

● PSF

Conservation (1937)

Subject File

Box 140

# ★ Conservation ★

A section of Nature Magazine devoted each month to the expression of practical opinions on the vital issues affecting our use and abuse of natural resources, including wildlife, and dedicated to the purpose of assisting Americans to play a militant part in the attainment of constructive conservation aims.

ARTHUR NEWTON PACK, *Editor*

## A PLAN FOR ★ CONSERVATION

As we go to press there is being gathered in Washington the huge national wildlife conference called by President Roosevelt. How successful this conference may be in unifying the various wildlife and game interests into a single group with a unanimously endorsed program of conservation is problematical, but there is a great opportunity that we believe the conference cannot well ignore.

*First*—the conference should demand an act of Congress to declare all wildlife (mammals, birds and fishes) to be natural resources whose protection is vital to the welfare of the nation as a whole. This action is essential because wildlife does not at present have such legal status, and there is consequently a question as to whether the federal government departments and bureaus are authorized to expend upon wildlife funds that are appropriated for the conservation of natural resources. It is also necessary because such a legal declaration would clarify many issues and tend to rule out the ridiculous assumption of certain sportsman and other groups as to rights of "ownership."

*Second*—the conference should set up some sort of representative machinery for the calling of future national conferences on Wildlife.

*Third*—it is also of outstanding importance that the conference should recognize that if the federal government is to play a constructive part in protecting mammals, birds and fishes, it *must*, as the first step, set in order its own jumbled conservation system and begin to demonstrate upon the vast acreage of federally owned lands a consistently planned wildlife management policy, in which the tremendous economic value of wild creatures shall be given just and proportionate recognition.

On the following two pages we have presented our proposed outline of federal bureau reorganization under a centralized Bureau of Conservation of Renewable Natural Resources. Definite recommendation of some such general plan is vitally necessary.

Of course, even with consistent and effective management of all federal government lands adequate needs of wildlife—mammals, birds and fishes—will still not be

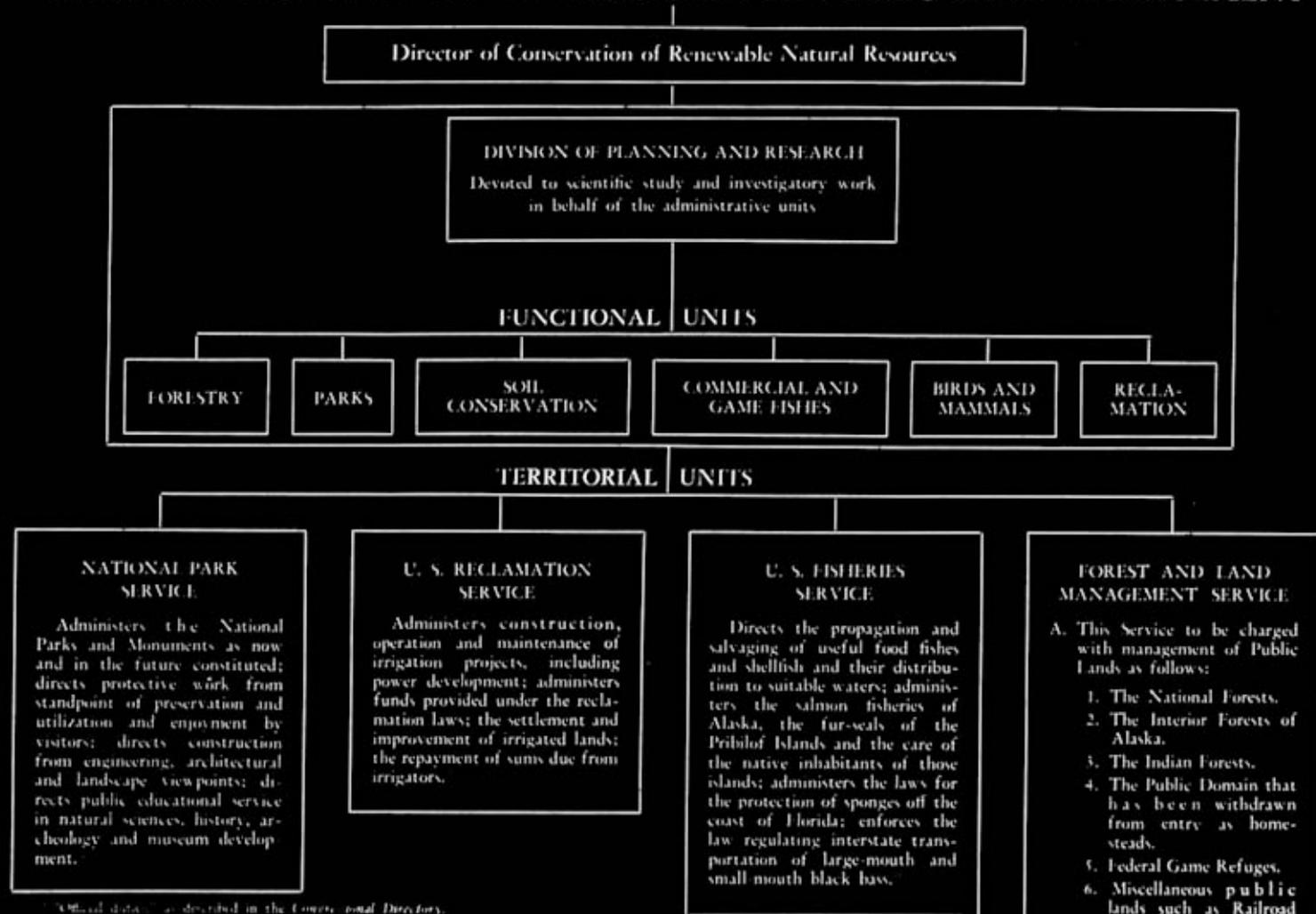
met, because only a small proportion of wildlife producing land is federally-owned. In conjunction with our proposed reorganization plan, therefore, we also submit a proposal for federal cooperation with the states for further practical wildlife conservation. This proposal calls for federal subsidies to be granted to the states contingent on the recognition by the individual states of certain principles, and the necessity to observe certain definite conditions. The Clarke-McNary Act for the furtherance of forest protection and conservation affords a precedent for such procedure.

We have repeatedly set forth in these columns our insistent claim that the principle of devoting to wildlife conservation only such funds as may be paid in from a tax upon hunters in exchange for the right to kill is fundamentally unsound. This principle denies the co-ownership of wildlife by the non-killers and deprives them from having any voice in the management of an economic asset that is vital also to their enjoyment and welfare. Sportsmen are prone to emphasize the tremendous income accruing to the general public from their "sport"—the huge sums spent by hunters for gasoline, oil, food and shelter during hunting seasons. But they forget that even greater sums are spent for similar purposes by tourists and other visitors who are attracted to every wild region during the non-hunting seasons, and that the opportunity to see wild creatures in their haunts is an outstanding incentive to visit any section. Proprietors of tourist resorts, summer hotels and dude ranches unite in declaring that the chance to see wild creatures is an important asset to their business and generally provides more revenue than that resulting from the brief hunting season.

We maintain that the administration of wildlife (including those forms which are classified as game) should be provided for by the state, just as it provides for roads, police protection or the administration of any other laws for the public good. There should, of course, be a tax on hunters just as there is a tax on automobiles or automobile drivers, but the revenue from such a tax should not limit the expenditure by the state for wildlife protection. We are not impressed by the claims of the sportsmen that this theory will (*Continued on page 172*)

# ASSISTANT SECRETARY OF AGRICULTURE FOR PUBLIC LAND MANAGEMENT

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*(Official structure as described in the Government Directory.)*

## THE OBJECTIVES OF THIS PLAN

To eliminate the jealousies, competitions, inefficiencies and injustices inherent in the administration by different departments of our renewable natural resources, and to bring about the development of these vital resources scientifically and economically for the benefit of all of the people.

## STEPS NEEDED FOR THE EXECUTION OF THE PLAN

- I. Transfer to the Department of Agriculture from the Department of the Interior, and place under a single Director of Conservation of Renewable Natural Resources:
  - A. The National Park Service.
  - B. The Division of Grazing (together with all of the so-called Public Domain that has been withdrawn from homestead entry).
  - C. The U. S. Reclamation Service.
  - D. The Interior Forests of Alaska.
  - E. The Indian Forests.
  - F. Administration of the Alaskan Reindeer.
2. Transfer to the Department of Agriculture from the Department of Commerce and place under the Director of Conservation of Renewable Natural Resources:
  - A. The U. S. Bureau of Fisheries.
3. Place under the Director of Conservation of Renewable Natural Resources, with full authority to divide and reorganize, the following bureaus already under the Department of Agriculture:
  - A. The U. S. Forest Service.
  - B. The U. S. Biological Survey.
  - C. Administration of so-called submarginal land purchased by the United States.
4. Provide by Act of Congress for direct subsidies to the states (through the Director of Conservation of Renewable Natural Resources) for wildlife protection and propagation—these subsidies to be conditioned upon acceptance by the individual states of the principle of ownership of wildlife not merely by those who pay a tax for the right to kill but by all citizens of the state. Such subsidies to the states may also be for the purpose of controlling predatory animals where such control is necessary.

Land Grants where the title has reverted to the United States.

7. Sub-marginal land purchased by the United States.
- B. On these public lands this Service (with the aid of the central Division of Planning and Research) would perform and coordinate the functions incident to:
  1. Forest conservation.
  2. Soil conservation.
  3. Game and other wildlife conservation and restoration subject to the rights of the states.
  4. Grazing administration.
  5. Recreational development.
  6. Civilian Conservation Corps work.
- C. This Service would also perform functions in cooperation with the states, private industries and individuals for attainment of conservation of forests, soil and wildlife as have been or may be delegated to it by acts of Congress.
- D. The administration of the Forest and Land Management Service should be by division of the territory under its jurisdiction into regions after the manner of the present Forest Service which it would replace. The various Regional Directors should be given a maximum of authority, thus enabling close following of local conditions and the best possible cooperation with individual states.

result in "returning wildlife administration to politics." A "non-political" Game and Fish Commission is obtainable regardless of the source of revenue. State Forestry and Conservation Commissions are not supported solely by the revenue from State Forests and yet they accomplish results at least as good as do the State Game and Fish Commissions.

We propose that, subject to the recognition by individual states of this progressive theory of wildlife ownership by all the people instead of by the sportsmen alone, the federal government, duly authorized by Act of Congress, should grant subsidies or other financial aid to the states to aid in wildlife restoration and protection on non-federal land. We believe that this method would guarantee better enforcement of wildlife regulations under the Migratory Bird Treaty Act than under the present system of federal plus state wardens.

We also propose that the whole system of predator and rodent control now performed directly by the United States Biological Survey within the various states be abolished. This practice undertakes what is generally regarded as a local or state function and sets up a large group of salaried persons whose continuity of employment depends upon their conjuring a constant emergency of anti-predator hysteria. Where there are large areas of government owned wild land there is frequently a real need to reduce predators and rodents, but this control work should be done, not by a separate agency, but by that government unit territorially charged with the administration of all the related func-

tions of land use. Insofar as the roving habit of predatory animals is an obstacle to good wildlife management in the interests of all the people of a state, then, in lieu of the present system of directly hired federal hunters, trappers and poisoners, the federal government, through the Bureau of Conservation of Renewable Natural Resources, should make a subsidy or grant to the individual states, which money may be expended only under the direction of the State Wildlife Commission, which is a more appropriate name for the organization generally termed the State Game and Fish Commission.

The problem of wildlife conservation is everywhere so handicapped by the lack of money that we believe its demands can be solved fairly only by application of the principles of federal aid here set forth. We firmly believe that our wild mammals, birds and fishes, representing the basic motive for the annual expenditure of billions of dollars by the people of the United States, are deserving of federal recognition and support for the national welfare in just proportion to that expenditure and prosperity which they create—just as are other uses of wild land that have already been fostered by this type of federal aid.

This is the dual program that we submit to the Wildlife Conference: (1) federal government recognition of wildlife as belonging definitely in the category of renewable natural resources for the conservation of which federal aid may be extended; (2) Federal bureau reorganization. If this program is adopted in principle it will go far towards the solution of those problems for consideration of which the Conference has been called.

## BENDING ★ THE TWIG

Our national awakening to the vital need of wildlife conservation has been a lag-gard process, but there are various indications that at least there is an awakening. One of the most interesting and significant manifestations of this have been the demands for conservation instruction in the schools. Wisconsin and Florida have passed laws requiring conservation education. Other states have been furthering it without legislative order. Indications are that there will be a definite spread of this idea in the early future.

Just how much of the remnant of the renewable natural resources of America we shall be able to pass on to the next generation is, in many directions, uncertain. Our migratory waterfowl, upland game birds and fur-bearing animals are still in the main regarded as something to be killed rather than as a vital part of American life. There is hope that a better sense of values may be achieved, and that real conservation may be substituted for destruction before it is too late.

Assuming that this goal can be accomplished, tremendous possibilities lie in planting in the minds of the men and women of tomorrow the truth about conservation. They should learn the facts about the broad

values of these renewable natural resources. They must be given knowledge that will enable them to distinguish the selfish, specious propaganda of those whose sole interest in wildlife is as a means of selling arms and ammunition, or to recognize the claims of those whose only use for wildlife is its destruction. Many of our renewable natural resources are in a far too precarious position to overlook anything that may be done in their behalf, either now or in the future.

We have received many appeals for information that will aid in conservation teaching. This department each month only partly fulfills that need. Material available from the National Association of Audubon Societies and the Emergency Conservation Committee, and many other organizations, state, local and unaffiliated, are valuable. But all of them fail to fill the need completely. Comprehensive programs for teacher use are needed, and these should be the result of collaboration between individuals well grounded in the truth of the wildlife situation and educators who know how to present these truths. This will take time, but the American Nature Association hopes soon to make available a modest beginning in this direction.

In the meantime we must not overlook the vital importance of bending the twig of youth toward the sunlight of an aroused appreciation of wildlife.

ASF 1937  
Box 51  
Folder

Revs 1, 3, 4, 5, 6, 16, 18, 19, 20, 46

Conservation

A BILL

(H.R. 7365)

To provide for the regional conservation and development of the national resources, and for other purposes.

Be it enacted by the Senate and the House of Representatives of the United States in Congress assembled, That this Act may be cited as the Regional Conservation Act of 1937.

#### TITLE I

##### PURPOSE AND POLICY OF THE ACT

SEC. 1. It is the purpose and policy of this Act to develop, integrate, and coordinate plans, projects, and activities for or incidental to the promotion of navigation, the control and prevention of floods, the safeguarding of navigable waters, and the reclamation of the public lands, in order to aid and protect commerce among the several states, to strengthen the national defense, to conserve the water, soil, mineral, and forest resources of the Nation, to stabilize employment and relieve unemployment, and otherwise to protect commerce among the states, provide for the national defense, and promote the general welfare of the United States.

##### REGIONAL PLANNING AGENCIES

SEC. 2. To carry out the purposes of this Act, there are hereby created the following Regional Planning Agencies, which shall be agencies and instrumentalities of the United States: (1) Atlantic

Seaboard Planning Agency, for the drainage basins in the United States of the rivers flowing into the Atlantic Ocean and of the rivers flowing into the Gulf of Mexico, from the east, below the basin of the Suwannee River; (2) Great Lakes-Ohio Valley Planning Agency, for the drainage basins in the United States of the rivers flowing into any of the Great Lakes and of the Ohio River, except the drainage basins of the Tennessee and Cumberland Rivers, and of the rivers flowing into the Mississippi River above Cairo, Illinois, from the east; (3) Tennessee Valley Planning Agency, for the drainage basins of the Tennessee and Cumberland Rivers, of the rivers flowing into the Mississippi River below Cairo, Illinois, from the east, and of the rivers flowing into the Gulf of Mexico east of the Mississippi River, except the rivers below the basin of the Suwannee River; (4) Missouri Valley Planning Agency, for the drainage basins within the United States of the Missouri River and the Red River of the North and of the rivers flowing into the Mississippi River above Cairo, Illinois, from the west; (5) Arkansas Valley Planning Agency, for the drainage basins within the United States of the Arkansas, Red, and Rio Grande Rivers and of the rivers flowing into the Gulf of Mexico west of the Mississippi River; (6) Southwestern Planning Agency, for the drainage basins within the United States of the Colorado River and the rivers flowing into the Pacific Ocean south of the California-Oregon line, and the Great Basin, that is, the drainage basins of the rivers in the western United States having no outlet to the sea; and (7) Columbia Valley Planning Agency, for the drainage basins within the United States

of the Columbia River and the rivers flowing into the Pacific Ocean north of the California-Oregon line. Nothing in this Act shall be construed to limit the functions, powers, or duties of the Mississippi River Commission as created and now functioning under the Act of June 28, 1879 (c. 43, sections 1 to 7 inclusive, 21 Stat. 37), as amended, and as compiled in sections 641 to 651 inclusive of title 33 of the United States Code. The President shall from time to time more specifically define or redefine the territorial boundaries of the regional Planning Agencies as he finds necessary or appropriate to facilitate the regional development, integration, and coordination of plans, projects, and activities in accordance with the purposes of this Act and to obtain the advantages of natural and economic boundaries for such plans, projects, and activities or any classification or classifications thereof.

REGIONAL PLANNING DIRECTORS AND  
REGIONAL CONSERVATION COMMITTEES

SEC. 3. (a) For each Regional Planning Agency, except the Tennessee Valley Planning Agency, there shall be established a Regional Planning Director and a Regional Conservation Committee. The President may establish two or more Regional Conservation Committees for a Regional Planning Agency if he deems such Committees necessary or appropriate, considering the character and extent of the territory of such Agency and the nature of the problems with which such Agency must deal. If more than one Regional Conservation Committee is established for a Regional Planning Agency, the President shall distribute and define the duties and functions to be performed by each such Committee under this Act.

(b) Each Regional Planning Director shall be appointed by the President, by and with the advice and consent of the Senate, shall receive a salary at the rate of \$\_\_\_\_\_ a year, and shall maintain his principal office at a convenient place within the territory of the Agency for which he is appointed. The Regional Planning Director shall be a member of and, unless the President shall designate another member to act as Chairman, shall act as Chairman of the Regional Conservation Committee or Committees of such Agency, and shall be the chief administrative officer for the Regional Conservation Committee or Committees of such Agency. The administrative officer on the staff of each Regional Planning Director, next highest in rank to the Regional Planning Director, may be designated by the Regional Planning Director as Deputy Regional Planning Director and as such shall perform the duties of the Regional Planning Director, in the event of the absence or sickness of the Regional Planning Director, until such absence or sickness shall cease, and, in the event of a vacancy in the office of the Planning Director, until a successor is appointed. No Regional Planning Director shall, during his continuance in office, be engaged in any business, but each shall devote himself to his duties under this Act. No person shall be appointed a Regional Planning Director unless he professes a belief in the feasibility and wisdom of this Act. No Regional Planning Director shall, during his continuance in office, have any financial interest in any public-utility company engaged in the business of generating, transmitting, distributing, or selling electric energy to the public, or in any holding company or subsidiary company of

a holding company as such terms are defined in the Public Utility Holding Company Act of 1935.

(c) Each Regional Conservation Committee shall consist of the Planning Director and not less than two nor more than eight other members, as the President may from time to time determine. The members of such Committees shall be appointed by the President and, with the exception of the Planning Director, shall receive no compensation for their services other than a per diem not to exceed \$\_\_\_\_\_ per day, for time spent in the discharge of their duties, and shall be reimbursed for expenses (including traveling and subsistence expenses) incurred by them in the discharge of their duties. Each Regional Conservation Committee shall adopt its own rules of procedure, including provision as to the number of members necessary to constitute a quorum for the transaction of business. All matters of general policy affecting a Regional Planning Agency shall be considered and determined by the Regional Conservation Committee having jurisdiction thereof, but the members of such Committee other than Regional Planning Director shall not participate in the administrative work of the Regional Planning Agency except to the extent requested by the Regional Planning Director. And the Regional Planning Director shall direct and control the execution of the policies determined by the Regional Conservation Committee in accordance with, and to the extent authorized by the provisions of this Act. No person shall be appointed a member of a Regional Planning Committee unless he professes a belief in the wisdom and feasibility of this Act. No member of a Regional Planning Committee shall, during his continuance in

office, have any financial interest in any public-utility company engaged in the business of generating, transmitting, distributing, or selling electric energy to the public, or in any holding company or subsidiary company of a holding company as such terms are defined in the Public Utility Holding Company Act of 1935.

