelve months after the date on which public notice is given as prescribed in section 101 (c) of this title, a claim in reasonable conformity with the requirements of this title and such reasonable regulations as shall be established by the Commission.

Approval and pay-
ment of claims.

SEC. 104. (a) No claim shall be paid unless approved by the Commission or its authorized representatives, and on account of each claim so approved the Commission may make immediate payment of (1) so much of the approved amount of the claim as does not exceed five hundred dollars or one thousand Philippine pesos, plus (2) such percentage, not in excess of 80 per centum of the remainder of the approved amount of the claim as the Commission shall make applicable to all approved claims, due consideration having been given to the total funds available for distribution. After the time for filing claims has expired, the Commission shall determine the amount of money available for the further payment of claims. Such funds shall be applied pro rata toward the payment of the unpaid balances of the amounts authorized to be paid pursuant to section 102 of this title.

(b) The Commission may, at its option, make payment, in whole or in part, of the amount payable in the case of any claim authorized to be paid under this title by replacing lost, damaged, or destroyed property with other property of like or similar kind. The amount expended for such purpose in any case, including the fair value of property transferred to the claimant, shall be deemed to have been paid to the claimant on account of his claim, and such amount shall in no case exceed the amount authorized to be paid under this title on account of such claim. The Commission is authorized to acquire such property, to have such work done, to make such contracts, and to take such other action as may be necessary for the purposes of this subsection. To accomplish the purposes of this section such surplus property of the United States, wherever located, as the President of the United States by Executive order shall direct, shall be transferred to the Commission. The Commission shall pay to the disposal agency the fair value of the property as agreed to by the Commission and the disposal agency.

Replacement of property.

Transfer of surplus property.

(c) All of the provisions of this title shall be subject to the requirement that, to the fullest extent practicable, the Commission shall require that the lost or damaged property be rebuilt, replaced, or repaired before payments of money are actually made to claimants under this title.

Replacement, etc., before payment.
Infra, post, p. 805.

SEC. 105. Not later than six months after its organization, and every six months thereafter, the Commission shall make a report to the Congress concerning operations under this title: *Provided*, That if the Commission determines it is impossible for any reason beyond the control of the claimant, or is impractical to rebuild, replace, or repair the lost or damaged property, the Commission may make payment to the claimant without making said requirement: *Provided, however*, That, as a condition to the making of such payment, the Commission shall require that the whole of such payment shall be reinvested in such manner as will further the rehabilitation or economic development of the Philippines: *And provided further*, That nothing in this subsection shall preclude the partial payment of claims as the rebuilding, replacing, or repairing of the property progresses.

Reports to Congress.
Post, p. 805.
Payment without replacement, etc.

Reinvestment.

Partial payment.

SEC. 106. (a) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the amount of \$400,000,000 for the purposes of paying compensation to the extent authorized by this title, and of such sum, not to exceed \$4,000,000 shall be available to pay the expenses of the Commission.

Appropriation authorized.
Post, p. 613.

Expenses of Commission.

(b) Any money or bullion received by the United States from the Japanese Government or the Japanese people by way of reparations or indemnity on account of war losses in the Philippines—

Japanese reparations.

(1) shall be covered into the Treasury of the United States until the value of said money or bullion so covered into the Treasury is equal to the sum of the amounts appropriated for the payment of compensation under this title and the amounts appropriated for carrying out the purposes of title III of this Act;

Post, pp. 135, 621, 916.

(2) when the amounts covered into the Treasury under clause (1) are equal to the amounts so appropriated, the excess over the amounts so appropriated shall be used, first, to satisfy in full the balance unpaid of any approved claims under this title; second, toward the payment of any amount by which any claim was reduced under Section 102 (a) hereof; third, toward the satisfaction of any approved claim of the Government of the Commonwealth of the Philippines (or the Republic of the Philippines), its provinces, cities, municipalities, and instrumentalities, not compensated under this Act; and

(3) the balance shall be covered into the Treasury of the United States.

Transfer of prop-
erty.

