

Programs with Respect to Relief
and Rescue of Refugees: Other
Government Agencies

Treasury Department

000929

FFC-76
(11-42)

CROSS REFERENCE ON .COOPERATION WITH OTHER AGENCIES;
OTHER GOVERNMENT AGENCIES
(TREASURY DEPARTMENT)

FOR:

Amendment to this License
Extension of this License
Renewal of this License
Correspondence concerning this application .
Other (Specify)

FOR BASIC LICENSES MENTIONED IN THE "BIBLE" RE THIS FILE

SEE: PROGRAMS WITH RESPECT TO RELIEF & RESCUE OF REFUGEES: EVACUATION TO SWITZ.
(JDC OPERATIONS IN FRANCE)

000930

Copy with Treasury

Dear Mr. Hoffman:

As we are about to effect the termination of the War Refugee Board, I wish to thank you for the unfailing cooperation and assistance which Foreign Funds Control has given to the Board throughout its existence.

Several of the employees of the Board were Foreign Funds Control employees generously detailed to the Board for periods of many months. The Administrative Services Division of Foreign Funds Control handled ably and readily all of the administrative services required by the Board.

I should like to mention in particular the constant availability and helpfulness of Mr. Frank Gatchell who served as Administrative Officer of the Board during the past few months. Mr. James Dent was of great assistance in problems relating to Board accounts and Miss Banforth frequently and cheerfully aided with our transportation problems.

Mr. Avery and his staff provided us with extremely helpful suggestions and assisted very cordially in office service matters, especially the reproduction of documents for public distribution and for the Board's records.

The splendid performance of Foreign Funds Control personnel in all of these matters is deeply appreciated.

Very truly yours,

(Signed) William O'Dwyer

William O'Dwyer
Executive Director

Mr. M. L. Hoffman,
Acting Director,
Foreign Funds Control,
Treasury Department,
Washington, D. C.

FA
FH:hd 9/12/45

000931

WGD:MSG



INVESTIGATIVE UNIT
RECTOR 2-7373

TREASURY DEPARTMENT
FOREIGN FUNDS CONTROL
253 BROADWAY, NEW YORK, N. Y.



PLEASE REFER TO: NY 00.1

June 9, 1945.

Miss Florence Hodel,
Main Treasury Building - Rm.2410,
Washington, D. C.

Dear Madam:

In accordance with instructions received from Mr. Windsor's office there are enclosed numerous documents which carry various designations including "confidential", "strictly confidential", "restricted", "secret", "secret o", "secret w", etc., which were abandoned in this office by the War Refugee Board.

Very truly yours,

A handwritten signature in cursive script that reads "Walter G. Dougherty, Jr.".

WALTER G. DOUGHERTY, Jr.,
Acting Agent-in-Charge.

000932

Copy with Treas. Dept.

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE
July 23, 1945

TO Mr. David White

FROM Mr. Merriks *[Signature]*

Arrangements have been completed by this office for the issuance of Forms 1080 to cover the assessed value of certain properties owned by the War Refugee Board being transferred to the Department of State for use by that Department at Lisbon and Ankara in line with the verbal arrangement made, with Mr. Dent of Foreign Funds Control.

Noted
dw
8/6/45

000933

Handwritten note: All letters to be sent to Treasury

SURPLUS PROPERTY BOARD
Washington 25, D.C.

June 2, 1945

To: Property Custodian
War Refugee Board
Treasury Dept. Bldg. Room 3411
Washington 25, D. C.

From: Don S. Burrows *DSB*
Executive Assistant to the Administrator

Subject: Surplus Property Board Regulations, Orders
and Amendments

In the past it has been the policy of this Board to supply copies of our regulations, orders and amendments without cost to all interested government agencies. We regret that because of budget limitations it will be necessary to discontinue this service. Accordingly, each agency which needs a supply of our regulations, orders and amendments printed after June 2, 1945 should prepare a blanket requisition to the Government Printing Office "riding" our open jacket number 635,100. This requisition should show the number of copies of each print required for distribution by your agency. By following this procedure your supply will be received directly from the Government Printing Office at the same time our supply is available to us.

A letter is also being sent to all individuals listed below in your agency who are, at the present, receiving from us copies of SPB regulations, orders and amendments. It has been suggested that after June 2, 1945 they obtain copies through their regular distributive channels.

000934

SURPLUS PROPERTY BOARD

[SPB Reg. 6]

PART 8306—SALE OF GOVERNMENT-OWNED PLANT EQUIPMENT IN CONTRACTORS' PLANTS

- Sec. 8306.1 Definitions.
- 8306.2 Scope.
- 8306.3 Applicability of War Production Board and Office of Price Administration Regulations.
- 8306.4 Owning agencies empowered to sell plant equipment to contractors in possession.
- 8306.5 Pricing policy.
- 8306.6 Submission to Attorney General.
- 8306.7 Sales to subcontractors or sublessees in possession.
- 8306.8 Options.
- 8306.9 Inventories.
- 8306.10 Reports.
- 8306.11 Regulations by owning agencies to be reported to the Board.
- 8306.12 Amendment or repeal.
- Exhibit A Items in short supply.
- Exhibit B Classes of items to be inventoried.
- Exhibit C Surplus War Property Administration Regulation No. 3.
- Exhibit D Surplus Property Board Special Order No. 2.

AUTHORITY: §§ 8306.1 to 8306.12, inclusive, issued under Surplus Property Act of 1944, Pub. Law 457, 78th Cong., 2d Sess., 58 Stat. 765.

§ 8306.1 *Definitions.* (a) "Act" means the Surplus Property Act of 1944 (Pub. Law 457, 78th Cong., 2d Sess., 58 Stat. 765).

(b) "Board" means the Surplus Property Board.

(c) "Contract" includes subcontracts and sublessees and "contractor" includes subcontractors and sublessees.

(d) "Contractor inventory" means (1) any property related to a terminated contract of any type with a Government agency or to a subcontract thereunder; and (2) any property acquired under a contract pursuant to the terms of which title is vested in the Government, and in excess of the amounts needed to complete performance thereunder; and (3) any property which the Government is obligated to take over under any type of contract as a result of any change in the specifications or plans thereunder.

(e) "Disposal agency" means any Government agency designated pursuant to the Surplus Property Act of 1944 to dispose of one or more classes of surplus property.

(f) "Facilities contract" means a lease, rental agreement or other contract or contract provision, specifically governing the acquisition, use, or disposition of Government-owned machinery, tools, building installations, or other property furnished to or acquired by a war contractor for any war production purpose except incorporation in end products.

(g) "Government agency" means any executive department, board, bureau, commission, or other agency in the executive branch of the Federal Government, or any corporation wholly owned (either directly or through one or more corporations) by the United States.

(h) "Owning agency" means the executive department, the independent agency in the executive branch of the Federal Government, or the corporation (if a Government agency) having control of property otherwise than solely as a disposal agency.

(i) "Plant equipment" means any property which is located in a war contractor's plant and is covered by a facilities contract, except land and buildings erected on land owned by or leased to the United States.

(j) "Property" means any interest, owned by the United States or any Government agency, in real or personal property, of any kind, wherever located.

§ 8306.2 *Scope.* This part is issued under the authority of section 14 (a) of the act, relating to contractor inventory. It applies only to Government-owned plant equipment that is located in privately owned plants. It authorizes only the disposal of such equipment to the contractor in possession for use in his production.

The Board has determined that such sales will not result in the concentration of plant equipment in the hands of large established enterprises, nor prevent the acquisition thereof by other contractors, small as well as large and new as well as established, since the equipment sold to contractors in possession will for the most part still be in war production, and accordingly not available for disposition to others. The disposal agencies have available as surplus, and will continue to have available in increasing amounts, equipment of the types to be disposed of hereunder. These will be available for general disposition as surplus to meet the demands of all other contractors at about the same time that the equipment to be sold hereunder would become available for general sale.

§ 8306.3 *Applicability of War Production Board and Office of Price Administration regulations.* All disposals hereunder shall be subject to applicable regulations of the War Production Board and of the Office of Price Administration.

§ 8306.4 *Owning agencies empowered to sell plant equipment to contractors in possession.* In order to further the objectives of the act by assuring the most effective use of Government-owned property for war purposes, aiding in facilitating the transition from wartime to peacetime production and employment, encouraging and fostering post-war employment opportunities, promoting production and disposing of surplus property as promptly as feasible without fostering monopoly or restraint of trade, or unduly disturbing the economy or encouraging hoarding, the Board hereby empowers each owning agency to dispose of plant equipment (except such types of plant equipment as are listed on Exhibit A, as it may from time to time be revised) to contractors in possession thereof, as provided hereunder: *Provided*, That if any type of plant equipment listed

on Exhibit A is in the plant of a contractor who employs less than 500 wage-earners, it may be sold to him hereunder. There shall be obtained in connection with each disposal of plant equipment hereunder a written representation from the contractor that he intends to use the equipment in his production and that he is not purchasing it for the purpose of reselling it, directly or indirectly, at a profit. Owning agencies may make such disposals at any time before they take possession of plant equipment or report such equipment as surplus to a disposal agency. Nothing herein affects the authority of owning agencies to sell nominal quantities or scrap or salvage in accordance with other regulations of the Surplus Property Board.