(d) The powers and functions conferred upon the Tennessee Valley Planning Agency by this Act shall be exercised and performed by the Tennessee Valley Authority as its Board of Directors shall direct.

#### COORDINATION AND INTEGRATION OF PLANS, PROJECTS, AND ACTIVITIES

SEC. 4. (a) The Regional Planning Agencies shall be subject to the supervision and control of the President, or of such national planning agency as the President may designate, for the purpose of insuring appropriate conformity of regional plans to a national policy, and appropriate coordination of regional plans, having due regard for regional and local requirements and conditions.

(b) With a view to the coordination and integration of plans for projects, activities, and regional developments for the purpose of increasing efficiency and eliminating waste and duplication of effort, each Regional Planning Agency shall study and survey the projects and activities within its jurisdiction, undertaken or planned by the departments and agencies of the United States, relating to the promotion of navigation, the control and prevention of floods, the safeguarding of navigable waters, and the reclamation of the public lands, and shall study and survey the

regional developments undertaken or planned by such departments and agencies for the conservation and prudent husbandry of the water, soil, mineral, and forest resources of the Nation, including the prevention of waste of the Nation's resources from droughts, winds, dust storms, and soil erosion, and the control and retardation of water runoff and the restoration and improvement of the absorption and infiltration capacity of the soil. Each Regional Planning Agency in so far as practicable shall endeavor to coordinate and integrate plans for projects, activities, and regional developments by devising and effecting arrangements for the cooperation of the field offices and services of the departments and agencies of the United States. Each Regional Planning Agency in so far as practicable shall consult and cooperate with the field offices and services of such departments and agencies and may call upon such field offices and services for any information or data relevant to such projects, activities, or regional developments and it shall be the duty of such departments and agencies to have their field offices and services take such action as may be necessary or appropriate to cooperate with each Regional Planning Agency.

(c) Each Regional Planning Agency in so far as practicable shall consult and cooperate with the states and with public and cooperative agencies in the making of studies, the collecting of information and data, and the development of plans for carrying out the purposes of this Act. Each Regional Planning Agency may make available to the departments and agencies of the United States and to the states and the people thereof, and to public

and cooperative agencies, such information and studies, and such recommendations for state legislation, as the Regional Planning Agency deems advisable to aid in carrying out the purposes of this Act. Each Regional Planning Agency shall have power to constitute one or more regional or local advisory committees to advise the Regional Planning Agency generally or upon specific matters.

(d) There shall be included in the plans submitted to the President by each Regional Planning Agency under section 5 such recommendations as the Regional Planning Agency deems necessary or appropriate (1) for the economic and efficient cooperation in the carrying out of plans and projects, activities, and regional developments among Federal, state, regional, and local departments and agencies, and (2) for further legislation to promote the development, integration, and coordination of projects, activities and regional developments of the United States and the several states.

SUBMISSION OF PLANS TO THE  
PRESIDENT AND THE CONGRESS

SEC. 5. (a) Each Regional Planning Agency shall, not later than October 15 of each year, submit to the President, or such national planning agency as the President may designate, plans for the construction and undertaking, during the succeeding Governmental fiscal year, of projects and activities for or incidental to the promotion of navigation, the control and prevention of floods, the safeguarding of navigable waters, and the reclamation of the public lands (all as more particularly described in the provisions of section 6), and such further plans for integrated regional developments as each Regional Planning Agency finds necessary or appropriate in the national

public interest for the conservation and prudent husbandry of the water, soil, mineral, and forest resources of the Nation, including the prevention of waste of the Nation's resources from droughts, winds, dust storms, and soil erosion, and the control and retardation of water runoff and the restoration and improvement of the absorption and infiltration capacity of the soil. Such plans shall indicate the order of preference and priority of the projects, activities, and regional developments.

(b) If the President, after such study and investigation as he shall require by the Director of the Budget, the National Resources Committee, and such other departments and agencies of the United States as the President deems advisable, approves such plans, or any of them or any part thereof, as necessary or desirable in carrying out the purposes of this Act, the President shall refer such plans to the Congress with his recommendations. The President may at any time request a Regional Planning Agency to submit to him, for reference to the Congress, plans for such projects or activities as in his judgment may be necessary or desirable in carrying out the purposes of this Act; and the Regional Planning Agency as soon as practicable, shall submit such plans to the President. In the case of plans (such as those for the conservation of surface and subsurface moisture and the prevention of wind erosion in the Great Plains) which involve integrated developments traversing the geographic region of two or more Regional Planning Agencies, the President may assign or reassign the duty of working out such plans to any one of such Regional Planning Agencies as he finds necessary or appropriate to obtain the advantages of natural and economic boundaries in the planning of such integrated developments.

## PREPARATION OF PLANS

SEC. 6 (a) Plans submitted to the President by each Regional Planning Agency pursuant to section 5 shall include, among others, such projects and activities, and such recommendations for the construction and undertaking thereof, as the Regional Planning Agency finds adapted to the conservation and integrated development of water, soil, and forest resources for the following purposes --

(1) The promotion of navigation by, among other means, the improvement of the channels of navigable rivers and their tributaries; the prevention of siltation of such water; the regulation of stream flow; and the development and coordination of navigation facilities.

(2) The control and prevention of floods to prevent destruction and interference with navigation, the facilities of interstate commerce, and the properties and functions of the United States, with due regard to the maximum protection of life and property, by, among other means, the storage, control, and disposition of flood and surplus waters, and the control and retardation of water runoff and the restoration and improvement of the absorption and infiltration capacity of the soil. Plans for such purposes shall include, among other things, dams, reservoirs, levees, spillways, and floodways; improved methods and conditions of soil conservation, utilization, fertilization, and cultivation;

and the conservation of forests and aforestation and reforestation of lands. In the case of plans involving the production of fertilizers or fertilizer ingredients, such plans, in so far as practicable, shall provide for the construction and operation of plants and equipment in such manner as will make them of maximum usefulness for the production of munitions or war materials in time of war.

(3) The safeguarding of navigable waters and their use, by, among other means, the prevention and abatement of pollution of navigable streams and their tributaries, and the provision of sewage disposal and water purification works and structures and facilities in connection therewith.

(4) The reclamation of arid or swampy public lands, by, among other means, the irrigation and drainage and the economic development and use of such lands.

(b) So far as may be consistent with or necessary or appropriate for the promotion of navigation, the control and prevention of floods, the safeguarding of navigable waters, and the reclamation of the public lands, as provided in subsection (a), plans shall give due regard to the following among other considerations: (1) the present and future development and conservation of water for power, irrigation, and other beneficial uses; (2) the prudent husbandry of soil, mineral, and forest resources and their conservation for recreation, the protection of wild game, and other beneficial uses; (3) the urgency of preventing irreparable waste of the Nation's

resources from droughts, winds, dust storms, and soil erosion; (4) the integration and interconnection of projects and activities, the development of their multiple purposes, and the equitable distribution of the benefits thereof; (5) equitable contributions to cost by states and subdivisions and agencies thereof specially benefited by the projects and activities; (6) equitable contributions, from the revenues of a project or otherwise, to compensate states and subdivisions and agencies thereof for special losses, not offset or mitigated by benefits, which may be occasioned by the carrying out of projects; and (7) such economic, social, and cultural values as may be affected or furthered by the projects and activities.

(c) Plans may include not only projects and activities to be constructed or undertaken by the various departments and agencies of the United States solely from funds of the United States; but also projects and activities to be constructed or undertaken by such departments and agencies with contributions by state, local, or regional agencies; and projects and activities to be constructed or undertaken by such state, local, or regional agencies with contributions by the United States. Plans shall set forth the recommendations of the Regional Planning Agency regarding such contributions and regarding the construction and undertaking of such projects and activities as between the departments and agencies of the United States and state, local, and regional agencies.

(d) Plans shall classify the various construction projects with a view to the construction of projects in the order of their

urgency so as most beneficially to promote the national welfare by stabilizing employment and relieving unemployment. Plans for reserved or less urgent projects shall be completed as expeditiously as possible, and shall be modified from time to time as circumstances warrant so that such plans shall be available for prompt action whenever necessary to prevent or abate business depression and widespread unemployment or for any other purpose of this Act. In the development and modification of plans, due regard shall be given to changing economic, industrial, and social conditions and to advantages offered by technological and other developments.

(e) Each Regional Planning Agency shall have power to acquire, construct, operate, maintain, and improve such laboratories and experimental stations, and to undertake such educational, research, and demonstrational work, as the Regional Planning Agency deems necessary or appropriate to develop plans, to test or demonstrate the feasibility of plans, or otherwise to carry out the purposes of this Act.

#### STATE COMPACTS

SEC. 7. The consent of the Congress, subject to the provisions of this section, is hereby given the several states to enter into agreements and compacts between or among any two or more states (1) to further and supplement on behalf of the states the purposes of this Act; and (2) to carry out on behalf of the states appropriate projects and activities in relation thereto. Any such agreement or compact shall not become effective or binding upon the states party thereto unless and

until it shall have been submitted to and approved by the President after consultation with the Regional Planning Agency within whose geographic region the projects or activities contemplated by such agreement or compact are to be carried out. The President shall approve any such agreement or compact if it finds such agreement or compact, and the projects and activities contemplated thereby, to be feasible, practicable, and appropriate to and consistent with the policies and purposes of this Act and the national public interest. The appropriate Regional Planning Agency shall, in so far as practicable, cooperate with and furnish information and assistance to the states for the purpose of negotiating, entering into, and carrying out agreements and compacts pursuant to this section.

#### PREVENTION OF POLLUTION

SEC. 8. It shall be unlawful for any person by any sewer, pipe, outlet, or other means, device, or practice to pollute or to make unsightly waters in or flowing into navigable streams or other streams over which the Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several states. *The Attorney General may, and at the request of the United States Public Health Service shall,* ~~The Regional Planning Agency, in whose region any violation of this section occurs or is threatened or whose region is or will be affected by any actual or threatened violation of this section,~~ may bring appropriate proceedings in the district court of the United States in the district where such violation occurs or is threatened, to enjoin such violation, or to require the removal of any polluter or structure or device constructed, operated, or maintained

within such jurisdiction in violation of this section; and upon a proper showing a temporary or permanent injunction or decree shall be granted without bond. ~~In case of any doubts as to the appropriate Regional Planning Agency to bring proceedings under this section, the President shall upon application designate the appropriate Regional Planning Agency.~~

#### EMPLOYMENT AND EMPLOYEE COMPENSATION

SEC. 9. For the purposes of this Act, each Regional Planning Agency may select, employ, and fix the compensation of such officers, attorneys, engineers, special consultants, and experts as it deems necessary to carry out the functions and duties of the Regional Planning Agency, without regard to the provisions of other laws applicable to the employment and compensation of officers or employees of the United States; and the Regional Planning Agency shall define their duties, require bonds of such of them as the Regional Planning Agency may designate, and provide a system of organization to fix responsibility and promote efficiency. Each Regional Planning Agency may, subject to the civil service laws, appoint such other employees as it deems necessary to carry out the functions and duties of the Regional Planning Agency and shall fix their salaries in accordance with the Classification Act of 1923, as amended. Subject to the laws of the United States regarding employees of the United States, each Regional Planning Agency shall deal collectively with its employees through representatives of their own choosing. The appointment, selection, classification, and promotion of officers and employees of each Regional Planning Agency shall be solely on the basis of merit and efficiency, and no political test or qualification shall be permitted.

## APPROPRIATIONS

SEC. 10. There are hereby authorized to be appropriated from time to time such sums as may be necessary to carry out the provisions of this Act.

## SEPARABILITY OF PROVISIONS

SEC. 11. If any provision of this Act or the application of such provision to any person or circumstance shall be held invalid, the remainder of the Act and the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

## TITLE II

### REGIONAL POWER AUTHORITIES

SEC. 201. (a) Subject to the provisions of this Act, the President is authorized and directed, whenever in his judgment the national public interest or the interests of economy or efficiency will be served thereby, to create and establish, by executive order, corporate Regional Power Authorities for the purpose of controlling, operating, maintaining, and improving facilities capable of producing hydro-electric power (together with appurtenant works) constructed, under construction, or hereafter constructed by or on behalf of the United States. The President is further authorized and directed, whenever in his judgment the national public interest or the interests of economy or efficiency will be served thereby, by executive order to transfer, from any department

or agency of the United States, and entrust to a Regional Power Authority functioning under this Act in the same transmission area or the same drainage basin or to a newly created Regional Power Authority under this Act, the duty of controlling, operating, maintaining, and improving any facilities capable of producing hydro-electric power (together with appurtenant works), constructed, under construction, or hereafter constructed by or on behalf of the United States. In connection with any such transfer, the President shall make such provision as he deems necessary or appropriate for the transfer to such Regional Power Authority of unexpended balances of appropriations available for use in respect of the facilities, together with personnel, equipment, and any powers, duties, and obligations pertaining thereto. The President shall, however, create or establish no more than one Regional Power Authority for the administration of hydro-electric facilities and appurtenant works which are or may be economically interconnected by transmission lines. Each Regional Power Authority created under this Act shall be an agency and instrumentality of the United States, shall maintain a principal office at a convenient place within the region in which it operates, and shall, upon the selection of the location of its principal office, file with the Secretary of State public notice of the selection of such location.

(b) Within six months after the enactment of this Act, the President is authorized and directed to create and establish under this Act a Regional Power Authority, which shall be known as the Columbia

Valley Power Authority; such Authority shall forthwith take over the facilities capable of producing hydro-electric power on the Columbia River near Bonneville, Washington, and all powers, rights, duties, functions, obligations, liabilities, and personnel of the Columbia River Administrator created by and now functioning under the Act entitled "An Act to authorize the maintenance and operation of Bonneville project for navigation and flood control, and for other purposes," approved \_\_\_\_\_, 1937. Such Administrator shall thereupon take all action necessary or appropriate to transfer to such Authority possession and control of the properties and activities therefor in the possession and control of such Administrator. Such properties and activities shall thereupon be deemed entrusted under this Act to the Columbia Valley Authority, and all unexpended monies and appropriations of such Administrator shall thereupon be transferred to such Authority and shall be available for expenditure by such Authority under the terms of this Act; and such Act of \_\_\_\_\_, 1937, shall be deemed repealed.

(c) Subject to the provisions of this Act there shall be created for each Regional Power Authority (hereinafter called Authority) established under this Act a Regional Power Administrator (hereinafter called Administrator) and a Regional Power Board (hereinafter called Board).

(d) The Administrator for each Authority shall be appointed by the President, by and with the advice of the Senate, and shall receive a salary at the rate of \$\_\_\_\_\_ a year, to be paid by the Authority

as current expenses, and shall be reimbursed by the Authority for actual expenses (including traveling and subsistence expenses) incurred by him in the discharge of his duties. The Administrator shall be a director of and, unless the President shall designate another director to act as Chairman, shall act as Chairman of the Board, and shall be the chief administrative officer of the Authority. The administrative officer of each Authority, next highest in rank to the Administrator, may be designated by the Administrator as deputy Administrator and shall perform the duties of the Administrator, in the event of the absence or sickness of the Administrator, until such absence or sickness shall cease, and, in the event of a vacancy in the office of Administrator, until a successor is appointed. No Administrator shall, during his continuance in office, be engaged in any business, and each shall devote himself to the work of the Authority. No person shall be appointed an Administrator unless he professes a belief in the feasibility and wisdom of this Act. No Administrator shall, during his continuance in office, have any financial interest in any public-utility company engaged in the business of generating, transmitting, distributing, or selling electric energy to the public, or in any holding company or subsidiary company of a holding company as such terms are defined in the Public Utility Holding Company Act of 1935.

(e) Each Board shall consist of the Administrator and not less than two nor more than four other directors, as the President may

from time to time determine. The directors of a Board shall be appointed by the President and, with the exception of the Administrator, shall receive no compensation for their services other than a per diem, not to exceed \$\_\_\_\_\_ per day, for time spent in the discharge of their duties, to be paid by the Authority as current expenses, and shall be reimbursed by the Authority for expenses (including traveling and subsistence expenses) incurred by them in the discharge of their duties. Each Board shall adopt its own rules of procedure, including provision as to the number of directors necessary to constitute a quorum for the transaction of business. All matters of general policy affecting an Authority shall be considered and determined by the Board, but the directors of such Board other than the Administrator shall not participate in the administrative work of the Authority except to the extent requested by the Administrator. And the Administrator shall direct and control the execution of the policies determined by the Board in accordance with, and to the extent authorized by, the provisions of this Act. No person shall be appointed a director of a Board unless he professes a belief in the feasibility and wisdom of this Act. No director of a Board shall, during his continuance in office, have any financial interest in any public-utility company engaged in the business of generating, transmitting, distributing, or selling electric energy to the public, or in any holding company or subsidiary company of a holding company as such terms are defined in the Public Utility Holding Company Act of 1935.

CORPORATE POWERS OF THE AUTHORITIES

SEC. 202. Subject to the provisions of this Act, each Authority - -

(1) Shall have succession in its corporate name.

(2) May sue and be sued in its corporate name; and may bring such suits, at law or in equity, as it deems necessary or appropriate in carrying out the purposes of the Authority under this Act or any other law of the United States.

(3) May adopt and use a corporate seal, which shall be judicially noticed.

(4) May adopt, amend, and repeal by-laws.

(5) Shall have power to acquire, by purchase, lease, condemnation, or donation, such real and personal property and any interest therein, and to dispose of any personal property or interest therein, as the Authority deems necessary or appropriate in carrying out the purposes of the Authority under this Act or any other law of the United States. And may, subject to the prior approval of the President, sell, lease, or otherwise dispose of such real property or interest therein as in the judgment of the Authority is no longer necessary in carrying out the provisions of any such law: Provided, however, That no Authority shall dispose of any real property on which there is a permanent dam, hydraulic power plant, fertilizer plant, or munitions plant, heretofore or hereafter constructed by or on behalf of the United States or an Authority. The title to all real property shall be taken in the name of the United States, and thereupon such real property shall, for the purposes of this Act, be entrusted to the Authority as agent for the United States.

(6) Shall have power to enter into such contracts and agreements, and to do such acts and things, as the Authority deems necessary or appropriate to carry out the powers now or hereafter conferred upon it by law.

POWERS AND DUTIES OF AN AUTHORITY IN THE CASE OF ANY  
HYDRO-ELECTRIC FACILITIES WHICH ARE OR MAY BE ENTRUSTED  
TO SUCH AUTHORITY

SEC. 203. (a) Whenever, pursuant to this Act or any other law of the United States, facilities capable of producing hydro-electric power are entrusted to an Authority, such facilities (together with appurtenant works) shall be administered by such Authority as hereinafter provided. So far as may be consistent with the promotion of navigation, the control and prevention of floods, the safeguarding of navigable waters, and the reclamation of the public lands, with a view to avoiding the waste of water, water power, and other property of the United States and of obtaining the greatest public benefit, such Authority shall have such powers as may be necessary or appropriate in the development of the facilities entrusted to it to provide, construct, operate, maintain, and improve such machinery, equipment, structures, and facilities for the generation of electric energy as may be necessary or appropriate to develop salable electric energy as rapidly as markets may be found therefor. Such powers shall include, among other things, the power to acquire, construct, operate, maintain, and improve such power houses, transmission lines, rural electric lines, and substations, and such machinery, equipment, structures, and facilities as the Authority deems necessary or appropriate to prevent the waste of water power of the United States and to supply existing and potential markets.

(b) Whenever, pursuant to this Act or any other law of the United States, there are entrusted to an Authority facilities capable of producing hydro-electric power, such Authority shall make such arrangements and take such action as may be necessary or appropriate for the disposition of such of the electric energy as is not required for the operation of the locks, lifts, and fishways, and the navigation facilities employed in connection therewith. Unless pursuant to the direction of the Congress provision is otherwise made, any such locks, lifts, and fishways, and the navigation facilities employed in connection therewith, shall be operated by the War Department. Upon the requisition of the Secretary of War, an Authority shall allot and deliver to the War Department, without charge, so much electric energy as in the judgment of the War Department is necessary for use in the operation of such locks, lifts, and fishways, and the navigation facilities employed in connection therewith.

(c) To insure the widest possible use of available electric energy, to provide adequate markets and outlets therefor, and to prevent the monopolization thereof by limited groups or localities, the Authority shall acquire, construct, operate, maintain, and improve such electric transmission lines, rural electric lines, and substations, and such machinery, equipment, structures, and facilities, as it deems necessary or appropriate to bring electric energy, available for sale, to existing and potential markets, and to interconnect its hydro-electric

facilities with other public power systems for the disposition or interchange of electric energy. To provide for emergencies, breakdown relief, and increased safety and economy in operations, the Authority may enter into contracts upon suitable terms with public and private power systems for mutual interchange of electric energy and for reciprocal use of transmission facilities.