(c) Notwithstanding any other provision of law, any other property received by the United States from the Japanese Government or the Japanese people, whether by way of reparations or restitution on account of war losses in the Philippines, may be transferred, by Executive order of the President of the United States, to the Commission, to be applied in kind, under such regulations as may be adopted by it, to the payment of losses or damages covered by this Act, or in such other manner as the Commission may determine to be necessary to carry out the purposes and policy of this Act.

Recovery of dam-
ages.

(d) Nothing in this Act shall prejudice the right of any claimant not covered by this Act to recover damages from the Japanese Government or the Japanese people, by way of reparations or indemnity on account of the war, for losses not, or not fully, compensated for hereunder.

False statements.

SEC. 107. Whoever, in the Philippines or elsewhere, makes any statement or representation knowing it to be false, or whoever willfully and fraudulently overvalues loss of or damage to property for the purpose of obtaining for himself or for any claimant any compensation pursuant to this title, or for the purpose of influencing in any way the action of the Commission with respect to any claim for compensation pursuant to this title, or for the purpose of obtaining money, property, or anything of value under this title, shall, upon conviction, be punished by a fine of not more than \$5,000 or by imprisonment for not more than two years, or both, and shall not receive any payments or other benefits under this title and, if any payment or benefit shall have been made or granted, the Commission shall take such action as may be necessary to recover the same.

Remuneration for
services.

SEC. 108. No remuneration on account of services rendered or to be rendered to or on behalf of any claimant in connection with any claim for compensation pursuant to this title shall exceed 5 per centum of the compensation paid by the Commission on account of such claim. Any agreement to the contrary shall be unlawful and void. Whoever, in the Philippines, or elsewhere, pays or offers to pay, or promises to pay, or receives, on account of services rendered or to be rendered in connection with any claim for compensation hereunder, any remuneration in excess of the maximum permitted by this section, shall be deemed guilty of a misdemeanor and, upon conviction thereof shall be fined not more than \$5,000, or imprisoned for not more than twelve months or both, and, if any such payment or benefit shall have been made or granted, the Commission shall take such action as may be necessary to recover the same, and, in addition thereto, any such claimant shall forfeit all rights under this title.

War Damage Cor-
poration.
Authority to furnish
protection, etc.

56 Stat. 175.
15 U. S. C., Supp.
V, § 606b-2 (a).

SEC. 109. Except as lawfully provided in policies of insurance heretofore or hereafter issued by the War Damage Corporation pursuant to subsection (a) of section 5g of the Reconstruction Finance Corporation Act, as amended, the authority herein granted to the Philippine War Damage Commission shall be in lieu of and shall supersede all authority previously conferred on the War Damage Corporation to furnish protection or pay compensation with respect to property situated, at the time of loss or damage, in the Philippines, and the protection authorized to be extended and the compensation authorized to be paid by the Philippine War Damage Commission shall be in lieu of all protection heretofore extended or authorized to be extended by the War Damage Corporation with respect to property situated, at the time of loss or damage, in the Philippines, except to the extent provided in policies of insurance heretofore or

hereafter issued by the War Damage Corporation. The War Damage Corporation is hereby prohibited from providing for or paying compensation for war damage in the Philippines except to the extent provided in its policies of insurance heretofore or hereafter issued in consideration of a premium paid therefor.

SEC. 110. The classes of property enumerated in this section, whether situated in the Philippines or elsewhere, are hereby excluded from protection, compensation, or consideration under this title, and the Commission shall not make any payment, directly or indirectly, on account of loss of or damage to such classes of property:

Property excluded.

(1) Accounts, bills, records, films, plans, drawings, formulas, currency, deeds, evidences of debt, securities, money, bullion, furs, jewelry, stamps, precious and semiprecious stones, works of art, antiques, stamp and coin collections, manuscripts, books and printed publications more than fifty years old, models, curiosities, objects of historical or scientific interest, and pleasure watercraft and pleasure aircraft: *Provided, however,* That such protection, compensation, or consideration shall extend to such of the foregoing items as may have constituted inventories, supplies or equipment for carrying on a trade or business within the Philippines;

Inventories, supplies, or equipment.

