

January 15, 1969

REFERENCE: Appendix B-I-3

Since the copy of Appendix B-I-3 was not legible in parts in the original submission of November 10, 1968, please replace it with the attached copy.

IV. BASIC LEGISLATION

(1.) National Aeronautics and Space Act of 1958, as Amended

AN ACT To provide for research into problems of flight within and outside the earth's atmosphere, and for other purposes

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

TITLE I—SHORT TITLE, DECLARATION OF POLICY, AND DEFINITIONS

Public Law
85-568,
85th Congress,
H. R. 12575,
July 29, 1958,
72 Stat. 426.

SHORT TITLE

SEC. 101. This Act may be cited as the "National Aeronautics and Space Act of 1958".

DECLARATION OF POLICY AND PURPOSE

SEC. 102. (a) The Congress hereby declares that it is the policy of the United States that activities in space should be devoted to peaceful purposes for the benefit of all mankind. 42 U.S.C. 2451

(b) The Congress declares that the general welfare and security of the United States require that adequate provision be made for aeronautical and space activities. The Congress further declares that such activities shall be the responsibility of, and shall be directed by, a civilian agency exercising control over aeronautical and space activities sponsored by the United States, except that activities peculiar to or primarily associated with the development of weapons systems, military operations, or the defense of the United States (including the research and development necessary to make effective provision for the defense of the United States) shall be the responsibility of, and shall be directed by, the Department of Defense; and that determination as to which such agency has responsibility for and direction of any such activity shall be made by the President in conformity with section 201(e).

(c) The aeronautical and space activities of the United States shall be conducted so as to contribute materially to one or more of the following objectives:

- (1) The expansion of human knowledge of phenomena in the atmosphere and space;
- (2) The improvement of the usefulness, performance, speed, safety, and efficiency of aeronautical and space vehicles;

(3) The development and operation of vehicles capable of carrying instruments, equipment, supplies, and living organisms through space;

(4) The establishment of long-range studies of the potential benefits to be gained from, the opportunities for, and the problems involved in the utilization of aeronautical and space activities for peaceful and scientific purposes;

(5) The preservation of the role of the United States as a leader in aeronautical and space science and technology and in the application thereof to the conduct of peaceful activities within and outside the atmosphere;

(6) The making available to agencies directly concerned with national defense of discoveries that have military value or significance, and the furnishing by such agencies, to the civilian agency established to direct and control nonmilitary aeronautical and space activities, of information as to discoveries which have value or significance to that agency;

(7) Cooperation by the United States with other nations and groups of nations in work done pursuant to this Act and in the peaceful application of the results thereof; and

(8) The most effective utilization of the scientific and engineering resources of the United States, with close cooperation among all interested agencies of the United States in order to avoid unnecessary duplication of effort, facilities, and equipment.

(d) It is the purpose of this Act to carry out and effectuate the policies declared in subsections (a), (b), and (c).

DEFINITIONS

42 U.S.C. 2452.

SEC. 103. As used in this Act—

(1) the term "aeronautical and space activities" means (A) research into, and the solution of, problems of flight within and outside the earth's atmosphere, (B) the development, construction, testing, and operation for research purposes of aeronautical and space vehicles, and (C) such other activities as may be required for the exploration of space; and

(2) the term "aeronautical and space vehicles" means aircraft, missiles, satellites, and other space vehicles, manned and unmanned, together with related equipment, devices, components, and parts.

TITLE II—COORDINATION OF AERONAUTICAL AND SPACE ACTIVITIES

NATIONAL AERONAUTICS AND SPACE COUNCIL

SEC. 201¹ (a) There is hereby established, in the Executive Office of the President, the National Aeronautics and Space Council (hereinafter called the "Council") which shall be composed of—

42 U.S.C. 2471.
Establishment;
membership.

- (1) the Vice President, who shall be Chairman of the Council;
- (2) the Secretary of State;
- (3) the Secretary of Defense;
- (4) the Administrator of the National Aeronautics and Space Administration; and
- (5) the Chairman of the Atomic Energy Commission.

(b) The President shall from time to time designate one of the members of the Council to preside over meetings of the Council during the absence, disability, or unavailability of the Chairman.

Alternate
presiding
officer.

(c) Each member of the Council may designate another officer of his department or agency to serve on the Council as his alternate in his unavoidable absence.

Alternate
members.

(d) Each alternate member designated under subsection (c) of this section shall be designated to serve as such by and with the advice and consent of the Senate unless at the time of his designation he holds an office in the Federal Government to which he was appointed by and with the advice and consent of the Senate.

(e) It shall be the function of the Council to advise and assist the President, as he may request, with respect to the performance of functions in the aeronautics and space field, including the following functions:

Functions.

- (1) survey all significant aeronautical and space activities, including the policies, plans, programs, and accomplishments of all departments and agencies of the United States engaged in such activities;
- (2) develop a comprehensive program of aeronautical and space activities to be conducted by departments and agencies of the United States;

¹ Subsecs. (a), (b), (c), (d), and (e) of sec. 201 of the National Aeronautics and Space Act of 1958 (72 Stat. 427; 42 U.S.C. 2471) were amended April 25, 1961, by Public Law 87-26, 75 Stat. 46, to place the National Aeronautics and Space Council within the Executive Office of the President; to remove the President from the Council and from the chairmanship thereof and replace him with the Vice President; to provide that the Council shall be composed of the members designated above; to remove from the Council the additional Government member and the three private scientific members appointed by the President under the previous law; to authorize the President to designate other Council members to act as Chairman when the Vice President is absent or otherwise unavailable; to enlarge the role of the Council by removing the language which made it the specific duty of the President to formulate the national space program and to add language requiring the Council to advise and assist the President in the "performance of functions in the aeronautics and space field"; and to broaden the duty of the Council to provide for cooperation between the National Aeronautics and Space Administration and the Department of Defense to include cooperation "among all departments and agencies of the United States engaged in aeronautical and space activities". Subsection (g) of sec. 201 authorizing per diem compensation to members of the Council appointed from private life was repealed by Public Law 87-26 (75 Stat. 47).

(3) designate and fix responsibility for the direction of major aeronautical and space activities;

(4) provide for effective cooperation among all departments and agencies of the United States engaged in aeronautical and space activities, and specify, in any case in which primary responsibility for any category of aeronautical and space activities has been assigned to any department or agency, which of those activities may be carried on concurrently by other departments or agencies; and

(5) resolve differences arising among departments and agencies of the United States with respect to aeronautical and space activities under this Act, including differences as to whether a particular project is an aeronautical and space activity.

Executive
secretary.
Appointment
and compen-
sation of
staff.

(f) The Council may employ a staff to be headed by a civilian executive secretary who shall be appointed by the President by and with the advice and consent of the Senate.² The executive secretary, subject to the direction of the Council, is authorized to appoint and fix the compensation of such personnel, including not more than seven³ persons who may be appointed without regard to the civil service laws or the Classification Act of 1949 and compensated at not to exceed the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended,⁴ as may be necessary to perform such duties as may be prescribed by the Council in connection with the performance of its functions. Each appointment under the subsection shall be subject to the same security requirements as those established for personnel of the National Aeronautics and Space Administration appointed under section 203(b)(2) of this Act. Other provisions of law or regulations relating to Government employment (except those relating to pay and retirement) shall apply to council employees reporting directly to the chairman to the extent that such provisions are applicable to employees in the office of the Vice President.⁵

Security
check.

[(g)] Repealed.⁶

² Sec. 201(f), 72 Stat. 428, was amended August 14, 1964, by the Federal Executive Salary Act of 1964, Public Law 88-426, title III, sec. 305(13)(A) (78 Stat. 423), which repealed the provision fixing the compensation of the Executive Secretary at the rate of \$20,000 a year. In its place, Public Law 88-426 (sec. 304(b), 78 Stat. 422), amended, 3 U.S.C. 105, was passed to authorize the President to fix the compensation of the executive secretary at a rate of basic compensation not to exceed that of level II (\$30,000) of the Federal Executive Salary Schedule. Level II of the Executive Salary Schedule has been codified as 5 U.S.C. 5313.

³ The number of such persons to be appointed by the executive secretary was increased from three to seven by Public Law 87-367, title II, sec. 207, October 4, 1961, 75 Stat. 792.

⁴ Sec. 201(f) was further amended by sec. 306(c) of Public Law 88-426 (78 Stat. 428), which repealed the provision fixing the compensation of the seven persons appointed thereunder at not more than \$19,000 a year and inserted in its place the provision for compensation at not to exceed the highest rate of GS-18.

⁵ Final sentence of sec. 201(f) added August 14, 1962, by Public Law 87-584, sec. 7, 76 Stat. 385.

