

bered 40, issued at the Headquarters of the Army, Adjutant General's Office, Washington, May 10, 1898, and who (1) was honorably discharged from such enlistment while serving in the Philippine Islands, (2) did not there reenter the military or naval service of the United States through commission or enlistment, and (3) embarked at Manila within one year after such discharge for return to the United States, shall be allowed and paid the sum of \$75 as reimbursement for lodging and subsistence in the Philippine Islands for the period during which he awaited transportation by Government transport, and, in addition, travel pay and commutation of subsistence, for the distance from Manila, Philippine Islands, to San Francisco, California, at the rate of travel pay and commutation of subsistence allowed to soldiers of the Regular Army honorably discharged on expiration of enlistment, under section 1290 of the Revised Statutes, in effect at the time of such discharge, less any sum or sums of money actually paid by the Government to such person at the time of such discharge, or subsequent thereto, and transportation and subsistence between such places: *Provided*, That such payments shall be without interest.

Lodging, subsistence,  
and travel pay.

47 Stat. 1428.

SEC. 2. Claims hereunder shall be settled in the General Accounting Office.

SEC. 3. The Comptroller General is authorized and directed to certify to the Congress, pursuant to the provisions of section 2 of the Act of July 7, 1884 (U. S. C., title 5, sec. 266), all claims allowed hereunder.

Certification of al-  
lowed claims.

23 Stat. 254.

SEC. 4. Application for the benefits of this Act shall be filed within three years after the date of its passage.

SEC. 5. Payment to any attorney or agent for such assistance as may be required in the preparation and execution of the necessary papers in any application under this Act shall not exceed the sum of \$10; any person collecting or attempting to collect a greater amount than is herein allowed shall be guilty of a misdemeanor and shall be punished by a fine of not more than \$500 or by imprisonment for not more than two years, or by both such fine and imprisonment.

Limitation on at-  
torney's, etc., fees.

SEC. 6. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

Approved December 5, 1945.

[CHAPTER 557]

AN ACT

To provide for financial control of Government corporations.

December 6, 1945  
[H. R. 3660]  
[Public Law 248]

*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 "Government Corporation Control Act".

Government Corpo-  
ration Control Act.

DECLARATION OF POLICY

SEC. 2. It is hereby declared to be the policy of the Congress to bring Government corporations and their transactions and operations under annual scrutiny by the Congress and provide current financial control thereof.

TITLE I—WHOLLY OWNED GOVERNMENT  
CORPORATIONS

SEC. 101. As used in this Act the term "wholly owned Government corporation" means the Commodity Credit Corporation; Federal Intermediate Credit Banks; Production Credit Corporations; Regional Agricultural Credit Corporations; Farmers Home Corporation; Federal Crop Insurance Corporation; Federal Farm Mortgage

Corporation; Federal Surplus Commodities Corporation; Reconstruction Finance Corporation; Defense Plant Corporation; Defense Supplies Corporation; Metals Reserve Company; Rubber Reserve Company; War Damage Corporation; Federal National Mortgage Association; the RFC Mortgage Company; Disaster Loan Corporation; Inland Waterways Corporation; Warrior River Terminal Company; The Virgin Islands Company; Federal Prison Industries, Incorporated; United States Spruce Production Corporation; Institute of Inter-American Affairs; Institute of Inter-American Transportation; Inter-American Educational Foundation, Incorporated; Inter-American Navigation Corporation; Precinradio, Incorporated; Cargoes, Incorporated; Export-Import Bank of Washington; Petroleum Reserves Corporation; Rubber Development Corporation; U. S. Commercial Company; Smaller War Plants Corporation; Federal Public Housing Authority (or United States Housing Authority) and including public housing projects financed from appropriated funds and operations thereof; Defense Homes Corporation; Federal Savings and Loan Insurance Corporation; Home Owners' Loan Corporation; United States Housing Corporation; Panama Railroad Company; Tennessee Valley Authority; and Tennessee Valley Associated Cooperatives, Incorporated.

Annual budget program.

Type.

Contents.