§ 8306.5 *Pricing policy.* Sales hereunder shall to the greatest extent possible be made at fixed prices rather than at negotiated prices. To this end, all sales shall be made in accordance with the provisions of paragraphs (a) to (e) of this section.

(a) All sales of used standard general-purpose machine tools as defined in Surplus War Property Administration Regulation No. 3 (9 F.R. 9870), and all sales of used standard machines included in the following-listed classifications in the Standard Commodity Classification (exclusive of special machines) shall be made at prices determined in accordance with Surplus War Property Administration Regulation No. 3 and Surplus Property Board Special Order No. 2 (10 F.R. 4191):

- Major Group 34, Code 34:
 - 40,000 to, but not including, 47,000.
 - 49,000 to, but not including, 70,000.
 - 74,000 to, but not including, 74,900.
- Major Group 33, Code 33:
 - 6300 through 6620, inclusive.
 - 6800.
 - 6910.
 - 6920.
 - 7210.
 - 7220.
 - 7260.

The pertinent provisions of Surplus War Property Administration Regulation No. 3 and Surplus Property Board Special Order No. 2 are set forth in Exhibit C and Exhibit D, respectively.

(b) Fixed price schedules for certain other classifications of plant equipment may be prepared by the Board and issued from time to time as orders hereunder.

(c) Sales of all readily severable plant equipment which is not governed by a fixed price schedule shall be made at prices that are fair and reasonable and not less than the net proceeds that could reasonably be expected to be obtained if the property were offered for general sale. In all cases where the estimated cost of such plant equipment is \$25,000 or more, the sales price shall be approved by an internal board of review. In fixing such prices consideration shall be given to such factors as original cost and reproduction cost (new) of the items, less reasonable depreciation and obsolescence.

(d) Sales of all plant equipment, not readily severable, shall be made at the fair value thereof. Fair value shall be determined by the owning agency (employing appraisers to the extent deemed necessary or desirable), and, in order to prevent windfalls, primary consideration shall be given to the value of the plant equipment to the owner of the premises for the purpose for which it is to be used.

(e) The Reconstruction Finance Corporation shall, upon request, furnish advice and assistance to the owning agencies in the establishment of fair and reasonable prices under paragraphs (c) and (d) of this section.

§ 8306.6 *Submission to Attorney General.* Whenever any owning agency shall begin negotiations hereunder for the disposition to a contractor of plant equipment which cost the Government \$1,000,000 or more, the owning agency shall promptly notify the Reconstruction Finance Corporation of the proposed disposition and the probable terms or conditions thereof. The Reconstruction Finance Corporation shall promptly transmit such information to the Attorney General in order that the Attorney General may furnish the advice contemplated in section 20 of the act.

§ 8306.7 *Sales to subcontractors or sublessees in possession.* In any case where plant equipment is, in accordance with the terms of a facilities contract, located in the plant of a subcontractor or sublessee, such subcontractor or sublessee shall for the purpose hereof be considered as the contractor in possession, and owning agencies shall take all steps possible to sell such plant equipment to the sublessee or subcontractor, at his request, on terms and conditions as provided herein.

§ 8306.8 *Options.* All sales by owning agencies of plant equipment to contractors shall be made in accordance with the provisions hereof, except sales made in accordance with the terms, conditions and price provisions as stipulated in any valid option, and except sales for war production purposes. Any contractor purchasing plant equipment in accordance with the provisions hereof shall waive any purchase option, right of refusal, or similar privilege which he may have under the same facilities contract. Owing agencies are, however, authorized to make exceptions to meet unusual cases, but in each instance where an exception is made they shall maintain adequate records which shall be available to the Board upon request. No such exception shall be made unless it is approved by an internal board of review.

§ 8306.9 *Inventories.* The War Department, Navy Department, United States Maritime Commission and Defense Plant Corporation, as owning agencies, shall submit to the Reconstruction Finance Corporation on or before July 1, 1945, and quarterly thereafter, inventory statements showing the number and cost of major items (costing \$350.00 or more) of plant equipment in their ownership which fall within the major groups of the Standard Commodity Classification shown on Exhibit B and subdivided in

accordance with such groups. The data in the July 1, 1945, inventory statements shall be as of the most recent date feasible. The data in the November 1, 1945, and subsequent inventory statements shall be as of the close of the preceding quarter. All sales of items shown on the inventory statements shall be reported by numbers and costs to the Reconstruction Finance Corporation on August 1, 1945, and monthly thereafter, covering sales during the month next preceding. Such sales reports shall show the name of each purchaser, shall identify the relative facilities contract, and shall state whether or not a waiver of options was obtained from the purchaser. The Reconstruction Finance Corporation shall transmit to the Board summaries of such inventory statements and sales reports, in form satisfactory to the Board. The owning agencies shall maintain central records from which the approximate location or control point (by procurement district, project, or other appropriate method) of production equipment shown on the quarterly inventory statements and the monthly sales reports can be promptly ascertained.

§ 8306.10 *Reports.* The owning agencies and the Reconstruction Finance Corporation shall make reports to the Board on forms and in the manner to be prescribed by the Board.

§ 8306.11 *Regulations by owning agencies to be reported to the Board.* Each owning agency shall file with the Board copies of all regulations, orders, and instructions of general applicability which it may issue in furtherance of the provisions, or any of them, of this part.

§ 8306.12 *Amendment or repeal.* This part, and any order issued under it shall be subject to amendment or repeal by the Board by any regulation, order, or other action of the Board duly published in the FEDERAL REGISTER.

This part shall become effective immediately.

Note: All reporting requirements of this part have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

SURPLUS PROPERTY BOARD,
By A. E. HOWSE,
Administrator.

MAY 21, 1945.

EXHIBIT A—ITEMS IN SHORT SUPPLY

Standard commodity classification:	Machine
'34-14970	Gear planing generators (24" and over).
34-16122	Lathes 30"-38" swing.
34-16123	Lathes 38"-48" swing.
34-16124	Lathes 48"-60" swing.
34-16125	Lathes 60"-72" swing.
34-16126	Lathes 72"-84" swing.
34-16127	Lathes 84"-96" swing.
34-16128	Lathes 96" and over swing.
34-16719	Automatic screw machines, multi-spindle (bar) 6" and over.

The Standard Commodity Classification is broader than the description. Only the machine described is to be considered as an Exhibit A item, and not the whole classification.

EXHIBIT A—Continued

Standard commodity classification:	Machine
'34-16900	Locomotive engine wheel lathes.
'34-41320	Press brakes 7' and over width; capacity, 3/4" and over, 1/2" x 10' press brakes, 1/2" x 12' press brakes, 1/2" x 12' press brakes, 3/4" x 14' press brakes, 1" x 15' press brakes.

Presses, 3,000 tons and up

34-42119	Hydraulic, vertical, forming or drawing, straight side—3,000-6,000 tons.
34-42110	Hydraulic, vertical, forming or drawing, straight side—6,000 tons and over.
34-42128	Hydraulic, vertical, forming or drawing, open rod—3,000-6,000 tons.
34-42129	Hydraulic, vertical, forming or drawing, open rod—6,000 tons and over.
34-42318	Hydraulic, vertical, forging, straight side—3,000-6,000 tons.
34-42319	Hydraulic, vertical, forging, straight side—6,000 tons and over.
34-42328	Hydraulic, vertical, forging, open rod—3,000-6,000 tons.
34-42329	Hydraulic, vertical, forging, open rod—6,000 tons and over.
34-42418	Hydraulic, vertical, forging, steam pneumatic, straight side—3,000-6,000 tons.
34-42419	Hydraulic, vertical, forging, steam pneumatic, straight side—6,000 tons and over.
34-42428	Hydraulic, vertical, forging, steam, pneumatic, open rod 3,000-6,000 tons.
34-42429	Hydraulic, vertical, forging, steam pneumatic, open rod 6,000 tons and over.
34-42828	Hydraulic, horiz., wheel force or arbor, open rod—3,000-6,000 tons.
34-42829	Hydraulic, horiz., wheel force or arbor, open rod—6,000 tons and over.
34-42618	Hydraulic, horiz., piercing & drawing, straight side 3,000-6,000 tons.
34-42619	Hydraulic, horiz., piercing & drawing, straight side 6,000 tons and over.
34-42828	Hydraulic, horiz., piercing & drawing, open rod—3,000-6,000 tons.
34-42829	Hydraulic, horiz., piercing & drawing, open rod—6,000 tons and over.
34-43318	Mechanical presses 4 point vertical straight side—3,000-6,000 tons.
34-43319	Mechanical presses 4 point vertical straight side—6,000 tons and over.
'34-63200	Balancing machines, dynamic, Gisholt.

EXHIBIT B—CLASSES OF ITEMS TO BE INVENTORIED

MAJOR GROUP 31—GENERAL PURPOSE INDUSTRIAL MACHINERY AND EQUIPMENT	
31-1100	Steam engines.
31-1200	Steam turbines.
31-1300	Gas turbines—all types.
31-1400	Water wheels and water turbines—all types.
31-1500	Internal combustion engines.
31-2100	Compressors and dry vacuum pumps.