(2) Vessels and watercraft, their cargoes and equipment, except (a) vessels used or intended to be used exclusively for storage, housing, manufacturing, or generating power, (b) vessels while under construction until delivery by the builder, or sailing on delivery or trial trip, whichever shall first occur, (c) watercraft and commercial vessels of Philippine registry and watercraft of Philippine or American ownership, in harbors and territorial and inland waters of the Philippines, and (d) cargoes and equipment on vessels and watercraft described in (a), (b) and (c) above; except as modified by and subject to clauses (1) and (5) of this section;

Vessels, etc., excepted.

(3) Intangible property;

(4) Property diverted to the Philippine Islands, by authority of the United States Government or otherwise, as a result of war conditions; and

(5) Property in transit (a) which at the time of loss or damage was insured against war perils, or (b) with respect to which insurance against such perils was available, at the time of loss or damage either at reasonable commercial rates or from the United States Maritime Commission.

SEC. 111. All departments, commissions, offices, agencies, and instrumentalities of the United States Government, upon the written request of the Commission, are authorized to make delivery and conveyance to designated claimants, or to the Commission, of any surplus property of the United States in the Philippines deemed by the Commission to be similar to that for which compensation is requested, or to be suitable for the rebuilding or repair of the property damaged or destroyed. The transfer of such property to such claimants shall be at the fair value of the property as agreed by the Commission and the disposal agency. The Commission shall pay such fair value to the disposal agency.

Transfer of surplus property in Philippines.

SEC. 112. The War Damage Corporation is authorized and directed to consult with, and in every manner possible to assist and cooperate with, the Commission, to aid the Commission in its performance of duties hereunder, and to make available to or deliver to the Commission all records, claims, files, and other documents in its possession pertaining to Philippine claims. The Commission is authorized to give such weight as it may deem proper to any reports, certificates, or recommendations of the War Damage Corporation, or its adjusters or claims service offices.

Assistance of War Damage Corporation.

Notification of action on claims.

SEC. 113. The Commission shall notify all claimants of the approval or denial of their claims, and, if approved, shall notify such claimants of the amount for which such claims are approved. Any claimant whose claim is denied, or is approved for less than the full allowable amount of said claim, shall be entitled, under such regulations as the Commission may prescribe, to a hearing before the Commission or its representatives with respect to such claim. Upon such hearing, the Commission may affirm, modify, or reverse its former action with respect to such claim, including a denial or reduction in the amount of a claim theretofore approved. All findings of the Commission concerning the amount of loss or damage sustained, the cause of such loss or damage, the persons to whom compensation pursuant to this title is payable, and the value of the property lost or damaged, shall be conclusive and shall not be reviewable by any court.

Finality of findings.

TITLE II—DISPOSAL OF SURPLUS PROPERTY

Authority of disposal agency.
Post, p. 866.

SEC. 201. In order to expedite the disposition of surplus property of the United States in the Philippines and to aid in repairing and replacing buildings (including hospitals, educational, and charitable institutions furnishing essential health, educational, and welfare services), works, utilities, equipment, or other property, owned by the Commonwealth of the Philippines, provincial governments, chartered cities or municipalities, or other governmental units in the Philippines, in cases where such government-owned buildings, works, utilities, equipment, or other property have been damaged, lost, or destroyed in the war, and otherwise to aid in facilitating the normal operations of existing governmental units in the Philippines, the Department of State, the disposal agency for the Philippines designated under the Surplus Property Act of 1944, acting through the Foreign Liquidation Commissioner (hereinafter referred to as the "Commissioner"), is hereby authorized to transfer to the Commonwealth of the Philippines, provincial governments, chartered cities or municipalities, without reimbursement, property of the United States now or hereafter located in the Philippines and declared surplus under the Surplus Property Act of 1944, upon such terms and conditions, including the use or disposition of such property by the Commonwealth of the Philippines, as the Commissioner may deem appropriate to carry out the purposes of this title.

58 Stat. 765.
50 U. S. C., Supp.
V, app. §§ 1611-1646.
Post, pp. 168, 169,
599, 754, 886.
Transfer to Commonwealth, etc.

Record of transfer; reports.

SEC. 202. At the time any such property is so transferred to the Commonwealth of the Philippines (Republic of the Philippines), the Commissioner shall make a record of (1) the items transferred, (2) the condition of such items, and (3) his estimate of the fair value of such items. The Commissioner shall make quarterly reports to the President and the Congress concerning the administration of this title.

