

Public Law 87-387

AN ACT

To authorize the loan of naval vessels to friendly foreign countries and the extension of certain naval vessel loans now in existence.

October 4, 1961
[H. R. 7726]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding section 7307 of title 10, United States Code, or any other law, the President may extend the loans of two destroyer escorts to the Government of Portugal and two destroyers to the Government of Spain on such terms and under such conditions as he deems appropriate.

Naval vessels.
Loan to foreign
countries.
70A Stat. 452.

SEC. 2. The extensions of the existing loans authorized under this Act are extensions of the loans made under the authority granted by the Act of August 5, 1953 (67 Stat. 363), as amended by the Act of August 3, 1956 (70 Stat. 967).

SEC. 3. Extensions of existing loans shall be for a period of not to exceed five years and shall be made on the condition that they may be terminated at an earlier date if necessitated by the defense requirements of the United States.

SEC. 4. Notwithstanding section 7307 of title 10, United States Code, or any other law, the President may, under conditions which he prescribes, lend or otherwise make available to friendly foreign nations from the Reserve Fleet, on such terms and under such conditions as he deems appropriate, destroyers, destroyer escorts, and submarines as follows: (1) North Atlantic Treaty Organization and European area, not to exceed six ships; (2) southern Asia, not to exceed two ships; (3) Far Eastern area, not to exceed six ships; and (4) a pool of not to exceed two such ships to be loaned to friendly nations in an emergency as a replacement for a ship, covered under an existing loan, lost by enemy action or an act of God.

SEC. 5. New loans executed under this Act shall be for periods not exceeding five years. All loans shall be made on the condition that they may be terminated at an earlier date if necessitated by the defense requirements of the United States.

SEC. 6. All expenses involved in the activation, rehabilitation, and outfitting, including repairs, alterations, and logistic support of vessels transferred under this Act, shall be charged to funds programmed for the recipient government under the Mutual Security Act of 1954, as amended, or successor legislation, or to funds provided by the recipient government.

68 Stat. 832;
Ante, p. 460.
22 USC 1751
note.

SEC. 7. No loan may be made or extended under this Act unless the Secretary of Defense, after consultation with the Joint Chiefs of Staff, determines that such loan or extension is in the best interest of the United States. The Secretary of Defense shall keep the Congress currently advised of all loans or extensions made under authority of this Act.

SEC. 8. The President may promulgate such rules and regulations as he deems necessary to carry out the provisions of this Act.

Rules and regulations.

SEC. 9. The authority of the President to transfer naval vessels under this Act terminates on December 31, 1963.

Approved October 4, 1961.