EXHIBIT B—Continued
MAJOR GROUP 31—continued

Standard commodity classification:	Machine
31-2210	Reciprocating pumps, steam-driven and power-driven—all types.
31-2220	Centrifugal pumps, power-driven—all types.
31-2230	Rotary pumps, power-driven—all types.
31-2240	Fluid-power-system pumps (hydraulic-power)—all types.
31-2250	Diaphragm pumps, power-driven.
31-3100	Crushers—all types.
31-3200	Pulverizers, grinders, granulators—all types.
31-3300	Shredders.
31-3400	Chippers.
31-3500	Knife Hogs.
31-3600	Screening machinery and equipment—all types.
31-3700	Mixing machinery.
31-5100	Cranes, railway—all types.
31-5200	Overhead traveling cranes, except gantry and monorail—all types.
31-5300	Charging machines and manipulators—all types.
31-5400	Gantry type cranes and ore bridges—all types.
31-5500	Whitney cranes (include revolving and rotary cranes)—all types.
31-6100	Powered trucks, industrial—all types.
31-6200	Hand trucks—all types.
31-6300	Tractors, industrial—all types.
31-6400	Trailers for industrial tractors—all types.
31-6500	Stackers (portable platform—type elevators)—all types.
MAJOR GROUP 32—ELECTRICAL MACHINERY AND APPARATUS	
32-1110	Generators (dynamoe), alternating current.
32-1120	Generators (dynamoe), direct current.
32-1211	Generator-set units, steam engine powered, alternating current.
32-1212	Generator-set units, steam engine powered, direct current.
32-1221	Generator-set units, steam turbine powered, alternating current.
32-1222	Generator-set units, steam turbine powered, direct current.
32-1231	Generator-set units, Diesel engine powered, alternating current.
32-1232	Generator-set units, Diesel engine powered, direct current.
32-1241	Generator-set units, carburetor engine powered, alternating current.
32-1242	Generator-set units, carburetor engine powered, direct current.
32-1251	Generator-set units, gas turbine powered, alternating current.
32-1252	Generator-set units, gas turbine powered, direct current.
32-1261	Generator-set units, wind turbine powered, alternating current.
32-1262	Generator-set units, wind turbine powered, direct current.
32-1271	Generator-set units, mercury turbine powered, alternating current.
32-1272	Generator-set units, mercury turbine powered, direct current.
32-1281	Motor-generators, alternating current.
32-1282	Motor-generators, direct current.
32-1311	Motors, fractional horsepower, alternating current.
32-1312	Motors, fractional horsepower, direct current.

EXHIBIT B—Continued
MAJOR GROUP 33—continued

Standard commodity classification:	Machine
32-1313	Motors, fractional horsepower, universal.
32-1321	Motors, integral horsepower, alternating current.
32-1322	Motors, integral horsepower, direct current.
32-1400	Rotating converters.
MAJOR GROUP 33—SPECIAL INDUSTRY MACHINERY	
33-2100	Plant-to-fiber machinery—all types.
33-2200	Fiber-to-fabric machinery—all types.
33-5100	Rubber processing machinery—all types.
33-5200	Rubber fabricating machinery—all types.
33-5300	Rubber reclaiming machinery.
33-6100	Sawmills (complete units)—all types.
33-6200	Sawing machines, except sawmills—all types.
33-6300	Surfacing machines—all types.
33-6400	Lathes, woodworking, except veneer lathes—all types.
33-6500	Jointers, matchers and molders—all types.
33-6600	Mortisers and tenoners—all types.
33-6700	Wood treating equipment, except kilns—all types.
33-6800	Veneer and plywood machinery (include veneer lathes).
33-7210	Foundry core making machines.
33-7220	Foundry molding machines.
33-7230	Foundry shakeout equipment.
33-7240	Foundry tumbling barrels and mills.
33-7250	Foundry blast cleaning equipment (for castings), except barrels and mills.
33-7260	Foundry die casting machines.
33-7270	Foundry centrifugal casting machines.
MAJOR GROUP 34—METALWORKING MACHINERY	
34-11100	Horizontal boring, drilling and milling machines.
34-11200	Vertical boring and turning mills, including vertical turret lathes.
34-11300	Precision boring machines.
34-11400	Jig boring and grinding machines.
34-11500	Miscellaneous boring machines.
34-12100	Internal broaching machines.
34-12200	Surface broaching machines.
34-12300	Combination external and internal broaching machines.
34-12900	Broaching machines, not elsewhere classified.
34-13100	Deep hole drilling machines, all sizes (include rifle drilling machines and rifle drilling and reaming machines).
34-13200	Radial drilling machines, plain.
34-13300	Radial drilling machines, wall type.
34-13400	Radial drilling machines, except plain and wall type.
34-13500	Drilling machines, sensitive and power fed upright, except bench type (one and more columns with spindles independently fed).
34-13600	Drilling machines, bench type.
34-13700	Drilling machines, way and special.
34-13800	Drilling machines, not elsewhere classified.
34-14100	Gear hobbing machines.
34-14200	Gear shapers (spur, helical, and herringbone).
34-14300	Gear cutters and generators.

EXHIBIT B—Continued
MAJOR GROUP 34—continued

Standard commodity classification:	Machine
34-14400	Gear tooth grinding machines.
34-14500	Gear finishing machines, except grinders.
34-15100	External cylindrical grinding machines, except centerless.
34-15200	External cylindrical, centerless.
34-15300	Internal cylindrical grinding machines.
34-15400	Surface grinding machines.
34-15500	Thread grinding machines.
34-15600	Special tool and cutter grinding machines.
34-15700	Universal tool and cutter grinders.
34-15800	Disc, face and stand grinders.
34-15900	Grinding machines, miscellaneous (do not include abrasive cut-off machines).
34-16100	Lathes, engine and tool room.
34-16200	Bench type and light duty (less than 1 hp.) lathes (include bench turret lathes and bench hand screw machines).
34-16300	Turret lathes, ram type (include hand screw machines except bench type).
34-16400	Turret lathes, saddle type.
34-16500	Automatic chucking and between centers lathes.
34-16600	Automatic screw machines, single-spindle (bar).
34-16700	Automatic screw machines, multi-spindle (bar).
34-16800	Artillery, ammunition and boring lathes.
34-16900	Lathes, not elsewhere classified.
34-17100	Milling machines, bed type.
34-17200	Milling machines, knee type horizontal.
34-17300	Milling machines, knee type vertical.
34-17400	Milling machines, universal head and ram type.
34-17500	Milling machines, thread (thread hobbers).
34-17600	Milling machines, bench and hand.
34-17700	Profilers and contour; die sinkers; duplicators, cam and engraving millers.
34-17800	Milling machines, planer type.
34-17900	Miscellaneous milling machines.
34-18100	Planers; double housing (include convertible).
34-18200	Planers, open side.
34-18300	Crank planers and shaper planers.
34-18400	Plate planers.
34-18500	Planers, miscellaneous.
34-19100	Shapers and slotters, except gear shapers.
34-19200	Keyseating machines.
34-19300	Honing and lapping machines, except gear honing and lapping.
34-19400	Polishing and buffing machines.
34-19500	Cut-off and sawing; contour sawing and filing machines.
34-19700	Tapping and threading machines.
34-19800	Centering machines (all types and sizes).
34-19900	Machine tools, not elsewhere classified.
Rolling mills and allied equipment:	
34-31100	Semi-finishing mills.
34-31200	Finishing mills for flat-rolled products.
34-31300	Finishing mills except for flat-rolled products.

EXHIBIT B—Continued
MAJOR GROUP 34—continued
Drawing machines

Standard commodity classification:	Machine
34-32100	Wire-drawing machines.
34-32200	Draw benches.
<i>Primary metal forming machines and equipment not elsewhere classified</i>	
34-41100	Bending machines, plate and sheet roll bending.
34-41200	Bending machines, plate and sheet roll levelers (straightening).
34-41300	Bending machines, plate and sheet-press and apron brakes.
34-41400	Bending machines, plate and sheet forming rolls.
34-41500	Shape, bar, pipe, and tube bending machines (roll type and bending head type).
34-41600	Bending machines, pipe and tube flanging and expanding rolls.
34-41700	Bending machines—press type.
<i>Hydraulic presses</i>	
34-42100	Vertical—forming or drawing.
34-42200	Vertical—general utility.
34-42300	Vertical—forging (self-contained).
34-42400	Vertical—forging, steam pneumatic.
34-42500	Horizontal—wheel, force, arbor.
34-42600	Horizontal—piercing, drawing.
<i>Mechanical presses</i>	
34-43100	1 point vertical.
34-43200	2 point vertical.
34-43300	4 point vertical.
34-43400	End wheel vertical.
34-43500	Horizontal.
34-43600	Inclinable.
<i>Shearing and punching machines</i>	
34-44100	Alligator shears.
34-44200	Rotary disc shears (circle).
34-44300	Rotary slitting shears.
34-44400	Square shears.
34-44500	Combination punching and shearing machines (include single operation punching or shearing machines).
34-44600	Double housing multiple punch.
34-44700	Turret punches.
34-44800	Nibbling machines.
<i>Forging machinery</i>	
34-45100	Hammers.
34-45200	Headers and forging machines (upsetters).
34-45300	Rolls.
34-45400	Swagers.
34-45900	Miscellaneous forging machinery.
<i>Wire forming machines</i>	
34-46100	Die forming press for paper clips, safety pins, and similar products.
34-46200	Stranding, twisting and braiding machines.
34-46300	Winding machines for coiling springs.
34-46400	Wire straightening machines (include wire straightening and cutting machines).
<i>Miscellaneous secondary metal forming and cutting machines and equipment</i>	
34-49100	Thread rolling machines.
34-49200	Tube reducing machines.
34-49300	Shrinking machines (sheet metal).
34-49400	Marking machines.