SEC. 102. Each wholly owned Government corporation shall cause to be prepared annually a budget program, which shall be submitted to the President through the Bureau of the Budget on or before September 15 of each year. The Bureau of the Budget, under such rules and regulations as the President may establish, is authorized and directed to prescribe the form and content of, and the manner in which such budget program shall be prepared and presented. The budget program shall be a business-type budget, or plan of operations, with due allowance given to the need for flexibility, including provision for emergencies and contingencies, in order that the corporation may properly carry out its activities as authorized by law. The budget program shall contain estimates of the financial condition and operations of the corporation for the current and ensuing fiscal years and the actual condition and results of operation for the last completed fiscal year. Such budget program shall include a statement of financial condition, a statement of income and expense, an analysis of surplus or deficit, a statement of sources and application of funds, and such other supplementary statements and information as are necessary or desirable to make known the financial condition and operations of the corporation. Such statements shall include estimates of operations by major types of activities, together with estimates of administrative expenses, estimates of borrowings, and estimates of the amount of Government capital funds which shall be returned to the Treasury during the fiscal year or the appropriations required to provide for the restoration of capital impairments.

Transmittal of budget programs to Congress.

42 Stat. 20.  
31 U. S. C. § 1; Supp.  
IV, § 16 *et seq.*

Coverage.

Legislation.

Financing authorized activities, etc.

SEC. 103. The budget programs of the corporations as modified, amended, or revised by the President shall be transmitted to the Congress as a part of the annual Budget required by the Budget and Accounting Act, 1921. Amendments to the annual budget programs may be submitted from time to time.

Budget programs shall be submitted for all wholly owned Government corporations covering operations for the fiscal year commencing July 1, 1946, and each fiscal year thereafter.

SEC. 104. The budget programs transmitted by the President to the Congress shall be considered and, if necessary, legislation shall be enacted making available such funds or other financial resources as the Congress may determine. The provisions of this section shall not

be construed as preventing wholly owned Government corporations from carrying out and financing their activities as authorized by existing law, nor shall any provisions of this section be construed as affecting in any way the provisions of section 26 of the Tennessee Valley Authority Act, as amended. The provisions of this section shall not be construed as affecting the existing authority of any wholly owned Government corporation to make contracts or other commitments without reference to fiscal-year limitations.

SEC. 105. The financial transactions of wholly owned Government corporations shall be audited by the General Accounting Office in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States: *Provided*, That such rules and regulations may provide for the retention at the offices of such corporations, in whole or in part, of any accounts of accountable officers, covering corporate financial transactions, which are required by existing law to be settled and adjusted in the General Accounting Office, and for the settlement and adjustment of such accounts in whole or in part upon the basis of examinations in the course of the audit herein provided, but nothing in this proviso shall be construed as affecting the powers reserved to the Tennessee Valley Authority in the Act of November 21, 1941 (55 Stat. 775). The audit shall be conducted at the place or places where the accounts of the respective corporations are normally kept. The representatives of the General Accounting Office shall have access to all books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the respective corporations and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositaries, fiscal agents, and custodians. The audit shall begin with the first fiscal year commencing after the enactment of this Act.

SEC. 106. A report of each such audit for each fiscal year ending on June 30 shall be made by the Comptroller General to the Congress not later than January 15 following the close of the fiscal year for which such audit is made. The report shall set forth the scope of the audit and shall include a statement (showing intercorporate relations) of assets and liabilities, capital and surplus or deficit; a statement of surplus or deficit analysis; a statement of income and expense; a statement of sources and application of funds; and such comments and information as may be deemed necessary to keep Congress informed of the operations and financial condition of the several corporations, together with such recommendations with respect thereto as the Comptroller General may deem advisable, including a report of any impairment of capital noted in the audit and recommendations for the return of such Government capital or the payment of such dividends as, in his judgment, should be accomplished. The report shall also show specifically any program, expenditure, or other financial transaction or undertaking observed in the course of the audit, which, in the opinion of the Comptroller General, has been carried on or made without authority of law. A copy of each report shall be furnished to the President, to the Secretary of the Treasury, and to the corporation concerned at the time submitted to the Congress.