Disposals.

58 Stat. 765.
50 U. S. C., Supp.
V, app. §§ 1611-1646.
Post, pp. 168, 169,
599, 754, 886.

SEC. 203. Surplus property now or hereafter located in the Philippines shall be disposed of only in accordance with the provisions of this Act and the Surplus Property Act of 1944 as heretofore or hereafter amended. Such disposals shall not be subject to the provisions of any law inconsistent herewith. The Commission shall, so far as practicable, dispose of surplus property in the Philippines in such a manner and in such quantities, within the provisions of the Surplus Property Act, as will prevent unnecessary distribution costs and excessive profits.

Munitions.

SEC. 204. No military weapons, munitions, or toxic gas shall be transferred or otherwise disposed of under section 201.

Aggregate value.

SEC. 205. The fair value of the property transferred to the Commonwealth of the Philippines (Republic of the Philippines) provincial governments, chartered cities or municipalities under section 201,

as estimated by the Commissioner, shall not exceed \$100,000,000 in the aggregate.

SEC. 206. The Commissioner may prescribe such rules and regulations as may be necessary for the performance of his functions under this title, and may delegate and authorize successive redelegations of any authority conferred upon him by this title to any officer or employee of his agency or of any other department or agency of the United States or of the Commonwealth of the Philippines (Republic of the Philippines).

Rules and regulations.

TITLE III—RESTORATION AND IMPROVEMENT OF PUBLIC PROPERTY AND ESSENTIAL PUBLIC SERVICES

SEC. 301. As a manifestation of good will to the Filipino people, there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, (1) the sum of \$120,000,000, to be allocated from time to time, but not later than the fiscal year 1950, by the President of the United States among the various programs set forth in sections 302, 303, 304, and 305, and (2) such additional sums as may be necessary to carry out the purposes of sections 306 to 311, inclusive.

Appropriation authorized.
Post, pp. 621, 916.

PUBLIC ROADS

SEC. 302. (a) As recommended in a report based upon an investigation made in the Philippines by the Public Roads Administration of the Federal Works Agency and to the extent that the findings in such report are approved by the President, the Public Roads Administration is authorized, after consultation with the Philippine Government, to plan, design, restore, and build, in accordance with its usual contract procedures, such roads, essential streets, and bridges as may be necessary from the standpoint of the national defense and economic rehabilitation and development of the Philippines.

(b) The Commissioner of Public Roads is authorized, under such regulations as he may adopt, to provide training for not to exceed ten Filipino engineers, to be designated by the President of the Philippines from the regularly employed staff of the Philippine Public Works Department subject to the provisions of section 311 (c), in the construction, maintenance, and highway traffic engineering and control necessary for the continued maintenance and for the efficient and safe operation of highway transport facilities.

Filipino trainees.

PORT AND HARBOR FACILITIES

SEC. 303. (a) As recommended in a report based upon an investigation made in the Philippines by the Corps of Engineers of the United States Army and to the extent that the findings in such report are approved by the President, the Corps of Engineers is authorized, after consultation with the Philippine Government, to carry out a program for the rehabilitation, improvement, and construction of port and harbor facilities in the Philippines, such work to be done by contract, insofar as practicable, under the direction of the Secretary of War and the supervision of the Chief of Engineers, and in accordance with established procedures applicable to river and harbor projects.

(b) The Chief of Engineers of the Army is authorized, under such regulations as he may adopt, to provide training for not to exceed ten Filipino engineers, to be designated by the President of the Philippines from among the engineer officers of the Philippine Army and the regularly employed staff of the Philippine Public Works

Filipino trainees.

Department subject to the provisions of section 311 (c), in the construction, improvement, and maintenance of port facilities and other works of improvements on rivers and harbors.