EXHIBIT B—Continued
MAJOR GROUP 34—continued
Welding machinery and equipment—Electric-welding equipment

Standard commodity classification:	Machine
34-51100	Arc-welding equipment.
34-51200	Resistance-welding equipment.
<i>Gas-welding machinery and equipment (oxy-acetylene, oxyhydrogen and related fuel gases)</i>	
34-52200	Acetylene generators.
34-52400	Flame cutting machines.
<i>Thermit welding equipment</i>	
34-53000	Thermit welding equipment.
<i>Physical properties testing machines</i>	
34-61100	Hardness testing machines.
34-61200	Pressure testing machines (hydraulic).
34-61300	Spring testing and checking machines.
34-61400	Strength of material testing machines.
34-61900	Miscellaneous physical properties testing machines.
<i>Machines for testing structure and composition of metals</i>	
34-62100	Flourescent penetrating inspection machines.
34-62200	Magnetic inspection machines.
34-62300	X-ray machines.
<i>Balancing Machines</i>	
34-63100	Static.
34-63200	Dynamic.
34-63300	Combination static and dynamic.
<i>Inspection testing and measuring machines</i>	
34-64100	Comparators.
34-64200	Gear measuring and testing machines.
34-64300	Hob, worm and cutter measuring machines.
<i>Miscellaneous testing and measuring machines, not elsewhere classified</i>	
34-69100	Graduating machines (dividing).
<i>Heat treating furnaces and devices (include hardening, annealing, tempering, normalizing, cyaniding, carburizing operations)</i>	
34-71100	Electric.
<i>Electroplating and anodizing equipment</i>	
34-72100	Electroplating machines.
<i>Riveting machines</i>	
34-74100	Helve hammer type.
34-74200	Rotary vibrating type.
34-74300	Spinning type.
34-74400	Squeeze type.
<i>Metal heating furnaces and devices</i>	
34-75200	Induction-heating devices.
<i>Metal spraying equipment</i>	
34-76000	Metal spraying equipment.

EXHIBIT C—SURPLUS WAR PROPERTY ADMINISTRATION REGULATION 3

STANDARD GENERAL-PURPOSE MACHINE TOOLS
Scope of regulation.
Definition. "Standard general-purpose machine tools" are machine tools being currently produced and are types used in civilian production; they consist of those listed in the Standard Commodity Classification, Vol. I, Major Group 34, Code Number 34

11000 to 34 19900, inclusive, with the exception of special machine tools designed for and used exclusively in the production of war material, such as:

- Special gun reaming, rifling and chambering machines.
- Gun boring and turning lathes.
- Shell turning lathes.
- Shell tappers.
- Small arms ammunition machinery.
- Special military tank manufacturing machine tools.
- Special aircraft manufacturing machine tools.
- Special shipbuilding machine tools.
- Other special war production machine tools.

Price policy. All sales of used standard general-purpose machine tools, which have been declared surplus to Reconstruction Finance Corporation as disposal agency, shall be made at prices computed as follows: *Provided,* That all sales shall be made in conformity with all applicable War Production Board and Office of Price Administration regulations:

(1) The original price of the manufacturer of the machine tool, inclusive of electrical equipment and standard accessories shall be computed f. o. b. the plant of such manufacturer. If special tooling is to be sold with the machine tool, its original price shall be included, on the same basis.

(2) The period of active use of the machine tool shall be computed on the basis of the best information reasonably available. This period shall run from the estimated date the machine tool was originally put in use to the date of sale. If the machine tool is then still in use. If the machine tool is not in use at the time of sale, the period shall run to the estimated date when the machine tool became idle.

(3) The price computed pursuant to paragraph (1) above shall be used as a base. The price at which the machine tool shall be offered for sale shall be computed by applying to that base the percentage appearing in Exhibit I to this regulation opposite the period of active use of the machine tool computed pursuant to paragraph (2) above. The percentage appearing in column B of Exhibit I shall be applied where the buyer is the person who is using the machine tool at the time of sale or, if the machine tool is then idle, the person who last used it, and the percentage appearing in column A shall be applied where the sale is to any other buyer.

(4) The price computed pursuant to paragraph (3) above shall be the sale price f. o. b. cars or trucks at the location of the machine tool at the time of sale.

W. L. CLAYTON,
 Administrator.

August 9, 1944.

EXHIBIT I

Period of active use	Percent	
	A	B
Less than 1 month	85	80.0
1 month	82.5	87.5
2 months	80.0	85.0
3 months	77.5	82.5
4 months	75.0	80.0
5 months	72.5	77.5
6 months	70.0	75.0
7 months	69.0	74.0
8 months	68.0	73.0
9 months	67.0	72.0
10 months	66.0	71.0
11 months	65.2	70.2
12 months	64.4	69.4
13 months	63.6	68.6
14 months	62.8	67.8
15 months	62.0	67.0

EXHIBIT I—Continued

Period of active use	A	B
16 months.....	Percent 61.2	Percent 63.2
17 months.....	60.4	65.4
18 months.....	59.6	64.6
19 months.....	58.8	63.8
20 months.....	58.0	63.0
21 months.....	57.2	62.2
22 months.....	56.4	61.4
23 months.....	55.6	60.6
24 months.....	54.8	59.8
25 months.....	54.0	59.0
26 months.....	53.2	58.2
27 months.....	52.4	57.4
28 months.....	51.6	56.6
29 months.....	50.8	55.8
30 months.....	50.0	55.0
31 months.....	49.2	54.2
32 months.....	48.4	53.4
33 months.....	47.6	52.6
34 months.....	46.8	51.8
35 months.....	46.0	51.0
36 months.....	45.2	50.2

EXHIBIT D—SURPLUS PROPERTY BOARD SPECIAL ORDER 2

MACHINE TOOL PRICING POLICY

• • • Pursuant to the authority of the Surplus Property Act of 1944 (Pub Law 467, 78th Congress, 2d Sess.: 58 Stat. 785), it is hereby ordered, That, in applying the provisions of Regulation No. 3 of the Surplus War Property Administration (9 F.R. 9870) relating to the sale of used standard general-purpose machine tools, the Reconstruction Finance Corporation may:

1. Use as an alternative base price for any machine tool manufactured prior to March 1, 1941, the March 1, 1941 price of the nearest equivalent new machine tool, and
2. Sell any such machine tool manufactured prior to January 1, 1936, at current market prices but not in excess of the applicable prices determined in accordance with SWPA Regulation No. 3 and this Special Order No. 2.

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Copy with other government
agency

SURPLUS PROPERTY BOARD

SPB Reg. 5
MAY 21, 1945

[SPB Reg. 5]

PART 8305—SURPLUS NONINDUSTRIAL REAL PROPERTY

- Sec.
- 8305.1 Regulation and order superseded.
- 8305.2 Definitions.
- 8305.3 Scope.
- 8305.4 Declarations.
- 8305.5 Communications after notice of transmittal.
- 8305.6 Withdrawals.
- 8305.7 Disposal of leasehold interests and improvements by owning agency.
- 8305.8 Permit or order use.
- 8305.9 Easements having no commercial value.
- 8305.10 Duties of owning and disposal agencies.
- 8305.11 Priorities.
- 8305.12 Disposal methods and principles.
- 8305.13 Records and reports.
- 8305.14 Regulations by agencies to be reported to the Board.
- 8305.15 Amendment or repeal.
- Exhibit A—Notice of sale.
- Exhibit B—Government agencies to be given notice of impending disposal by mail.
- Exhibit C—Priority chart.

AUTHORITY: §§ 8305.1 to 8305.15, inclusive, issued under Surplus Property Act of 1944, Pub. Law 457, 78th Cong., 2d Sess.; 58 Stat. 765.

§ 8305.1 *Regulation and order superseded.* As of the effective date of this part, Surplus War Property Administration Regulation No. 2 (9 F.R. 9183) and Surplus Property Board Temporary Order No. 3 (10 F.R. 2152) are hereby superseded and rescinded, but leases executed before the effective date of this part under the authority of Temporary Order No. 3 are not hereby invalidated.

§ 8305.2 *Definitions.* (a) "Act" means the Surplus Property Act of 1944 (Pub. Law 457, 78th Cong., 2d Sess.; 58 Stat. 765).

(b) "Board" means the Surplus Property Board.

(c) "Care and handling" includes completing, repairing, converting, rehabilitating, operating, maintaining, preserving, protecting, insuring, storing, packing, handling, and transporting, and, in the case of property which is dangerous to public health or safety, destroying, or rendering innocuous, such property.