⁶ Public Law 87-26, sec. 1(b), April 25, 1961 (75 Stat. 47) repealed sec. 201(g), 72 Stat. 429, which had provided for per diem compensation to the members appointed from private life.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SEC. 202.⁷ (a) There is hereby established the National Aeronautics and Space Administration (hereinafter called the "Administration"). The Administration shall be headed by an Administrator, who shall be appointed from civilian life by the President by and with the advice and consent of the Senate. Under the supervision and direction of the President, the Administrator shall be responsible for the exercise of all powers and the discharge of all duties of the Administration, and shall have authority and control over all personnel and activities thereof.

42 U.S.C. 2472.
Establishment;
Administrator.

(b) There shall be in the Administration a Deputy Administrator, who shall be appointed from civilian life by the President by and with the advice and consent of the Senate and shall perform such duties and exercise such powers as the Administrator may prescribe. The Deputy Administrator shall act for, and exercise the powers of, the Administrator during his absence or disability.

Deputy
Administrator.

(c) The Administrator and the Deputy Administrator shall not engage in any other business, vocation, or employment while serving as such.

Restriction.

FUNCTIONS OF THE ADMINISTRATION

SEC. 203. (a) The Administration, in order to carry out the purpose of this Act, shall—

42 U.S.C.
2473.

(1) plan, direct, and conduct aeronautical and space activities;

(2) arrange for participation by the scientific community in planning scientific measurements and observations to be made through use of aeronautical and space vehicles, and conduct or arrange for the conduct of such measurements and observations; and

(3) provide for the widest practicable and appropriate dissemination of information concerning its activities and the results thereof.

(b) In the performance of its functions the Administration is authorized—

(1) to make, promulgate, issue, rescind, and amend rules and regulations governing the manner of its operations and the exercise of the powers vested in it by law;

Functions,
rules and
regulations.

⁷ The Federal Executive Salary Act of 1964, supra (sec. 305(12), 78 Stat. 423), repealed the language in sec. 202, 72 Stat. 429, fixing the compensation of the Administrator and Deputy Administrator at per annum rates of \$22,500 and \$21,500, respectively. In lieu thereof, the positions of Administrator and Deputy Administrator were placed in level II (\$30,000) and level III (\$29,500), respectively, of the Federal Executive Salary Schedule. In addition, the Federal Executive Salary Act of 1964 placed seven other NASA positions in designated levels of the Federal Executive Salary Schedule (78 Stat. 416 as amended, 5 U.S.C. 5311-5317). (See p. 92 hereto.)

Employees :
appointment
and
compensation.

Excepted
positions.

Entrance
grades ; scien-
tific and
engineering
personnel.

Acquisition,
construction,
maintenance,
etc., of
property.

Lease of
buildings.

Disposal of
property.

(2) to appoint and fix the compensation of such officers and employees as may be necessary to carry out such functions. Such officers and employees shall be appointed in accordance with the civil-service laws and their compensation fixed in accordance with the Classification Act of 1949, except that (A) to the extent the Administrator deems such action necessary to the discharge of his responsibilities, he may appoint not more than four hundred and twenty-five of the scientific, engineering, and administrative personnel of the Administration without regard to such laws, and may fix the compensation of such personnel not in excess of the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended, and ⁸ (B) to the extent the Administrator deems such action necessary to recruit specially qualified scientific and engineering talent, he may establish the entrance grade for scientific and engineering personnel without previous service in the Federal Government at a level up to two grades higher than the grade provided for such personnel under the General Schedule established by the Classification Act of 1949, and fix their compensation accordingly;

(3) to acquire (by purchase, lease, condemnation, or otherwise), construct, improve, repair, operate, and maintain laboratories, research and testing sites and facilities, aeronautical and space vehicles, quarters and related accommodations for employees and dependents of employees of the Administration, and such other real and personal property (including patents), or any interest therein, as the Administration deems necessary within and outside the continental United States; to acquire by lease or otherwise, through the Administrator of General Services, buildings or parts of buildings in the District of Columbia for the use of the Administration for a period not to exceed ten years without regard to the Act of March 3, 1877 (40 U.S.C. 34) ; ⁹ to lease to others such real and personal property; to sell and otherwise dispose of real and personal property (including patents and rights thereunder) in accordance with the provisions of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 471 et seq.) ;

⁸ Clause (A) of sec. 203(b)(2), as amended, was further amended August 14, 1964, to read as above by sec. 306(d) (78 Stat. 429) of the Federal Executive Salary Act of 1964, supra. Original language of clause (A) appeared at 72 Stat. 429, and previous amendments thereto appear in Public Law 86-481 (74 Stat. 153) ; Public Law 87-367, 75 Stat. 791 ; Public Law 87-793 (76 Stat. 864). For annual report to Congress, see appendix A.

⁹ Authority to lease buildings in the District of Columbia was added to sec. 203(b)(3), 72 Stat. 430, by Public Law 86-20, May 13, 1959 (73 Stat. 21).

and to provide by contract or otherwise for cafeterias and other necessary facilities for the welfare of employees of the Administration at its installations and purchase and maintain equipment therefor;

Cafeterias and other facilities for employees.

(4) to accept unconditional gifts or donations of services, money, or property, real, personal, or mixed, tangible or intangible;

Gifts.

(5) without regard to section 3648 of the Revised Statutes, as amended (31 U.S.C. 529), to enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary in the conduct of its work and on such terms as it may deem appropriate, with any agency or instrumentality of the United States, or with any State, Territory, or possession, or with any political subdivision thereof, or with any person, firm, association, corporation, or educational institution. To the maximum extent practicable and consistent with the accomplishment of the purpose of this Act, such contracts, leases, agreements, and other transactions shall be allocated by the Administrator in a manner which will enable small-business concerns to participate equitably and proportionately in the conduct of the work of the Administration;

Contracts, leases, and other transactions.

Small-business participation.

(6) to use, with their consent, the service, equipment, personnel, and facilities of Federal and other agencies with or without reimbursement, and on a similar basis to cooperate with other public and private agencies and instrumentalities in the use of services, equipment, and facilities. Each department and agency of the Federal Government shall cooperate fully with the Administration in making its services, equipment, personnel, and facilities available to the Administration, and any such department or agency is authorized, notwithstanding any other provision of law, to transfer to or to receive from the Administration, without reimbursement, aeronautical and space vehicles, and supplies and equipment other than administrative supplies or equipment;

Agency cooperation in use of services, equipment, etc.

(7) to appoint such advisory committees as may be appropriate for purposes of consultation and advice to the Administration in the performance of its functions;

Advisory committees.

(8) to establish within the Administration such offices and procedures as may be appropriate to provide for the greatest possible coordination of its activities under this Act with related scientific and other activities being carried on by other public and private agencies and organizations;

Coordination with related activities.

Experts and
consultants.

Employment
of aliens.

Retired officers.
Agreements for
detail of mili-
tary personnel.

Claims against
United States.

Reimbursement
to owners and
tenants of land.

(9) to obtain services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 3109(b)), at rates not to exceed \$100 per diem for individuals;

(10) when determined by the Administrator to be necessary, and subject to such security investigations as he may determine to be appropriate, to employ aliens without regard to statutory provisions prohibiting payment of compensation to aliens;

[(11)] Repealed.¹⁰

(12) with the approval of the President, to enter into cooperative agreements under which members of the Army, Navy, Air Force, and Marine Corps may be detailed by the appropriate Secretary for services in the performance of functions under this Act to the same extent as that to which they might be lawfully assigned in the Department of Defense;

(13)(A) to consider, ascertain, adjust, determine, settle, and pay, on behalf of the United States, in full satisfaction thereof, any claim for \$5,000 or less against the United States for bodily injury, death, or damage to or loss of real or personal property resulting from the conduct of the Administration's functions as specified in subsection (a) of this section, where such claim is presented to the Administration in writing within two years after the accident or incident out of which the claim arises; and

(B) if the Administration considers that a claim in excess of \$5,000 is meritorious and would otherwise be covered by this paragraph, to report the facts and circumstances thereof to the Congress for its consideration;¹¹ and

(14) to reimburse, to the extent determined by the Administrator or his designee to be fair and reasonable, the owners and tenants of land and interests in land acquired on or after November 1, 1961, by the United States for use by the Administration by purchase, condemnation, or otherwise for expenses and losses and damages incurred by such owners and tenants as a direct result of moving themselves, their families, and their possessions because of said acquisition. Such reimbursement shall be in addition to, but not in duplication of, any payments that may otherwise be authorized by

¹⁰ Sec. 402(a)(34) of the Dual Compensation Act (Public Law 88-448, August 19, 1964, 78 Stat. 495) repealed sec. 203(b)(11), 72 Stat. 431, which formerly authorized NASA "to employ retired commissioned officers of the armed forces of the United States and compensate them at the rate established for the positions occupied by them within the Administration, subject only to the limitations in pay set forth in sec. 212 of the Act of June 30, 1932, as amended (5 U.S.C. 59a)." The Dual Compensation Act (5 U.S.C. 3326, 3501, 3502, 5531-5533, 6303), effective Dec. 1, 1964, was designed to simplify, modernize and consolidate * * * the laws concerning the civilian employment of retired members of the uniformed services. * * * Pertinent portions of the Dual Compensation Act are set forth in part 11 (b) of this document.