SEC. 107. Whenever it is deemed by the Director of the Bureau of the Budget, with the approval of the President, to be practicable and in the public interest that any wholly owned Government corporation be treated with respect to its appropriations, expenditures, receipts, accounting, and other fiscal matters as if it were a Government

TVA.

48 Stat. 71.  
16 U. S. C. § 831y.

Audit of financial transactions.

Accounts of accountable officers.

TVA.

16 U. S. C., Supp. IV, § 831h.

Audit report by Comptroller General.

Scope.

Recommendations

Unauthorized financial transactions.

Recommendation by Director of Bureau of the Budget.

agency other than a corporation, the Director shall include in connection with the budget program of such corporation in the Budget a recommendation to that effect. If the Congress approves such recommendation in connection with the budget program for any fiscal year, such corporation, with respect to subsequent fiscal years, shall be regarded as an establishment other than a corporation for the purposes of the Budget and Accounting Act, 1921, and other provisions of law relating to appropriations, expenditures, receipts, accounts, and other fiscal matters, and shall not be subject to the provisions of this Act other than this section. The corporate entity shall not be affected by this section.

42 Stat. 20.  
31 U. S. C. § 1; Supp.  
IV, § 16 *et seq.*

## TITLE II—MIXED-OWNERSHIP GOVERNMENT CORPORATIONS

Definition of term.

SEC. 201. As used in this Act the term "mixed-ownership Government corporations" means (1) the Central Bank for Cooperatives and the Regional Banks for Cooperatives, (2) Federal Land Banks, (3) Federal Home Loan Banks, and (4) Federal Deposit Insurance Corporation.

Audit of financial transactions.

SEC. 202. The financial transactions of mixed-ownership Government corporations for any period during which Government capital has been invested therein shall be audited by the General Accounting Office in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States. The audit shall be conducted at the place or places where the accounts of the respective corporations are normally kept. The representatives of the General Accounting Office shall have access to all books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the respective corporations and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositaries, fiscal agents, and custodians. The audit shall begin with the first fiscal year commencing after the enactment of this Act.

Report of each audit.

SEC. 203. A report of each such audit for each fiscal year ending on June 30 shall be made by the Comptroller General to the Congress not later than January 15, following the close of the fiscal year for which such audit is made. The report shall set forth the scope of the audit and shall include a statement (showing intercorporate relations) of assets and liabilities, capital and surplus or deficit; a statement of surplus or deficit analysis; a statement of income and expense; a statement of sources and application of funds; and such comments and information as may be deemed necessary to keep Congress informed of the operations and financial condition of, and the use of Government capital by, each such corporation, together with such recommendations with respect thereto as the Comptroller General may deem advisable, including a report of any impairment of capital or lack of sufficient capital noted in the audit and recommendations for the return of such Government capital or the payment of such dividends as, in his judgment, should be accomplished. The report shall also show specifically any program, expenditure, or other financial transaction or undertaking observed in the course of the audit, which, in the opinion of the Comptroller General, has been carried on or made without authority of law. A copy of each report shall be furnished to the President, to the Secretary of the Treasury, and to the corporation concerned at the time submitted to the Congress.

Scope; items to be included.

Unauthorized financial transactions.

SEC. 204. The President shall include in the annual Budget any recommendations he may wish to make as to the return of Government capital to the Treasury by any mixed-ownership corporation.

Recommendations.

### TITLE III—GENERAL PROVISIONS

SEC. 301. (a) The expenses of auditing the financial transactions of wholly owned and mixed-ownership Government corporations as provided in sections 105 and 202 of this Act shall be borne out of appropriations to the General Accounting Office, and appropriations in such sums as may be necessary are hereby authorized: *Provided*, That each such corporation shall reimburse the General Accounting Office for the full cost of any such audit as billed therefor by the Comptroller General, and the General Accounting Office shall deposit the sums so reimbursed into the Treasury as miscellaneous receipts: *Provided further*, That in making the audits provided in said sections the Comptroller General shall, to the fullest extent deemed by him to be practicable, utilize reports of examinations of Government corporations made by a supervising administrative agency pursuant to law.

Expenses of auditing.