(d) "Continental United States" means the 48 states and the District of Columbia.

(e) "Disposal agency" means any Government agency designated pursuant to the act to dispose of one or more classes of surplus property.

(f) "Former owner" means the person from whom the real property was acquired by the Government.

(g) "Government agency" means any executive department, board, bureau, commission, or other agency in the executive branch of the Federal Government, or any corporation wholly owned (either directly or through one or more corporations) by the United States.

(h) "Nonprofit institution" means

any scientific, literary, educational, public-health, public-welfare, charitable, or eleemosynary institution, any hospital or similar institution, and any volunteer fire company, (1) which is supported in whole or in part through the use of funds derived from taxation by the United States, its territories or possessions, or by any State or political subdivision thereof, or (2) which is exempt from taxation under section 101 (6) of the Internal Revenue Code.

(i) "Offer" means a written offer to purchase surplus real property or a written application by a Government agency or a State or local government requesting that such property be held for disposal to it.

(j) "Owner-operator" means a person who will personally operate and cultivate agricultural land to earn a livelihood rather than lease it to a tenant.

(k) "Owning agency" means the executive department, the independent agency in the executive branch of the Federal Government, or the corporation (if a Government agency), having control of property otherwise than solely as a disposal agency.

(l) "Person" means any individual, corporation, partnership, firm, association, trust, estate, or other entity.

(m) "Priority" means the right of a person, subject to stated conditions and limitations, to purchase surplus real property to the exclusion of other persons.

(n) "Real property" means any interest, owned by the United States or any Government agency, in land, together with any fixtures or improvements thereon, of any kind, wherever located, but does not include the public domain, or such lands withdrawn or reserved from the public domain as the Surplus Property Board determines are suitable for return under the public domain for disposition under the general land laws. It is not limited to the definition thereof as contained in section 23 of the act.

(o) "Section 23 real property" means property consisting of land, together with any fixtures and improvements thereon, located outside of the District of Columbia, but does not include war housing, industrial plants, factories, or similar structures and facilities, or the sites thereof, or land which the Board determines is essential to the use of any of the foregoing.

(p) "State or local government" means any State, territory or possession of the United States, the District of Columbia, and any political subdivision or instrumentality thereof.

(q) "Surplus property" means any property which has been determined to be surplus to the needs and responsibilities of the owning agency in accordance with the act.

(r) "Veteran" means any person who served in the active military or naval service of the United States during the present war, or any person who served in the active military or naval service of

the United States on or after September 16, 1940, and prior to the termination of the present war, and who has been discharged or released therefrom under honorable conditions.

§ 8305.3 *Scope.* This part applies to surplus real property of all kinds and classes located within the continental United States, its territories and possessions, except industrial real property, airports, harbors, shipyards, port terminals and power transmission lines. It contains all the policies, procedures and rules prescribed by the Board with respect to such surplus real property except for the designation of disposal agencies and provisions for declarations to be found in Part 8301.¹

§ 8305.4 *Declarations.* As provided in § 8301.13² of this chapter declarations of all surplus real property (whether or not section 23 real property) shall be filed with the Board on form SPB 5.³ The Board will transmit two copies of the declaration to the appropriate disposal agency, and will notify the owning agency thereof.

§ 8305.5 *Communications after notice of transmittal.* After the owning agency receives notice of the transmittal to a disposal agency of a declaration of surplus real property, communications of the owning agency with respect to such property shall be addressed to the disposal agency, except where communication with the Board is required hereunder.

§ 8305.6 *Withdrawals.* If the owning agency wishes to withdraw surplus real property before it has received notice of the transmittal of the declaration to the disposal agency, it may do so by filing form SPB-5 with and obtaining the consent of the Board. After the owning agency has received notice of such transmittal, it may withdraw such property only with the consent of the disposal agency as provided in § 8301.16⁴ of this chapter. If such withdrawal is permitted, the disposal agency shall immediately send to the Board a copy of the withdrawal form filed by the owning agency and a statement that the disposal agency consents to the withdrawal.

§ 8305.7 *Disposal of leasehold interests and improvements by owning agency—(a) Leaseholds.* A Government agency owning a leasehold interest or similar right of occupancy which is no longer needed by such agency but which is needed by another Government agency shall unless prohibited by the terms of the lease or other instrument under which the interest was acquired, transfer such interest directly to such other

¹ SPB Reg. 1, as amended, (10 F.R. 3764, 4356).

² § 8301.13 of SPB Reg. 1, as amended (10 F.R. 3764, 4356).

³ Form SPB-5 prescribed in Order No. 3 under SPB Reg. 1 (10 F.R. 3771).

⁴ § 8301.16 of SPB Reg. 1, as amended (10 F.R. 3764, 4356).

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agency without declaring it surplus. Any such transfer shall be at the market value, unless transfers without reimbursement are authorized by law, and may be conditioned upon the transferee agency assuming all or any obligations incurred by the transferor agency in connection with the interest transferred. The owning agency shall take reasonable steps to ascertain the needs of Government agencies for such interests, and to this end may utilize the facilities of the Public Buildings Administration of the Federal Works Agency. If such leasehold or other interest is not claimed by any Government agency within a reasonable time and the owning agency has the legal right to cancel, such lease or interest shall be cancelled without declaring it surplus. Disposals or cancellations made under this paragraph shall be reported to the Board at intervals not exceeding thirty (30) days.

(b) *Improvements.* Where an owning agency no longer needs improvements located on Government-owned land which has not been declared surplus, or on non-Government-owned land leased or occupied by such agency with or without an obligation to restore the premises, such owning agency may dispose of such improvements by any one or more of the following methods:

(1) By transfer to the lessor or owner of the premises in full or partial satisfaction of any obligation to restore the premises, provided the lessor or owner shall pay for any excess value;

(2) By disposition in accordance with previous, contractual commitments;

(3) By sale intact;

(4) By demolition contract let only on competitive bid, whereby title to the improvements passes to the contractor in consideration of his demolition of the improvements or restoration of the premises.

Such disposals shall be for a consideration that is fair and reasonable under all the circumstances. In all cases an estimate shall be made prior to disposal of both the current market value of the improvements in place and their salvage value. Complete records shall be maintained of all disposals under this paragraph and such disposals shall be reported to the Board at intervals not exceeding thirty (30) days. Where improvements are disposed of by demolition contract, the report shall contain copies of the specifications, bids, abstracts of bids and awards.

§ 8305.8 *Permit or order use.* When a Government agency utilizing Government-owned real property under some form of arrangement with another Government agency having primary jurisdiction over the property no longer needs the property, such real property and any interest therein shall be returned to the agency having primary jurisdiction over the property in accordance with the arrangement between such agencies, except where the property has been substantially improved while being so utilized. In this latter event the agency utilizing the property shall make a report of the facts to the Board for its determination as to how the interests of the Government will be best subserved.

§ 8305.9 *Easements having no commercial value.* Any Government agency may, with or without consideration, dispose of an easement to the owner of the land subject to the easement when such agency shall determine that the easement has no commercial value and is no longer needed; *Provided*, That, when any such easement shall have been acquired for a substantial consideration such disposal shall be made only for a reasonable value, taking into consideration any portion of the purchase price paid for severance damages.

§ 8305.10 *Duties of owning and disposal agencies.*—(a) *General.* Upon receipt by a disposal agency of a declaration, it shall undertake immediately to dispose of the property covered by the declaration in accordance with the requirements of the act and of this part.

(b) *Care and handling.* When any surplus real property is assigned to a disposal agency, the disposal agency shall have responsibility for the care and handling of such property pending its disposition, except to the extent that such responsibility has been or may be postponed by the Board pursuant to the authority vested in it by section 11 (d) of the act.^{*} In discharge of this responsibility the disposal agency shall, upon receipt of a declaration of surplus real property, immediately contact the owning agency to work out mutually satisfactory arrangements for the disposal agency's assumption of the custody and control of, and accountability for, the property covered by such declaration. Such assumption shall be completed within sixty (60) days after the disposal agency receives the declaration, unless additional time is allowed by the Board by order hereunder. Pending the assumption of custody and control of the property by the disposal agency, the owning agency may lease the property at the current market rental or issue temporary occupancy permits to other Federal agencies. Such leases or permits shall be revocable at the will of either the owning or disposal agency (according to which has custody or control of the property), and administration of the same shall be transferred to the disposal agency at the time it assumes custody and control of and accountability for the property.

(c) *Improvements.* Disposal agencies shall make repairs necessary for the preservation and maintenance of the property, but no funds shall be expended by disposal agencies for improvement of real property declared to them as surplus or for the erection of structures thereon unless such expenditures are authorized by the Board.

(d) *Transfer of title papers, documents, etc.* Upon request of the disposal agency, the owning agency shall immediately supply the disposal agency with the originals or true copies of all information and documents pertaining to the surplus real property in the possession of the owning agency and copies of which have not been filed with the declaration. These shall include appraisal reports, abstracts of titles, tax receipts, deeds, affidavits of title, copies of judgment

in condemnation proceedings and all other title papers relating to the property. All such papers and documents which may still be needed by the owning agency shall be returned to it as soon as the needs of the disposal agency have been satisfied.