¹¹ NASA, like other Federal agencies, can settle claims under the Federal Tort Claims Act, Public Law 89-506, July 18, 1966 (80 Stat. 306), amending the Federal Tort Claims Act, expanded the authority of Federal agencies to settle claims.

law to be made to such owners and tenants. The total of any such reimbursement to any owner or tenant shall in no event exceed 25 per centum of the fair value, as determined by the Administrator, of the parcel of land or interest in land to which the reimbursement is related. No payment under this paragraph shall be made unless application therefor, supported by an itemized statement of the expenses, losses, and damages incurred, is submitted to the Administrator within one year from (a) the date upon which the parcel of land or interest in land is to be vacated under agreement with the Government by the owner or tenant or pursuant to law, including but not limited to, an order of a court, or (b) the date upon which the parcel of land or interest in the land involved is vacated, whichever first occurs. The Administrator may perform any and all acts and make such rules and regulations as he deems necessary and proper for the purpose of carrying out this paragraph. All functions performed under this paragraph shall be exempt from the operation of the Act of June 11, 1946, as amended (5 U.S.C. 551-559, 701-706) except as to the requirements of section 3 of said Act. Funds available to the Administration for the acquisition of real property or interests therein shall also be available for carrying out this paragraph.¹²

Application ;
one year limit.

Rules and
regulations.

Exemption
from Adminis-
trative Pro-
cedure Act.

CIVILIAN-MILITARY LIAISON COMMITTEE

SEC. 204.¹³ (a) There shall be a Civilian-Military Liaison Committee consisting of—

42 U.S.C. 2474.
Establishment ;
membership.

(1) a Chairman, who shall be the head thereof and who shall be appointed by the President, shall serve at the pleasure of the President.¹⁴

(2) one or more representatives from the Department of Defense and one or more representatives from each of the Departments of the Army, Navy, and Air Force, to be assigned by the Secretary of Defense to serve on the Committee without additional compensation; and

(3) representatives from the Administration, to be assigned by the Administrator to serve on the Committee without additional compensation, equal in number to the number of representatives assigned to serve on the Committee under paragraph (2).

¹² Sec. 203(b) (14) added by Public Law 87-584, sec. 6, August 14, 1962 (76 Stat. 384).

¹³ The Committee was abolished by Reorganization Plan No. 4 of 1965, effective July 27, 1965 (30 Federal Register 9353, July 28, 1965, 79 Stat. 1319), and its functions were transferred to the President.

¹⁴ Previous language in sec. 204(a) (1), 72 Stat. 431, providing for compensation of the Chairman at the rate of \$20,000 per annum was repealed on August 14, 1964, by the Federal Executive Salary Act of 1964, supra, sec. 305(13)(B), 78 Stat. 423. No substitute provision was made to replace the language repealed.

Functions.

(b) The Administration and the Department of Defense, through the Liaison Committee, shall advise and consult with each other on all matters within their respective jurisdictions relating to aeronautical and space activities and shall keep each other fully and currently informed with respect to such activities.

Resolution of differences by President.

(c) If the Secretary of Defense concludes that any request, action, proposed action, or failure to act on the part of the Administrator is adverse to the responsibilities of the Department of Defense, or the Administrator concludes that any request, action, proposed action, or failure to act on the part of the Department of Defense is adverse to the responsibilities of the Administration, and the Administrator and the Secretary of Defense are unable to reach an agreement with respect thereto, either the Administrator or the Secretary of Defense may refer the matter to the President for his decision (which shall be final) as provided in section 201(e).

Chairman, service of active or retired officer.

(d) Notwithstanding the provisions of any other law, any active or retired officer of the Army, Navy, or Air Force may serve as Chairman of the Liaison Committee without prejudice to his active or retired status as such officer. Any such active officer serving as Chairman of the Liaison Committee shall receive, in addition to his pay and allowances, including special and incentive pays, an amount equal to the difference between such pay and allowances, including special and incentive pays, and the compensation fixed by subsection (a) (1) for such Chairman. Any such retired officer serving as Chairman of the Liaison Committee shall receive the compensation fixed by subsection (a) (1) for such Chairman and his retired pay, subject to section 201 of the Dual Compensation Act.¹⁵

INTERNATIONAL COOPERATION**42 U.S.C. 2475.**

SEC. 205. The Administration, under the foreign policy guidance of the President, may engage in a program of international cooperation in work done pursuant to this Act, and in the peaceful application of the results thereof, pursuant to agreements made by the President with the advice and consent of the Senate.

REPORTS TO THE CONGRESS**42 U.S.C. 2476.
Semi-annual
report of NASA
activities.**

SEC. 206. (a) The Administration shall submit to the President for transmittal to the Congress, semiannually and at such other times as it deems desirable, a report of its activities and accomplishments.

¹⁵ Sec. 204(d), 72 Stat. 432, was amended to read as above by the Dual Compensation Act, sec. 401(g), August 19, 1964 (78 Stat. 490). That part of sec. 204(d) which had referred to the compensation "fixed by subsec. (a) (1)" was repealed by sec. 305(13) (B) of the Federal Executive Salary Act of 1964, supra (78 Stat. 423), but it was reenacted by sec. 401(g) of the Dual Compensation Act. As noted above in footnote 14, there now is no provision fixing compensation in sec. 204(a) (1).

(b) The President shall transmit to the Congress in January of each year a report, which shall include (1) a comprehensive description of the programmed activities and the accomplishments of all agencies of the United States in the field of aeronautics and space activities during the preceding calendar year, and (2) an evaluation of such activities and accomplishments in terms of the attainment of, or the failure to attain, the objectives described in section 102(c) of this Act.

President's
annual report
of activities of
all agencies.

(c) Any report made under this section shall contain such recommendations for additional legislation as the Administrator or the President may consider necessary or desirable for the attainment of the objectives described in section 102(c) of this Act.

(d) No information which has been classified for reasons of national security shall be included in any report made under this section, unless such information has been declassified by, or pursuant to authorization given by, the President.

TITLE III—MISCELLANEOUS

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

SEC. 301. (a) The National Advisory Committee for Aeronautics, on the effective date of this section, shall cease to exist. On such date all functions, powers, duties, and obligations, and all real and personal property, personnel (other than members of the Committee), funds, and records of that organization, shall be transferred to the Administration.

Note under
42 U.S.C. 2472.
Termination.
Transfer of
functions.

(b) Section 2302 of title 10 of the United States Code is amended by striking out "or the Executive Secretary of the National Advisory Committee for Aeronautics," and inserting in lieu thereof "or the Administrator of the National Aeronautics and Space Administration."; and section 2303 of such title 10 is amended by striking out "The National Advisory Committee for Aeronautics." and inserting in lieu thereof "The National Aeronautics and Space Administration."

Procurement.

(c) The first section of the Act of August 26, 1950 (5 U.S.C. 3571, 5594, 7312, 7051(c), 7512(c), 7532), is amended by striking out "the Director, National Advisory Committee for Aeronautics" and inserting in lieu thereof "the Administration of the National Aeronautics and Space Administration", and by striking out "or National Advisory Committee for Aeronautics" and inserting in lieu thereof "or National Aeronautics and Space Administration".

National
security;
suspension of
employees.

(d) The Unitary Wind Tunnel Plan Act of 1949 (50 U.S.C. 511-515) is amended (1) by striking out "The National Advisory Committee for Aeronautics (hereinafter referred to as the 'Committee')" and inserting in

Unitary Wind
Tunnel Plan
Act of 1949.

lieu thereof "The Administrator of the National Aeronautics and Space Administration (hereinafter referred to as the 'Administrator')"; (2) by striking out "Committee" or "Committee's" wherever they appear and inserting in lieu thereof "Administrator" and "Administrator's", respectively; and (3) by striking out "its" wherever it appears and inserting in lieu thereof "his".

Effective date.

Publication
in F.R.

(e)¹⁸ This section shall take effect ninety days after the date of the enactment of this Act, or on any earlier date on which the Administrator shall determine, and announce by proclamation published in the Federal Register, that the Administration has been organized and is prepared to discharge the duties and exercise the powers conferred upon it by this Act.

TRANSFER OF RELATED FUNCTIONS

42 U.S.C. 2453.
Transfers to
NASA.

SEC. 302. (a) Subject to the provisions of this section, the President, for a period of four years after the date of enactment of this Act, may transfer to the Administration any functions (including powers, duties, activities, facilities, and parts of functions) of any other department or agency of the United States, or of any officer or organizational entity thereof, which relate primarily to the functions, powers, and duties of the Administration as prescribed by section 203 of this Act. In connection with any such transfer, the President may, under this section or other applicable authority, provide for appropriate transfers of records, property, civilian personnel, and funds.

Reports to
Congress.

(b) Whenever any such transfer is made before January 1, 1959, the President shall transmit to the Speaker of the House of Representatives and the President pro tempore of the Senate a full and complete report concerning the nature and effect of such transfer.

