

business, to the extent paid in any medium other than cash; or

“(12) to, or on behalf of, an employee or his beneficiary—

“(A) from or to a trust described in section 401 (a) which is exempt from tax under section 501 (a) at the time of such payment unless such payment is made to an employee of the trust as remuneration for services rendered as such employee and not as a beneficiary of the trust; or

“(B) under or to an annuity plan which, at the time of such payment, meets the requirements of section 401 (a) (3), (4), (5), and (6).”

Approved August 9, 1955.

Public Law 322

CHAPTER 682

August 9, 1955
[H. R. 3990]

AN ACT

To authorize the Secretary of the Interior to investigate and report to the Congress on projects for the conservation, development, and utilization of the water resources of Alaska.

Alaska.
Water resources.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of encouraging and promoting the development of Alaska, the Secretary of the Interior (hereinafter referred to as the “Secretary”) is authorized to make investigations of projects for the conservation, development, and utilization of the water resources of Alaska and to report thereon, with appropriate recommendations, from time to time, to the President and to the Congress.

Reports.

SEC. 2. Prior to the transmission of any such report to the Congress, the Secretary shall transmit copies thereof for information and comment to the Governor of Alaska, or to such representative as may be named by him, and to the heads of interested Federal departments and agencies. The written views and recommendations of the aforementioned officials may be submitted to the Secretary within ninety days from the day of receipt of said proposed report. The Secretary shall immediately thereafter transmit to the Congress, with such comments and recommendations as he deems appropriate, his report, together with copies of the views and recommendations received from the aforementioned officials. The letter of transmittal and its attachments shall be printed as a House or Senate document.

Appropriation.

SEC. 3. There are hereby authorized to be appropriated not more than \$250,000 in any one fiscal year.

Approved August 9, 1955.

Public Law 323

CHAPTER 683

August 9, 1955
[H. R. 4778]

AN ACT

To provide for the purchase of bonds to cover civilian officers and employees and military personnel of the Federal Government.

61 Stat. 650.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 14 of title 6 of the United States Code is amended to read as follows:

“§ 14. Purchase of Bonds to Cover Officers and Employees of the Federal Government

“(a) Subject to subsection (b) of this section, the head of each department and independent establishment in the executive branch of the Federal Government shall obtain, under regulations which shall be

promulgated by the Secretary of the Treasury, blanket, position schedule, or other types of surety bonds covering the civilian officers and employees and military personnel of such department or independent establishment who are required by law or administrative ruling to be bonded. The appropriate officials of the legislative and judicial branches of the Federal Government may obtain any or all of such types of surety bonds covering such officers and employees under their respective jurisdictions as such officials may deem appropriate to be bonded. Each bond obtained under this section shall be of the most economical type available for the number and type of personnel to be bonded and shall be conditioned upon the faithful performance of the duties of the individual or individuals so bonded. The bond premium may cover a period not exceeding two years and shall be paid from any funds available for the payment of administrative expenses at the time such premium becomes payable. Whenever any civilian officers or employees or military personnel are covered by a bond under authority of this section, the surety or sureties on any existing bond of any such civilian officers or employees or military personnel shall not be liable for any defaults occurring subsequent to the date of the new coverage. For purposes of this section, the term 'faithful performance of the duties' shall include the proper accounting for all funds or property received by reason of the position or employment of the individual or individuals so bonded and all duties and responsibilities imposed upon such individual or individuals by law or by regulation issued pursuant to law.

"(b) If, in the opinion of the head of the department or independent establishment concerned, the premium cost for any bond procured under this section covering officers or employees in the executive branch of the Federal Government will exceed the rate of \$150 per annum, the procurement of such bond shall be made by the head of such department or independent establishment only after advertising a sufficient time previously for proposals for the furnishing of such bond, except that such advertising for proposals shall not be required when the public exigencies require the immediate procurement of such bond.

Advertising for proposals.

"(c) The Secretary of the Treasury shall transmit to the Congress, on or before June 30, 1956, a comprehensive report of the operations of the departments and independent establishments under this section. Thereafter, the Secretary of the Treasury shall transmit to the Congress on or before October 1 of each year, beginning with the year 1957, a comprehensive report of such operations during the preceding fiscal year. Such report shall include, among other matters, information, in summary and in detail, with respect to operations under this section, setting forth—

Reports to Congress.

"(1) the number of officers and employees covered by bonds procured under this section,

"(2) the number and types of bonds procured under this section and the individual penal sums thereof,

"(3) the amounts of the premiums paid for bonds procured under this section, and

"(4) such other information as may be necessary to enable the Committee on Post Office and Civil Service of the Senate and the Committee on Post Office and Civil Service of the House of Representatives to determine the results of operations under this section.

The reports submitted by the Secretary of the Treasury under this section shall be delivered to the President of the Senate and to the Speaker of the House of Representatives (or to the Clerk of the House and the Secretary of the Senate, respectively, if the Congress is not in session) on the same day, and shall be referred to the Committee on Post Office and Civil Service of each House."

61 Stat. 648.

SEC. 2. The last sentence of section 6 of title 6 of the United States Code is amended to read as follows: "Except with respect to bonds obtained under section 14 of this title, no officer or person having the approval of any bond shall require that such bond shall be furnished by a guaranty company or by any particular guaranty company."

SEC. 3. The analysis of title 6 of the United States Code, immediately preceding section 1 of such title, is amended by striking out the item "14. Rate of premium on bond; premiums not to be paid by United States." and inserting in lieu thereof the following:

"14. Purchase of bonds to cover officers and employees of the Federal Government."

Effective date.

SEC. 4. The amendments made by this Act shall take effect on January 1, 1956.

Approved August 9, 1955.

Public Law 324

CHAPTER 684

AN ACT

August 9, 1955
[H. R. 5875]

To amend title 14, United States Code, entitled "Coast Guard", for the purpose of providing involuntary retirement of certain officers, and for other purposes.

Coast Guard.
Involuntary re-
tirement.
63 Stat. 510; 64
Stat. 978.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 11 of title 14 of the United States Code is amended by—

(1) inserting, in the analysis thereto after item 244 the following:

"245. Repealed.

"246. Repealed.

"247. Rear admirals; involuntary retirement; retention on the active list.

"248. Captains; retention on the active list; involuntary retirement.";

and

(2) inserting, immediately after section 244 thereof, the following new sections:

"§ 247. Rear admirals; involuntary retirement; retention on the active list

"(a) Any rear admiral, unless retired under some other provision of law or retained on the active list under subsection (b) of this section, shall be retired on June 30 of the fiscal year in which he completes a total of seven years of service in the permanent grade of rear admiral or a total of thirty-five years of active commissioned service, including service creditable for retirement purposes under sections 432, 433, and 434 of this title.

"(b) Notwithstanding subsection (a) of this section, the Commandant, with the approval of the Secretary, may by annual action retain on the active list from fiscal year to fiscal year any rear admiral who would otherwise be retired under subsection (a). A rear admiral so retained, unless retired under some other provision of law, shall be retired on June 30 of that fiscal year in which no action is taken to further retain him under this subsection.

"(c) Subsections (a) and (b) of this section do not apply to any officer serving as Commandant, Assistant Commandant, or Engineer-in-Chief. However, time served in any of those offices shall be included in any computation made under subsection (a) after the officer has vacated the office.

"§ 248. Captains; retention on the active list: involuntary retirement

"(a) The Secretary shall convene annually during January a board