§ 8305.11 *Priorities**—(a) *Order of priority.* In disposing of surplus real property, disposal agencies shall recognize the following priorities:

(1) Government agencies shall be accorded first priority to acquire all classes of surplus real property for their use; *Provided*, That Smaller War Plants Corporation shall have such priority to acquire any such surplus property for its use and for resale as provided in section 18 (2) of the Surplus Property Act of 1944.

(2) State or local governments shall be accorded second priority as to all classes of surplus real property. Any State or local government which has lost a highway or street over surplus section 23 real property because of Government acquisition or action shall be accorded a special priority, prior to all other State or local governments, to permit it to re-establish such highway or street. This right shall extend to the original right-of-way and any new or additional rights-of-way needed to re-establish the street or highway on a new or more adequate location.

(3) A former owner shall be accorded third priority as to any surplus section 23 real property acquired from him by any Government agency after December 31, 1939. This priority shall relate to property which is substantially the identical tract acquired by the Government from the owner. If this tract is not available to the former owner or is not desired by him because it is no longer suitable for the purpose for which it was used when acquired by the Government, he may be offered substitute property. Such substitute property shall be in the same area, be classified as suitable for the use for which the original tract was used when acquired and otherwise be similar to the original tract. With respect to any substitute property thus made available to him the former owner shall be accorded a priority subordinate only to the priorities of Government agencies, State or local governments, a former owner or a tenant of a former owner of the substitute property. Acquisition of a substitute tract shall extinguish the priority of the former owner with respect to the original tract.

(4) A tenant of a former owner, who was in possession of agricultural section 23 real property at the time the same was acquired by any Government agency after December 31, 1939, shall be accorded fourth priority with respect to substantially the same property occupied by him as tenant at the time of such acquisition.

(5) A veteran, and the spouse and children (in that order) of a person who died while in the active military or naval service of the United States on or after September 16, 1940, shall be accorded a priority as to all surplus section

* See SPB Special Order No. 5 (10 FR. 5162).

* For an aid in ascertaining priorities and their order see priority chart in Exhibit C.

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tion 23 real property classified by the Board as suitable for agricultural, residential or small business purposes. This priority shall be subordinate to all the priorities described in subparagraphs (1) through (4) of this paragraph.

(6) Owner-operators shall be accorded a priority with respect to all surplus section 23 real property classified by the Board as suitable for agricultural use. This priority shall be subordinate to the priorities described in subparagraphs (1) through (5) of this paragraph.

(7) Nonprofit institutions shall be accorded a priority with respect to all surplus real property. This priority shall be subordinate to the priorities described in subparagraphs (1) through (6) of this paragraph.

(b) *Extent of priorities.* The priorities of Government agencies, State or local governments and nonprofit institutions are continuing priorities which are not exhausted because of their effective exercise with respect to a given piece of property. The priority of a veteran, the spouse and children of a deceased serviceman, or an owner-operator ceases to exist after it has once been effectively exercised with respect to one appropriate unit. The priority of a former owner or tenant is limited to the particular property as described in paragraph (a) (3) and (4) of this section.

(c) *Transfer of priorities and transmission on death.* No assignment or transfer of a priority shall be recognized, but the priority of a former owner may be exercised through an agent duly authorized in writing where the priority holder is so situated that he cannot exercise it in person. Upon the death of a veteran or former owner his spouse or children (in that order) shall succeed to his priority rights. The priority right of a tenant shall be extinguished by his death.

(d) *Time and method of exercise.* The time for exercise of priorities shall be a period of ninety (90) days after the date given in the notice required by § 8305.12 (c) (2), or such additional period as the Board may allow when necessary or appropriate to facilitate a sale of the property to a former owner entitled to priority. Within such period the priority holder shall indicate an intention to exercise the priority by submitting to the disposal agency a written offer to purchase, accompanied by such deposit as the disposal agency may require. When, however, an offer cannot be made because the disposal agency lacks necessary information on price, units or other matters, it shall be sufficient if the priority holder files a written statement of his desire to acquire the property of one or more appropriate units thereof. As soon as the necessary information becomes available (whether during or after the priority period or any extension thereof), those who have filed such statements shall be so advised and given an opportunity to make an offer. Veterans, the spouse and children of deceased servicemen, and owner-operators may offer to purchase any or all units offered for sale. The offer of a Government agency or of a State or local government shall be in the form of

a written application in duplicate requesting that the property be held for disposal to it. Such application shall state the price that applicant is willing to pay for the property or that a transfer without reimbursement or transfer of funds is authorized by law, and give all pertinent facts pertaining to the applicant's need for the property. If the applicant shall require time to acquire funds, or authority to take the property without reimbursement or transfer of funds, it shall so state and indicate the length of time needed for that purpose. Upon receipt of an application with such a statement the disposal agency shall forward a copy of the same to the Board. The Board will review the application and determine what time (if any) shall be allowed applicant to conclude the acquisition of the property and will advise the disposal agency and the applicant of such determination. During the time thus allowed the property may not be disposed of unless the priority period has expired and applicant's price (where it is seeking to acquire the property on a reimbursable basis) is less than the maximum price it may be charged and a higher price has been offered by another person.

(e) *Failure to offer full amount or to exercise in time.* Priorities of Government agencies and State or local governments shall not expire because they are not exercised within the priority period, but an offer by such a priority holder made after the expiration of the priority period shall be disregarded if a contract to sell the property to another has previously been entered into. Priorities of all others not exercised during the priority period shall expire upon the termination of such period and the disposal agency shall certify that it has complied with the requirements of § 8305.12 (c) (2) and (3) and, if such is the case, that no person has attempted during the priority period to exercise the priority of a former owner, a tenant, a veteran or the spouse and children of a deceased serviceman. A certified copy of such certification shall be given to any purchaser of the property at the time of transfer. The disposal agency may in its discretion permit veterans, or the spouse and children of deceased servicemen, or owner-operators to make offers after the priority period and be considered on the same basis as if they had exercised their priority during the priority period, but such action on the part of a disposal agency shall not be regarded as extending the priority period. An offer to purchase at a price below the maximum which the offeror may be charged will preserve the offeror's priority status only as against lower priority or non-priority offerors who do not offer a higher price and priority offerors in the same priority group who offer the same or a lower price.

§ 8305.12 *Disposal methods and principles.*—(a) *Descriptions, surveys and subdivisions.* The disposal agency shall obtain the full and correct legal description of the property to be disposed of and take the steps necessary to determine its exact location and area. Surveys shall be made, when necessary, and markers or monuments placed upon the ground. For

disposal to others than Government agencies, State or local governments, former owners or tenants, surplus section 23 real property shall be subdivided by the disposal agency into appropriate units for disposal. Section 23 real property classified as suitable for agricultural use shall be subdivided by the disposal agency into economic family-size units wherever practicable. The size of such units may vary according to the conditions and farming practices in the locality where the land is situated. Section 23 real property not classified as suitable for agricultural use shall be subdivided into such units as seem suitable in view of the character of the property, the use or uses to which it may be put and the possibilities of giving veterans and those who will use the property personally a fair opportunity to acquire and advantageously utilize the property. Plans for such subdividing shall be developed immediately after the disposal agency receives the declaration of surplus. The actual work of subdividing shall be carried forward as rapidly as practicable in view of all the circumstances, with effort made to complete the task at the earliest possible date after the expiration of the priority period. Subdivision may be delayed if it appears that the property will be absorbed by the priorities of Government agencies, State or local governments, former owners or tenants.

(b) *Evaluation and appraisal.* All surplus real property shall be valued at its current market value. This value is the highest price the property will bring in terms of money if offered for sale in the open market with reasonable time to find a purchaser buying with knowledge of the uses and purposes to which it is adapted and for which it is capable of being used. To determine such value the disposal agency shall have the property appraised by experienced and qualified appraisers familiar with the types of property to be appraised by them. They may be staff appraisers of the disposal agency, individuals employed on a loan reimbursable basis from other Federal agencies or independent appraisers in private business. All appraisal reports shall contain the appraiser's certificate that he has no interest, direct or indirect, in the property or sale or disposition thereof.

(c) *Notice and advertisement.*—(1) *Wide publicity.* The disposal agency shall avail itself of all suitable means to give wide publicity to the availability for disposal of surplus real property.

(2) *Publication of notice.* Within sixty (60) days after a disposal agency receives a declaration of surplus real property, it shall publish notice that such property is available for disposal, except to the extent that such property has been reported back to the Board with a request for reclassification. Such notice shall contain the matters set forth in Exhibit A and shall be published at least three (3) times during the ninety (90) days following the date such notice is first published at approximate intervals of twenty-one (21) days in two or more newspapers, including one of general circulation in the state where the property is located, and one published and circulated in the county where the property

is located or if there is none then in one of general circulation in such county.

(3) *Notice by mail.* At the time of the first publication of the notice required by subparagraph (2) of this paragraph the disposal agency shall also send a copy of the notice by mail to all Government agencies listed in Exhibit B, to the State and the political subdivision in which the property is located, and to the former owner when he is entitled to priority. The notice to the former owner shall be sent by registered mail to his last known address with return receipt requested.