(c) After December 31, 1958, no transfer shall be made under this section until (1) a full and complete report concerning the nature and effect of such proposed transfer has been transmitted by the President to the Congress, and (2) the first period of sixty calendar days of regular session of the Congress following the date of receipt of such report by the Congress has expired without the adoption by the Congress of a concurrent resolution stating that the Congress does not favor such transfer.

ACCESS TO INFORMATION

42 U.S.C. 2454.
Public inspection;
exceptions.

SEC. 303. Information obtained or developed by the Administrator in the performance of his functions under this Act shall be made available for public inspection, except (A) information authorized or required by Federal statute to be withheld, and (B) information classified to protect the national security: Provided, That

¹⁸ Effective September 30, 1958, by virtue of proclamation published in the Federal Register on September 25, 1958.

nothing in this Act shall authorize the withholding of information by the Administrator from the duly authorized committees of the Congress.

SECURITY

Sec. 304. (a) The Administrator shall establish such security requirements, restrictions, and safeguards as he deems necessary in the interest of the national security. The Administrator may arrange with the Civil Service Commission for the conduct of such security or other personnel investigations of the Administration's officers, employees, and consultants, and its contractors and subcontractors and their officers and employees, actual or prospective, as he deems appropriate; and if any such investigation develops any data reflecting that the individual who is the subject thereof is of questionable loyalty the matter shall be referred to the Federal Bureau of Investigation for the conduct of a full field investigation, the results of which shall be furnished to the Administrator.

42 U.S.C. 2455.
Requirements.

Investigations.

Referral to
F.B.I.

(b) The Atomic Energy Commission may authorize any of its employees, or employees of any contractor, prospective contractor, licensee, or prospective licensee of the Atomic Energy Commission or any other person authorized to have access to Restricted Data by the Atomic Energy Commission under subsection 145b. of the Atomic Energy Act of 1954 (42 U.S.C. 2165(b)), to permit any member, officer, or employee of the Council, or the Administrator, or any officer, employee, member of an advisory committee, contractor, subcontractor, or officer or employee of a contractor or subcontractor of the Administration, to have access to Restricted Data relating to aeronautical and space activities which is required in the performance of his duties and so certified by the Council or the Administrator, as the case may be, but only if (1) the Council or Administrator or designee thereof has determined, in accordance with the established personnel security procedures and standards of the Council or Administration, that permitting such individual to have access to such Restricted Data will not endanger the common defense and security, and (2) the Council or Administrator or designee thereof finds that the established personnel and other security procedures and standards of the Council or Administration are adequate and in reasonable conformity to the standards established by the Atomic Energy Commission under section 145 of the Atomic Energy Act of 1954 (42 U.S.C. 2165). Any individual granted access to such Restricted Data pursuant to this subsection may exchange such Data with any individual who (A) is an officer or employee of the Department of Defense, or any department or agency thereof, or a member of the armed forces, or a contractor or subcontractor of any such de-

Access to AEC
restricted data.

Espionage and
Censorship.

partment, agency, or armed force, or an officer or employee of any such contractor or subcontractor, and (B) has been authorized to have access to Restricted Data under the provisions of section 143 of the Atomic Energy Act of 1954 (42 U.S.C. 2163).

(c) Chapter 37 of title 18 of the United States Code (entitled Espionage and Censorship) is amended by—

(1) adding at the end thereof the following new section:

Violation of
regulations.

"§ 799. Violation of regulations of National Aeronautics and Space Administration

"Whoever willfully shall violate, attempt to violate, or conspire to violate any regulation or order promulgated by the Administrator of the National Aeronautics and Space Administration for the protection or security of any laboratory, station, base or other facility, or part thereof, or any aircraft, missile, spacecraft, or similar vehicle, or part thereof, or other property or equipment in the custody of the Administration, or any real or personal property or equipment in the custody of any contractor under any contract with the Administration or any subcontractor of any such contractor, shall be fined not more than \$5,000, or imprisoned not more than one year, or both."

Penalty.

(2) adding at the end of the sectional analysis thereof the following new item:

Protection of
NASA officers
and employees.

"§ 799. Violation of regulations of National Aeronautics and Space Administration."

(d) Section 1114 of title 18 of the United States Code is amended by inserting immediately before "while engaged in the performance of his official duties" the following: "or any officer or employee of the National Aeronautics and Space Administration directed to guard and protect property of the United States under the administration and control of the National Aeronautics and Space Administration,".

42 U.S.C. 2456.
Permission to
use firearms.

(e) The Administrator may direct such of the officers and employees of the Administration as he deems necessary in the public interest to carry firearms while in the conduct of their official duties. The Administrator may also authorize such of those employees of the contractors and subcontractors of the Administration engaged in the protection of property owned by the United States and located at facilities owned by or contracted to the United States as he deems necessary in the public interest, to carry firearms while in the conduct of their official duties.

PROPERTY RIGHTS IN INVENTIONS

42 U.S.C. 2457.
Inventions
made in
performance of
work under
contract.

SEC. 305. (a) Whenever any invention is made in the performance of any work under any contract of the Administration, and the Administrator determines that—

(1) the person who made the invention was employed or assigned to perform research, development, or exploration work and the invention is related to the work he was employed or assigned to perform, or that it was within the scope of his employment duties, whether or not it was made during working hours, or with a contribution by the Government of the use of Government facilities, equipment, materials, allocated funds, information proprietary to the Government, or services of Government employees during working hours; or

(2) the person who made the invention was not employed or assigned to perform research, development, or exploration work, but the invention is nevertheless related to the contract, or to the work or duties he was employed or assigned to perform, and was made during working hours, or with a contribution from the Government of the sort referred to in clause (1),

such invention shall be the exclusive property of the United States, and if such invention is patentable a patent therefor shall be issued to the United States upon application made by the Administrator, unless the Administrator waives all or any part of the rights of the United States to such invention in conformity with the provisions of subsection (f) of this section.

Exclusive property of United States: issuance of patent.

(b) Each contract entered into by the Administrator with any party for the performance of any work shall contain effective provisions under which such party shall furnish promptly to the Administrator a written report containing full and complete technical information concerning any invention, discovery, improvement, or innovation which may be made in the performance of any such work.

Contract provisions for reporting inventions, etc.

(c) No patent may be issued to any applicant other than the Administrator for any invention which appears to the Commissioner of Patents to have significant utility in the conduct of aeronautical and space activities unless the applicant files with the Commissioner, with the application or within thirty days after request therefor by the Commissioner, a written statement executed under oath setting forth the full facts concerning the circumstances under which such invention was made and stating the relationship (if any) of such invention to the performance of any work under any contract of the Administration. Copies of each such statement and the application to which it relates shall be transmitted forthwith by the Commissioner to the Administrator.

Patent application.

(d) Upon any application as to which any such statement has been transmitted to the Administrator, the Commissioner may, if the invention is patentable, issue a patent to the applicant unless the Administrator, within ninety days after receipt of such application and state-

Patent issuance to applicant.

Board of
Patent
Interferences.

ment, requests that such patent be issued to him on behalf of the United States. If, within such time, the Administrator files such a request with the Commissioner, the Commissioner shall transmit notice thereof to the applicant, and shall issue such patent to the Administrator unless the applicant within thirty days after receipt of such notice requests a hearing before a Board of Patent Interferences on the question whether the Administrator is entitled under this section to receive such patent. The Board may hear and determine, in accordance with rules and procedures established for interference cases, the question so presented, and its determination shall be subject to appeal by the applicant or by the Administrator to the Court of Customs and Patent Appeals in accordance with procedures governing appeals from decisions of the Board of Patent Interferences in other proceedings.

False representations, request for transfer of title to patent.

(e) Whenever any patent has been issued to any applicant in conformity with subsection (d), and the Administrator thereafter has reason to believe that the statement filed by the applicant in connection therewith contained any false representation of any material fact, the Administrator within five years after the date of issuance of such patent may file with the Commissioner a request for the transfer to the Administrator of title to such patent on the records of the Commissioner. Notice of any such request shall be transmitted by the Commissioner to the owner of record of such patent, and title to such patent shall be so transferred to the Administrator unless within thirty days after receipt of such notice such owner of record requests a hearing before a Board of Patent Interferences on the question whether any such false representation was contained in such statement. Such question shall be heard and determined, and determination thereof shall be subject to review, in the manner prescribed by subsection (d) for questions arising thereunder. No request made by the Administrator under this subsection for the transfer of title to any patent, and no prosecution for the violation of any criminal statute, shall be barred by any failure of the Administrator to make a request under subsection (d) for the issuance of such patent to him, or by any notice previously given by the Administrator stating that he had no objection to the issuance of such patent to the applicant therefor.

Waiver of right to inventions.