(d) To insure the disposition of electric energy for the benefit of the general public, and particularly of domestic and rural consumers, the Authority shall, in disposing of electric energy, give preference and priority to states, districts, counties, and municipalities, including agencies or instrumentalities thereof or of two or more states (in this Act called public agencies), and to cooperative and other organizations not organized or administered for profit but primarily for the purpose of supplying electric energy to their members as nearly as possible at cost (in this Act called cooperative agencies). In the event of competing applications by public or cooperative agencies (whether or not formally organized) on the one hand, and other persons or agencies on the other hand, the Authority, in order to preserve and protect the preferential rights and priorities of such public and cooperative agencies, shall allow to people and communities within transmission distance of such project reasonable opportunity and time to acquire, purchase, or construct the necessary facilities for the use or distribution of such electric energy, including reasonable opportunity and time to create and finance such public or cooperative agencies under the laws of the several states.

(e) Subject to the provisions of this Act, each Authority may enter into contracts for the sale at wholesale of electric energy, whether for resale or direct consumption, to public and cooperative agencies and to private agencies and persons; and each Authority may sell electric energy directly to farms and in rural communities which the Authority finds are not adequately serviced with electric energy at reasonable rates. Contracts entered into under this subsection shall be binding in accordance with the terms thereof and shall be effective for such period or periods, including renewals or extensions, as may be provided therein, not exceeding in the aggregate twenty years from the respective dates of the making of such contracts. Such contracts shall contain appropriate provisions, to be agreed upon between the Authority and the purchaser, for the equitable adjustment of rates at appropriate intervals. In the case of contracts with private agencies or persons who resell the bulk of the electric energy purchased, the contracts shall contain appropriate provisions authorizing the Authority to cancel the contract, or authorizing the Authority to cancel the contract in part, upon five years' notice in writing whenever in the judgment of the Authority there is reasonable likelihood that part of the electric energy purchased under such contract will be needed to satisfy the preferential rights and priorities of public or cooperative agencies under this Act. Contracts entered into under this subsection may contain such terms and conditions (including, among other things, stipulations concerning resale and resale rates, stipulations concerning the prevention or abatement of pollution of waters and injury to fish and

other life by industrial, chemical, or any waste, and stipulations concerning the prevention of injury to scenic and recreational features of the country by smoke, fumes, or any nuisance) as the Authority deems necessary or appropriate to effectuate the purposes of this Act, to insure that resale to the ultimate consumer shall be at rates which are reasonable and non-discriminatory, or otherwise to provide adequate markets and outlets for electric energy.

(f) Rate schedules for the sale of electric energy shall be prepared and submitted by each Authority to the Federal Power Commission and shall become effective as approved by the Federal Power Commission. From time to time an Authority may, and upon the request of the Federal Power Commission shall, prepare and submit new revised or modified rate schedules to the Federal Power Commission; and such rate schedules shall become effective as approved by the Federal Power Commission. If any rate schedule submitted by an Authority is not approved by the Federal Power Commission, the Federal Power Commission may revise such schedule in conformity with the standards prescribed by this Act, and as so revised, such schedule shall become effective. Subject to the provisions of subsection (g), the Authority shall fix, and the Federal Power Commission shall approve, such rate schedules as the Authority finds necessary or appropriate to provide adequate markets and outlets for electric energy and to encourage the widest possible use of electric energy, having regard (upon the basis of the application of such rate schedules to the capacity of the contemplated electric facilities of the Authority or of a project of the Authority) to the recovery of the

cost of generating and transmitting such electric energy, including appropriate reserves for maintenance and upkeep, and the amortization of the capital investment over a reasonable period of years. Upon the amortization of such capital investment, rate schedules shall from time to time be revised and reduced to the fullest extent economically feasible. In order to distribute the benefits of integrated transmission systems and to promote the equitable distribution of electric energy, rate schedules shall, to the full extent economically feasible, provide for uniform rates, or rates uniform throughout prescribed transmission areas.

(g) Whenever, pursuant to this Act or any other law of the United States, there is entrusted to an Authority hydro-electric facilities which are a part of any multiple-purpose revenue-producing project, and whenever thereafter capital expenditures are made in connection with any such project, such Authority shall make a thorough investigation of such project or such capital expenditures for the purpose of allocating the costs of such project and such capital expenditures among the various purposes served thereby -- such as, navigation, flood control, irrigation, power development, or other types of development, as the case may be. Costs of facilities having a value only for one purpose shall be allocated to that purpose; costs of facilities having a joint value for more than one purpose shall be equitably allocated among such purposes in such manner as the Authority deems necessary or appropriate to promote a sound national economy, to encourage the widest possible economic use of water for irrigation and of electric energy for domestic, rural, and industrial needs, and to avoid the imposition upon any one purpose of a greater share of joint costs than such purpose may fairly

bear. The Authority shall also determine the appropriate periods and rates of amortization to be applied to the capital investment allocated to a revenue-producing purpose. The allocations of costs and the periods and rates of amortization so determined by the Authority shall be subject to the approval of the President or such national agency as he may designate, and when so approved such allocations of costs and such periods and rates of amortization shall be used in keeping the books of the Authority.

#### EMPLOYMENT AND EMPLOYEE COMPENSATION

SEC. 204. (a) For the purposes of this Act, each Authority may select, employ, and fix the compensation of such officers, attorneys, engineers, special consultants, and experts as it deems necessary to carry out the functions and duties of the Authority, without regard to the provisions of other laws applicable to the employment and compensation of officers or employees of the United States. Each Authority may, subject to the civil service laws, appoint such other employees as it deems necessary to carry out the functions and duties of the Authority and shall fix their salaries in accordance with the Classification Act of 1923, as amended. Each Authority shall define the duties of its officers and employees, require bonds of such of them as the Authority may designate, and provide a system of organization to fix responsibility and promote efficiency. Subject to the laws of the United States regarding employees of the United States, each Authority shall deal collectively with its employees through representatives of their own choosing. The appointment, selection, classification, and promotion of officers and employees

of an Authority shall be solely on the basis of merit and efficiency, and no political test or qualification shall be permitted.

(b) The provisions of the Act entitled "An Act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, and as compiled in sections 751 to 796 inclusive of title 5 of the United States Code, shall apply to persons given employment by an Authority under the provisions of this Act or any other law of the United States; and the remedies afforded by such Act of September 7, 1916, as amended, shall be exclusive and in lieu of any other remedy.

(c) All contracts to which an Authority is a party and which require the employment of laborers or mechanics in the construction, alteration, maintenance, or repair of buildings, dams, or other structures or facilities shall contain a provision that not less than the prevailing rate of wages for work of a similar nature in the vicinity shall be paid to such laborers or mechanics. Any such contract shall further provide that such contract shall, in the case of any violation of such provision, be voidable at the election of the Authority and that the Authority may in its discretion withhold payment under such contract of such amounts as the Authority determines to be equal to the difference between the sums paid and the sums required to be paid such laborers and mechanics. Any amount so withheld shall be paid by the Authority, pursuant to such conditions and regulations as the Authority may prescribe, to the

laborers and mechanics found by the Authority to be entitled thereto. When such work is done directly by an Authority, not less than such prevailing rate of wages shall be paid therefor. In the event any dispute as to the prevailing rate of wages arises between the Authority and its employees or contractors, the question shall be referred to the Secretary of Labor for determination, and the decision of the Secretary shall be final. In the determination of the prevailing rate of wages, due regard shall be given to those rates which have been secured through collective agreement by representatives of employers and employees.

#### PURCHASES AND AUDITS

SEC. 205. (a) All purchases and contracts made by an Authority for supplies or services, other than personal services, shall be made after advertising in such manner and at such times, sufficiently in advance of opening bids, as the Authority deems adequate to ensure appropriate notice and opportunity for competition. Such advertisement shall not be required, however, when (1) an emergency requires immediate delivery of the supplies or performance of the services; or (2) repair parts, accessories, or supplemental equipment or services are required for supplies or services previously furnished or contracted for; or (3) the aggregate amount involved in the purchase of supplies or procurement of services does not exceed \$500; in any such case the purchase of such supplies or procurement of such services may be made in the open market

in the manner common among businessmen. In comparing bids and in making awards, the Authority shall give due consideration to such factors as relative quality and adaptability of supplies or services; the bidder's financial responsibility, skill, experience, record of integrity in dealing, and ability to furnish repairs and maintenance services; the time of delivery or performance offered; and whether the bidder has complied with the specifications.

(b) Each Authority shall have power to determine and prescribe the manner in which its obligations and expenses shall be incurred, allowed, paid, and audited, except that the Comptroller General of the United States shall audit the accounts of each Authority at such times as he shall determine, but not less frequently than once each Governmental fiscal year, with personnel of his selection. In such connection the Comptroller General and his representatives shall have free and open access to all papers, books, records, files, accounts, plants, warehouses, offices, and all other things, property, and places belonging to or under the control of or used or employed by the Authority, and shall be afforded full facilities for counting all cash and verifying transactions with and balances in depositories. The Comptroller General shall make report of each such audit in triplicate, one copy for the President, one for the Authority, and the other to be retained by him for the uses of the Congress. No such report, however, shall be made by the Comptroller General until the Authority shall have had reasonable opportunity to examine any exception or criticism of the Comptroller General or the General

Accounting Office, to point out, explain, and answer errors therein, and to file in triplicate a statement which shall be submitted by the Comptroller General with his report. The expenses for each such audit shall be paid from any appropriation or appropriations for the General Accounting Office, and such part of such expenses as may be allocated to the cost of generating, transmitting, and distributing electric energy shall be reimbursed promptly by the Authority as billed by the Comptroller General. Each Authority shall have power to make such expenditures for such offices, vehicles, furnishings, equipment, supplies, books, periodicals, printing, and attendance at meetings, and such other facilities and services, as the Authority deems necessary or appropriate to carry out the purposes of such Authority under this Act or any other law of the United States.

#### REPORTS AND ACCOUNTS

SEC. 206. (a) Each Authority shall submit to the President and to the Congress in December of each year (1) a financial statement and complete report of the business of the Authority for the preceding Governmental fiscal year, and (2) a complete report on the status and progress of all its projects and activities since the creation of such Authority or the date of its last such report.

(b) Each Authority shall at all times keep complete and accurate accounts of all operations, including all funds expended or received for the account of the Authority. Such accounts shall be kept in such manner as appropriately to segregate, in so far as practicable, the accounts in respect of the different classes of operations, projects, and activities of the Authority.

VENUE AND JURISDICTION; INJUNCTIONS AND UNDERTAKINGS

SEC. 207. (a) Each Authority shall be held to be an inhabitant and resident, within the meaning of the laws of the United States relating to the venue of civil suits, of the judicial district in which its principal office is located at the time of the commencement of suit. The district courts of the United States shall have original jurisdiction, without regard to the amount in controversy, over any proceeding at law or in equity brought by or against an Authority under this Act or any other law of the United States. Any proceeding at law or in equity brought against an Authority in a state court may be removed by the Authority to the district court of the United States for the district in which the proceeding is pending, and, to effect such removal, it shall not be necessary that any other party or parties defendant join in the petition for removal. Except as otherwise provided in this subsection, the procedure for removal shall be according to the applicable laws of the United States relating to removal.

(b) Notwithstanding any other provision of law, the district court of the United States for the judicial district in which the principal office of an Authority is located at the time of the commencement of suit shall have exclusive jurisdiction of all proceedings at law or in equity against such Authority, or any director, officer, employee, or agent of such Authority, in which there is drawn in question the validity of this Act or any other law of the United States, or the validity of any act or conduct of such Authority or such director, officer, employee, or agent done pursuant to or under color of this Act or any such other law;

and no other court of the United States, and no court of any state, shall have jurisdiction of any such cause now pending or hereafter commenced without the express consent of such Authority and of any such director, officer, employee, or agent.

(c) Except upon the condition that there shall first have been filed an undertaking or bond as in subsection (d) provided, no court of the United States shall have jurisdiction to issue, or shall issue, a temporary or permanent injunction enjoining any Authority, or any director, officer, employee, or agent of an Authority, from doing any act or thing pursuant to or under color of this Act or any other law of the United States; or a temporary or permanent injunction directly or indirectly enjoining any person, any public or cooperative agency, or any organization from purchasing electric energy from any Authority; or a temporary or permanent injunction which in any way directly or indirectly restrains or delays the carrying out of any provision of this Act or of any other law of the United States relating to an Authority or any right, power, duty, or function of an Authority. Any person, any public or cooperative agency, or any organization which, directly or indirectly, is or may be adversely affected, or is or may be deprived of (or delayed in the exercise of) a right to purchase electric energy, by the issuance or continuance of any such injunction, may upon application intervene in the proceeding and become a party thereto, at any time prior to the final determination of the cause, and shall be protected by such undertaking or bond.

(d) Such undertaking or bond shall be filed by the party or parties (hereinafter called the complainants) to or for whom such temporary or permanent injunction, or any portion thereof, is to be issued or continued. Such undertaking or bond shall be secured by adequate security in an amount, to be fixed by the court, sufficient to recompense the persons enjoined and the Authority, the United States, any intervenor, and any person or agency damaged, for any and all loss, expense, and damage which may be caused or contributed to by the issuance or continuance of any such injunction. Such undertaking or bond shall constitute an agreement by the complainants and the sureties that such undertaking or bond shall continue in force and effect, regardless of any temporary or permanent order, judgment, or decree issued by the court, until the cause is finally determined; and shall constitute a further agreement by the complainants and sureties --

(1) That they shall pay such loss, expense, and damage in the event (A) that it shall be determined that the complainants were not entitled to the relief, or any part thereof, granted, or (B) that it shall be determined upon final disposition of the cause that the complainants were not entitled to permanent injunctive relief against any or all of the acts or conduct enjoined by such temporary or permanent injunction or injunctions;

(2) That a hearing to assess such loss, expense, and damage may be held in the same proceeding and that upon such

hearing the court shall have jurisdiction to enter a decree and judgment for such loss, expense, and damage against such complainants and sureties, and, in the case of the complainants, without regard for the amount of the undertaking or bond; and that the undertaking or bond shall constitute a submission by the complainants and sureties to the jurisdiction of the court for such purpose; and

(3) That there shall be permitted to intervene in the cause, at any time prior to the termination of such hearing or to the final disposition of the cause, any person, any public or cooperative agency, or any organization, which, directly or indirectly, is or may be adversely affected, or is or may be deprived of (or delayed in the exercise of) a right to purchase electric energy, by the issuance or continuance of the injunction or injunctions; and that any such person or agency shall be given reasonable and adequate opportunity so to intervene and to be protected by the undertaking or bond.

The right and remedy herein provided in respect of an undertaking or bond shall be in addition to any and all other rights and remedies that may exist at law or in equity.

(c) Upon a hearing to assess damages under any such undertaking or bond, there shall be assessed, in addition to other appropriate items of loss, expense, and damage, (1) all reasonable costs and expense

of obtaining the vacation of the injunction or injunctions; (2) in the case of the Authority and the United States, the probable loss to the Authority or the United States of the income which the Authority or the United States would have secured, in the absence of any injunction, in light of present and potential markets; and (3) in the case of other parties and intervenors, the probable loss and damage to such parties or intervenors and to their present and potential customers not otherwise represented in the cause (determined upon the basis of the loss in income to such parties and intervenors and the aggregate losses to such present and potential customers) suffered by reason of the issuance or continuance of the injunction or injunctions. Whenever any party or intervenor shall receive any sum on account of any such loss or damage to such present or potential customers, such sum, subject to the direction and order of the court, shall be received and held for the benefit of such customers and distributed to them as their interests may appear.

#### CONDEMNATION PROCEEDINGS

SEC. 208. (a) Each Authority may cause proceedings to be instituted for the condemnation of any land, easement, right-of-way, or personalty, or any interest in any of the foregoing, which in the judgment of the Authority is necessary or appropriate for or reasonably incidental to the carrying out of the purposes of the Authority under this Act or any other law of the United States. Notwithstanding any

provision of any other law, any condemnation proceeding hereafter instituted by any Authority in carrying out the purposes of such Authority under this Act or any other law of the United States shall be governed by the provisions of this section. The proceeding shall be instituted in the district court of the United States for the district in which the property to be acquired (in this section called the property), or any part thereof, is located, and such court shall have jurisdiction to divest the title to the property from all persons or claimants and vest the same in the United States in fee simple, free and clear from all liens and encumbrances, and to enter a decree quieting the title thereto in the United States.

(b) Upon the filing of a petition for condemnation, the district court (for the purpose of ascertaining the value of the property and assessing the compensation to be awarded, and for the purpose of determining the ownership of the property, the nature and holders of valid liens or encumbrances thereon, and all other questions of fact or law essential to a proper distribution of a condemnation award) shall appoint a commission consisting of a special master, who shall be a practicing attorney, and two other commissioners. Such commissioners shall be selected from without the vicinity in which the property is situated, and shall take and subscribe an oath that they do not have any interest in any property which it may be desirable for the United States to acquire in the furtherance of the project or in any property in the immediate vicinity in which the property to be acquired is situated. It

shall be the duty of the special master to preside at all hearings had before the commission and to rule upon questions of procedure. The special master shall inquire into and determine the questions of the ownership of the property, the nature and holders of valid liens or encumbrances thereon, and all other questions of fact or law essential to a proper distribution of a condemnation award, except that the three commissioners as a commission shall inquire into and determine the value of the property and each interest therein; and the special master and the commission respectively shall hold hearings and take evidence for such purposes.

(c) Each commissioner shall receive a per diem of not to exceed \$20 for his services, together with an additional amount of \$5 per day for subsistence for time actually spent away from his domicile in the performance of his duties. The commissioners may designate competent court reporters who shall report the proceedings and who shall receive for their services a sum not to exceed the prevailing per diem compensation in that locality for similar services. Such reporters shall furnish to any party, upon payment by such party of the customary charge in the locality, a certified transcript of the proceedings. The commissioners are authorized to administer oaths and subpoena witnesses, who shall be entitled to receive the same fees as witnesses in the United States courts. Hearings before the commissioners shall be conducted at such time and place as the special master and the commission respectively shall fix, having due regard for the convenience of the parties.

(d) In the determination of the value of the property, or of any interest therein, of any claimant or claimants --

(1) The cost to such claimant or claimants of such property or such interest, and of any improvement made therein by such claimant or claimants, shall be taken as the best evidence of value, provided that the acquisition of such property or interest and the making of such improvement were bona fide and were not made in contemplation of the particular, or any other, condemnation proceeding. But such cost need not be taken as the best evidence of value (A) if such property or interest was acquired by such claimant or claimants more than four years prior to the filing of the petition for condemnation, or (B) if there are found particular and unusual circumstances which would make the amount, so determined as value, excessive, inadequate, or otherwise not just compensation for such property or interest.

(2) There shall not be included in such determination of value any increment of value which arises subsequent to the enactment of this Act and which is attributable to an anticipated or probable use of the property, or property similarly situated, for a purpose the same or similar or related to the purpose in furtherance of which the condemnation proceeding is commenced.

(e) The special master shall file with the court a report of the findings of fact and conclusions of law as to the questions determined by him, and the commission shall file an award setting forth its findings as to the value of the property, making a separate award and valuation in the premises in respect of each separate parcel or interest involved. Upon the filing of such a report or such award in court, the clerk shall give notice and mail copies thereof to such parties and in such manner and form as directed by the district court.

(f) Any party may file exceptions to such a report or such award within twenty days from the date such report or award is filed in court. Exceptions to a special master's report shall be heard before the district court. Exceptions to the commission's award shall be heard before three United States circuit and/or district judges who shall be designated by the presiding judge of the circuit court of appeals for that district, unless the parties stipulate that such exceptions may be heard by the district court. Upon such hearings, the judges or the district court, as the case may be, shall pass upon the proceedings had before the special master or the commission, as the case may be, on the record made therein. Not less than ten days prior to a hearing before such judges, a copy of the record shall be furnished each judge by the party who filed exceptions. No additional evidence shall be considered by the judges or the district court, as the case may be, unless such evidence shall have been offered before the special master or the commission, as the case may be, or unless there are reasonable grounds for failure so to have done. Upon such hearings, such judges

or the district court, as the case may be, shall enter their judgment or decree affirming, modifying, or setting aside, in whole or in part, the report or award previously made.