PUBLIC PROPERTY

Compensation. **SEC. 304.** The Philippine War Damage Commission, within the limits of the appropriations allocated to it for carrying out the provisions of this section, is authorized to compensate the Commonwealth of the Philippines (or the Republic of the Philippines), the provincial governments, chartered cities, municipalities, and corporations wholly owned by the Commonwealth of the Philippines (or the Republic of the Philippines), in the Philippines, for physical loss of or damage to public property in the Philippines occurring after December 7, 1941 (Philippine time), and before October 1, 1945, as a result of the perils listed in section 102 (a) hereof, in any case in which compensation for such losses or the rebuilding, repair, or replacement of the lost or damaged property is not provided for by the transfer of surplus property under section 201 hereof, or provided for under the provisions of this title other than this section or otherwise provided for by the United States Government or any department or agency thereof. To the fullest extent practicable, the Commission shall require that any lost or damaged property for which it decides to award compensation under this section shall be rebuilt, replaced, or repaired before payments of money are actually made to claimants under this section. The Commission in its discretion may request the Federal Works Agency or the Corps of Engineers of the United States Army to undertake, after consultation with the Philippine Government, the rebuilding, repair, or replacement of property for which the Commission awards compensation under this section, and, from the funds available for carrying out the provisions of this section, may transfer to such Agency or Corps of Engineers the funds necessary to pay for the work requested. The Federal Works Agency and the Corps of Engineers are authorized to rebuild, repair, or replace property in accordance with any such request of the Commission and to expend the funds so transferred to them for such purpose. The Commission shall have full power to select, and fix the priority of, cases in which compensation will be awarded or property rebuilt, repaired, or replaced under this section, and to determine the amount of such compensation and the extent to which such property will be rebuilt, repaired, or replaced, taking into account the relative importance of various projects to the reconstruction and rehabilitation of the economy of the Philippines and such other factors as the Commission deems relevant.

Ante, p. 129.

Ante, p. 134.

Replacement, etc., before payment.

Repair, etc., by FWA or Corps of Engineers of U. S. Army.

Selection and priority of cases.

PUBLIC HEALTH

Cooperation of PHS. **SEC. 305.** (a) The Public Health Service of the Federal Security Agency is authorized to cooperate with the Government of the Philippines (Republic of the Philippines), and with other appropriate agencies or organizations, in the rehabilitation and development of public health services and facilities throughout the Philippines.

Survey. (b) To accomplish such purposes the Public Health Service shall at the earliest practicable time survey the health situation in the Philippines, and is authorized to replace, expand, or install such health services and facilities in the Philippines as are deemed essential to preservation of health, and may assist in the rehabilitation and development of a Philippine quarantine service for prevention of introduction of disease from abroad or from one island to another.

The Public Health Service may set up demonstrations and establish training centers in the Philippines; may establish and maintain in the Philippines a school or schools for the purpose of providing practical instruction in public health; and may, at any time prior to January 1, 1948, provide one year of training in appropriate schools or colleges in the United States to not more than one hundred Filipinos, to be designated by the President of the Philippines subject to the provisions of section 311 (c), in public health methods and administration. It may replace equipment and supply reasonably necessary additional equipment, utilizing for this purpose, so far as possible, surplus property, and may recommend to the Commission the repair or construction under the provisions of section 304, at any time prior to July 1, 1950, of buildings deemed essential to the rehabilitation of public health and quarantine functions.

Instruction.

Equipment.

INTER-ISLAND COMMERCE

SEC. 306. (a) In order to restore and improve inter-island commerce in the Philippines, notwithstanding the provisions of any existing law, the United States Maritime Commission is authorized to charter under such terms and conditions (including nominal rates of charter hire) vessels suitable for operation in the inter-island commerce of the Philippines to individuals, corporations, or cooperatives or other forms of business organizations in the Philippines if the Commission determines that they possess the ability, experience, financial resources, and other qualifications, necessary to enable them to operate and maintain the vessel in the inter-island commerce in the Philippines: *Provided*, That any charter entered into under the authority of this section shall contain a provision requiring that the vessel shall be operated only in the inter-island commerce in the Philippines.

Charters.