(f) Under such regulations in conformity with this subsection as the Administrator shall prescribe, he may waive all or any part of the rights of the United States under this section with respect to any invention or class of inventions made or which may be made by any person or class of persons in the performance of any work required by any contract of the Administration if the Administrator determines that the interests of the United

States will be served thereby. Any such waiver may be made upon such terms and under such conditions as the Administrator shall determine to be required for the protection of the interests of the United States. Each such waiver made with respect to any invention shall be subject to the reservation by the Administrator of an irrevocable, nonexclusive, nontransferable, royalty-free license for the practice of such invention throughout the world by or on behalf of the United States or any foreign government pursuant to any treaty or agreement with the United States. Each proposal for any waiver under this subsection shall be referred to an Inventions and Contributions Board which shall be established by the Administrator within the Administration. Such Board shall accord to each interested party an opportunity for hearing, and shall transmit to the Administrator its findings of fact with respect to such proposal and its recommendations for action to be taken with respect thereto.

**Inventions and
Contributions
Board.**

(g) The Administrator shall determine, and promulgate regulations specifying the terms and conditions upon which licenses will be granted by the Administration for the practice by any person (other than an agency of the United States) of any invention for which the Administrator holds a patent on behalf of the United States.

**License
regulations.**

(h) The Administrator is authorized to take all suitable and necessary steps to protect any invention or discovery to which he has title, and to require that contractors or persons who retain title to inventions or discoveries under this section protect the inventions or discoveries to which the Administration has or may acquire a license of use.

**Protection
of title.**

(i) The Administration shall be considered a defense agency of the United States for the purpose of chapter 17 of title 35 of the United States Code.

**Defense
agency.**

(j) As used in this section—

Definitions.

(1) the term "person" means any individual, partnership, corporation, association, institution, or other entity.

(2) the term "contract" means any actual or proposed contract, agreement, understanding, or other arrangement, and includes any assignment, substitution of parties, or subcontract executed or entered into thereunder; and

(3) the term "made", when used in relation to any invention, means the conception or first actual reduction to practice of such invention.

CONTRIBUTIONS AWARDS

SEC. 306. (a) Subject to the provisions of this section, the Administrator is authorized, upon his own initiative or upon application of any person, to make a monetary award, in such amount and upon such terms as he shall

42 U.S.C. 2458.

Application.

Referral to
Inventions and
Contributions
Board ; hear-
ing and rec-
ommendation.

Determination
by Adminis-
trator.

Apportionment
of award.

Surrender of
claims to
compensation.

Limitation of
amount ; report
to Congress.

determine to be warranted, to any person (as defined by section 305) for any scientific or technical contribution to the Administration which is determined by the Administrator to have significant value in the conduct of aeronautical and space activities. Each application made for any such award shall be referred to the Inventions and Contributions Board established under section 305 of this Act. Such Board shall accord to each such applicant an opportunity for hearing upon such application, and shall transmit to the Administrator its recommendation as to the terms of the award, if any, to be made to such applicant for such contribution. In determining the terms and conditions of any award the Administrator shall take into account—

(1) the value of the contribution to the United States;

(2) the aggregate amount of any sums which have been expended by the applicant for the development of such contribution;

(3) the amount of any compensation (other than salary received for services rendered as an officer or employee of the Government) previously received by the applicant for or on account of the use of such contribution by the United States; and

(4) such other factors as the Administrator shall determine to be material.

(b) If more than one applicant under subsection (a) claims an interest in the same contribution, the Administrator shall ascertain and determine the respective interest of such applicants, and shall apportion any award to be made with respect to such contribution among such applicants in such proportions as he shall determine to be equitable. No award may be made under subsection (a) with respect to any contribution—

(1) unless the applicant surrenders, by such means as the Administrator shall determine to be effective, all claims which such applicant may have to receive any compensation (other than the award made under this section) for the use of such contribution or any element thereof at any time by or on behalf of the United States or by or on behalf of any foreign government pursuant to any treaty or agreement with the United States, within the United States or at any other place;

(2) in any amount exceeding \$100,000, unless the Administrator has transmitted to the appropriate committees of the Congress a full and complete report concerning the amount and terms of, and the basis for, such proposed award, and thirty calendar days of regular session of the Congress have expired after receipt of such report by such committees.

(2.) Related Legislation

(1) *Procurement*

The procurement provisions of chapter 137, title 10, United States Code (formerly the Armed Services Procurement Act), were made applicable to NASA by section 301(b) of the National Aeronautics and Space Act of 1958, *supra*.

(2) *Executive salaries*

Section 303 of the Federal Executive Salary Act of 1964, Public Law 88-426, title III, August 14, 1964, 78 Stat. 416, provided that the Administrator and Deputy Administrator and seven other designated offices and positions in NASA shall be compensated under the Federal Executive Salary Schedule. The Federal Executive Salary Schedule, 5 U.S.C. 5311-5317, as amended, provides the following levels and annual rates of basic compensation:

Level II (\$30,000)

Administrator

Level III (\$29,500)

Deputy Administrator

Level IV (\$28,750)

Associate Administrator

Level V (\$28,000)

Associate Administrator for Advanced Research and Technology

Associate Administrator for Space Science and Applications

Associate Administrator for Manned Space
Flight
Associate Deputy Administrator
Deputy Associate Administrator
General Counsel

(3) *Reports to Congress on positions established under section 203(b)(2)*

Public Law 87-367 (75 Stat. 791, 42 U.S.C. 2473a) requires NASA to submit an annual report to Congress concerning the 425 positions established under clause (A) of section 203(b)(2) of the National Aeronautics and Space Act, as follows:

"(b)(1) The Administrator of the National Aeronautics and Space Administration shall submit to the Congress not later than forty-five days after the close of each fiscal year a report which sets forth, as of the close of such fiscal year—

"(A) the number of positions established under section 203(b)(2) of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2473(b)(2));

"(B) the name, rate of compensation, and description of the qualifications of each incumbent of each position established under such section 203(b)(2), together with the position title and a statement of the duties and responsibilities performed by each such incumbent;

"(C) the position or positions in or outside the Federal Government held by each such incumbent, and his rate or rates of compensation, during the five-year period immediately preceding the date of appointment of such incumbent to such position; and

"(D) such other information as the Administrator may deem appropriate or which may be required by the Congress or a committee thereof.

Nothing contained in this subsection shall require the resubmission of any information required under subparagraphs (B) and (C) of this subsection which has been reported pursuant to this subsection and remains unchanged.

"(2) In any instance in which the Administrator may find full public disclosure of any or all of the matter covered by paragraph (1) of this subsection to be detrimental to the national security, the Administrator is authorized—

"(A) to omit in such report those matters with respect to which full public disclosure is found to be detrimental to national security;

"(B) to inform the Congress of such omission; and

"(C) at the request of any congressional committee to which such report is referred, to present all information concerning such matters."

National security matters.
Omission of information.

(4) *Employment and compensation of retired military officers*

The Dual Compensation Act, Public Law 88-448, August 19, 1964 (5 U.S.C. 3326, 3501, 3502, 5531-5533, 6303), was enacted—

“to simplify, modernize and consolidate the laws relating to the employment of civilians in more than one position and the laws concerning the civilian employment of retired members of the uniformed services * * *.”

Section 201(a) thereof sets forth a uniform formula for the reduction of the retirement pay received by retired regular military officers during the period when they are employed in civilian offices or positions of the Government, as follows:

“SEC. 201(a). Except as provided by subsections (b), (c), and (e) of this section, a retired officer of any regular component of the uniformed services shall receive the full salary of any civilian office which he holds, but during a period for which he receives salary, his retired or retirement pay shall be reduced to an annual rate equal to the first \$2,000 of such pay plus one-half of the remainder, if any. In the operation of the formula for reduction of such pay under this subsection, such amount of \$2,000 shall be increased, from time to time, by appropriate percentage, in direct proportion to each increase in such pay effected pursuant to the provisions of section 1401a(b) of title 10, United States Code, to reflect changes in the Consumer Price Index.”

Section 201(e) of the Dual Compensation Act provides authority in the Administrator of NASA, among others, to make not more than 30 exceptions from the restrictions of section 201(a), as follows:

“(e) Except as otherwise provided in this subsection, the United States Civil Service Commission, subject to the supervision and control of the President, is authorized to prescribe and issue regulations under which exceptions may be made to the restrictions in subsection (a) of this section whenever it is determined by appropriate authority that such exceptions are warranted on the basis of special or emergency employment needs which otherwise cannot be readily met. The President of the Senate with respect to the United States Senate, the Speaker of the House of Representatives with respect to the United States House of Representatives, and the Architect of the Capitol with respect to the Office of the Architect of the Capitol each is authorized to provide for a means by which exceptions may be made to the restrictions in subsection (a) of this section whenever he determines that such exceptions are warranted on the basis of special or emergency employment needs which otherwise cannot be readily met. The Administrator of the National Aeronautics and Space Administration is authorized to except, at any time, any individual in a scientific, engineer-

ing, or administrative position appointed pursuant to clause (A) of section 203(b)(2) of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2473(b)(2)(A)), from the restrictions in subsection (a) of this section, whenever the Administrator determines that such exception is warranted on the basis of special or emergency employment needs which otherwise cannot be readily met; but not more than thirty such exceptions may exist at any one time under such authority."