(g) At any time within thirty days from the filing of the decision of the judges or district court, as the case may be, upon the hearing on exceptions to the report or award, any party may take an appeal from such decision to the circuit court of appeals in the same manner and with like effect as an appeal may be taken from a final order or decree of a district court in an equity proceeding.

(h) Unless title and the right of possession shall have earlier passed under the provisions of the Act of February 26, 1931 (c. 307, sections 1 to 5 inclusive, 46 Stat. 1421), as compiled in sections 258a to 258e inclusive of title 40 of the United States Code, title to the property and the right to the possession thereof shall pass (1) upon acceptance of an award by the owner or owners of the property and the payment of the money awarded; or (2) upon final determination of the cause and the payment of the award to the person or persons entitled thereto, or the payment of the award into the registry of the court. And the Authority shall be entitled to a writ in the same proceeding to put the Authority into possession of such property.

(i) In the case of any property owned in whole or in part by a minor, insane person, incompetent person, or an estate of a deceased person, the legal representative of such minor, insane person, incompetent person, or estate shall have power, with the approval of the

district judge in whose court the proceeding is pending, to consent to or reject any report or award herein provided for or to make settlement with an Authority. In the event that there be no such legal representative for such minor, insane person, or incompetent person, or that such legal representative shall fail or decline to act, such judge may upon motion appoint a guardian ad litem to act for such minor, insane person, or incompetent person; and such guardian ad litem shall act to the full extent and to the same purpose and effect as his ward could act if competent, and such guardian ad litem shall be deemed legal representative to respond, conduct, or maintain any proceeding or make any settlement, as herein provided for, affecting his ward.

(j) Nothing in this Act shall be construed to deprive an Authority of the rights conferred by the Act of February 26, 1931 (c. 307, sections 1 to 5 inclusive, 46 Stat. 1421), as compiled in sections 258a to 258e inclusive of title 40 of the United States Code. Any amount tendered into court by the Authority under such Act of February 26, 1931, shall be without prejudice on any hearing as to the value of the property or interest being condemned.

CONSTRUCTION OF DAMS BY OR ON BEHALF OF  
THE UNITED STATES

SEC. 209. In the case of any dam under construction or hereafter constructed by or on behalf of the United States, provision shall be made, in so far as practicable, for such foundations, sluices, penstocks, and other works as may be necessary or appropriate to prevent the waste of water

power at such dam and to make possible the economical future development of water power at such dam. In the event that the officer, department, or agency of the United States in charge of the construction of any such dam determines that provision for such foundations, sluices, penstocks, or other works is not necessary or appropriate in connection with such dam, such officer, department, or agency shall forthwith make a report of such determination, accompanied by a statement of the findings, reasons, and other pertinent matters in respect thereof, to the President; and the President shall take such action as he deems necessary or appropriate in the public interest. In the case of any doubt as to the officer, department, or agency of the United States charged with responsibility for appropriate action under this section, the President shall designate the appropriate officer, department, or agency to assume such responsibility and to carry out the purposes of this section.

#### PENAL LAWS: VIOLATIONS OF THIS ACT

SEC. 210. (a) All general penal statutes relating to the larceny, embezzlement, conversion, or improper handling, retention, use, or disposal of public moneys or property of the United States, shall apply to moneys and properties of the Authorities and to moneys and properties of the United States entrusted to the Authorities.

(b) It shall be unlawful for any person, with intent to defraud an Authority or to deceive any Authority or any director, officer, or employee of an Authority, or any officer or employee of the United

States, (1) to make any false entry in any book of an Authority, or (2) to make any false statement or report to an Authority.

(c) It shall be unlawful for any person to do any act or thing, or to enter into any conspiracy, collusion, or agreement, express or implied, with intent to defraud an Authority or wrongfully or unlawfully to defeat its purposes. Any person who violates any provision of this subsection or subsection (b) shall be guilty of an offense against the United States and, upon conviction thereof, be fined not more than \$10,000 or imprisoned not more than five years, or both.

(d) Each Authority may transmit such evidence as may be available concerning any act or thing in violation of any provision of this section to the Attorney General, who, in his discretion, may institute the appropriate criminal proceedings under this Act.

#### RECEIPTS AND APPROPRIATIONS

SEC. 211. (a) All receipts of each Authority shall be covered into the Treasury of the United States to the credit of miscellaneous receipts; except that a continuing fund in such amount, not to exceed \$500,000, as the Authority deems necessary shall be set up and maintained, from such receipts, in the Treasury to the credit of such Authority and subject to check by it; and the Authority may use such fund to defray operating costs and to insure continuity of operations.

(b) There are hereby authorized to be appropriated from time to time such sums as may be necessary to carry out the provisions of this Act.

TENNESSEE VALLEY AUTHORITY

SEC. 212. Nothing in this Act shall be construed to limit the carrying out of the purposes of the Tennessee Valley Authority Act of 1933, as amended, or to limit any power or right of the Tennessee Valley Authority under such Act as amended or to authorize the transfer of any power or right now vested in the Tennessee Valley Authority under such Act to any other Authority, department, or agency. The provisions of sections 207 and 208 shall, however, apply to the Tennessee Valley Authority, and such Authority shall be deemed on Authority within the meaning of the word as used in such sections.

*Injunctions*  
*Condemnation*

SEPARABILITY OF PROVISIONS

SEC. 213. If any provision of this Act or the application of such provision to any person or circumstance shall be held invalid, the remainder of the Act and the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

PSF  
Conservation

CONFIDENTIAL DRAFT--April 20, 1937

A BILL

To provide for the creation of Conservation Authorities and for other purposes.

Be it enacted by the Senate and the House of Representatives of the United States in Congress assembled, That this Act may be cited as the Conservation Authorities Act of 1937.

PURPOSE AND POLICY OF THE ACT

SEC. 1. It is the purpose and policy of this Act to develop, integrate, and coordinate--in cooperation with Federal, state, regional, and public and cooperative agencies--plans, projects, and activities for or incidental to the promotion of navigation, the safeguarding of navigable waters, the control and prevention of floods and droughts, and the reclamation of the public lands, in order to strengthen the national defense, to aid and protect commerce among the several states, to conserve the water, soil, and forest resources of the Nation, and otherwise to promote the general welfare of the United States.

CONSERVATION AUTHORITIES

SEC. 2. (a) To carry out the purposes of this Act, there are hereby created the following corporate Conservation Authorities, which shall be agencies and instrumentalities of the United States:

- (1) the Atlantic Seaboard Authority, for the drainage basins in the United States of the rivers flowing into the Atlantic Ocean and of

the rivers flowing into the Gulf of Mexico, from the east, below the basin of the Suwannee River; (2) the Great Lakes-Ohio Valley Authority, for the drainage basins in the United States of the rivers flowing into any of the Great Lakes and of the Ohio River, except the drainage basins of the Tennessee and Cumberland Rivers; (3) the Tennessee Valley Authority, for the drainage basins of the Tennessee and Cumberland Rivers, of the rivers flowing into the Mississippi River below Cairo, Illinois, from the east, and of the rivers flowing into the Gulf of Mexico east of the Mississippi River, except the rivers below the basin of the Suwannee River; (4) the Missouri Valley Authority, for the drainage basins within the United States of the Missouri River and the Red River of the North and of the rivers flowing into the Mississippi River above Cairo, Illinois, from the west; (5) the Arkansas Valley Authority, for the drainage basins within the United States of the Arkansas, Red, and Rio Grande Rivers and of the rivers flowing into the Gulf of Mexico west of the Mississippi River; (6) the Southwestern Authority, for the drainage basins within the United States of the Colorado River and the rivers flowing into the Pacific Ocean south of the California-Oregon line, and the Great Basin, that is, the drainage basins of the rivers in the western United States having no outlet to the sea; (7) the Columbia Valley Authority, for the drainage basins within the United States of the Columbia River and the rivers flowing into the Pacific Ocean north of the California-Oregon line; and (8) the Territorial Authority, for the Territories and Possessions of the

United States: Provided, however, That nothing in this Act shall be construed to limit the jurisdiction, functions, powers, or duties of the Mississippi River Commission as created and now functioning under the Act of June 28, 1879 (c. 43, sections 1 to 7 inclusive, 21 Stat. 37), as amended, and as compiled in sections 641 to 651 inclusive of title 33 of the United States Code. Reference in this Act to the Authorities shall mean, unless the context otherwise requires, the respective Authorities severally. The President shall from time to time more specifically define or redefine the territorial boundaries of the Authorities as he finds necessary or appropriate to facilitate the regional development, integration, and coordination of plans, projects, and activities as in this Act provided; and each Authority shall function in its general geographic region as hereinabove indicated, or as such region may be more specifically defined or redefined by the President. The President may further assign or reassign, to an Authority, particular projects and activities, or classes of projects or activities, within the territory of one or more other Authorities, as he finds necessary or appropriate for the development, integration, and coordination of plans, projects, and activities hereunder to obtain the advantages of natural and economic boundaries.

(b) Each Authority shall maintain its principal office at a convenient place in its respective geographic region (and in the case of the Territorial Authority, at a convenient place in the United States) and shall, upon the selection of the location of its principal office, file with the Attorney General of the United States public notice of its selection of such location.

(c) Within six months after the enactment of this Act, the Columbia Valley Authority, by notice published in the Federal Register, shall take over Bonneville project and all powers, rights, duties, functions, obligations, liabilities, and employees of the Columbia River Administrator created by and now functioning under the Act entitled "An Act to authorize the maintenance and operation of Bonneville project for navigation and flood control, and for other purposes," approved \_\_\_\_\_, 1937. Upon the publication of such notice, such Administrator shall forthwith take all action necessary or appropriate to transfer to such Authority possession and control of properties and activities of such Administrator. The Bonneville project together with all activities of such Administrator shall thereupon be deemed entrusted to such Authority, and all unexpended monies and appropriations of such Administrator shall thereupon be transferred to such Authority and shall be available for expenditure by such Authority under the terms of this Act; and such Act of \_\_\_\_\_, 1937, shall be deemed repealed.

(d) The Tennessee Valley Authority shall be the Tennessee Valley Authority as created and now functioning under the Tennessee Valley Authority Act of 1933, as amended, and shall have all the powers, rights, duties, functions, obligations, and liabilities in such Act, in this Act, or in any other law provided; and nothing herein, except as otherwise specifically provided, shall be construed to limit any provision of the Tennessee Valley Authority Act of 1933, as amended, in the carrying out of the purposes of

such Act, or to affect the continuity of, or the powers and rights of the Tennessee Valley Authority in respect of, the functions, activities, obligations, liabilities, accounts, funds, or personnel of such Tennessee Valley Authority under any such law. In so far as applicable, the provisions of the Tennessee Valley Authority Act of 1933, as amended, in addition to the provisions of this Act, shall apply to the geographic region in which the Tennessee Valley Authority will function. Notwithstanding any provision of this Act, the Tennessee Valley Authority shall be controlled and administered by the board of the Tennessee Valley Authority as now constituted, and the present members thereof shall, upon the enactment of this Act, be deemed appointed under this Act for the terms of office now held by them and with the powers and salaries now attached thereto; except that, when a vacancy among the members of the Tennessee Valley Authority occurs or when in the judgment of the President the nature and extent of the functions of the Tennessee Valley Authority so requires, a director or directors, as provided in section 3 of this Act, may be appointed for the Tennessee Valley Authority in the place of a board of directors under the Tennessee Valley Authority Act of 1933, as amended.

#### ORGANIZATION OF THE AUTHORITIES

SEC. 3. (a) Subject to the provisions of this Act, each corporate Authority shall be directed and controlled by a Managing Director, who shall be appointed by the President, by and with the advice and consent of the Senate, and, if and when the nature and extent of the functions

of any Authority in the judgment of the President so require, by two additional directors who shall be appointed by the President, by and with the advice and consent of the Senate. The director or directors of each Authority shall be responsible to the President and shall hold office so long as desired by the President. Whenever used in this Act, unless the context otherwise requires, director means a Managing Director or other director of an Authority.

(b) The Managing Director shall direct and control, and be responsible for, the administrative work of the Authority. If there shall be more than one director of any Authority all matters of policy shall be considered and determined by the directors acting as a board, but the decisions of the board shall be carried out by the Managing Director, and the directors other than the Managing Director shall not participate in the administrative work of the Authority except to the extent requested by the Managing Director. If there shall be more than one director of an Authority, the Managing Director shall act as chairman, and two directors shall constitute a quorum for the transaction of business. The administrative officer of each Authority, next highest in rank to the Managing Director, may be designated by the Managing Director as deputy Managing Director and shall perform the duties of the Managing Director in the event of the absence or sickness of the Managing Director, until such absence or sickness shall cease, and, in the event of a vacancy in the office of Managing Director, until a successor is appointed.

(c) The Managing Director of each Authority shall receive a salary at the rate of \$\_\_\_\_\_ a year, and the additional directors, if any, shall receive such compensation, either by way of salary or per diem, as the President, in light of the nature and extent of the work, shall prescribe. Such compensation, however, shall not, in the case of a salary, exceed \$\_\_\_\_\_ a year, or, in the case of a per diem, exceed \$\_\_\_\_\_ a day. The salaries and compensation of directors shall be paid by the Authority as current expenses, and the directors shall in addition be reimbursed by the Authority for actual expenses (including travelling and subsistence expenses) incurred by them in the performance of their duties.

(d) In the case of each Authority, the director or directors, as the case may be, shall have power to constitute one or more regional or local advisory committees to advise the Authority generally or upon specific matters. Any member of a regional or local advisory committee may receive compensation commensurate with the value of his services, but not to exceed a per diem of \$\_\_\_\_\_ a day; any such compensation shall be paid by the Authority as current expenses, and such members shall be reimbursed by the Authority for actual expenses (including travelling and subsistence expenses) incurred by them in the performance of their services.

(e) No person shall be appointed a director of an Authority or a member of a regional or local advisory committee, unless he professes a belief in the feasibility and wisdom of this Act. No Managing Director, and no other director who receives a salary at a rate exceeding \$5,000 per year, shall, during his continuance in office, be engaged in any other business.

No director and no member of a regional or local advisory committee shall, during his continuance in office, have any financial interest in any public-utility company, holding company, or subsidiary company of a holding company (as such terms are defined in the Public Utility Holding Company Act of 1935) or in any company engaged in the business of manufacturing, selling, or distributing any fertilizer or fertilizer ingredient.

#### CORPORATE POWERS OF THE AUTHORITIES

Sec. 4. Subject to the provisions of this Act, each Authority--

(1) Shall have succession in its corporate name.

(2) May adopt and use a corporate seal, which shall be judicially noticed.

(3) May adopt, amend, and repeal by-laws.

(e) May sue in its corporate name and may bring such suits, at law or in equity, as it deems necessary or appropriate in carrying out the purposes of the Authority under this Act or other law of the United States; and may be sued in its corporate name, subject, however, to the provisions of section 15.

(5) Shall have power to acquire, by purchase, lease, condemnation, or donation, such real and personal property and any interest therein, and to dispose of such property or interest, as the Authority deems necessary or appropriate to carry out the powers now or hereafter conferred upon it by law. All real property shall be acquired or disposed of in the name of the Authority as agent for the United States.

(6) Shall have power to enter into such contracts and agreements, and to do such acts and things, as the Authority deems necessary or appropriate to carry out the powers now or hereafter conferred upon it by law.

COORDINATION AND INTEGRATION OF  
PLANS, PROJECTS, AND ACTIVITIES

SEC. 5. (a) The Authorities shall be subject to the supervision and control of the President for the purpose of ensuring appropriate conformity to a national policy and appropriate coordination of regional activities, having due regard for regional and local requirements and conditions. In exercising such supervision and control, the President may consult and advise with a council consisting of the Director of the Budget, the Chairman of the National Resources Committee, representatives from such other departments and agencies of the United States as the President deems advisable, and one director from each Authority designated from time to time by such Authority.

(b) Each Authority shall study and survey the projects and activities, within the region of such Authority, of the departments and agencies of the United States relating to the promotion of navigation, the safeguarding of navigable waters, the control and prevention of floods and droughts, the reclamation of the public lands, and projects and activities incidental thereto, with a view to the coordination and integration of such projects and activities within the region of such Authority for

the purpose of increasing efficiency and eliminating waste and duplication of effort. Each Authority in so far as practicable shall endeavor to coordinate and integrate such projects and activities by devising and effecting arrangements for the cooperation of the field offices and services of the departments and agencies of the United States. Each Authority in so far as practicable shall consult and cooperate with the field offices and services of such departments and agencies and may call upon such field offices and services for any information or data relevant to such projects and activities, and it shall be the duty of such departments and agencies to have their field offices and services take such action as may be necessary or appropriate fully to cooperate with each Authority.

(c) Each Authority in so far as practicable shall consult and cooperate with the states and subdivisions and agencies thereof and with cooperative and other agencies not organized or administered for profit, in the making of studies, the collecting of information and data, and the development of plans for carrying out the purposes of this Act. Each Authority may make available to the departments and agencies of the United States and to the states, and the subdivisions and agencies thereof, such studies and such recommendations for state legislation as it deems advisable to aid in carrying out the purposes of this Act.

(d) There shall be included in the plans submitted to the President by each Authority as hereinafter provided such recommendations as it deems necessary or appropriate (1) for the economic and efficient cooperation among Federal, state, regional, and local departments and agencies, and (2) for further legislation to promote the development, integration, and

coordination of projects and activities under this Act and otherwise to effectuate the purposes of this Act.

SUBMISSION OF PLANS TO THE  
PRESIDENT AND THE CONGRESS

SEC. 6. (a) Each Authority shall, not later than October 15 of each year, submit to the President plans for the construction, operation, and undertaking, during the succeeding Governmental fiscal year, of projects and activities for or incidental to the promotion of navigation, the safeguarding of navigable waters, the control and prevention of floods and droughts, and the reclamation of the public lands. Such plans shall conform to the provisions and standards in this Act and shall indicate the order of preference and priority of the projects and activities.

(b) If the President, after such study and advice as the President shall require by the Director of the Budget, the National Resources Committee, and such other departments and agencies of the United States as the President deems advisable, approves such plans for projects or activities, or any of them or any part thereof, as necessary or desirable in carrying out the purposes of this Act, the President shall refer the same to the Congress with his recommendations. The President may at any time request any Authority to submit to him, for reference to the Congress, plans for such projects or activities as in his judgment may be necessary or desirable in carrying out the purposes of this Act; and the Authority, as soon as practicable, shall submit such plans to the President.

## PREPARATION OF PLANS

SEC. 7. (a) Plans submitted to the President by each Authority shall include such projects and activities and such recommendations for the construction, operation, and conduct thereof (and of appurtenant or incidental structures, facilities, and operations) as the Authority finds necessary or appropriate for --

(1) The promotion of navigation to the full extent of physical and economic feasibility, by the improvement of the channels of navigable rivers; the prevention of siltation of such rivers; the regulation of stream flow; and the provision and operation of dams, locks, canals, wharves, terminals, roads, roadways, fishways, and navigation facilities. Plans for navigation projects shall give due consideration to the imposition of reasonable tolls and charges consistent with the widest possible use of such projects and the avoidance of tolls or charges which would tend to bring about the disuse of existing facilities.

(2) The safeguarding of navigable waters, interstate commerce, and the health and welfare of the citizens of the United States, by the prevention and abatement of pollution of the navigable streams of the United States and the tributaries thereof; the safeguarding and protection of the use of such waters and the persons, property, birds, and fish in, along, or using such waters; and the provision

and operation of sewage disposal, water purification, water supply, and related or incidental works and facilities.

(3) The control of floods and droughts, by provision for the most economic storage, regulation, and disposition of flood and surplus waters to bring about the maximum protection to life and property and the promotion of navigation.

(4) The prevention of floods, droughts, and soil erosion, by the restoration of the water-retaining capacity of the soil; the restoration and stabilization of underground water tables; the development of ponds, reservoirs, and other facilities for water storage and utilization; improved methods and conditions of soil fertilization, cultivation and irrigation; the production and distribution of fertilizers or fertilizer ingredients; the conservation of forests; the forestation and reforestation of lands not suited to agriculture or the forestation of which is desirable for the protection of other lands from erosion; the reduction of the uneconomic cultivation or use of marginal or submarginal lands; the acquisition and management of such lands by public agencies; the protection and development of grazing lands and of economic range use; and the facilitation of the settlement of the population of marginal or submarginal lands upon lands suited to agriculture. In the case of plans for the production of fertilizers or fertilizer ingredients, such plans, in so far as practicable, shall provide for the construction and

operation of plants and equipment in such manner as will make them of maximum usefulness for the production of munitions or war materials in time of war or national emergency.