(b) The Chairman, United States Maritime Commission, is hereby authorized to permit not exceeding fifty Filipinos each year prior to July 1, 1950, to be designated by the President of the Philippines subject to the provisions of section 311 (c), to receive instruction in the United States Merchant Marine Cadet Corps and at a United States Merchant Marine Academy. The persons receiving instruction under authority of this section shall receive the same pay, allowances, and emoluments, to be paid from the same appropriations, and, subject to such exceptions as may be determined by the Chairman, United States Maritime Commission, shall be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation, as cadet midshipmen at the Merchant Marine Academy appointed from the United States; but such persons shall not be entitled to appointment to any office or position in the United States merchant marine by reason of their graduation from the Merchant Marine Academy.

Instruction of Filipinos.

INTER-ISLAND AIR NAVIGATION

SEC. 307. (a) The Administrator of Civil Aeronautics of the Department of Commerce is authorized to acquire, establish, operate, and to maintain a system of air-navigation facilities and associated airways communications services in the Philippines for inter-island airways operation and to connect the Philippine airways with international and interoceanic routes.

(b) The Administrator of Civil Aeronautics is authorized, under such regulations as he may adopt, to train not exceeding fifty Filipinos each year prior to July 1, 1950, to be designated by the President of the Philippines subject to the provisions of section 311 (c),

Filipino trainees.

in air-traffic control, aircraft communications, maintenance of air-navigation facilities, and such other airman functions as are deemed necessary for the maintenance and operation of aids to air navigation and other services essential to the orderly and safe operation of air traffic.

WEATHER INFORMATION

Meteorological facilities.

SEC. 308. (a) The Chief of the Weather Bureau of the Department of Commerce is authorized to establish meteorological facilities in the Philippines as may be required to provide weather information, warnings, and forecasts for general agricultural and commercial activities, including meteorological service for the air routes on which air-navigation facilities are operated by the Civil Aeronautics Administration, and to maintain such meteorological offices until the Philippine Weather Bureau is reestablished and in position to assume responsibility for the service.

Filipino trainees.

(b) The Chief of the Weather Bureau of the Department of Commerce is authorized, under such regulations as he may adopt, to train not to exceed fifty Filipinos in the first year and not to exceed twenty-five Filipinos in each succeeding year prior to July 1, 1950, the trainees to be designated by the President of the Philippines subject to the provisions of section 311 (c), and the training to include meteorological observations, analyses, forecasting, briefing of pilots, and such other meteorological duties as are deemed necessary in maintenance of general weather service, including weather information required for air navigation and the safe operation of air traffic. The training of these employees shall be in addition to and not in lieu of Weather Bureau employees to be trained under current Weather Bureau appropriations.

PHILIPPINE FISHERIES

Cooperation of Fish and Wildlife Service.

SEC. 309. (a) The Fish and Wildlife Service of the Department of the Interior is authorized to cooperate with the Government of the Philippines, and with other appropriate agencies or organizations, in the rehabilitation and development of the fishing industry, and in the investigation and conservation of the fishery resources of the Philippines and adjacent waters.

Studies.

(b) To accomplish such purposes the Fish and Wildlife Service shall conduct oceanographic, biological, fish cultural, technological, engineering, statistical, economic, and market development studies and demonstrations and fishery explorations, and in conjunction therewith may establish and maintain a vocational school or schools of fisheries in the Philippines for the purpose of providing practical instruction and training in the fisheries; and may, at any time prior to July 1, 1950, provide one year of training to not more than one hundred and twenty-five Filipinos, to be designated by the President of the Philippines subject to the provisions of section 311 (c), in methods of deep-sea fishing and in other techniques necessary to the development of fisheries.

Instruction.

Research and experimental facilities.

(c) The Fish and Wildlife Service is authorized to acquire, construct, maintain, equip, and operate such research and experimental stations, schools, research and exploratory fishing vessels, or any other facilities in the Philippines that may be necessary to carry out the purposes of this section.

Transfer of small vessels.

(d) The United States Maritime Commission is authorized, upon recommendation of the Fish and Wildlife Service of the Department of the Interior, to make arrangements for the transfer by sale or charter of small vessels, considered by the United States Maritime Commission to be satisfactory for the purpose, to be used in the

establishment and continuance of a fishing industry to be operated in or near the Philippines. Such transfers may be made on such terms and conditions, including transfer for a nominal consideration, as the United States Maritime Commission may approve, but only if, in the opinion of the Fish and Wildlife Service, such small vessels so to be used for Philippine Island fishing are not needed by the fishing industry of the United States, its Territories, and possessions.