(4) *Additional notice.* A disposal agency which has decided to accept offers after the priority period from veterans and the spouse and children of deceased servicemen and owner-operators who have not exercised their priority during such period, may give such additional notice to such persons as the disposal agency shall deem proper.

(d) *Information available to purchasers.* Within thirty (30) days after notice is first published as required by paragraph (c) of this section, or as soon thereafter as possible, every effort shall be made to have available in the office of the officer having charge of the disposal all necessary information concerning the property. This shall include the appraised value of the property, the unit sizes in which the property will be sold to various classes of purchasers, the priorities and the time and method of exercising them, the maximum prices which may be charged different priority buyers (see paragraph (h) of this section) and all other terms and conditions of sale. Any person shall be entitled, upon request, to receive such information or have access thereto at all reasonable times, as well as information concerning offers, exercises of priorities and sales that have been made at the time of the inquiry.

(e) *Offers.* During the priority period the disposal agency shall receive offers from priority and nonpriority buyers; but no offers shall be accepted during the priority period, except when an immediate transfer is requested by a Government agency for war purposes and such transfer is approved by the Board. Offers shall specify what price the buyer is willing to pay, and shall be upon forms prescribed by the disposal agency.

(f) *Terms and conditions of disposal.* Disposals shall be made upon such terms and conditions as may be necessary to protect the interests of the Government and carry out the requirements of this part. No credit shall be extended by the disposal agency in its capacity as such, except in cooperation with Smaller War Plants Corporation to facilitate sales to small business concerns.

(g) *Form of transfer.* Unless otherwise authorized by the Board, the sale or transfer shall be of the full interest of the Government. Disposal agencies may, however, lease the property to place it in productive use pending ultimate disposition, provided that such leases shall be revocable at the election of the disposal agency. Deeds or instruments of transfer (other than leases) shall be in

the form approved by the Attorney General. Transfers shall be by quitclaim deed unless the disposal agency finds that a warranty deed is necessary to obtain a reasonable price for the property or to render the title marketable and the use of such a deed is recommended and approved by the Attorney General as provided in the act.

(h) *Priests; donations.—(1) General requirements.* The purchasers mentioned in subparagraphs (2), (3), (4) and (5) of this paragraph shall in no event be charged more than the prices at which they are entitled to purchase under the provisions of such subparagraphs. On sales or disposals to all others it shall be the duty of the disposal agency to obtain the highest competitive price actually obtainable. No sale or disposal shall be made at a price which is more than twenty-five (25) percentum below the current market value until such sale or disposal has been reviewed and approved by the Board, unless that price is the maximum price which may be charged the purchaser.

(2) *Former owner and tenant.* Persons purchasing surplus real property pursuant to the priority of a former owner or tenant of a former owner shall be entitled to purchase at the lower of (1) the current market value or (11) the price for which the property was acquired by the Government adjusted to reflect any increase or decrease in the value of such property resulting from action by the United States.

(3) *Government agencies, State or local governments, nonprofit institutions and owner-operators.* Government agencies, State or local governments, nonprofit institutions, and owner-operators shall be entitled to acquire surplus real property at a price not to exceed the current market value. State or local governments purchasing rights-of-way for highways and streets, pursuant to the priority provided for in § 8305.11 (a) (2) shall be entitled to purchase the same at a rate of compensation not exceeding that paid for it by the Government. Government agencies shall be entitled to acquire property without charge where a transfer without reimbursement or transfer of funds is authorized by law.¹

(4) *Veterans.* Veterans and the spouse and children of deceased servicemen shall be entitled to purchase surplus real property at a price not to exceed a unit price fixed by the disposal agency after taking into consideration the current market value, the character of the property, and, if income-producing, the estimated earning capacity thereof.

(5) *Disposals for educational or health purposes.* State or local governments or nonprofit institutions seeking to acquire surplus real property for educational use or to promote or protect the public health shall be entitled to acquire such property at the current market value less any discount which the Board may allow because of the benefit which has accrued or may accrue to the United States by such use. Applications for such discounts shall be filed with the Board and shall show the ways in which and the extent to which the United

¹ See SPB Special Order 6 (10 F. R. 5163).

States will be benefited by the proposed use. Each such application shall be accompanied by a certificate under oath by an authorized official of the buyer that the buyer is a State or local government or that it is a nonprofit institution as defined in § 8305.2 (h), and that the property is being acquired solely for educational or health purposes. The certificate also shall set forth how the property will be employed for educational or health purposes and to what extent and such further information as will aid the Board in determining to what extent the United States will be benefited by the proposed use of the property. After considering the application, and any additional evidence it may deem appropriate, the Board will notify the applicant of its action on the application and will certify to the disposal agency the amount of any discount which may be granted. The Board may authorize any such disposal to be made upon such conditions as it may deem expedient, including provisions for the reversion of such property to the United States if the buyer ceases to use it for educational or health purposes.

(6) *Donations.* Surplus real property may be donated only to government agencies, State or local governments or nonprofit institutions organized and operated for educational or charitable purposes and only when the disposal agency finds that the property either (1) has no commercial value or (11) that the cost of its care and handling and disposition would exceed the estimated proceeds.

Before making any donation, however, the disposal agency shall in all cases obtain the prior approval of the Board. To obtain such approval the disposal agency shall submit to the Board a copy of its findings, together with any supporting evidence and a full description of any donation that may be proposed.

(1) *Acceptance of offers.* Upon the expiration of the priority period designated in § 8305.11 (d) the disposal agency shall proceed with the acceptance of offers, except to the extent that delay is necessary to obtain offers from priority holders who filed statements of their desire to purchase during the priority period. Offers from priority holders at their respective maximum prices shall be accepted in the order of their priority. An offer at a price below the maximum price of the offeror shall be accepted according to the priority order of the offeror only if there is no other offer at a higher price. If there are several acceptable offers at the same price from offerors in the same priority group, the offer to be accepted from that group shall be selected as provided in paragraph (k) of this section. If offers have been received from persons having no priority and there is no acceptable offer from a person holding a priority, only the highest of such offers may be accepted by the disposal agency. If there are several acceptable nonpriority offers at the same price, the one to be accepted shall be selected by lot. Disposal agencies may reject any offer which is for a price below the current market value other than an offer from a priority holder for the maximum price which can be charged the offeror. When a veteran, the spouse and

children of a deceased owner-operator shall have more than one unit, offers of such offeror shall

(1) *Proof of priority.* A disposal agency shall disclose real property on the basis claimed by the offeror, satisfactory proof of the identity or authority of the offeror.

(k) *Selection of offer.* same priority group. If received for the same priority period from offerors of the same priority offer which shall be accepted in accordance with (1) and (2) of this paragraph

(1) In the case of Government, State or local government profit institutions the selection shall be determined on the basis of the offer and the recommendation of the disposal agency, together with any other information which may be available to the Board. The Board shall determine the priority of the offer and report its determination to the disposal agency. The Board shall make a final report.

(2) With respect to groups the selection shall be made fairly. If a veteran, the spouse or child of a deceased owner-operator is selected, he shall elect one he shall take and the to purchase the remainder of the property shall go to the offeror in the order in which drawn.

(1) *Notice to unsuccessful nonperformance by offeror.* When an offer for surplus real property has been accepted, the offeror shall notify the disposal agency of his acceptance and deposits to them. If performance of the contract is not completed, or if a Government, State or local government fails to complete its acquisition of the property held for the disposal agency, the disposal agency shall promptly notify by mail the offeror of its nonperformance. If the offeror fails to respond within fifteen (15) days after mailing of the notice the

the proposed shall be ac- under oath the buyer al govern- institution ad that the sly for edu- The certifi- the propo- sational or extent and will add the ed by the After con- any addi- appropriate, illicant of its will certify amount of any anted. The ch disposal ditions as it ding provi- ch property uyer ceases health pur- eal property government uments or ed and op- ritable pur- osal agency r (1) has no at the cost d disposition proceeds. on, however, all cases ob- Board. To osal agency copy of its supporting ction of any sed. Upon the period desig- osal agency tance of of- hat delay is rom priority ents of their y the priority y holders at rices shall be heir priority. he maximum accepted ac- er of the offer at a several ac- e price from y group, the at group shall aragraph (k) ave been re- no priority offer from a nly the high- epted by the re several ac- at the same d shall be se- ncies may re- a price below ther than an for the max- charged the ne spouse and

children of a deceased serviceman or an owner-operator shall have made offers for more than one unit, only one of the offers of such offeror shall be accepted.

(j) *Proof of priority status.* Before a disposal agency shall dispose of surplus real property on the basis of the priority claimed by the offeror, it shall require satisfactory proof of the priority status, identity or authority of the person making the offer.

(k) *Selection of offers from among same priority group.* If equal offers are received for the same property during the priority period from two or more offerors of the same priority group, the offer which shall be selected shall be selected in accordance with subparagraphs (1) and (2) of this paragraph.

(1) In the case of Government agencies, State or local governments or non-profit institutions the selection shall be determined on the basis of need. If the matter cannot be determined by agreement between the claimants, the disposal agency shall report the matter in writing to the Board, setting forth the names of the competing claimants, a summary of their respective claims, a description of the property involved, and the recommendations, if any, of the disposal agency, together with any statements in writing which the claimants or any of them may wish to file with the Board. The Board shall review the matter and report its determination to the disposal agency. The Board's determination shall be final for all purposes.