(5) The reclamation of arid or swampy public lands, by irrigation and drainage and the economic development and use of such lands.

(b) Plans for any project or activity shall give due regard to the following considerations: (1) the integration and interconnection of projects and activities, the development of their multiple purposes, and the equitable distribution of the benefits thereof; equitable contributions to cost by states and public agencies; the preservation and development of benefits from parks and other recreation facilities and the conservation of wild life; the protection and economic utilization of mineral resources; and such other social, cultural, and economic values as may be affected or furthered by the various projects and activities; and (2) in the case of dams for navigation, flood control, drought prevention, or reclamation projects, the population in reservoir areas which will be displaced; the amount and value of land which will be inundated; the economic and beneficial disposition and utilization of surplus water; the construction and installing of power houses, foundations, sluices, and other works (and installing of or provision for penstocks) for the economical present and future development of water power in connection with such dams; and prospective revenues from the disposition of surplus water and water power to present and potential markets.

(c) Plans may include not only projects and activities to be constructed, operated, or undertaken by the various departments and agencies of the United States solely from funds of the United States; but also projects and activities to be constructed, operated, or undertaken by such departments and agencies with contributions by state, local, or regional agencies; and projects and activities to be constructed, operated, or undertaken by such state, local, or regional agencies with contributions by the United States. Plans shall set forth the recommendations of the Authority regarding such contributions and regarding the construction and operation of such projects or the undertaking of such activities as between the departments and agencies of the United States and state, local, and regional agencies.

(d) Plans shall classify the various construction projects with a view to the construction of projects in the order of their urgency for carrying out the purposes of this Act and to the reservation of the construction of less urgent projects for periods in which their construction will most beneficially promote the national welfare by relieving unemployment. Plans for reserved projects shall be completed as expeditiously as possible, and shall be modified from time to time as circumstances warrant so that such plans shall be available for prompt action whenever necessary for the purposes of this Act, and particularly in periods of business depression and widespread unemployment.

(e) Each authority shall revise and modify its plans from time to time, as changing social, economic, and industrial conditions

warrant or require, as advantages are offered by technological developments, and as further study indicates the need of revision or modification.

(f) Each Authority shall have power to acquire, construct, operate, maintain, and improve such laboratories and experimental stations, and to undertake and conduct such educational, research, and demonstrational work, as the Authority deems necessary or appropriate to develop its plans, to test or demonstrate the feasibility of such plans, or more efficiently to develop and carry out any project or activity entrusted to the Authority pursuant to this or any other act of the Congress.

POWERS AND DUTIES OF AN AUTHORITY IN THE CASE OF PROJECTS AND ACTIVITIES WHICH ARE OR MAY BE ENTRUSTED TO SUCH AUTHORITY

SEC. 8. (a) Whenever, pursuant to this or any other Act of the Congress, any specified project or activity (of a type in respect of which an Authority is authorized to prepare plans under paragraph (1), (2), (3), (4), or (5) of subsection (a) of section 7) is entrusted to an Authority, such Authority, except as the Congress may otherwise provide, shall have such powers as may be necessary or appropriate to construct, operate, maintain, and improve such project or undertake and carry out such activity so as to accomplish the purposes and to fulfill the requirements specified in subsections (a) and (b) of section 7. No funds which may hereafter be appropriated for any such specified project or activity shall be used by an Authority for the acquisition of

land unless the Congress shall so specifically provide, it being the policy of the Congress that funds for the acquisition of such land shall, in so far as practicable, be contributed by the states, the subdivisions and agencies thereof, and other public agencies, to the extent that such states, subdivisions, and agencies may be specially benefitted thereby.

(b) Projects and activities entrusted to an Authority shall be constructed, operated, and conducted primarily for the purpose of promoting navigation, safeguarding navigable waters, and controlling and preventing floods and droughts, except that reclamation projects and activities shall be constructed, operated, and conducted primarily for the purpose of reclaiming the public lands. To effectuate such primary purposes with the greatest public benefit and, so far as is consistent with such primary purposes, to avoid the waste of water, water power, and other property of the United States, each Authority, to the extent necessary or appropriate to carry out any project or activity entrusted to it (or any project or activity reasonably incidental thereto), shall have power ---

(1) To acquire, construct, operate, maintain, and improve dams, fishways, reservoirs, canals, roads, roadways, levees, docks, wharves, terminals, sewage disposal and water purification works, floodways, and conduits, and structures, equipment, and facilities incidental thereto.

(2) To acquire, construct, operate, maintain, and improve such power houses, transmission lines, rural electric lines, substations, machinery, equipment, structures, and

facilities for the storage and transportation of water and for the generation and transmission of electric energy as the Authority deems necessary or appropriate to supply existing and potential markets.

(3) To set aside and operate marginal or submarginal lands, and other lands acquired as a part of a project or activity but no longer necessary or useful therefor, as grazing, timber, or wild game reserves or as parks or other recreation areas.

In order further so to effectuate such primary purposes in the construction and operation of dams for projects entrusted to an Authority, each Authority, in so far as practicable, shall make provision, in the construction of any such dam, for such foundations, sluices, penstocks, and other works as may be necessary or appropriate for the economical future development of water power at such dam.

(c) Whenever, pursuant to this or any other Act of the Congress, a project or activity is entrusted to an Authority, such Authority is authorized, if in its judgment the interests of economy and efficiency will be served thereby, to construct or operate such project or conduct such activity through, or in conjunction with, other departments and agencies of the United States, or in conjunction with states or subdivisions or agencies thereof, or cooperative or other agencies not organized or administered for profit, or agencies of two or more states. The departments and agencies of the United States are hereby authorized to participate in the construction or operation of such projects or the conduct of such activities on terms mutually agreeable to such department or agency and the Authority.

(d) The President is authorized, whenever in his judgment the interests of economy and efficiency will be served thereby, to transfer and entrust to any Authority any project or activity (of the type in respect of which an Authority is authorized to prepare plans under paragraph (1), (2), (3), (4), or (5) of subsection (a) of section 7) from any department or agency of the United States, including the transfer of staff and equipment. In connection with any such transfer, the President may make such provision as he deems necessary or appropriate for the transfer to such Authority of unexpended balances of appropriations available for use in respect of the project or activity transferred and for the transfer of the appropriate powers, duties, and obligations pertaining thereto.

#### DISPOSITION OF SURPLUS WATER AND WATER POWER

SEC. 9. (a) Whenever, pursuant to this or any other Act of the Congress, there shall be entrusted to an Authority the administration of a project at which electric energy is or will be generated or at which salable water is or will be stored, such Authority shall make such arrangements and take such action as may be necessary or appropriate for the disposition of such of the electric energy and water as is not required for the operation of the dams, locks, and fishways at such project, or the navigation sewage disposal, or water purification facilities in connection therewith, and, in the case of reclamation projects, as is not required for reclamation purposes.

(b) To encourage the widest possible use of available electric energy, to provide reasonable outlets therefor, and to prevent the monopolization thereof by limited groups or localities, the Authority shall acquire, construct, operate, maintain, and improve such electric transmission lines, rural electric lines, substations and other facilities and structures as it deems necessary or appropriate to bring electric energy, available for sale, from such project to existing and potential markets and to interconnect such project with other Federal projects for the disposition or interchange of electric energy. To provide for emergencies, breakdown relief, and increased safety and economy in operations, the Authority may enter into contracts upon suitable terms with public and private power systems for mutual interchange of electric energy and for reciprocal use of transmission facilities.

(c) To ensure the disposition of the electric energy developed and water stored at a project for the benefit of the general public, and particularly of domestic and rural consumers, the Authority shall, in disposing of electric energy and water, give preference and priority to states, districts, counties, and municipalities, including agencies or instrumentalities thereof (in this Act called public agencies), and to cooperative and other organizations not organized or administered for profit but primarily for the purpose of supplying electric energy or water to their members as nearly as possible at cost (in this Act called cooperative agencies). In the event of competing applications by public or cooperative agencies (whether or not formally organized) on the one hand, and other persons or agencies on the other hand, the Authority, in

order to preserve and protect the preferential rights and priorities of such public and cooperative agencies, shall allow to people and communities within transmission distance of such project reasonable opportunity and time to acquire, purchase, or construct the necessary facilities for the use or distribution of such electric energy or water, including reasonable opportunity and time to create and finance such public or cooperative agencies under the laws of the several states.

(d) Subject to the provisions of this Act and to the approval by the Federal Power Commission of rate schedules for the sale by an Authority, including the Tennessee Valley Authority of electric energy, such Authority shall enter into contracts for the sale at wholesale of electric energy and water, whether for resale or direct consumption, to public and cooperative agencies and to private agencies and persons; and the Authority may sell electric energy directly to farms and in rural communities which in the judgment of the Authority are not already supplied with electric energy at reasonable rates. Contracts entered into under this subsection (1) shall be binding in accordance with the terms thereof and shall be effective for such period or periods, including renewals or extensions, as may be provided therein, not exceeding in the aggregate twenty years from the respective dates of the making of such contracts; (2) shall contain provisions, to be agreed upon between the Authority and the purchaser, for the equitable adjustment of rates at appropriate intervals; and (3) shall, in the case of contracts with private agencies or persons who resell the bulk of the

electric energy or water purchased, contain appropriate provisions authorizing the Authority to cancel such contract, or authorizing the Authority to cancel such contract in part, upon five years' notice in writing whenever in the judgment of such Authority there is reasonable likelihood that part of the electric energy or water purchased under such contract will be needed to satisfy the preferential rights and priorities of public or cooperative agencies under this Act. Contracts entered into under this subsection may contain such terms and conditions, including among other things stipulations concerning resale and resale rates, as the Authority deems necessary or appropriate to effectuate the purposes of this Act and to ensure that resale to the ultimate consumer shall be at rates which are reasonable and non-discriminatory.

(e) Rate schedules, including revisions thereof, for the sale of electric energy by an Authority, including the Tennessee Valley Authority, shall be prepared from time to time and submitted by the Authority to the Federal Power Commission and shall become effective as approved by the Federal Power Commission. From time to time the Authority may, and upon the request of the Federal Power Commission shall, prepare and submit revised or modified rate schedules to the Federal Power Commission; and such schedules shall become effective as approved by the Federal Power Commission. Rate schedules shall be fixed with a view to encouraging the widest possible use of electric energy, having regard (upon the basis of the application of such rate schedules to the capacity of the electric facilities of the Authority or of a project of the Authority) to the

recovery of the cost of producing and transmitting such electric energy, including the amortization of the capital investment over a reasonable period of years. In computing the cost of electric energy developed from water power created as an incident to the construction of projects for other purposes, the Authority, subject to the approval of the Federal Power Commission, may allocate to such cost not only the cost of electric facilities but also such a share of the cost of facilities having joint value for the production of electric energy and other purposes as the Authority finds the power development may fairly bear as compared with such other purposes. In order to distribute the benefits of integrated transmission systems and to promote the equitable distribution of electric energy, rate schedules shall provide for uniform rates, or rates uniform throughout prescribed transmission areas.

#### STATE COMPACTS

SEC. 10. (a) The consent of the Congress, subject to the provisions of this section, is hereby given the several states to enter into agreements and compacts between or among any two or more states (1) to further and supplement the purposes of this Act; (2) to carry out on behalf of the states appropriate projects and activities in relation thereto; and (3) to provide adequate laws and agencies in respect thereof. Any such agreement or compact shall not become effective or binding upon the states party thereto unless and until it shall have been submitted to and approved by the Authority within whose geographic region the

projects or activities contemplated by such agreement or compact are to be carried out. Such Authority shall approve any such agreement or compact if it finds such agreement or compact, and the projects and activities contemplated thereby, to be feasible, practicable, and appropriate to and consistent with the policies and purposes of this Act. The appropriate Authority shall, in so far as practicable, cooperate with and furnish information and assistance to the states for the purpose of the negotiating, entering into, and carrying out agreements and compacts under this section.

(b) In case of any doubt as to the appropriate Authority having jurisdiction over any matter under this section, the President shall upon application designate the proper Authority to have such jurisdiction.

#### APPROVAL OF PRIVATE PROJECTS

SEC. 11. (a) To ensure the integrated and coordinated development and promotion of navigation and the safeguarding of the navigable streams of the United States, and the tributaries thereof, no dam, appurtenant works, sewer, dock, pier, wharf, bridge, trestle, landing, wire, pipe, building, float, or other or different obstruction or polluter affecting navigation, the use of navigable waters, flood control, or the public lands or reservations, shall be constructed, or thereafter operated or maintained, over, across, along, in, or into any such stream or any tributary thereof except in accordance with plans for such construction, operation, and maintenance which shall theretofore have been submitted to and approved by the Authority within whose geographic region such obstruction or polluter is to be constructed, operated, or maintained.

(b) The requirements of this section shall be in addition to the requirements of all other applicable laws of the United States or of any state; and any approval, license, permit, or other sanction required by any provision of any such law or laws for the construction, operation, or maintenance of any such obstruction or polluter or any part thereof (except such as may be constructed, operated, or maintained by an Authority under this Act or other law of the United States) shall be required as in such law provided.

(c) The Authority having jurisdiction over any application under this section may bring appropriate proceedings in the district court of the United States, or the United States court of any Territory or Possession of the United States, to enjoin any violation of this section within the territorial jurisdiction of such district or other court of the United States, or to require the removal of any obstruction or polluter constructed, operated, or maintained within such jurisdiction in violation of this section; and upon a proper showing a temporary or permanent injunction or decree shall be granted without bond. Any person who wilfully violates any provision of this section shall be guilty of an offense against the United States and, upon conviction thereof, be fined not more than \$10,000 or imprisoned not more than five years, or both.

(d) In case of any doubt as to the appropriate Authority having jurisdiction over any matter under this section, the President shall upon application designate the proper Authority to have such jurisdiction.

## EMPLOYMENT AND EMPLOYEE COMPENSATION

SEC. 12. (a) For the purposes of this Act, each Authority may select, employ, and fix the compensation of such officers, attorneys, and experts as it deems necessary to carry out the functions and duties of the Authority, without regard to the provisions of other laws applicable to the employment and compensation of officers or employees of the United States; and the Authority shall define their duties, require bonds of such of them as the Authority may designate, and provide a system of organization to fix responsibility and promote efficiency. Each Authority may, subject to the civil service laws, appoint such other employees as it deems necessary to carry out the functions and duties of the Authority and shall fix their salaries in accordance with the Classification Act of 1923, as amended. Each Authority may be represented in litigation affecting the operation or carrying out of its projects, activities, or purposes by such counsel as it may select. Subject to the laws of the United States regarding employees of the United States, each Authority shall deal collectively with its employees through representatives of their own choosing. The appointment, selection, classification, and promotion of officers and employees of each Authority shall be solely on the basis of merit and efficiency, and no political test or qualification shall be permitted.

(b) In so far as applicable, the provisions of the Act entitled "An Act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other

purposes," approved September 7, 1916, as amended, and as compiled in sections 751 to 796 inclusive of title 5 of the United States Code, shall apply to persons given employment under the provisions of this Act.

(c) All contracts to which an Authority is a party and which require the employment of laborers or mechanics in the construction, alteration, maintenance, or repair of buildings, dams, locks, or other structures or facilities shall contain a provision that not less than the prevailing rate of wages for work of a similar nature in the vicinity shall be paid to such laborers or mechanics; and such contracts shall further provide, in the case of any violation of such provision, that such contract shall be voidable at the election of the Authority and that the Authority may in its discretion withhold payment under such contract of such amounts as the Authority determines to be equal to the difference between the sums paid and the sums required to be paid such laborers and mechanics. Any amount so withheld shall be paid by the Authority, pursuant to such conditions and regulations as the Authority may prescribe, to the laborers and mechanics found by the Authority to be entitled thereto. When such work is done directly by an Authority, not less than such prevailing rate of wages shall be paid therefor. In the event any dispute as to the prevailing rate of wages arises between the Authority and its employees or contractors, the question shall be referred to the Secretary of Labor for determination, and the decision of the Secretary shall be final. In the determination of the prevailing rate of wages, due regard shall be given to those rates which have been secured through collective agreement by representatives of employers and employees.

## PURCHASES AND AUDITS

SEC. 13. (a) Notwithstanding any other provision of law, all purchases and contracts made by an Authority for supplies or services, except for personal services, shall be made after advertising in such manner and at such times, sufficiently in advance of opening bids, as the Authority deems adequate to ensure appropriate notice and opportunity for competition. Such advertisement shall not be required, however, when (1) an emergency requires immediate delivery of the supplies or performance of the services; or (2) repair parts, accessories, or supplemental equipment or services are required for supplies or services previously furnished or contracted for; or (3) the aggregate amount involved in the purchase of supplies or procurement of services does not exceed \$500; in any such case the purchase of such supplies or procurement of such services may be made in the open market in the manner common among businessmen. In comparing bids and in making awards, the Authority may consider such factors as relative quality and adaptability of supplies or services; the bidder's financial responsibility, skill, experience, record of integrity in dealing, and ability to furnish repairs and maintenance services; the time of delivery or performance offered; and whether the bidder has complied with the specifications.

(b) Each Authority shall have power to determine and prescribe the manner in which its obligations and expenses shall be

incurred, paid, allowed, and audited, except that the Comptroller General of the United States shall audit the accounts of each Authority at such times as he shall determine, but not less frequently than once each Governmental fiscal year, with personnel of his selection. In such connection the Comptroller General and his representatives shall have free and open access to all papers, books, records, files, accounts, plants, warehouses, offices, and all other things, property, and places belonging to or under the control of or used or employed by the Authority, and shall be afforded full facilities for counting all cash and verifying transactions with and balances in depositories. The Comptroller General shall make report of each such audit in triplicate, one copy for the President, one for the Authority, and the other to be retained by him for the uses of the Congress. Each Authority shall have power to make such expenditures for such offices, vehicles, furnishings, equipment, supplies, books, periodicals, and attendance at meetings, and such other facilities and services, as the Authority deems necessary or appropriate to carry out the powers now or hereafter conferred upon it by law.

#### REPORTS AND ACCOUNTS

SEC. 14. (a) Each Authority, including the Tennessee Valley Authority, shall submit to the President and to the Congress, in December of each year (1) a financial statement and complete report of the business of the Authority for the preceding Governmental fiscal year, and (2) a complete report on the status and progress of all its projects and activities since the creation of such Authority or the date of its last such report.

(b) Each Authority shall at all times keep complete and accurate accounts of all operations, including all funds expended or received for the account of the Authority. Such accounts shall be kept in such manner as appropriately to segregate, in so far as practicable, the accounts in respect of the different classes of operations, projects, and activities of the Authority.

VENUE AND JURISDICTION; INJUNCTIONS AND UNDERTAKINGS

SEC. 15. (a) Each Authority shall be held to be an inhabitant and resident, within the meaning of the laws of the United States relating to the venue of civil suits, of the judicial district in which its principal office is located at the time of the commencement of suit; except that the Territorial Authority shall maintain an office at a convenient place in each Territory or Possession in which it is carrying on continuous operations, and such office (in addition to its principal office in the United States) shall be deemed its principal office in respect of the venue of any suit arising in such Territory or Possession.

(b) No proceeding at law or in equity shall be brought or continued against any Authority, or any director, officer, employee, or agent thereof in his official capacity, drawing in question the validity of this Act or any other law of the United States, or the validity under this Act or any such law of any act or conduct of any such director, officer, employee, or agent: Provided, however, That nothing herein shall

be construed to deprive any person of the right to sue, and to obtain relief in law or in equity against, any such director, officer, employee, or agent in his individual capacity, by reason of any act or conduct of such director, officer, employee, or agent which is beyond his valid authority or otherwise illegal. Notwithstanding any other provisions of law, the district court of the United States for the judicial district, or the United States court for the Territory or Possession, in which the principal office of an Authority is located at the time of the commencement of suit (including, in the case of the Territorial Authority, the principal offices for purposes of venue) shall have exclusive jurisdiction of all proceedings in law or in equity in which any director, officer, employee, or agent of such Authority is a party defendant in his individual capacity and in which there is drawn in question the validity of this Act or any other law of the United States, or the validity under this Act or any such law of any act or conduct of any such director, officer, employee, or agent; and no other court of the United States or of any Territory or Possession, and no court of any state, shall have jurisdiction over any such cause now pending or hereafter commenced without the express consent of such Authority and of all parties defendant to such cause.