Reimbursement.

(b) For the purpose of conducting such audit the Comptroller General is authorized in his discretion to employ not more than ten persons without regard to the Classification Act of 1923, as amended, only one of whom may be compensated at a rate of as much as but not more than \$10,000 per annum, and to employ by contract, without regard to section 3709 of the Revised Statutes, professional services of firms and organizations for temporary periods or for special purposes.

Personal services.

42 Stat. 1488.  
5 U. S. C. § 661;  
Supp. IV, § 661 *et seq.*  
*Ante*, p. 298 *et seq.*

41 U. S. C. § 5.

(c) The audit provided in sections 105 and 202 of this Act shall be in lieu of any audit of the financial transactions of any Government corporation required to be made by the General Accounting Office for the purpose of a report to the Congress or to the President under any existing law.

Substitution of audit provisions.

(d) Unless otherwise expressly provided by law, no funds of any Government corporation shall be used to pay the cost of any private audit of the financial records of the offices of such corporation, except the cost of such audits contracted for and undertaken prior to April 25, 1945.

Private audits.

SEC. 302. The banking or checking accounts of all wholly owned and mixed-ownership Government corporations shall be kept with the Treasurer of the United States, or, with the approval of the Secretary of the Treasury, with a Federal Reserve bank, or with a bank designated as a depository or fiscal agent of the United States: *Provided*, That the Secretary of the Treasury may waive the requirements of this section under such conditions as he may determine: *And provided further*, That this section will not apply to the establishment and maintenance in any bank for a temporary period of banking and checking accounts not in excess of \$50,000 in any one bank. The provisions of this section shall not be applicable to Federal Intermediate Credit Banks, Production Credit Corporations, the Central Bank for Cooperatives, the Regional Banks for Cooperatives, or the Federal Land Banks, except that each such corporation shall be required to report annually to the Secretary of the Treasury the names of the depositories in which such corporation keeps a banking or checking account, and the Secretary of the Treasury may make a report in writing to the corporation, to the President, and to the Congress which he deems advisable upon receipt of any such annual report.

Banking or checking accounts, depositories.

Waiver of requirements.

Temporary accounts.

Exemptions.

SEC. 303. (a) All bonds, notes, debentures, and other similar obligations which are hereafter issued by any wholly owned or mixed-

Bonds, notes, debentures, etc.

ownership Government corporation and offered to the public shall be in such forms and denominations, shall have such maturities, shall bear such rates of interest, shall be subject to such terms and conditions, shall be issued in such manner and at such times and sold at such prices as have been or as may be approved by the Secretary of the Treasury.

Sale or purchase of U. S. obligations.

(b) Hereafter, no wholly owned or mixed-ownership Government corporation shall sell or purchase any direct obligation of the United States or obligation guaranteed as to principal or interest, or both, for its own account and in its own right and interest, at any one time aggregating in excess of \$100,000, without the approval of the Secretary of the Treasury: *Provided*, That the Secretary of the Treasury may waive the requirement of his approval with respect to any transaction or classes of transactions subject to the provisions of this subsection for such period of time and under such conditions as he may determine.

Delegation of functions.

(c) The Secretary of the Treasury is hereby authorized to exercise any of the functions vested in him by this section through any officer, or employee of any Federal agency whom he may designate, with the concurrence of the head of the agency concerned, for such purpose.

Mixed-ownership Government corporation without Government capital.

(d) Any mixed-ownership Government corporation from which Government capital has been entirely withdrawn shall not be subject to the provisions of section 302 or of this section during the period such corporation remains without Government capital. The provisions of subsections (a) and (b) of this section shall not be applicable to Federal Intermediate Credit Banks, Production Credit Corporations, the Central Bank for Cooperatives, the Regional Banks for Cooperatives, or the Federal Land Banks, except that each such corporation shall be required to consult with the Secretary of the Treasury prior to taking any action of the kind covered by the provisions of subsections (a) and (b) of this section, and in the event an agreement is not reached, the Secretary of the Treasury may make a report in writing to the corporation, to the President, and to the Congress stating the grounds for his disagreement.

Exempted corporations.