Pursuant to the terms of section 403(a) thereof, 78 Stat. 496, these provisions of the Dual Compensation Act became effective on December 1, 1964.

(5) Employment of specially qualified scientific and professional personnel

Government Organization and Employees, title 5, United States Code amendment, Public Law 90-83, September 11, 1967, provides that the 12 slots that were assigned to NASA on loan from the Department of Defense under Public Law 86-377 (73 Stat. 700) have been assigned to NASA; an annual report on these slots must be filed under the authority of the NASA Administrator. (81 Stat. 196, 5 U.S.C. 3104).

(6) Housing for employees

Section 809 of the National Housing Act, relating to mortgage insurance on owner-occupied property, was made applicable to NASA by Public Law 86-578, July 5, 1960 (74 Stat. 314), which added a new subsection (g) to section 809. As amended by Public Law 86-774, September 13, 1960 (74 Stat. 915), by Public Law 88-127, September 23, 1963 (77 Stat. 163), and by Public Law 89-117, August 10, 1965 (79 Stat. 506), section 809(g) reads as follows (12 U.S.C. 1748h-1(g)):

(g) Housing for persons employed by National Aeronautics and Space Administration or Atomic Energy Commission; guaranty from loss; definitions.

(1) A mortgage secured by property which is intended to provide housing for a person (i) employed or assigned to duty at or in connection with any research or development installation of the National Aeronautics and Space Administration and which is located at or near such installation, or (ii) employed at any research or development installation of the Atomic Energy Commission and which is located at or near such installation may (if the mortgage otherwise meets the requirements of this section) be insured by the Commissioner under the provisions of this section. The Administrator of the National Aeronautics and Space Administration (or his designee) in the case of any mortgage secured by property intended to provide housing for any person employed or assigned to duty at any such installation of the

National Aeronautics and Space Administration or the Chairman of the Atomic Energy Commission (or his designee) in the case of any mortgage secured by property intended to provide housing for any person employed at such installation of the Atomic Energy Commission is authorized to guarantee and indemnify the General Insurance Fund against loss to the extent required by the Commissioner in accordance with the provisions of subsection (b) of this section.

(2) For purposes of this subsection—

(i) The terms "Armed Forces", "one of the military departments of the United States", "military department", "Secretary or his designee", and "Secretary", when used in subsections (a) and (b) of this section, shall be deemed to refer to the National Aeronautics and Space Administration (or the Administrator thereof), or the Atomic Energy Commission (or the Chairman thereof), as may be appropriate;

(ii) The term "Secretary of the Army, Navy, or Air Force", when used in section 805, shall be deemed to refer to the National Aeronautics and Space Administration or the Administrator thereof, as may be appropriate;

(iii) The term "civilian employee", "civilians", and "civilian personnel", as used in this section, shall be deemed to refer to (A) employees of such Administration or a contractor thereof or to military personnel assigned to duty at an installation of such Administration, or (B) persons employed at or in connection with any research or development installation of the Atomic Energy Commission, as the case may be; and

(iv) The term "military installation" when used in section 1748d of this title shall be deemed to refer to an installation of the National Aeronautics and Space Administration.

Section 810 of the National Housing Act, relating to mortgage insurance on multifamily rental housing projects, was made applicable to NASA by Public Law 88-127, September 23, 1963 (77 Stat. 163). Section 810, as amended, reads in part as follows (12 U.S.C. 1748h-2):

Insurance of mortgages for defense housing for impacted areas

(a) Authorization.

Notwithstanding any other provision of this subchapter the Commissioner may insure and make commitments to insure any mortgage under this section which meets the eligibility requirements hereinafter set forth.

(b) Eligibility requirements.

No mortgage shall be insured under this section unless
(1) the housing which is covered by the insured mortgage

is necessary in the interest of national security in order to provide adequate housing for (A) military personnel and essential civilian personnel serving or employed in connection with any installation of one of the armed services of the United States, or (B) essential personnel employed or assigned to duty at or in connection with any research or development installation of the National Aeronautics and Space Administration or of the Atomic Energy Commission, (2) there is no present intention to curtail substantially the number of such personnel assigned or to be assigned to the installation, (3) adequate housing is not available for such personnel at reasonable rentals within reasonable commuting distances of such installation, and (4) the mortgaged property will not so far as can be reasonably foreseen substantially curtail occupancy in any existing housing in the vicinity of the installation which is covered by mortgages insured under this chapter.

Both section 809 and section 810 of the National Housing Act were extended from October 1, 1965, to October 1, 1969, by Public Law 89-117, August 10, 1965 (sec. 202 (c), 79 Stat. 466).

(7) *Grants for support of scientific research (Public Law 85-934, September 6, 1958, 72 Stat. 1793, 42 U.S.C. 1891-1893)*

§ 1. Authorization to make grants.

The head of each agency of the Federal Government, authorized to enter into contracts for basic scientific research at nonprofit institutions of higher education, or at nonprofit organizations whose primary purpose is the conduct of scientific research, is authorized, where it is deemed to be in furtherance of the objectives of the agency, to make grants to such institutions or organizations for the support of such basic scientific research.

§ 2. Same; title to equipment.

Authority to make grants or contracts or the conduct of basic or applied scientific research at nonprofit institutions of higher education, or at nonprofit organizations whose primary purpose is the conduct of scientific research, shall include discretionary authority, where it is deemed to be in furtherance of the objectives of the agency, to vest in such institutions or organizations, without further obligation to the Government, or on such other terms and conditions as the agency deems appropriate, title to equipment purchased with such grant or contract funds.

§ 3. Annual report to Congress; contents.

Each agency or department of the Federal Government exercising authority granted by this Act shall make an annual report on or before June 30th of each year to the appropriate committees of both Houses of Congress.

Such report shall set forth therein, for the preceding year the number of grants made pursuant to the authority provided in the first section of this Act, the dollar amount of such grants, and the institutions in which title to equipment was vested pursuant to section 2 of this Act.

(8) *The establishment of the Aerospace Safety Advisory Panel*

Section 6 of the National Aeronautics and Space Administration Authorization Act, 1968 (Public Law 90-67, August 21, 1967, 81 Stat. 168) established the Aerospace Safety Advisory Panel:

Aerospace
Safety Advisory
Panel.

SEC. 6. There is hereby established an Aerospace Safety Advisory Panel consisting of a maximum of nine members who shall be appointed by the Administrator for terms of six years each. The Panel shall review safety studies and operations plans referred to it and shall make reports thereon, shall advise the Administrator with respect to the hazards of proposed or existing facilities and proposed operations and with respect to the adequacy of proposed or existing safety standards and shall perform such other duties as the Administrator may request. One member shall be designated by the Panel as its Chairman. Members of the Panel who are officers or employees of the Federal Government shall receive no compensation for their services as such, but shall be allowed necessary travel expenses (or in the alternative, mileage for use of privately owned vehicles and a per diem in lieu of subsistence not to exceed the rates prescribed in (5 U.S.C. 5702, 5704), and other necessary expenses incurred by them in the performance of duties vested in the Panel, without regard to the provisions of subchapter I, chapter 57 of title 5 of the United States Code, the Standardized Government Travel Regulations, or 5 U.S.C. 5731. Members of the Panel appointed from outside the Federal Government shall each receive compensation at the rate of \$100 for each day such member is engaged in the actual performance of duties vested in the Panel in addition to reimbursement for travel, subsistence, and other necessary expenses in accordance with the provisions of the foregoing sentence. Not more than four such members shall be chosen from among the officers and employees of the National Aeronautics and Space Administration.

Compensation ;
travel expenses.

80 Stat. 498,
499.

5 U.S.C.
5701-5708.
80 Stat. 506.
81 Stat. 171.

(3.) *Communications Satellite Act of 1962*

An act of August 31, 1962, Public Law 87-624 (76 Stat. 419), assigned to NASA various responsibilities with respect to Communications Satellite Corp. The provisions of the Communications Satellite Act are as follows:

TITLE I—SHORT TITLE, DECLARATION OF POLICY AND DEFINITIONS

SHORT TITLE

SEC. 101. This Act may be cited as the "Communica-
tions Satellite Act of 1962".

Communica-
tions Satellite
Act of 1962.

DECLARATION OF POLICY AND PURPOSE

SEC. 102. (a) The Congress hereby declares that it is the policy of the United States to establish, in conjunction and in cooperation with other countries, as expeditiously as practicable a commercial communications satellite system, as part of an improved global communications network, which will be responsive to public needs and national objectives, which will serve the communication needs of the United States and other countries, and which will contribute to world peace and understanding.

(b) The new and expanded telecommunication services are to be made available as promptly as possible and are to be extended to provide global coverage at the earliest practicable date. In effectuating this program, care and attention will be directed toward providing such services to economically less developed countries and areas as well as those more highly developed, toward efficient and economical use of the electromagnetic frequency spectrum, and toward the reflection of the benefits of this new technology in both quality of services and charges for such services.