(c) Except upon the condition that there shall first have been filed an undertaking as in subsection (d) provided, no court of the United States or of any Territory or Possession of the United States

shall have jurisdiction to issue, or shall issue, (1) a temporary or permanent injunction enjoining an Authority, or any director, officer, employee, or agent of an Authority, from doing any act or thing authorized or purported to be authorized by, or under color of authority of, this Act or any other law of the United States; or (2) a temporary or permanent injunction which in any manner, directly or indirectly, restrains or delays the carrying out of any provision of this Act or of any other law of the United States relating to an Authority or any right, power, duty, or function of an Authority. Any person or any public or cooperative agency, which, directly or indirectly, is or may be adversely affected, or is or may be deprived of (or delayed in the exercise of) a right to purchase water or electric energy by the issuance or continuance of any such injunction, may intervene in the proceeding and become a party thereto, at any time prior to the termination of the hearing to assess damages under an undertaking filed as required in this subsection, and shall be protected by such undertaking.

(d) Wherever, under subsection (c), an undertaking is required as a condition to the issuance or continuance of a temporary or permanent injunction, such undertaking shall be filed by the party or parties (hereinafter called the complainants) to or for whom such temporary or permanent injunction, or any portion thereof, is to be issued or continued. Such undertaking shall be a bond with adequate

security in an amount sufficient to recompense the persons enjoined, and the Authority, the United States, and any intervenor, for any and all loss, expense, and damage which may have been caused or contributed to by the issuance or continuance of such injunction. Such undertaking shall constitute an agreement by the complainants and the surety or sureties --

(1) That they shall pay such loss, expenses, and damage in the event that it shall be determined, upon final disposition of the cause, that the complainants were not entitled to permanent injunctive relief against any or all of the acts or conduct enjoined by such temporary or permanent injunction;

(2) That a hearing to assess such damage may be held in the same proceeding and that upon such hearing the court shall have jurisdiction to enter a decree and judgment for such damage against such complainants and sureties, and, in the case of the complainants, without regard for the amount of the bond; and that the undertaking shall constitute a submission by the complainants and sureties to the jurisdiction of the court for such purpose; and

(3) That there shall be permitted to intervene in the cause, at any time prior to the termination of the hearing to assess damages under the undertaking, any person or any public or cooperative agency which, directly or indirectly, is or may be adversely affected, or is or may be deprived of (or delayed in the exercise of) a right to purchase water or

electric energy by the issuance or continuance of the injunction or injunctions; and that any such person or agency shall be given opportunity so to intervene and to be protected by the undertaking.

The right and remedy herein provided in respect of an undertaking shall be in addition to any and all other rights and remedies that may exist at law or in equity.

(e) Upon a hearing to assess damages under an undertaking filed pursuant to subsection (d), there shall be assessed, among other appropriate items of loss, expense, and damage, (1) all reasonable costs and expense of obtaining the vacation of the injunction or injunctions; and (2) in the case of the Authority and the United States, the probable loss to the Authority or the United States of the net revenue which the Authority or the United States would have secured, in the absence of an injunction, in light of the available market; and (3) in the case of other parties or intervenors, the probable loss and damage to such parties or intervenors, and to their present and potential customers not otherwise represented in the cause (determined upon the basis of the loss in net revenues to such parties and intervenors and the aggregate losses to such present and potential customers) suffered by reason of the issuance or continuance of the injunction or injunctions. Whenever any party or intervenor shall receive any sum on account of any such loss or damage to such present or potential customers, such sum, subject to the directions and orders of the court, shall be received and held for the benefit of such customers and distributed to them as their interests may appear.

## CONDEMNATION PROCEEDINGS

SEC. 16. (a) Each Authority may cause proceedings to be instituted for the condemnation of any land, easement, right-of-way, or personalty, or any interest in any of the foregoing, which, in the judgment of the Authority, is appropriate for or reasonably incidental to the accomplishment of the provisions of this Act. The proceedings shall be instituted in the district court of the United States for the district in which the property to be acquired (in this section called the property), or any part thereof, is located, and such court shall have jurisdiction to divest the title to the property from all persons or claimants and vest the same in the United States in fee simple free and clear from all liens and encumbrances, and to enter a decree quieting the title thereto in the United States. When used in this section, the term district court means, in the case of a Territory or Possession of the United States, the United States court for such Territory or Possession; and the term circuit court of appeals means, in such circumstances, the circuit court of appeals having jurisdiction of appeals from such United States court.

(b) Upon the filing of a petition for condemnation, the district court (for the purpose of ascertaining the value of the property and assessing the compensation to be awarded, and for the purpose of ascertaining the ownership of the property, the nature and holders of valid liens or encumbrances thereon, and any other fact essential to a proper distribution of a condemnation award) shall appoint a commission

consisting of a special master, who shall be a practicing attorney, and two other commissioners. Such commissioners shall be selected from without the vicinity in which the property is situated, and shall take and subscribe an oath that they do not have any interest in any property which it may be desirable for the United States to acquire in the furtherance of the project or in any property in the immediate vicinity in which the property to be acquired is situated. It shall be the duty of the special master to preside at all hearings had before the commission and to rule upon questions of procedure. Upon the hearings, the special master shall enquire into and determine the questions of the ownership of the property to be acquired, the nature and holders of valid liens or encumbrances thereon, and any other fact essential to a proper distribution of a condemnation award; except that the three commissioners as a commission shall enquire into and determine the value of the property.

(c) In determining the value of the property, or of any interest therein, of any claimant or claimants--

(1) The commission shall take, as the best evidence of value, the cost to such claimant or claimants of such property or such interest and of any improvement made therein by such claimant or claimants, provided that the commission finds that the acquisition of such property or interest and the making of such improvement were bona fide and were not made in contemplation of the particular, or any other, condemnation proceeding; Provided, however, That the commission need not take such evidence as the

best evidence of value (A) if such property or interest was acquired, and such improvement was made, by such claimant or claimants more than four years prior to the filing of the petition for condemnation, or (B) if the commission finds particular and unusual circumstances which in the judgment of the commission would make the amount, so determined as value, excessive, inadequate, or otherwise not just compensation for such property or interest.

(2) The commission shall not include in such determination of value any increment of value which arises subsequent to the enactment of this Act and which is attributable to an anticipated or probable use of the property, or property similarly situated, for a purpose the same or similar or related to the purpose in furtherance of which the condemnation proceeding is commenced.

(d) Upon the conclusion of the hearings, the commission shall file with the court a special master's report of the findings of fact and conclusions of law as to the questions determined by the special master, and an award of the three commissioners setting forth their findings as to the value of the property, making a separate award and valuation in the premises in respect of each separate parcel or interest involved. Upon the filing of such report and award in court, the clerk shall give notice and mail copies thereof to each party to the proceeding, in the manner and form directed by the district court.

(e) Each commissioner shall receive a per diem of not to exceed \$20 for his services, together with an additional amount of \$5 per day for subsistence for time actually spent away from his domicile in the performance of his duties. The commissioners may designate a competent court reporter who shall report the proceeding and who shall receive for his services a sum not to exceed the prevailing per diem compensation in that locality for similar services. Such reporter shall furnish to any party, upon payment by such party of the customary charge in the locality, a certified transcript of the proceeding. The commissioners are authorized to administer oaths and subpoena witnesses, who shall be entitled to receive the same fees as witnesses in the United States courts. Hearings before the commissioners shall be conducted at such time and place as they shall fix, having due regard for the convenience of the parties.

(f) Any party may file exceptions to the report or award of the commissioners within twenty days from the date such report or award is filed in court. Exceptions shall be heard before three United States circuit and/or district judges who shall be designated by the presiding judge of the circuit court of appeals for that district, unless the parties stipulate that the exceptions may be heard by the district court. Upon such hearing, the judges or the district court, as the case may be, shall pass upon the proceedings had before the commissioners, on the record made therein. Not less than ten days prior to the hearing, a copy of the record shall be furnished each judge by the party who filed exceptions. No additional evidence shall be considered by the judges or the

district court, as the case may be, unless such evidence shall have been offered before the commissioners or unless there are reasonable grounds for failure so to have done. Upon such hearing, such judges or the district court as the case may be, shall enter their judgment or decree affirming, modifying, or setting aside, in whole or in part, the report and award previously made by the commissioners, and taxing the costs in the proceeding.

(g) At any time within thirty days from the filing of the decision of the judges or district court upon the hearing on exceptions to the report or award of the commissioners, any party may take an appeal from such decision to the circuit court of appeals in the same manner and with like effect as an appeal may be taken from a final order or decree of a district court in an equity proceeding.

(h) Unless title and the right of possession shall have passed earlier under the provisions of the Act of February 26, 1931 (c. 307, sections 1 to 5 inclusive, 46 Stat. 1421) as compiled in sections 258a to 258e inclusive of title 40 of the United States Code, title to the property and the right to the possession thereof shall pass (1) upon acceptance of an award by the owner or owners of any property sought to be acquired and the payment of the money awarded; or (2) upon final determination of the cause and the payment of the award to the person or persons entitled thereto, or the payment of the award into the registry of the court. And the Authority shall be entitled to a writ in the same proceeding to put the Authority into possession of such property.

(i) In the case of any property owned in whole or in part by

a minor, insane person, incompetent person, or an estate of a deceased person, the legal representative of such minor, insane person, incompetent person, or estate shall have power, with the approval of the district judge in whose court the matter is pending, to consent to or reject the report and award of the commissioners herein provided for. In the event that there be no such legal representative for such minor, insane person, or incompetent person, or that such legal representative shall fail or decline to act, such judge may upon motion appoint a guardian ad litem to act for such minor, insane person, or incompetent person, and such guardian ad litem shall act to the full extent and to the same purpose and effect as his ward could act if competent, and such guardian ad litem shall be deemed to have full power and authority to respond, conduct, or maintain any proceeding herein provided for affecting his ward.

(j) Nothing in this Act shall be construed to deprive an Authority of the rights conferred by the Act of February 26, 1931 (c. 307, sections 1 to 5 inclusive, 46 Stat. 1421), as compiled in sections 258a to 258e inclusive of title 40 of the United States Code. Any amount tendered into court by the Authority under such Act of February 26, 1931, shall be without prejudice on any hearing as to the value of the property or rights being condemned.

#### PENAL LAWS; VIOLATIONS OF THIS ACT

SEC. 17. (a) All general penal statutes relating to the larceny, embezzlement, conversion, or improper handling, retention, use,

or disposal of public moneys or property of the United States, shall apply to the moneys and property of the Authorities and to moneys and properties of the United States entrusted to the Authorities.

(b) It shall be unlawful for any person, with intent to defraud an Authority or to deceive any member, officer, or employee of an Authority or any officer or employee of the United States, (1) to make any false entry in any book of an Authority, or (2) to make any false statement or report to an Authority.

(c) It shall be unlawful for any person to do any act or thing, or to enter into any conspiracy, collusion, or agreement, express or implied, with intent to defraud an Authority or wrongfully or unlawfully to defeat its purposes. Any person who violates any provision of this subsection or subsection (b) shall be guilty of an offense against the United States and, upon conviction thereof, be fined not more than \$10,000 or imprisoned not more than five years, or both.

(d) Each Authority may transmit such evidence as may be available concerning any act or thing in violation of any provision of this section or of any other provision of this Act to the Attorney General, who, in his discretion, may institute the appropriate criminal proceedings under this Act.

#### RECEIPTS AND APPROPRIATIONS

SEC. 18. (a) All receipts of each Authority shall be covered into the Treasury of the United States to the credit of miscellaneous receipts; except that the Treasury shall set up and maintain from the

receipts of each Authority, to the credit of such Authority and subject to check by it, a continuing fund in such amount, not to exceed \$500,000, as the Authority deems necessary to defray emergency expenses and to ensure continuity of operations.

(b) There are hereby authorized to be appropriated from time to time such sums as may be necessary to carry out the provisions of this Act.

#### SEPARABILITY OF PROVISIONS

SEC. 19. If any provision of this Act or the application of such provision to any person or circumstance shall be held invalid, the remainder of the Act and the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

This copy of  
The Norris bill  
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Sam

PSF  
Conservation

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75th CONGRESS  
1st SESSION

S. 2555

(Note.—Fill in all blank lines except those provided for the date and number of bill.)

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IN THE SENATE OF THE UNITED STATES

JUN 1 '37 CAL DAY JUN 3 '37

Mr. MORRIS introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry.

Forestry.

2555  
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**A BILL**

TO PROVIDE FOR THE CREATION OF CONSERVATION AUTHORITIES AND FOR OTHER PURPOSES.  
(Insert title of bill here)

1 *Be it enacted by the Senate and House of Representatives of the*  
2 *United States of America in Congress assembled, that this Act may be*  
3 *cited as the Conservation Authorities Act of 1937.*

PURPOSE AND POLICY OF THIS ACT

4 **Sec. 1.** It is the purpose and policy of this Act to develop,  
5 integrate, and coordinate plans, projects, and activities for or incidental  
6 to the promotion of navigation, the control and prevention of floods, the  
7 safeguarding of navigable waters, and the reclamation of the public lands,  
8 in order to aid and protect commerce among the several States, to strengthen  
9 the national defense, to conserve the water, soil, and forest resources of  
10 the Nation, to stabilize employment and relieve unemployment, and otherwise  
11 to protect commerce among the States, to provide for the national defense,  
12 and to promote the general welfare of the United States.

GENERAL SERVICES ADMINISTRATION

THE NATIONAL ARCHIVES  
Washington, D. C.

RECORDS OF THE UNITED STATES SENATE  
75th CONGRESS, 1st SESSION



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CONSERVATION AUTHORITIES

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the rivers flowing into the Gulf of Mexico, from the east, below the basin of the Savannah River; (2) the Great Lakes-Ohio Valley Authority, for the drainage basins in the United States of the rivers flowing into any of the Great Lakes and of the Ohio River, except the drainage basins of the Tennessee and Cumberland Rivers, and of the rivers flowing into the Mississippi River above Cairo, Illinois, from the east; (3) the Tennessee Valley Authority, for the drainage basins of the Tennessee and Cumberland Rivers, of the rivers flowing into the Mississippi River below Cairo, Illinois, from the east, and of the rivers flowing into the Gulf of Mexico east of the Mississippi River, except the rivers below the basin of the Savannah River; (4) the Missouri Valley Authority, for the drainage basins within the United States of the Missouri

the rivers flowing into the Gulf of Mexico, from the east, below the basin of the Tennessee River; (2) the Great Lakes-St. Lawrence Valley Authority, for the drainage basins within the United States of the rivers flowing into any of the Great Lakes and of the St. Lawrence River, except the drainage basins of the Tennessee and Cumberland River, and of the rivers flowing into the Mississippi River above Cairo, Illinois, from the east; (3) the Tennessee Valley Authority, for the drainage basins of the Tennessee and Cumberland River, of the rivers flowing into the Mississippi River below Cairo, Illinois, from the east, and of the rivers flowing into the Gulf of Mexico east of the Mississippi River, except the rivers below the Tennessee River; (4) the Missouri Valley Authority, for the drainage basins within the United States of the Missouri River and the Red River of the North and of the rivers flowing into the Mississippi River above Cairo, Illinois; (5) the Arkansas Valley Authority, for the drainage basins within the United States of the Arkansas, Red, and Rio Grande Rivers, and of the rivers flowing into the Gulf of Mexico west of the Mississippi River; (6) the Southwestern Authority, for the drainage basins within the United States of the Colorado River and the rivers flowing into the Pacific Ocean south of the California-Oregon line, and the Great Basin, that is, the drainage basins of the rivers in the western United States having no outlet to the sea; and (7) the Columbia Valley Authority, for the drainage basins within the United States of the Columbia River and the rivers flowing into the Pacific Ocean north of the California-Oregon line: PROVIDED, however, that nothing in this Act shall be construed to limit the functions, powers, or duties of the Mississippi River Commission as created and now functioning under the Act of June 22, 1879 (c. 43, sec. 1, 21 Stat. 77), as amended, and as compiled in sections 641 to 651, inclusive, of title 33 of the United States Code. The President shall from time to time more specifically define or redefine the territorial boundaries of the Authorities as he finds necessary or appropriate to facilitate the lawful development, interconnection, and coordination of plans, projects, and activities as in this Act provided for to promote the advancement of national and economic boundaries.



(b) Each Authority shall maintain its principal office at a convenient place in its respective geographic region and shall, upon the selection of the location of a principal office, file with the Secretary of State public notice of its selection of such location.

(c) Within six months after the enactment of this Act, the Columbia Valley Authority shall take over the Bonneville project, on the Columbia River in Oregon, and all powers, rights, duties, functions, obligations, liabilities, and ~~employees~~ <sup>personnel</sup> of the Columbia River Administrator created and now functioning under the Act entitled "An Act to authorize the maintenance and operation of Bonneville project for navigation and flood control, and for other purposes," approved April, 1937. Such Administrator shall thereupon take all action necessary or appropriate to transfer to such Authority possession and control of the properties and activities of such Administrator. The Bonneville project together with all activities of such Administrator shall thereupon be deemed entrusted under this Act to the Columbia Valley Authority, and all unexpended moneys and appropriations of such Administrator shall thereupon be transferred to such Authority and shall be available for expenditure by such Authority under the terms of this Act; and such Act of April, 1937, shall be deemed repealed.

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(d) The Tennessee Valley Authority shall be the Tennessee Valley Authority under the provisions of the Tennessee Valley Authority Act of 1933, as amended, and an extended consent to act, and shall be subject to the same, rights, duties, and liabilities under said Act, in addition to the provisions of the Act of 1933, as amended, and shall be subject to the provisions of the Tennessee Valley Authority Act of 1933, as amended, and to all the provisions of the Tennessee Valley Authority in respect of, and to reflect the continuity of, the operations, activities, obligations, liabilities, accounts, funds, revenues, receipts, or expenditures of the Tennessee Valley Authority under said Act. Inasmuch as it is the policy of the Tennessee Valley Authority Act of 1933, as amended, and any other law relating to the Tennessee

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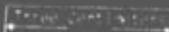
Valley Authority, in addition to the provisions of this Act, shall extend to the Tennessee Valley Authority the provisions of this Act to the extent of the Tennessee Valley Authority. The board of the Tennessee Valley Authority shall be the board of the Tennessee Valley Authority as now constituted, and the present directors thereof shall be deemed to hold office pursuant to section 2 of this Act for the unexpired term of office now held by them. Successors to such directors shall be appointed and hold office pursuant to said section.

(e) The President is authorized, whenever in his judgment the interests of the United States and the interests of economy and efficiency will be served thereby, to transfer from any department or agency of the United States, and entrust to such authority, the control and operation of any project (together with any interest therein) constructed, under construction, or hereafter constructed, or any part of the United States. In connection with any such transfer, the President may make such provision as he deems necessary or appropriate for the transfer to such authority of unexpended balances of appropriations available for use in respect of the project, together with such staff, equipment, and employees, duties, and obligations pertaining thereto.

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...directors, shall be appointed by the President, and one by the Senate, and one by the State. In addition, directors, the President shall designate the directors. All other officers, employees, and agents of the Authority shall be designated by the Authority. The term of office of the first directors first taking office after the approval of this Act shall be for a period of three years, and the term of office of the directors shall be for a period of three years, and one at the end of the sixth year, and one at the end of the ninth year, after the date of the approval of this Act. A successor to a director shall be appointed in the same number as the original directors and shall have a term of office expiring nine years from the date

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of the expiration of the term for which his predecessor was appointed. Any director appointed to fill a vacancy in a board occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. Vacancies in the board of an Authority so long as there shall be two directors in office shall not impair the powers of the board to execute the functions of the Authority, and two of the directors in office shall constitute a quorum for the transaction of business. All matters of policy shall be considered and determined by the directors acting as a board; and, in carrying out the provisions of this Act, it shall be the duty of each director to act consistently with such policies as they may from time to time be determined by the board. Each director shall be a citizen of the United States and shall receive a salary at the rate of \$10,000 a year, to be paid by the Authority as current expenses; and each director shall be reimbursed by the Authority for actual expenses (including traveling and subsistence expenses) incurred by him in the performance of his duties. No director shall, during his continuance in office, be engaged in any other business, and each director shall devote himself to the work of the Authority. No director shall, during his continuance in office, have any financial interest in any public-utility company engaged in the business of generating, transmitting, distributing, or selling electric energy to the public, or in any holding company or subsidiary company of a holding company as such terms are defined in the Public Utility Holding Company Act of 1935. No person shall be appointed a director unless he professes a belief in the feasibility and wisdom of this Act; and each director, prior to his entering upon the duties of his office, shall sign a written statement of such belief, and such statement shall be kept on file at the principal office of the Authority.