Creation, etc., of corporations, restriction.

SEC. 304. (a) No corporation shall be created, organized, or acquired hereafter by any officer or agency of the Federal Government or by any Government corporation for the purpose of acting as an agency or instrumentality of the United States, except by Act of Congress or pursuant to an Act of Congress specifically authorizing such action.

Termination of wholly owned Government corporations.

(b) No wholly owned Government corporation created by or under the laws of any State, Territory, or possession of the United States or any political subdivision thereof, or under the laws of the District of Columbia, shall continue after June 30, 1948, as an agency or instrumentality of the United States, and no funds of, or obtained from, the United States or any agency thereof, including corporations, shall be invested in or employed by any such corporation after that date, except for purposes of liquidation. The proper corporate authority of every such corporation shall take the necessary steps to institute dissolution or liquidation proceedings on or before that date: *Provided*, That prior thereto any such corporation may be reincorporated by Act of Congress for such purposes and term of existence and with such powers, privileges, and duties as authorized by such Act, including the power to take over the assets and assume the liabilities of its respective predecessor corporation.

Reincorporation.

Approved December 6, 1945.

## [CHAPTER 558]

## AN ACT

Relating to clerical assistance at post offices, branches, or stations serving military and naval personnel, and for other purposes

December 7, 1945  
[H. R. 697]  
[Public Law 249]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act of July 9, 1943 (57 Stat. 391), entitled "An Act to provide for clerical assistance at post offices, branches, or stations serving military and naval personnel, and for other purposes", is hereby amended to read as follows:

Postal employees.  
39 U. S. C., Supp.  
IV, § 133 note.

"That, during the present war and for six months thereafter, whenever deemed necessary in serving military and naval personnel at military and naval camps, posts, or stations, or at civilian plants devoted to war production, the Postmaster General is hereby authorized to detail any postal employee from main post offices to postal units, at such camps, posts, or stations, or civilian plants, without changing the official station of such postal employee, and to authorize allowances, not exceeding \$4 per day in lieu of actual expenses, while so detailed, without regard to the Subsistence Expense Act of 1926, such allowances to be paid from the appropriation 'Miscellaneous items, first- and second-class post offices'.

Details to units  
serving military and  
naval personnel.

Allowances.

44 Stat. 688.  
5 U. S. C. § 821;  
Supp. IV, § 823.

"SEC. 2. The Comptroller General of the United States is authorized and directed to allow credit for any payments made prior to July 9, 1943, not exceeding the allowances herein provided, to the employees so detailed."

Approved December 7, 1945.

## [CHAPTER 559]

## AN ACT

To authorize the head of the postgraduate school of the United States Navy to confer masters and doctors degrees in engineering and related fields.

December 7, 1945  
[S. 1493]  
[Public Law 250]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, pursuant to such regulations as the Secretary of the Navy may prescribe, the head of the postgraduate school of the United States Navy is authorized, upon due accreditation from time to time by the appropriate professional authority of the applicable curriculum of such school leading to masters or doctors degrees in engineering or related fields, to confer such degree or degrees on qualified graduates of such school.

Postgraduate school  
of U. S. Navy.  
Authority to confer  
certain degrees.

Approved December 7, 1945.

## [CHAPTER 560]

## AN ACT

To amend the Act entitled "An Act authorizing the Postmaster General to adjust certain claims of postmasters for loss by burglary, fire, or other unavoidable casualty", approved March 17, 1882, as amended.

December 7, 1945  
[H. R. 4127]  
[Public Law 251]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act entitled "An Act authorizing the Postmaster General to adjust certain claims of postmasters for loss by burglary, fire, or other unavoidable casualty", approved March 17, 1882 (22 Stat. 29), as amended (U. S. C., 1940 edition, title 39, sec. 49), be, and it is hereby, amended to read as follows:

Postal Service.

"The Postmaster General may investigate all claims of postmasters, Navy mail clerks, assistant Navy mail clerks, Coast Guard mail clerks, assistant Coast Guard mail clerks, Army mail clerks, and

Adjustment of cer-  
tain claims for losses  
by burglary, fire, etc.