COAST AND GEODETIC SURVEYS

SEC. 310. The Coast and Geodetic Survey of the Department of Commerce is authorized to continue, until June 30, 1950, the survey work which was being conducted by it in the Philippines prior to December 7, 1941. The Director of the Coast and Geodetic Survey is authorized to train not exceeding twenty Filipinos each year prior to July 1, 1950, to be designated by the President of the Philippines subject to the provisions of section 311 (c), in order that they may become qualified to take over and continue such survey work on and after July 1, 1950, and to pay all expenses incident to their temporary employment and training.

GENERAL PROVISIONS

SEC. 311. (a) The Government of the Philippines shall provide all lands, easements, and rights-of-way necessary for the execution of the projects herein authorized.

Easements, etc.

(b) The several bureaus and agencies of the Government authorized by this title to undertake projects in the Philippines are hereby authorized, in the prosecution of such projects, to cooperate with the Government of the Philippines, and to accept contributions of labor, materials, and money from such government and its political subdivisions and to utilize such labor, materials, and money in the prosecution of such projects.

Cooperation of Government agencies.

(c) Wherever in this title the training of Filipinos at the expense of the United States Government is authorized, the head of the bureau or agency under whose supervision or control the training is given may establish minimum requirements as to education and experience, provide for competitive examinations, or establish such other standards for qualification for such training as in his judgment may seem necessary and advisable, and under such regulations as may be adopted from time to time may provide for the payment of all expenses incidental to such training, including, but not limited to, actual transportation expenses to and from and in the United States, allowances for tuition, educational fees, and subsistence.

Trainees. Standards for qualification.

Payment of expenses.

(d) Any Filipino who is designated for training or instruction as provided in this Act may be admitted to the United States for such training or instruction upon certification to the Immigration and Naturalization Service by the head of the bureau or agency under whose supervision the training or instruction is to be given that such entry is necessary in connection with the training or instruction, notwithstanding the provisions of section 8 of the Act of March 24, 1934 (48 Stat. 462; 48 U. S. C. 1238), and notwithstanding any provision of the laws of the United States relating to the immigration, exclusion, or expulsion, except registration and fingerprinting as provided in the Alien Registration Act of 1940 (8 U. S. C. 451, and the following): *Provided*, That such admissions shall be deemed pursuant to section 3 (2) of the Immigration Act of 1924 (43 Stat. 154; 47 Stat. 607; 54 Stat. 711; 8 U. S. C. 203): *Provided further*, That the privilege of entering or remaining in the United States for such purposes shall end within a reasonable time, to be fixed by regulation of the Commissioner of Immigration and Naturalization

Entry of trainees into U. S.

54 Stat. 673.
8 U. S. C. §§ 451-460;
Supp. V, § 451 et seq.

8 U. S. C., Supp. V,
§ 203.
Termination.

with the approval of the Attorney General, after termination of the training or instruction: *Provided further*, That the head of the bureau or agency concerned may at any time terminate the training or instruction of any person under this Act if in his judgment the best interests of either the United States or the Philippines makes such action advisable, and his decision shall be final and conclusive: *Provided further*, That any such Filipino who shall fail to depart from the United States within the reasonable time fixed by regulation, as herein prescribed, shall be subject to being taken into custody and deported, as provided by section 14 of the Immigration Act of 1924 (43 Stat. 162; 8 U. S. C. 214).

Expiration of title.

(e) Unless otherwise provided by law this title, except the last proviso to subsection (d) of this section, shall expire on June 30, 1950.

TITLE IV—THE UNITED STATES HIGH COMMISSIONER

SEC. 401. Until the Philippines attain their independence, the functions, powers, and duties exercised in the Philippines by any officer, employee, department, or agency of the United States in carrying out the provisions of this Act shall be exercised under the general supervision of the United States High Commissioner to the Philippines, and the officers, employees, offices, missions, and other agencies exercising such functions, powers, and duties shall be deemed to be attached to the office of the High Commissioner.