Sec. 4. Subject to the provisions of this Act, each Authority <sup>1</sup>/<sub>11</sub>

(1) Shall have succession in its corporate name;

(2) May sue and be sued in its corporate name; and may bring such suits, at law or in equity, as it deems necessary or appropriate in carrying

out the purposes of the Authority under this Act or any other law of the United States.

(3) May do and use a corporate seal, which shall be judicially noticed.

(4) May do, lease, and otherwise dispose of

(5) Shall have power to acquire, purchase, lease, condemnation, or donation, such real and personal property and any interest therein, and to dispose of any personal property or interest therein, as the Authority deems necessary or appropriate in carrying out the purposes of the Authority under this Act or other law of the United States. And any, subject to the prior approval of the President, sell, lease, or otherwise dispose of such real property or interest therein or in the judgment of the Authority is no longer necessary in carrying out the provisions of any such law; PROVIDED, however, That no Authority shall dispose of any real property on which there is a permanent dam, hydraulic power plant, fertilizer plant, or munitions plant, heretofore or hereafter constructed by or on behalf of the United States or an Authority. The title to all real property shall be taken in the name of the United States, and thereupon such real property shall, for the purposes of this Act, be entrusted to the Authority as agent for the United States;

(6) Shall have power to enter into such contracts and agreements, and to do such acts and things, as the Authority deems necessary or appropriate to carry out the powers now or hereafter conferred upon it by law.

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COORDINATION AND INTEGRATION OF PLANS, PROJECTS,  
AND ACTIVITIES

Sec. 3. (4) The ~~authorities~~ shall be subject to the supervision of the President for the purpose of insuring appropriate conformity of regional policies and operations to a national policy, and appropriate coordination of regional activities, having due regard for regional and local requirements and conditions. In exercising such supervision the President may consult and advise with a council consisting of the Director of the Budget, the

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Chairman of the National Resources Committee, and such representatives designated by the President from such other departments and agencies of the United States as the President deems advisable, and one director from each ~~authority~~ designated from time to time by such ~~authority~~.



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(b) It shall be the coordination and integration of projects, activities, and regional and local developments for the purpose of increasing efficiency and effectiveness, and the coordination of effort, each Authority shall study and survey the projects and activities, within their line of authority, of the departments and agencies of the United States relating to the promotion, education, the control and regulation of floods, the safeguarding of navigable waters, and the reclamation of the public lands, and shall coordinate among the regional developments of such departments and agencies for the conservation and prudent husbandry of the water, soil, mineral, and forest resources of the Nation, including the prevention of waste of the Nation's resources from droughts, winds, dust storms, and soil erosion, and the control and redistribution of water runoff and the restoration and improvement of the absorption and infiltration capacity of the soil. Each Authority in so far as practicable shall endeavor to coordinate and integrate such projects, activities, and regional developments by devising and effecting arrangements for the cooperation of the field offices and services of the departments and agencies of the United States. Each Authority in so far as practicable shall consult and cooperate with the field offices and services of such departments and agencies and may call upon such field offices and services for any information or data relevant to such projects, activities, or regional developments, and it shall be the duty of such departments and agencies to have their field offices and services take such action as may be necessary or appropriate fully to cooperate with each Authority.

(c) Each Authority in so far as practicable shall consult and cooperate with the States and with public and cooperative agencies, in the making of studies, the collecting of information and data, and the development of plans for carrying out the purposes of this Act. Each Authority may make available to the departments and agencies of the United States and to the States and the people thereof, and to public and cooperative agencies, such information, studies, and recommendations as it deems necessary or appropriate to enable public and cooperative agencies to avail themselves of the preferential rights and priorities afforded by section 9 of this Act, and such other information and studies, and such recommendations for State legislation, as the Authority deems advisable

to aid in carrying out the purposes of this Act. Each Authority shall have power to constitute one or more regional or local advisory committees to advise the Authority generally or upon specific matters.



(2) There shall be included in the plans submitted to the President by each Authority under section 3 such recommendations as to Authority funds necessary or appropriate (1) for the economic and efficient cooperation among Federal, state, regional, and local departments and agencies, and (2) for further legislation to promote the development, integration, and coordination of projects and activities under this Act and otherwise to effectuate the purposes of this Act.

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SUBMISSION OF PLANS TO THE PRESIDENT AND THE CONGRESS

Sec. 7. (a) Each Authority shall, not later than October 15 of each year, submit to the President plans for the construction and undertaking, during the succeeding governmental fiscal year, of projects and activities for or incidental to the promotion of navigation, the control and prevention of floods, the safeguarding of navigable waters, and the reclamation of the public lands (all as more particularly described in the provisions of section 7), and such further plans for integrated regional developments as each Authority finds necessary or appropriate in the national public interest for the conservation and prudent husbandry of the water, soil, mineral, and forest resources of the Nation, including the prevention of irreparable waste of the Nation's resources from droughts, floods, dust storms, and soil erosion, and the control and retardation of water runoff and the restoration and improvement of the absorption and infiltration capacity of the soil. Such plans shall indicate the order of preference and priority of the projects and activities.



(b) If the President, after such study and investigation as he shall require of the Director of the Budget, the National Resources Committee, and such other agencies or departments of the United States as the President deems advisable, approves such plans, or any of them or any part thereof, as necessary or desirable in carrying out the purposes of this Act, the President shall refer such plans to the Congress with his recommendations. The President may at any time request an Authority to submit to him, for reference to the Congress, plans for such projects or activities as in his judgment may be necessary or desirable in carrying out the purposes of this Act; and the Authority, as soon as practicable, shall submit such plans to the President.

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In the case of plans (such as those for the conservation of surface and subsurface moisture and the prevention of wind erosion in the Great Plains) which involve integrated developments traversing the geographic region of two or more Authorities, the President may assign or reassign the duty of working out such plans to any one of such Authorities as he finds necessary or appropriate to obtain the advantages of natural and economic boundaries in the planning of such integrated developments.

PREPARATION OF PLANS

Sec. 7. (a) Plans submitted to the President by each Authority pursuant to section 6 shall include such projects and activities, and such recommendations for the construction and undertaking thereof, as the Authority finds adapted to the conservation and integrated development of water, soil, and forest resources for the following purposes:

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(1) The promotion of navigation by, among other means, the improvement of the channels of navigable rivers and their tributaries; the prevention of siltation of such waters; the regulation of stream flow; and the development and coordination of navigation facilities.

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(2) The control and prevention of floods to prevent destruction and interference with navigation, the facilities of interstate commerce, and the properties and functions of the United States, with due regard to the maximum protection of life and property, by, among other means, the storage, control, and disposition of flood and surplus waters, and the control and retardation of water runoff and the restoration and improvement of the absorption and infiltration capacity of the soil. Plans for such purposes shall include, among other things, dams, reservoirs, levees, spillways, and floodways; improved methods and conditions of soil conservation, utilization, fertilization, and cultivation; and the conservation of forests and afforestation and reforestation.

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of lands. In the case of plans involving the production of fertilizers or fertilizer ingredients, such plans, in so far as practicable, shall provide for the construction and operation of plants and equipment in such manner as will make them of maximum usefulness for the production of munitions or war materials in time of war.

(3) The safeguarding of navigable waters and their use, by, among other means, the prevention and abatement of pollution of navigable streams and their tributaries, and the provision of sewage disposal and water purification works and structures and facilities in connection therewith.

(4) The reclamation of arid or swampy public lands, by, among other means, the irrigation and drainage and the economic development and use of such lands.

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(b) So far as may be consistent with or necessary or appropriate for the promotion of navigation, the control and prevention of floods, the safeguarding of navigable waters, and the reclamation of the public lands, as provided in subsection (a), plans shall give due regard to the following, among other considerations: (1) the present and future development and conservation of water for power, irrigation, and other beneficial uses; (2) the prudent husbandry of ~~land~~ <sup>soil, mineral, and forest</sup> resources and their conservation for recreation, the protection of wild game, and other beneficial uses; (3) the urgency of preventing irreparable waste of the Nation's resources from droughts, winds, dust storms, and soil erosion; (4) the integration and interconnection of projects and activities, the development of their multiple purposes, and the equitable distribution of the benefits thereof; (5) equitable contributions to cost by states and subdivisions and agencies thereof especially benefited by the projects and activities; (6) equitable contributions, from the revenues of a project or otherwise, to compensate states and subdivisions and agencies thereof for special losses, not offset or mitigated by benefits, which may be occasioned by the carrying out of projects; and (7) such economic, social, and cultural values as may be affected or furthered by the projects and activities.

(c) Plans may include not only projects and activities to be constructed or undertaken by the various departments and agencies of the United States solely from funds of the United States; but also projects

and activities to be constructed or undertaken by such departments and agencies with contributions by state, local, or regional agencies; and projects and activities to be constructed or undertaken by such state, local, or regional agencies with contributions by the United States. Plans shall set forth the recommendations of the Authority regarding such contributions and regarding the construction and undertaking of such projects and activities as between the departments and agencies of the United States and state, local, and regional agencies.

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(d) Plans shall classify the various construction projects with a view to the construction of projects in the order of their urgency so as most beneficially to promote the national welfare by stabilizing employment and relieving unemployment. Plans for reserved or less urgent projects shall be completed as expeditiously as possible, and shall be modified from time to time as circumstances warrant so that such plans shall be available for prompt action whenever necessary to prevent or avert business depression and widespread unemployment <sup>or</sup> for any other purpose of this Act. In the development and modification of plans, due regard shall be given to changing economic, industrial, and social conditions and to advantages offered by technological and other developments.

(e) Each Authority shall have power to acquire, construct, operate, maintain, and improve such laboratories and experimental stations, and to undertake such educational, research, and demonstrational work, as the Authority deems necessary or appropriate to develop its plans, to test or demonstrate the feasibility of such plans, or more efficiently to develop and carry out any project or activity entrusted to the Authority pursuant to this or any other Act of the Congress.

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POWERS AND DUTIES OF AN AUTHORITY IN THE CASE OF PROJECTS AND ACTIVITIES  
WHICH ARE OR MAY BE ENTRUSTED TO SUCH AUTHORITY

Sec. 7. (a) Whenever, pursuant to this or any other Act of the Congress, any project or activity (of a type in respect of which an Authority is authorized to prepare plans under paragraph (1), (2), (3), or (4) of subsection (a) of section 7) is entrusted to an Authority, such Authority shall construct, operate, and carry out such project or activity primarily for the promotion of navigation, the control and prevention of floods, the safe-

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guarding of navigable waters, and the reclamation of the public lands. In order to effectuate such primary purposes with the greatest public benefit and, so far as is consistent with such primary purposes, to avoid the waste of water, water power, and other property of the United States, such Authority, except as the Congress may otherwise provide, shall have such powers as may be necessary or appropriate to construct, operate, and carry out such project or activity so as to accomplish the purposes and to fulfill the requirements specified in subsections (a) and (b) of section 7, including the power (to the extent necessary or appropriate to construct, operate, or carry out such project or activity entrusted to it, and works and facilities incidental thereto)  $\frac{1}{m}$

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(1) To require, construct, operate, maintain, and improve dams, locks, reservoirs, levees, canals, floodways, floodways, floodways, canals, roads, roadways, locks, wharves, terminals, sewage disposal and water purification works, and recreation facilities, and structures, equipment, and facilities incidental thereto: EXCEPT, however, That all locks and lifts shall be operated and maintained by the War Department.

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(2) To require, construct, operate, maintain, and improve such canals, conduits, power houses, transmission lines, rural electric lines, and substations, and such machinery, equipment, structures, and facilities, for the storage and transportation of water or for the generation and transmission of electric energy as the Authority deems necessary or appropriate to supply existing and potential markets.

(3) To develop and provide such methods and conditions of water and land utilization as the Authority deems necessary or appropriate to prevent and abate floods and droughts.

In order further so to effectuate such primary purposes in the construction and operation of dams for projects entrusted to an Authority, each Authority, in so far as practicable, shall make provision, in the construction of any such dam, for such foundations, sluices, penstocks, and other works as may be necessary or appropriate to prevent the waste of water power at such dam and to make possible the economical future development of water power at such

(b) Whenever, pursuant to this or any other Act of the Congress, a project or activity is entrusted to an Authority, such Authority is authorized, if in its judgment the interests of economy and efficiency will be served thereby, to construct or operate such project or conduct such activity through, or in a conjunction with, other departments and agencies of the United States, or in conjunction with States or subdivisions or agencies thereof, or other public or cooperative agencies. The departments and agencies of the United States are authorized to participate in the construction, operation, or maintenance of such projects or the conduct of such activities, and are authorized to accept, deposit, or expend, and the



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Section 2. (a) Whenever, pursuant to this act, any other act of Congress, there is authorized to be constructed a project of electric energy, or will be constructed or installed, which is or will be of such a nature that such arrangements will be required for the disposal of such electric energy, and water as is not required for the operation of the dams, locks, and lifts of such project, or the navigation, storage disposal, or other facilities in connection therewith, and, in the case of reclamation projects, as is not required for reclamation of the public lands. Upon the requisition of the Secretary of War, the Authority shall allot and deliver to the War Department, without charge, so much electric energy as in the judgment of the War Department is necessary for use in the operation of the locks and lifts at such project.

(b) To encourage the widest possible use of available electric energy, and, further, to provide adequate markets and outlets therefor, and to prevent the monopolization thereof by limited groups or localities, the Authority shall acquire, construct, operate, maintain, and improve such canals, conduits, electric transmission lines, rural electric lines, substations, and other structures and facilities as it deems necessary or appropriate to bring electric energy, or water, available for sale, from such project to existing and potential markets, and, in the case of electric energy, to interconnect such project with other Federal projects for the disposition or interchange

of electric energy. To provide for emergencies, breakdown relief, and increased safety and economy in operations, the Authority may enter into contracts upon suitable terms with public and private power systems for mutual interchange of electric energy and for reciprocal use of transmission facilities.

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(c) To insure the disposition of the electric energy developed and water stored at a project for the benefit of the general public, and particularly of domestic and rural consumers, the Authority shall, in disposing of electric energy and water, give preference and priority to states, districts, counties, and municipalities, including agencies or instrumentalities thereof or of two or more states (in this Act called public agencies), and to cooperative and other organizations not organized or administered for profit but primarily for the purpose of supplying electric energy or water to their members as nearly as possible at cost (in this Act called cooperative agencies). In the event of competing applications by public or cooperative agencies (whether or not formally organized) on the one hand, and other persons or agencies on the other hand, the Authority, in order to preserve and protect the preferential rights and priorities of such public and cooperative agencies, shall allow to people and communities within transmission distance of such project reasonable opportunity and time to acquire, purchase, or construct the necessary facilities for the use or distribution of such electric energy or water, including reasonable opportunity and time to create and finance such public or cooperative agencies under the laws of the several states.

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(d) Subject to the provisions of this Act, each Authority may enter into contracts for the sale at wholesale of electric energy and water, whether for resale or direct consumption, to public and cooperative agencies and to private agencies and persons; and each Authority may sell electric energy directly to farms and in rural communities which the Authority finds are not adequately serviced with electric energy at reasonable rates. Contracts entered into under this subsection shall be binding in accordance with the terms thereof and shall be effective for

such period or periods, including renewals or extensions, as may be provided therein, not exceeding in the aggregate twenty years from the respective dates of the making of such contracts. Such contracts shall contain appropriate provisions, to be agreed upon between the Authority and the purchaser, for the equitable adjustment of rates at appropriate intervals. In the case of contracts with private agencies or persons who resell the bulk of the electric energy or water purchased, the contracts shall contain appropriate provisions authorizing the Authority to cancel the contract, or authorizing the Authority to cancel the contract in part, upon five years' notice in writing whenever in the judgment of such Authority there is reasonable likelihood that part of the electric energy or water purchased under such contract will be needed to satisfy the preferential rights and priorities of public or cooperative agencies under this Act. Contracts entered into under this subsection may contain such terms and conditions, including among other things stipulations concerning resale and resale rates, as the Authority deems necessary or appropriate to effectuate the purposes of this Act, to insure that resale to the ultimate consumer shall be at rates which are reasonable and non-discriminatory, or otherwise to provide adequate markets and outlets for electric energy and water.

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(e) Rate schedules for the sale of electric energy and water by the Authority shall be prepared from time to time by such Authority. Subject to the provisions of subsection (f), the Authority shall fix such rate schedules as the Authority finds necessary or appropriate to provide adequate markets and outlets for electric energy and water and to encourage the widest possible use of electric energy and water, having regard (upon the basis of the application of such rate schedules to the capacity of the contemplated electric or water facilities of the Authority or of a project of the Authority) to the recovery of the cost of generating and transmitting such electric energy or storing and transporting such water, including appropriate reserves for maintenance and upkeep and the amortization of the capital investment over a reasonable period of years. Upon the amortization of such capital investment, rate schedules shall from time to time be revised and reduced to the fullest extent economically feasible. In order to distribute the benefits of integrated transmission systems and to promote the equitable distribution of electric energy, rate schedules shall provide for uniform rates, or rates uniform throughout prescribed transmission areas.

(f) Whenever, pursuant to this or any other Act of Congress, there is entrusted to an Authority <sup>any</sup> multiple-purpose revenue-producing project, or whenever thereafter capital expenditures are made in connection with any such project, such Authority shall make a thorough investigation of such project for the purpose of allocating the cost of such project, or such capital expenditures, among the various purposes served thereby, such as, navigation, flood control, irrigation, power development, or other types of development, as the case may be. Costs of facilities having a value only for one purpose shall be allocated to that purpose; costs of facilities having a joint value for more than one purpose shall be equitably allocated among such purposes in such manner as the Authority deems necessary or appropriate to promote a sound national economy, to encourage the widest possible economic use of water for irrigation and of electric energy for domestic, rural, and industrial needs, and to avoid the imposition upon any one purpose of a greater share of joint costs than such purpose may fairly bear. The Authority shall also determine the appropriate periods and rates of amortization to be applied to the capital investment allocated to a revenue-producing purpose. The allocation of costs and the periods and rates of amortization as determined by the Authority shall be subject to the approval of the President, and as approved by the President such allocations of costs and such periods and rates of amortization shall be used in keeping the books of the Authority.

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*MR. ROMAN*

Sec. 10. (a) The consent of the Congress, subject to the provisions of this section, is hereby given the several states to enter into agreements and compacts between or among any two or more states (1) to further and supplement on behalf of the States the purposes of this Act; and (2) to carry out on behalf of the states appropriate projects and activities in relation thereto. Any such agreement or compact shall not become effective or binding upon the states party thereto unless and until it shall have been submitted to and approved by the Authority

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within whose geographic region the projects or activities contemplated by such agreement or compact are to be carried out. Such Authority shall approve any such agreement or compact if it finds such agreement or compact, and the projects and activities contemplated thereby, to be feasible, practicable, and appropriate to and consistent with the policies and purposes of this Act. The appropriate Authority shall, in so far as practicable, cooperate with and furnish information and assistance to the states for the purpose of negotiating, entering into, and carrying out agreements and compacts pursuant to this section.

(b) In case of any doubt as to the Authority having jurisdiction over any matter under this section, the President shall upon application designate the appropriate Authority to have such jurisdiction.

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APPROVAL OF CIVIL ENGINEER *ASOR*

Sec. 11. (a) To insure the integrated and coordinated promotion of navigation, control, and prevention of floods, safeguarding of navigable waters, reclamation of the public lands, and protection of property of the United States, no dam, appurtenant works, sewer, dock, pier, wharf, bridge, trestle, landing, pipe, building, float, or other or different obstruction or polluter affecting navigation, the use of navigable waters, flood control and prevention, the public lands, or property of the United States, shall be constructed, or thereafter operated or maintained, over, across, along, in, or into any navigable stream or any tributary thereof, except in accordance with plans for such construction, operation, and maintenance which shall theretofore have been submitted to and approved by the authority within whose geographic region such obstruction or polluter is to be constructed, operated, or maintained. The requirements of this section shall be in addition to the requirements of all other applicable laws of the United States or of any state; and any approval, license, permit, or other sanction required by any provision of any such law or laws for the construction, operation, or maintenance of any such obstruction or polluter or any part thereof (except such as may be constructed, operated, or maintained by an authority under this Act or other law of the United States) shall be required as in such law provided.

(b) The authority having jurisdiction over any application under this section may bring appropriate proceedings in a district court of the United States to enjoin any violation of this section within the territorial jurisdiction of such district court, or to require the removal of any obstruction or polluter constructed, operated, or maintained within such jurisdiction in violation of this section; and upon a proper showing a temporary or permanent injunction or decree shall be granted without bond.

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...shall designate the appropriate authority to exercise jurisdiction.