(c) In order to facilitate this development and to provide for the widest possible participation by private enterprise, United States participation in the global system shall be in the form of a private corporation, subject to appropriate governmental regulation. It is the intent of Congress that all authorized users shall have nondiscriminatory access to the system; that maximum competition be maintained in the provision of equipment and services utilized by the system; that the corporation created under this Act be so organized and operated as to maintain and strengthen competition in the provision of communications services to the public; and that the activities of the corporation created under this Act and of the persons or companies participating in the ownership of the corporation shall be consistent with the Federal antitrust laws.

(d) It is not the intent of Congress by this Act to preclude the use of the communications satellite system for domestic communication services where consistent with the provisions of this Act nor to preclude the creation of additional communications satellite systems, if required to meet unique governmental needs or if otherwise required in the national interest.

DEFINITIONS

SEC. 103. As used in this Act, and unless the context otherwise requires—

(1) the term "communications satellite system" refers to a system of communications satellites in space whose purpose is to relay telecommunication information between satellite terminal stations, together with such associated equipment and facilities for tracking, guidance, control, and command functions as are not part of the generalized launching, tracking, control, and command facilities for all space purposes.

(2) the term "satellite terminal station" refers to a complex of communication equipment located on the earth's surface, operationally connected with one or more terrestrial communication systems, and capable of transmitting telecommunications to or receiving telecommunications from a communications satellite system;

(3) the term "communications satellite" means an earth satellite which is intentionally used to relay telecommunication information;

(4) the term "associated equipment and facilities" refers to facilities other than satellite terminal stations and communications satellites, to be constructed and operated for the primary purpose of a communications satellite system, whether for administration and management, for research and development, or for direct support of space operations;

(5) the term "research and development" refers to the conception, design, and first creation of experimental or prototype operational devices for the operation of a communications satellite system, including the assembly of separate components into a working whole, as distinguished from the term "production," which relates to the construction of such devices to fixed specifications compatible with repetitive duplication for operational applications;

(6) the term "telecommunication" means any transmission, emission or reception of signs, signals, writings, images, and sounds or intelligence of any nature by wire, radio, optical, or other electromagnetic systems;

(7) the term "communications common carrier" has the same meaning as the term "common carrier" has when used in the Communications Act of 1934, as amended, and in addition includes, but only for purposes of sections 303 and 304, any individual, partnership, association, joint-stock company, trust, corporation, or other entity which owns or controls, directly or indirectly, or is under direct or indirect common control with, any such carrier; and the term "authorized carrier", except as otherwise provided

for purposes of section 304 by section 304(b)(1), means a communications common carrier which has been authorized by the Federal Communications Commission under the Communications Act of 1934, as amended, to provide services by means of communications satellites;

(8) the term "corporation" means the corporation authorized by title III of this Act;

(9) the term "Administration" means the National Aeronautics and Space Administration; and

(10) the term "Commission" means the Federal Communications Commission.

TITLE II—FEDERAL COORDINATION, PLANNING AND REGULATION

IMPLEMENTATION OF POLICY

SEC. 201. In order to achieve the objectives and to carry out the purposes of this Act—

(a) the President shall—

(1) aid in the planning and development and foster the execution of a national program for the establishment and operation, as expeditiously as possible, of a commercial communications satellite system;

(2) provide for continuous review of all phases of the development and operation of such a system, including the activities of a communications satellite corporation authorized under title III of this Act;

(3) coordinate the activities of governmental agencies with responsibilities in the field of telecommunication, so as to insure that there is full and effective compliance at all times with the policies set forth in this Act;

(4) exercise such supervision over relationships of the corporation with foreign governments or entities or with international bodies as may be appropriate to assure that such relationships shall be consistent with the national interest and foreign policy of the United States;

(5) insure that timely arrangements are made under which there can be foreign participation in the establishment and use of a communications satellite system;

(6) take all necessary steps to insure the availability and appropriate utilization of the communications satellite system for general governmental purposes except where a separate communications satellite system is required to meet unique governmental needs, or is otherwise required in the national interest; and

(7) so exercise his authority as to help attain coordinated and efficient use of the electromagnetic spectrum and the technical compatibility of the system with existing communications facilities both in the United States and abroad.

(b) the National Aeronautics and Space Administration shall—

(1) advise the Commission on technical characteristics of the communications satellite system;

(2) cooperate with the corporation in research and development to the extent deemed appropriate by the Administration in the public interest;

(3) assist the corporation in the conduct of its research and development program by furnishing to the corporation, when requested, on a reimbursable basis, such satellite launching and associated services as the Administration deems necessary for the most expeditious and economical development of the communications satellite system;

(4) consult with the corporation with respect to the technical characteristics of the communications satellite system;

(5) furnish to the corporation, on request and on a reimbursable basis, satellite launching and associated services required for the establishment, operation, and maintenance of the communications satellite system approved by the Commission; and

(6) to the extent feasible, furnish other services, on a reimbursable basis, to the corporation in connection with the establishment and operation of the system.

(c) the Federal Communications Commission, in its administration of the provisions of the Communications Act of 1934, as amended, and as supplemented by this Act, shall—

(1) insure effective competition, including the use of competitive bidding where appropriate, in the procurement by the corporation and communications common carriers of apparatus, equipment, and services required for the establishment and operation of the communications satellite system and satellite terminal stations; and the Commission shall consult with the Small Business Administration and solicit its recommendations on measures and procedures which will insure that small business concerns are given an equitable opportunity to share in the procurement program of the corporation for property and services, including but not limited to re-

search, development, construction, maintenance, and repair;

(2) insure that all present and future authorized carriers shall have nondiscriminatory use of, and equitable access to, the communications satellite system and satellite terminal stations under just and reasonable charges, classifications, practices, regulations, and other terms and conditions and regulate the manner in which available facilities of the system and stations are allocated among such users thereof;

(3) in any case where the Secretary of State, after obtaining the advice of the Administration as to technical feasibility, has advised that commercial communication to a particular foreign point by means of the communications satellite system and satellite terminal stations should be established in the national interest, institute forthwith appropriate proceedings under section 214(d) of the Communications Act of 1934, as amended, to require the establishment of such communication by the corporation and the appropriate common carrier or carriers;

57 Stat. 12.
74 U.S.C. 214.

(4) insure that facilities of the communications satellite system and satellite terminal stations are technically compatible and interconnected operationally with each other and with existing communications facilities;

(5) prescribe such accounting regulations and systems and engage in such ratemaking procedures as will insure that any economies made possible by a communications satellite system are appropriately reflected in rates for public communication services;

(6) approve technical characteristics of the operational communications satellite system to be employed by the corporation and of the satellite terminal stations;

(7) grant appropriate authorizations for the construction and operation of each satellite terminal station, either to the corporation or to one or more authorized carriers or to the corporation and one or more such carriers jointly, as will best serve the public interest, convenience, and necessity. In determining the public interest, convenience, and necessity the Commission shall authorize the construction and operation of such stations by communications common carriers or the corporation, without preference to either;

(8) authorize the corporation to issue any shares of capital stock, except the initial issue of capital stock referred to in section 304(a), or to borrow any moneys, or to assume any obligation

in respect of the securities of any other person, upon a finding that such issuance, borrowing, or assumption is compatible with the public interest, convenience, and necessity and is necessary or appropriate for or consistent with carrying out the purposes and objectives of this Act by the corporation;

(9) insure that no substantial additions are made by the corporation or carriers with respect to facilities of the system or satellite terminal stations unless such additions are required by the public interest, convenience, and necessity;

(10) required, in accordance with the procedural requirements of section 214 of the Communications Act of 1934, as amended, that additions be made by the corporation or carriers with respect to facilities of the system or satellite terminal stations where such additions would serve the public interest, convenience, and necessity; and

(11) make rules and regulations to carry out the provisions of this Act.

57 Stat. 11.
47 U.S.C. 214.

TITLE III—CREATION OF A COMMUNICATIONS SATELLITE CORPORATION

CREATION OF CORPORATION

SEC. 301. There is hereby authorized to be created a communications satellite corporation for profit which will not be an agency or establishment of the United States Government. The corporation shall be subject to the provisions of this Act and, to the extent consistent with this Act, to the District of Columbia Business Corporation Act. The right to repeal, alter, or amend this Act at any time is expressly reserved.

68 Stat. 177.
D.C. Code
29-901.

PROCESS OF ORGANIZATION

SEC. 302. The President of the United States shall appoint incorporators, by and with the advice and consent of the Senate, who shall serve as the initial board of directors until the first annual meeting of stockholders or until their successors are elected and qualified. Such incorporators shall arrange for an initial stock offering and take whatever other actions are necessary to establish the corporation, including the filing of articles of incorporation, as approved by the President.