(2) With respect to all other priority groups the selection shall be made by lot. Drawings shall be conducted openly and fairly. If a veteran, the spouse and children of a deceased serviceman or an owner-operator is selected for more than one unit, he shall elect in writing which one he shall take and thereupon the right to purchase the remaining unit or units of property shall go to the remaining applicants in the particular priority group in the order in which their names are drawn.

(l) *Notice to unsuccessful bidders; nonperformance by successful bidder.* When an offer for surplus real property has been accepted, the disposal agency shall notify the unsuccessful bidders of such acceptance and return their deposits to them. If performance of the contract of the successful bidder is not completed, or if a Government agency or State or local government fails to complete its acquisition of the property after having it held for the time allowed by the Board, the disposal agency shall promptly notify by mail all those who made unsuccessful offers during the priority period or any time allowed thereafter that if they renew their offers within fifteen (15) days from the date of mailing of the notice they will be recon-

sidered on the same basis on which they would have been considered had the offer accepted not been received in the first instance.

(m) *Absence of acceptable offers; methods of sale.* If no acceptable offer is received during the priority period or none results from a statement filed during the priority period, or if no acceptable offer is renewed after the giving of notice under the circumstances provided for in paragraph (i) of this section, the disposal agency shall proceed to dispose of the property by negotiated sale, auction or other suitable method. Such disposals shall be subject to the price restrictions of paragraph (h) (1) of this section.

(n) *Disposal of improvements.* Whenever practicable, disposal agencies shall dispose of improvements and fixtures with the land. If this is not practicable, disposal agencies shall dispose of the improvements or fixtures separately from the land. Demolition contracts whereby title to the improvements or fixtures passes to the contractor in consideration of his restoration of the premises or demolition of the improvements shall be let only on open competitive bid. Copies of all specifications, bids, abstracts of bids and awards used or issued in connection with such contracts shall be filed with the Board.

§ 8305.13 *Records and reports.* Owning and disposal agencies shall prepare and maintain such records as will show full compliance with the provisions of this part as to each disposal transaction. The information in such records shall be available at all reasonable times for public inspection. Monthly reports shall be prepared and filed with the Board in such manner as may be specified by order issued under this part.

§ 8305.14 *Regulations by agencies to be reported to the Board.* Each owning agency and each disposal agency shall file with the Board copies of all regulations, orders and instructions of general applicability which it may issue in furtherance of the provisions, or any of them, of this part.

§ 8305.15 *Amendment or repeal.* This part and any order issued under it shall be subject to amendment or repeal by the Surplus Property Board by any regulation or order of the Board duly published in the FEDERAL REGISTER.

This part shall become effective June 15, 1945.

Note: All reporting requirements of this part have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

SURPLUS PROPERTY BOARD,
By A. E. HOWSE, Administrator.
MAY 21, 1945.

EXHIBIT A

INSTRUCTIONS: The matters set forth herein are required to be included in all notices. Other matters may be added, and the typography and headings may be varied, to the extent that the disposal agency deems it desirable. The priority period given in the notice should be modified to the extent necessary to allow for any extensions.

NOTICE OF SALE

Surplus Government Real Property

The _____ hereby gives
(name of disposal agency)

notice that it now has available for disposal, under the Surplus Property Act of 1944 and Regulation No. 5 of the Surplus Property Board, the following real property which has been declared surplus by the Government:

(Here give general description including improvements and location. Full legal description need not be included.)

Terms and conditions of sale and all necessary information concerning the property and the method of exercising priorities and submitting offers will be available on and after

(here give date not more than thirty (30) days after notice is first published)

at the office of _____
located at _____
Office hours are _____ to _____

Priorities. The property is subject to the following priorities in the order indicated:

(Here list priorities in their appropriate order. Priority chart in Exhibit C will be helpful in preparing this list.)

Priority period. The time for exercising priorities shall be a period of ninety (90) days commencing on _____
(specify date on which notice is first published)

and ending on _____
Persons not having a priority may also make offers during this period.

(Signature of officer authorized to conduct disposal)

EXHIBIT B

Government agencies to be given notice of impending disposal by mail:
Department of State.
Department of the Treasury.
Department of War.
Department of Justice.
Post Office Department.
Department of the Navy.
Department of the Interior.
Department of Agriculture.
Department of Commerce.
Reconstruction Finance Corporation.
Department of Labor.
Federal Communications Commission.
Federal Power Commission.
U. S. Maritime Commission.
National Housing Agency.
Tennessee Valley Authority.
Veterans' Administration.
Office of Scientific and Research Development.
Smaller War Plants Corporation.
The mail address of these agencies is Washington 25, D. C.

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EXHIBIT C—PRIORITY CHART

Type or class of priority holder	Type or class of property						
	Other than section 23, real property	Section 23, real property ¹					
		Acquired before Dec. 31, 1939			Acquired after Dec. 31, 1939		
		Other than agricultural, residential or small business	Residential and small business	Agricultural	Other than agricultural, residential or small business	Residential and small business	Agricultural
Government agencies.....	1	1	1	1	1	1	1
State or local governments ²	2	2	2	2	2	2	2
Former owner taking identical tract.....	None	None	None	None	3	3	3
Tenant of former owner.....	None	None	None	None	None	None	4
Former owner taking substitute tract ³	None	3	3	3	4	4	5
Veterans and spouse and children of deceased serviceman.....	None	None	4	4	None	5	6
Owner-operators.....	None	None	4	4	None	5	7
Nonprofit institutions.....	3	4	5	5	5	6	8

¹ A State or local government, which has lost a highway or street over surplus section 23 real property because of Government acquisition and action, has a special priority, ahead of all other State or local governments, to permit it to re-establish such highway or street. This right extends to the original right-of-way and any new or additional rights-of-way needed to re-establish the street or highway on a new or more adequate location.

² This priority depends on the discretion of the disposal agency.

³ Section 23 real property means property consisting of land, together with any fixtures and improvements thereon, located outside of the District of Columbia, but does not include war housing, industrial plants, factories, or similar structures and facilities, or the sites thereof, or land which the Board determines is essential to the use of any of the foregoing.

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copy with summary Sept

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE FEB 8 1944

TO Mr. J. W. Pehle

FROM Ward Stewart

Subject: Administrative Management within the War Refugee Board

The more thought and study I give to the problems involved in the internal administration of the War Refugee Board the more I become convinced that the way to handle the situation, at least during the early days when there is no indication of its ultimate size, is to rely almost entirely on the administrative machinery now available in Foreign Funds Control. In other less critical times it might be practical to attempt to set up a new administrative structure. At the present time, however, the difficulties in setting up a separate group seem to be almost insurmountable and we are already being forced by the logic of the situation into a position where we are relying more and more heavily upon Foreign Funds Control.

To be more specific, the only stenographers to type War Refugee Board letters are Foreign Funds Control stenographers. The only office service people available to supply War Refugee Board stationery, duplicating, and other office supplies and services are in the Foreign Funds Control Office Service Section. As we get into recruiting additional personnel, the only qualified personnel staff immediately available will be that at Foreign Funds Control. In other words, during this period of acute labor shortage it apparently will be almost impossible for the War Refugee Board to set up its own administrative staff, even assuming that it were desirable to do so.

The Executive Order establishing the War Refugee Board makes it clear that "to the extent possible the Board shall utilize the personnel, supplies, facilities and services of the . . . Treasury . . . Department." Consequently there can be no lack of legal basis for the Board's use of Foreign Funds Control's facilities to the full. There remains, of course, the policy question as to the feasibility of keeping the War Refugee Board closely attached to the Treasury Department, inasmuch as such a close relationship might jeopardize smooth relations with the other two Departments concerned. From the purely pragmatic point of view, however, it seems to me that the Board has no alternative at the present time.

We are already requesting many services from Foreign Funds Control on an informal basis. It is my recommendation that we formalize this relationship as soon as possible and begin at once to use the channels of the Administrative Services Division of Foreign Funds Control as the War Refugee Board's administrative machinery. This would mean that War Refugee Board personnel actions would be processed through Foreign Funds Control machinery. Most or all of the necessary office services would be obtained in a similar manner, and the War Refugee Board's administrative accounts would be handled through the Foreign Funds Control Administrative Accounts Section. It might be necessary to build up the strength of some of these units somewhat to accommodate the additional burden, but it would be

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Mr. Pehle

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much simpler to handle the problem in this manner than to start from scratch in the War Refugee Board. Some difficulties may be anticipated, but in my judgment it should be possible in most instances to keep the record straight so that if and when the War Refugee Board is able to recruit a separate staff and wants to sever the relationship, it could be done without great difficulty.

I recommend that action be taken along these lines as soon as possible. I know of no other solution that will assure the Board of the management services necessary for it to carry out its obligations during the next few weeks and months.

If you are in agreement I suggest a joint meeting on the subject with Messrs. Schmidt and Thorson at the earliest possible date.

Ward Stewart

Approved: J. F. [unclear]

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