...of the United States

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Sec. 11. In the case of any dam under construction or here-  
after constructed, or on behalf of the United States, provision shall be  
made, in so far as practicable, for such foundations, sluiceways, penstocks, and  
other works as may be necessary or appropriate to prevent the waste of water  
power at such dam and to insure possible the economical future development  
of water power thereon. In the event that the officer, department,  
or agency of the United States in charge of the construction of any such  
dam determines that provision for such foundations, sluiceways, penstocks, or  
other works is not necessary or appropriate in connection with such dam,  
such officer, department, or agency shall forthwith make a report of such  
determination, accompanied by a statement of the findings, reasons, and  
other pertinent matters in respect thereof, to the President; and the Presi-

dent shall take such action as he deems necessary or appropriate in the  
interest of the United States charged with responsibility for appropriate action  
under this section, the President shall designate the appropriate  
officer, department, or agency to assume such responsibility.

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out the functions and duties of the Authority, without regard to the provisions of other laws applicable to the employment and compensation of officers or employees of the United States. Each Authority may, subject to the civil service laws, appoint such other employees as it deems necessary to carry out the functions and duties of the Authority and shall fix their salaries in accordance with the Classification Act of 1923, as amended. Each Authority shall define the duties of its officers and employees, require bonds of such of them as the Authority may designate, and provide a system of organization to fix responsibility and promote efficiency. Subject to the laws of the United States regarding employees of the United States, each Authority shall deal collectively with its employees through representatives of their own choosing.

(b) In the appointment, selection, classification, and promotion of officers and employees of an Authority, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency. Any director of an Authority who is found by the President to be guilty of a violation of this subsection shall be removed from office by the President, and any appointee of an Authority who is found by such Authority to be guilty of a violation of this subsection shall be removed from office by such Authority.

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(c) The provisions of the Act entitled "An Act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, and as compiled in sections 781 to 796, inclusive, of title 5 of the United States Code, shall apply to persons given employment by an authority under the provisions of this Act, or any other law of the United States; and the remedies afforded by such Act of September 7, 1916, as amended, shall be exclusive and in lieu of any other remedy.

(d) All contracts to which an authority is a part, and which require the employment of laborers or mechanics in the construction, alteration, maintenance, or repair of buildings, dams, or other structures or facilities shall contain a provision that not less than the prevailing rate of wages for work of a similar nature in the vicinity shall be paid to such laborers or mechanics. Any such contract shall further provide that such contract shall, in the case of any violation of such provision, be voidable at the election of the authority and that the authority may in its discretion withhold payment under such contract of such amounts as the authority determines to be equal to the difference between the sums paid and the sums required to be paid such laborers and mechanics. Any amount so withheld shall be paid by the authority, pursuant to such conditions and regulations as the authority may prescribe, to the laborers and mechanics found by the authority to be entitled thereto. When such work is done directly by an authority, not less than such prevailing rate of wages shall be paid therefor. In the event any dispute as to the prevailing rate of wages arises between the authority and its employees or contractors, the question shall be referred to the Secretary of Labor for determination, and the decision of the Secretary shall be final. In the determination of the prevailing rate of wages, due regard shall be given to those rates which have been secured through collective agreement by representatives of employers and employees.

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PURCHASES AND AWARDS *17 sec*

Sec. 14. (a) All purchases and contracts made by an authority for supplies or services, other than personal services, shall be made after advertising in such manner and at such times, sufficiently in advance of opening bids, as the authority deems adequate to ensure appropriate notice and opportunity for competition. Such advertisement shall not be required, however, when (1) an emergency requires immediate delivery of the supplies or performance of the services; or (2) repair parts, accessories, or supplemental equipment or services are required for supplies or services previously furnished or contracted for; or (3) the aggregate amount involved in the purchase of supplies or procurement of services does not exceed \$500; in any such case the purchase of such supplies or procurement of such services may be made in the open market in the manner common among businessmen. In

comparing bids and in making awards, the authority shall give due consideration to such factors as relative quality and adaptability of supplies or services; the bidder's financial responsibility, skill, experience, record of integrity in dealing, and ability to furnish repairs and maintenance services; the time of delivery or performance offered; and whether the bidder has complied with the specifications.

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(b) Each Authority shall have power to determine and prescribe the manner in which its obligations and expenses shall be incurred, allowed, paid, and audited, except that the Comptroller General of the United States shall audit the accounts of each Authority at such times as he shall determine, but not less frequently than once each governmental fiscal year, with personnel of his selection. In such connection the Comptroller General and his representatives shall have free and open access to all papers, books, records, files, accounts, plants, warehouses, offices, and all other things, property, and places belonging to or under the control of or used or employed by the Authority, and shall be afforded full facilities for counting all cash and verifying transactions with and balances in depositories. The Comptroller General shall make report of each such audit in triplicate, one copy for the President, one for the Authority, and the other to be retained by him for the uses of the Congress. No such report, however, shall be made by the Comptroller General until the Authority shall have had reasonable opportunity to examine any exception or criticism of the Comptroller General or the General Accounting Office, to point out, explain, and answer errors therein, and to file in triplicate a statement which shall be submitted by the Comptroller General with his report. The expenses for each such audit shall be paid from any appropriation or appropriations for the General Accounting Office, and such part of such expenses as may be allocated to the cost of generating, transmitting, and distributing electric energy shall be reimbursed promptly by the Authority as billed by the Comptroller General. Each Authority shall have power to make such expenditures for such offices, vehicles, furnishings, equipment, supplies, books, periodicals, <sup>printing,</sup> and attendance at meetings, and such other facilities and services, as the Authority deems necessary or appropriate to carry out the purposes of such Authority under this Act or any other law of the United States.

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~~SECRET AND CONFIDENTIAL~~ ✓ SC OR

Sec. 10. (a) Each authority shall report to the President and to the Congress, in December of each year, (1) a financial statement and complete report of the business of the authority for the preceding fiscal year, and (2) a complete report on the status and progress of all its projects and activities since the creation of such authority or the date of its last such report.

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(1) Each authority shall at all times keep complete and accurate accounts of all operations, including all funds expended or received for the account of the authority. Such accounts shall be kept in such manner as appropriately to segregate, in so far as practicable, the accounts in respect of the different classes of operations, projects, and activities of the authority.

~~VENUE AND JURISDICTION; INSTRUCTIONS FOR UNIFORMING~~ ✓ SC OR

Sec. 10. (a) Each authority shall be held to be an inhabitant and resident, within the meaning of the laws of the United States relating to the venue of civil suits, of the judicial district in which its principal office is located at the time of the commencement of suit. The district courts of the United States shall have original jurisdiction, without regard to the amount in controversy, over any proceeding at law or in equity brought by or against an authority under this Act or any other law of the United States. Any proceeding at law or in equity brought against an authority in a state court may be removed by the authority to the district court of the United States for the district in which the proceeding is pending, and, to effect such removal, it shall not be necessary that any other party or parties defendant join in the petition for removal. Except as otherwise provided in this subsection, the procedure for removal shall be according to the applicable laws of the United States relating to removal.

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shall have exclusive jurisdiction of all proceedings at law or in equity against such authority, or any director, officer, employee, or agent of such authority, in which there is drawn in question the validity of this Act or any other law of the United States, or the validity of any act or conduct of such authority or such director, officer, employee, or agent done pursuant to or under color of this Act or any such other law; and no other court of the United States, and no court of any state, shall have jurisdiction of any such cause now pending or hereafter commenced without the express consent of such authority and of any such director, officer, employee, or agent.

(c) Except upon the condition that there shall first have been filed an undertaking or bond as in subsection (d) provided, no court of the United States shall have jurisdiction to issue, or shall issue, a temporary or permanent injunction enjoining any authority, or any director, officer, employee, or agent of an authority, from doing any act or thing pursuant to or under color of this Act or any other law of the United States; or a temporary or permanent injunction directly or indirectly enjoining any person, any public or cooperative agency, or any organization from purchasing water or electric energy from any authority; or a temporary or permanent injunction which in any way directly or indirectly restrains or delays the carrying out of any provision of this Act or of any other law of the United States relating to an authority or any right, power, duty, or function of an authority. Any person, any public or cooperative agency, or any organization which, directly or indirectly, is or may be adversely affected, or is or may be deprived of (or delayed in the exercise of) a right to purchase water or electric energy, by the issuance or continuance of any such injunction, may upon application intervene in the proceeding and become a party thereto, at any time prior to the final <sup>determination</sup> ~~disposition~~ of the cause, and shall be protected by such undertaking or bond.



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(c) Such undertaking or bond shall be filed by the party or parties (hereinafter called the complainants) to or for whom such temporary or permanent injunction, or any portion thereof, is to be issued or continued. Such undertaking or bond shall be secured by adequate security in an amount, to be fixed by the court, sufficient to recompense the persons enjoined and the Authority, the United States, any intervenor, and any person or agency damaged, for any and all loss, expense, and damage which may be caused or contributed to by the issuance or continuance of any such injunction. Such undertaking or bond shall constitute an agreement by the complainants and the sureties that such undertaking or bond shall continue in force and effect, regardless of any temporary or permanent order, judgment, or decree issued by the court, until the cause is finally determined; and shall constitute a further agreement by the complainants and sureties  $\frac{L}{m}$

Ⓟ (1) That they shall pay such loss, expense, and damage in the event (A) that it shall be determined that the complainants were not entitled to the relief, or any part thereof, granted, or (B) that it shall be determined upon final disposition of the cause that the complainants were not entitled to permanent injunctive relief against any or all of the acts or conduct enjoined by such temporary or permanent injunction or injunctions;

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① (2) That a hearing to assess such loss, expense, and damage may be held in the same proceeding and that upon such hearing the court shall have jurisdiction to enter a decree and judgment for such loss, expense, and damage against such complainants and sureties, and, in the case of the complainants, without regard for the amount of the undertaking or bond; and that the undertaking or bond shall constitute a submission by the complainants and sureties to the jurisdiction of the court for such purpose; and

② (3) That there shall be permitted to intervene in the cause, at any time prior to the termination of such hearing or to the final determination of the cause, any person, any public or cooperative agency, or any organization, which, directly or indirectly, is or may be adversely affected, or is or may be deprived of (or delayed in the exercise of) a right to purchase water or electric energy, by the issuance or continuance of the injunction or injunctions; and that any such person or agency shall be given reasonable and adequate opportunity so to intervene and to be protected by the undertaking or bond.

ℓ - (The right and remedy herein provided in respect of an undertaking or bond shall be in addition to any and all other rights and remedies that may exist at law or in equity.)

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(c) Upon a hearing to assess damages under any such order...

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being or had, there shall be assessed, in addition to other appropriate items of loss, expense, and damage, (1) all reasonable costs and expense of obtaining the vacation of the injunction or injunctions; (2) in the case of the Authority, and the United States, the probable loss to the Authority or the United States of the income which the Authority or the United States would have secured, in the absence of any injunction, in light of present and potential markets; and (3) in the case of other parties and intervenors, the probable loss and damage to such parties or intervenors and to their present and potential customers not otherwise represented in the cause (determined upon the basis of the loss in income to such parties and intervenors and the aggregate losses to such present and potential customers) suffered by reason of the issuance or continuance of the injunction or injunctions. Whenever any party or intervenor shall receive any sum on account of any such loss or damage to such present or potential customers, such sum, subject to the direction and orders of the court, shall be received and held for the benefit of such customers and distributed to them as their interests may appear.

Administrative Proceedings of SC or

Sec. 17. (a) Such Authority may cause proceedings to be instituted for the acquisition of any land, easement, right-of-way, or property, or any interest in any of the foregoing, which in the judgment of the Authority is necessary or appropriate for or reasonably incidental carrying out of the work or duties of the Authority under this Act or any other law of the United States. Notwithstanding any provision of any other law, any consideration proceeding hereafter instituted by any Authority in carrying out the work or duties of such Authority under this Act or any other law of the United States shall be governed by the provisions of this section. The proceeding shall be instituted in the district court of the United States for the district in which the property to be acquired (in this section called the property), or any part thereof, is located, and such court shall have jurisdiction to divest the title to the property from all persons or claimants and vest the same in the United States in fee simple, free and clear from all liens and encumbrances, and to enter a decree vesting the title thereto in the United States.



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(b) Upon the filing of a petition for condemnation, the District court (for the purpose of ascertaining the value of the property and assessing the compensation to be awarded, and for the purpose of determining the ownership of the property, the nature and holders of valid liens or encumbrances thereon, and all other questions of fact or law essential to a proper distribution of a condemnation award) shall appoint a commission consisting of a special master, who shall be a practicing attorney, and two other commissioners. Such commissioners shall be selected from without the vicinity in which the property is situated, and shall take and subscribe an oath that they do not have any interest in any property which it may be desirable for the United States to acquire in the furtherance of the project or in any property in the immediate vicinity in which the property to be acquired is situated. It shall be the duty of the special

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master to preside at all hearings had before the commission and to rule upon questions of procedure. The special master shall inquire into and determine the questions of the ownership of the property to be acquired, the nature and holders of valid liens or encumbrances thereon, and all other questions of fact or law essential to a proper distribution of a condemnation award, except that the three commissioners as a commission shall inquire into and determine the value of the property and each interest therein; and the special master and the commission respectively shall hold hearings and take evidence for such purposes.

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(c) Each commissioner shall receive a per diem of not to exceed \$10 for his services, together with an additional amount of \$5 per day for subsistence for time actually spent away from his domicile in the performance of his duties. The commissioners may designate competent court reporters, who shall report the proceedings and who shall receive for their services a sum not to exceed the prevailing per diem compensation in that locality for similar services. Such reporters shall furnish to any party, upon payment by such party of the customary charge in the locality, a certified transcript of the proceedings. The commissioners are authorized to administer oaths and subpoena witnesses, who shall be entitled to receive the same fees as witnesses in the United States courts. Hearings before the commissioners shall be conducted at such time and place as the special master and the commission, respectively, shall fix, having due regard for the convenience of the parties.

(d) In the determination of the value of the property, or of any interest therein, or any claimant or claimants  $\frac{1}{2}$

⓪ (1) The cost to such claimant or claimants of such property or such interest, and of any improvement made therein by such claimant or claimants, shall be taken as the best evidence of value; provided that the acquisition of such property or interest and the making of such improvement were bona fide and were not made in contemplation of the particular, or any other, condemnation proceeding. But such cost need not be taken as the best evidence of value (A) if such property or interest was acquired by such claimant or claimants more than four years prior to the filing of the petition for condemnation, or (B) if there are found particular and unusual circumstances which would make the amount, so determined as value, excessive, inadequate, or otherwise not just compensation for such property or interest.

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(d) There shall not be included in such order list of value any interest of value which arises subsequent to the enactment of this Act and which is attributable to an anticipated or probable use of the property, or property shall be situated, for a purpose the same as shall be or related to the purpose in furtherance of which the condemnation proceeding is demanded.

(e) The special master shall file with the court a report of the findings of fact and conclusions of law as to the questions determined by him, and the commission shall file an award setting forth their findings as to the value of the property, an appraisal separate award and valuation in the premises in respect of each separate parcel or interest involved. Upon the filing of such a report or such award in court, the clerk shall give notice and mail copies thereof to such parties and in such manner and form as directed by the district court.

(f) Any party may file exceptions to such a report or such award within twenty days from the date such report or award is filed in court. Exceptions to a special master's report shall be heard before the district court. Exceptions to the commission's award shall be heard before three United States circuit and/or district judges who shall be designated by the presiding judge of the circuit court of appeals for that district, unless the parties stipulate that such exceptions may be heard by the district court. Upon such hearings, the judges or the district court, as the case may be, shall pass upon the proceeding had before the special master <sup>or</sup> <sup>as the case may be,</sup> the commission ~~on~~ the record made therein. Not less than ten days prior to a hearing before such judges, a copy of the record shall be furnished each judge by the party who filed exceptions. No additional evidence shall be considered by the judges or the district court, as the case may be, unless such evidence shall have been offered before the special master or the commission, as the case may be, or unless there are reasonable grounds for failure so to have done. Upon such hearings, such judges or the district court, as the case may be, shall enter their judgment or decree affirming, modifying, or setting aside, in whole or in part, the report and award previously made.



(2) ... (b) ... the filing of the decision of the judge or district court, ... Upon the hearing on application to the report or award ~~XXXXXXXXXXXXXXXXXXXX~~, any party may take an appeal from such decision to the circuit court of appeals in the same manner and with like effect as an appeal may be taken from a final order or decree of a district court in an equity proceeding.

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(3) Unless title and the right of possession shall have passed earlier under the provisions of the Act of February 28, 1901 (c. 107, sec. ~~1~~ 1 to 5, inclusive, 40 Stat. 1401), as compiled in sections 138a to 138e, inclusive, of title 43 of the United States Code, title to the property and the right to the possession thereof shall pass (1) upon the acceptance of an award by the owner or owners of ~~xxx~~ property ~~xxxxxx~~ ~~XXXXXXXXXXXXXXXXXXXX~~ and the payment of the money awarded; or (2) upon final determination of the case and the payment of the award to the person or persons entitled thereto, or the payment of the award into the registry of the court. And the ~~party~~ shall be entitled to a writ in the same proceeding to put the ~~party~~ into possession of such property.



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(1) In the case of any property owned in whole or in part by  
 a minor, insane person, incompetent person, or an estate of a deceased  
 person, the trustee, guardian, or administrator, insane person, incompetent  
 person, or estate of a deceased person, with the approval of the district  
 judge in charge of the proceedings in pending, the agent to or object  
 of the trust or estate shall be required to file a settlement with an  
 attorney. In the event that there be no such legal representative for such  
 minor, insane person, or incompetent person, or that such legal representative  
 shall fail or decline to act, with judge may then appoint a guardian or  
 trustee for such minor, insane person, or incompetent person; and

such guardian ~~ad litem~~ shall act to the full extent and to the same  
 purpose and effect as his ward could act if competent, and such guardian  
~~ad litem~~ shall <sup>deemed</sup> be legal representative to respond, conduct, or maintain  
 the proceeding or any settlement, as herein provided for, affecting  
 his ward.

(j) Nothing in this Act shall be construed to deprive an  
 authority of the rights conferred by the Act of February 26, 1921 (c. 207,  
 sections 1 to 5, inclusive, 42 Stat. 1451), as compiled in sections 250a  
 to 250e, inclusive, of title 49 of the United States Code. Any amount  
 tendered into court by the authority under such Act of February 26,  
 1921, shall be without prejudice on any hearing as to the value of the  
 property or interest being concerned.

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(1) It shall be unlawful for any person, with intent to defame any Authority or to deceive the public, or to injure the credit of any Authority, or any officer or employee of the United States, (1) to make any false entry in any book of an Authority, or (2) to make any false statement or report to an Authority.

(b) It shall be unlawful for any person, with intent to defame any Authority or to deceive the public, or to injure the credit of any Authority, or any officer or employee of the United States, (1) to make any false entry in any book of an Authority, or (2) to make any false statement or report to an Authority.

(c) It shall be unlawful for any person to conspire or to enter into any conspiracy, collusion, or agreement, express or implied, with intent to defame an Authority or wrongfully or unlawfully to defeat its purpose. Any person who had knowledge of this subsection or subsection (b) shall be guilty of an offense against the United States and, upon conviction thereof, be fined not more than \$10,000 or imprisoned not more than five years, or both.

(d) Each Authority may transmit such evidence as may be available concerning any act or thing in violation of any provision of this section to the Attorney General, who, in his discretion, may institute the appropriate criminal proceedings under this Act.

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RIGHTS AND APPROPRIATIONS *1) sec*

Sec. 19. (a) All receipts of each authority shall be covered into the Treasury of the United States to the credit of miscellaneous receipts; except that a continuing fund in such amount, not to exceed \$500,000, as the authority deems necessary, shall be set up and maintained, from such receipts in the Treasury to the credit of such authority and subject to check by it; and the authority may use such fund to defray operating costs and to insure continuity of operations.

(b) There are hereby authorized to be appropriated from time to time such sums as may be necessary to carry out the provisions of this Act.

SEPARABILITY OF PROVISIONS *1) sec*

Sec. 20. If any provision of this Act or the application of such provision to any person or circumstance shall be held invalid, the remainder of the Act and the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

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(Note.—Fill in all blank lines except those provided for the date and number of bill.)

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1st Session

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# A BILL

TO PROVIDE FOR THE CREATION OF  
CONSERVATION AUTHORITIES, AND  
FOR OTHER PURPOSES.

(Insert title of bill here)



By Mr. Morris

....., 193 ..—Read twice  
and referred to the Committee on

Agriculture and Forestry.

*Morris*  
*Ag. & Fore.*