DIRECTORS AND OFFICERS

SEC. 303. (a) The corporation shall have a board of directors consisting of individuals who are citizens of

the United States, of whom one shall be elected annually by the board to serve as chairman. Three members of the board shall be appointed by the President of the United States, by and with the advice and consent of the Senate, effective the date on which the other members are elected, and for terms of three years or until their successors have been appointed and qualified, except that the first three members of the board so appointed shall continue in office for terms of one, two, and three years, respectively, and any members so appointed to fill a vacancy shall be appointed only for the unexpired term of the director whom he succeeds. Six members of the board shall be elected annually by those stockholders who are communications common carriers and six shall be elected annually by the other stockholders of the corporation. No stockholder who is a communications common carrier and no trustee for such a stockholder shall vote, either directly or indirectly, through the votes of subsidiaries or affiliated companies, nominees, or any persons subject to his direction or control, for more than three candidates for membership on the board. Subject to such limitation, the articles of incorporation to be filed by the incorporators designated under section 302 shall provide for cumulative voting under section 27(d) of the District of Columbia Business Corporation Act (D.C. Code, sec. 29-911(d)).

(b) The corporation shall have a president, and such other officers as may be named and appointed by the board, at rates of compensation fixed by the board, and serving at the pleasure of the board. No individual other than a citizen of the United States may be an officer of the corporation. No officer of the corporation shall receive any salary from any source other than the corporation during the period of his employment by the corporation. 68 Stat. 191.

FINANCING OF THE CORPORATION

SEC. 304. (a) The corporation is authorized to issue and have outstanding in such amounts as it shall determine, shares of capital stock, without par value, which shall carry voting rights and be eligible for dividends. The shares of such stock initially offered shall be sold at a price not in excess of \$100 for each share and in a manner to encourage the widest distribution to the American public. Subject to the provisions of subsections (b) and (d) of this section, shares of stock offered under this subsection may be issued to and held by any person.

(b) (1) For the purposes of this section the term "authorized carrier" shall mean a communications common carrier which is specifically authorized or which is a member of a class of carriers authorized by the Commission to own shares of stock in the corporation upon a finding that such ownership will be consistent with the public interest, convenience, and necessity.

"Authorized
carrier."

(2) Only those communications common carriers which are authorized carriers shall own shares of stock in the corporation at any time, and no other communications common carrier shall own shares either directly or indirectly through subsidiaries or affiliated companies, nominees, or any persons subject to its direction or control. Fifty per centum of the shares of stock authorized for issuance at any time by the corporation shall be reserved for purchase by authorized carriers and such carriers shall in the aggregate be entitled to make purchases of the reserved shares in a total number not exceeding the total number of the nonreserved shares of any issue purchased by other persons. At no time after the initial issue is completed shall the aggregate of the shares of voting stock of the corporation owned by authorized carriers directly or indirectly through subsidiaries or affiliated companies, nominees, or any persons subject to their direction or control exceed 50 per centum of such shares issued and outstanding.

(3) At no time shall any stockholder who is not an authorized carrier, or any syndicate or affiliated group of such stockholders, own more than 10 per centum of the shares of voting stock of the corporation issued and outstanding.

(c) The corporation is authorized to issue, in addition to the stock authorized by subsection (a) of this section, nonvoting securities, bonds, debentures, and other certificates of indebtedness as it may determine. Such nonvoting securities, bonds, debentures, or other certificates of indebtedness of the corporation as a communications common carrier may own shall be eligible for inclusion in the rate base of the carrier to the extent allowed by the Commission. The voting stock of the corporation shall not be eligible for inclusion in the rate base of the carrier.

48 Stat. 1086.

(d) Not more than an aggregate of 20 per centum of the shares of stock of the corporation authorized by subsection (a) of this section which are held by holders other than authorized carriers may be held by persons of the classes described in paragraphs (1), (2), (3), (4), and (5) of section 310(a) of the Communications Act of 1934, as amended (47 U.S.C. 310).

68 Stat. 197.

(e) The requirement of section 45(b) of the District of Columbia Business Corporation Act (D.C. Code, sec. 29-920(b)) as to the percentage of stock which a stockholder must hold in order to have the rights of inspection and copying set forth in that subsection shall not be applicable in the case of holders of the stock of the corporation, and they may exercise such rights without regard to the percentage of stock they hold.

(f) Upon application to the Commission by an authorized carrier and after notice and hearing, the Commission may compel any other authorized carrier which

owns shares of stock in the corporation to transfer to the applicant, for a fair and reasonable consideration, a number of such shares as the Commission determines will advance the public interest and the purposes of this Act. In its determination with respect to ownership of shares of stock in the corporation, the Commission, whenever consistent with the public interest, shall promote the widest possible distribution of stock among the authorized carriers.

PURPOSES AND POWERS OF THE CORPORATION

SEC. 305. (a) In order to achieve the objectives and to carry out the purposes of this Act, the corporation is authorized to—

(1) plan, initiate, construct, own, manage, and operate itself or in conjunction with foreign governments or business entities a commercial communications satellite system;

(2) furnish, for hire, channels of communication to United States communications common carriers and to other authorized entities, foreign and domestic; and

(3) own and operate satellite terminal stations when licensed by the Commission under section 201(c)(7).

(b) Included in the activities authorized to the corporation for accomplishment of the purposes indicated in subsection (a) of this section, are, among others not specifically named—

(1) to conduct or contract for research and development related to its mission;

(2) to acquire the physical facilities equipment and devices necessary to its operations, including communications satellites and associated equipment and facilities, whether by construction, purchase, or gift;

(3) to purchase satellite launching and related services from the United States Government;

(4) to contract with authorized users, including the United States Government, for the services of the communications satellite system; and

(5) to develop plans for the technical specifications of all elements of the communications satellite system.

(c) To carry out the foregoing purposes, the corporation shall have the usual powers conferred upon a stock corporation by the District of Columbia Business Corporation Act.

68 Stat. 177.
D.C. Code
29-901.

TITLE IV—MISCELLANEOUS

APPLICABILITY OF COMMUNICATIONS ACT OF 1934

SEC. 401. The corporation shall be deemed to be a common carrier within the meaning of section 3(h) of the Communications Act of 1934, as amended, and as such shall be fully subject to the provisions of title II and title III of that Act. The provision of satellite terminal station facilities by one communication common carrier to one or more other communications common carriers shall be deemed to be a common carrier activity fully subject to the Communications Act. Whenever the application of the provisions of this Act shall be inconsistent with the application of the provisions of the Communications Act, the provisions of this Act shall govern.

48 Stat. 1066.
47 U.S.C. 153.
48 Stat. 1070.
Ante, p. 64.
47 U.S.C. 201-
222, 301-307.

NOTICE OF FOREIGN BUSINESS NEGOTIATIONS

SEC. 402. Whenever the corporation shall enter into business negotiations with respect to facilities, operators, or services authorized by this Act with any international or foreign entity, it shall notify the Department of State of the negotiations, and the Department of State shall advise the corporation of relevant foreign policy considerations. Throughout such negotiations the corporation shall keep the Department of State informed with respect to such considerations. The corporation may request the Department of State to assist in the negotiations and that Department shall render such assistance as may be appropriate.

SANCTIONS

SEC. 403. (a) If the corporation created pursuant to this Act shall engage in or adhere to any action, practices, or policies inconsistent with the policy and purposes declared in section 102 of this Act, or if the corporation or any other person shall violate any provision of this Act, or shall obstruct or interfere with any activities authorized by this Act, or shall refuse, fail, or neglect to discharge his duties and responsibilities under this Act, or shall threaten any such violation, obstruction, interference, refusal, failure, or neglect, the district court of the United States for any district in which such corporation or other person resides or may be found shall have jurisdiction, except as otherwise prohibited by law, upon petition of the Attorney General of the United States, to grant such equitable relief as may be necessary or appropriate to prevent or terminate such conduct or threat.

(b) Nothing contained in this section shall be construed as relieving any person of any punishment, liability, or sanction which may be imposed otherwise than under this Act.

(c) It shall be the duty of the corporation and all communications common carriers to comply, insofar as applicable, with all provisions of this Act and all rules and regulations promulgated thereunder.

REPORTS TO THE CONGRESS

SEC. 404. (a) The President shall transmit to the Congress in January of each year a report which shall include a comprehensive description of the activities and accomplishments during the preceding calendar year under the national program referred to in section 201(a) (1), together with an evaluation of such activities and accomplishments in terms of the attainment of the objectives of this Act and any recommendations for additional legislative or other action which the President may consider necessary or desirable for the attainment of such objectives.

(b) The corporation shall transmit to the President and the Congress, annually and at such other times as it deems desirable, a comprehensive and detailed report of its operations, activities and accomplishments under this Act.

(c) The Commission shall transmit to the Congress, annually and at such other times as it deems desirable, (i) a report of its activities and actions on anticompetitive practices as they apply to the communications satellite programs; (ii) an evaluation of such activities and actions taken by it within the scope of its authority with a view to recommending such additional legislation which the Commission may consider necessary in the public interest; and (iii) an evaluation of the capital structure of the corporation so as to assure the Congress that such structure is consistent with the most efficient and economical operation of the corporation. August 31, 1962.