SEC. 402. On and after the date upon which the Philippines attain their independence the power, authority, duties, and functions authorized under this Act to be exercised by the High Commissioner to the Philippines shall vest in and be exercised by such representative or representatives of the United States as shall be appointed for that purpose by the President of the United States.

TITLE V—RESTORATION AND IMPROVEMENT OF THE PROPERTY OF THE UNITED STATES

Appropriation authorized.
Post, pp. 621, 916.

53 Stat. 1231.
48 U. S. C. § 1240 (c)
(3); Supp. V, § 1240
note.

SEC. 501. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000,000 for the restoration, repair of damage to and improvement of lands and buildings referred to in paragraph (3) of subsection (c) of section 3 of Public Law Numbered 300, Seventy-sixth Congress, first session (53 Stat. 1226), and for the acquisition or construction of additional buildings to house the civil agencies, including the diplomatic and consular establishments of the United States operating in the Philippine Islands.

TITLE VI—GENERAL PROVISIONS

Restrictions on payments; trade relations.
Post, p. 158.

SEC. 601. No payments under title I of this Act in excess of \$500 shall be made until an executive agreement shall have been entered into between the President of the United States and the President of the Philippines, and such agreement shall have become effective according to its terms, providing for trade relations between the United States and the Philippines, and which agreement shall also provide for the same offenses, and penalties upon conviction, thereof, as are set forth in section 107 and section 108 of title I of this Act.

Ante, p. 132.
Separability of provisions.

SEC. 602. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

Approved April 30, 1946.

[CHAPTER 244]

AN ACT

To provide for trade relations between the United States and the Philippines, and for other purposes.

April 30, 1946
[H. R. 5856]
[Public Law 371]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—SHORT TITLE AND DEFINITIONS

SECTION 1. SHORT TITLE.

This Act may be cited as the "Philippine Trade Act of 1946".

SEC. 2. DEFINITIONS.

(a) For the purposes of this Act—

(1) The term "person" includes partnerships, corporations, and associations.

"Person."

(2) The term "United States", when used in a geographical sense, means the States, the District of Columbia, the Territories of Alaska and Hawaii, and Puerto Rico.

"United States."

(3) The term "ordinary customs duty" means a customs duty based on the article as such (whether or not such duty is also based in any manner on the use, value, or method of production of the article, or on the amount of like articles imported, or on any other factor); but does not include—

"Ordinary customs duty."

Exceptions.

(A) a customs duty based on an act or omission of any person with respect to the importation of the article, or of the country from which the article is exported, or from which it comes; or

(B) a countervailing duty imposed to offset a subsidy, bounty, or grant; or

(C) an anti-dumping duty imposed to offset the selling of merchandise for exportation at a price less than the prevailing price in the country of export; or

(D) any tax, fee, charge, or exaction, imposed on or in connection with importation unless the law of the country imposing it designates or imposes it as a customs duty or contains a provision to the effect that it shall be treated as a duty imposed under the customs laws; or

(E) the tax imposed by section 2491 (c) of the Internal Revenue Code with respect to an article, merchandise, or combination, 10 per centum or more of the quantity by weight of which consists of, or is derived directly or indirectly from, one or more of the oils, fatty acids, or salts specified in section 2470 of the Internal Revenue Code; or the tax imposed by section 3500 of the Internal Revenue Code.

53 Stat. 267.
26 U. S. C. § 2491 (c);
Supp. V, § 2491 note.

53 Stat. 264, 428.
26 U. S. C. §§ 2470,
3500; Supp. V, § 2470
note.

Post, p. 157.
"Philippine article."

(4) The term "Philippine article" means an article which is the product of the Philippines, unless, in the case of an article produced with the use of materials imported into the Philippines from any foreign country (except the United States) the aggregate value of such imported materials at the time of importation into the Philippines was more than twenty per centum of the value of the article imported into the United States, the value of such article to be determined in accordance with, and as of the time provided by, the customs laws of the United States in effect at the time of importation of such article. As used in this paragraph the term "value", when used in reference to a material imported into the Philippines, includes the value of the material ascertained under the customs laws of the Philippines in effect at the time of importation into the Philippines, and, if not included in such value, the cost of bringing the material to the Philippines,

"Value."