

## Public Law 685

## CHAPTER 1036

## AN ACT

To incorporate the National Fund for Medical Education.

August 28, 1954  
[S. 1748]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following persons: Donald C. Balfour, M. D., Rochester, Minnesota; Louis H. Bauer, M. D., Hempstead, New York; Margaret Culkin Banning, Duluth, Minnesota; E. N. Beesley, Indianapolis, Indiana; James F. Bell, Minneapolis, Minnesota; Elmer H. Bobst, New York, New York; Earl Bunting, Washington, District of Columbia; Carl Byoir, New York, New York; James L. Camp, Junior, Franklin, Virginia; Champ Carry, Chicago, Illinois; Robert S. Cheek, Nashville, Tennessee; Colby M. Chester, New York, New York; Frank A. Christensen, New York, New York; Paul F. Clark, Boston, Massachusetts; Lucius D. Clay, New York, New York; S. Sloan Colt, Westhampton Beach, New York; George H. Coppers, New York, New York; William E. Cotter, Scarsdale, New York; C. R. Cox, New York, New York; Howard S. Cullman, New York, New York; Walter J. Cummings, Chicago, Illinois; Willard K. Denton, New York, New York; Raoul E. Desvernine, Washington, District of Columbia; Michael Francis Doyle, Philadelphia, Pennsylvania;

Victor Emanuel, New York, New York; Peter M. Fraser, Hartford, Connecticut; Bernard F. Gimbel, Greenwich, Connecticut; William B. Given, Junior, New York, New York; Robert M. Hanes, Winston-Salem, North Carolina; David M. Heyman, New York, New York; Oveta Culp Hobby, Houston, Texas; Herbert Hoover, New York, New York; B. Brewster Jennings, Glen Head, New York; Eric A. Johnston, Washington, District of Columbia; Devereux C. Josephs, New York, New York; Meyer Kestnbaum, Chicago, Illinois; Edgar Kobak, New York, New York; Allan B. Kline, Chicago, Illinois; Robert Lehman, New York, New York; Samuel D. Leidesdorf, New York, New York; Leroy A. Lincoln, New York, New York; Ralph Lowell, Boston, Massachusetts; Benjamin E. Mays, Atlanta, Georgia; Neil McElroy, Cincinnati, Ohio; George W. Merck, West Orange, New Jersey; Don G. Mitchell, New York, New York; George G. Montgomery, San Francisco, California; Seeley G. Mudd, M. D., Los Angeles, California;

Charles S. Munson, New York, New York; Herschel D. Newsom, Washington, District of Columbia; Edward J. Noble, New York, New York; William S. Paley, New York, New York; Thomas I. Parkinson, New York, New York; F. D. Patterson, Tuskegee, Alabama; Joseph M. Proskauer, New York, New York; B. Earl Puckett, New York, New York; Victor F. Ridder, New York, New York; Owen J. Roberts, Philadelphia, Pennsylvania; Winthrop Rockefeller, Little Rock, Arkansas; Anna M. Rosenberg, New York, New York; T. J. Ross, New York, New York; Howard A. Rusk, M. D., New York, New York; Frank P. Samford, Birmingham, Alabama; Lester N. Selig, Chicago, Illinois; Eustace Seligman, New York, New York; Spyros P. Skouras, New York, New York; Alfred P. Sloan, Junior, New York, New York; George F. Smith, New Brunswick, New Jersey; Harold V. Smith, New York, New York; Harold E. Stassen, Washington, District of Columbia; John P. Stevens, Junior, New York, New York; William C. Stolk, New York, New York; Harvey B. Stone, M. D., Baltimore, Maryland;

Reese H. Taylor, Los Angeles, California; Juan T. Trippe, Greenwich, Connecticut; Thomas J. Watson, New York, New York; Ernest T. Weir, Pittsburgh, Pennsylvania; George Whitney, New York, New York; Robert E. Wilson, Chicago, Illinois; R. W. Woodruff, Atlanta, Georgia; Wilson W. Wyatt, Louisville, Kentucky; J. D. Zellerbach, San Francisco, California; and John S. Zinsser, Philadelphia, Penn-

National Fund  
for Medical Educa-  
tion.  
Incorporation.

sylvania; and their successors, are hereby created and declared to be a body corporate of the District of Columbia, where its legal domicile shall be, by the name of the National Fund for Medical Education (hereinafter referred to as the corporation) and by such name shall be known and have perpetual succession and the powers, limitations, and restrictions herein contained.

#### COMPLETION OF ORGANIZATION

SEC. 2. A majority of the persons named in the first section of this Act are authorized to complete the organization of the corporation by the selection of officers and employees, the adoption of a constitution and bylaws, not inconsistent with this Act, and the doing of such other acts as may be necessary for such purpose.

#### PURPOSES OF THE CORPORATION

SEC. 3. The purposes of the corporation shall be to raise from private sources, disperse and administer funds for medical education and in connection therewith to take other appropriate action to promote and foster the following objectives:

- (1) The interpretation of the needs of medical education to the American public;
- (2) The encouragement of the growth, development and advancement of constantly improving standards and methods in the education and training of all medical manpower in the Nation; and
- (3) The preservation of academic freedom in the institutions of medical education.

#### CORPORATE POWERS

SEC. 4. The corporation shall have power—

- (1) to have succession by its corporate name;
- (2) to sue and be sued, complain and defend in any court of competent jurisdiction;
- (3) to adopt, use, and alter a corporate seal;
- (4) to choose such officers, managers, agents, and employees as the business of the corporation may require;
- (5) to adopt, amend, and alter a constitution and bylaws, not inconsistent with the laws of the United States or any State in which the corporation is to operate, for the management of its property and the regulation of its affairs;
- (6) to contract and be contracted with;
- (7) to take by lease, gift, purchase, grant, devise, or bequest from any private corporation, association, partnership, firm or individual and to hold any property, real, personal or mixed, necessary or convenient for attaining the objects and carrying into effect the purposes of the corporation, subject, however, to applicable provisions of law of any State (A) governing the amount or kind of property which may be held by, or (B) otherwise limiting or controlling the ownership of property by, a corporation operating in such State;
- (8) to transfer, convey, lease, sublease, encumber and otherwise alienate real, personal or mixed property; and
- (9) to borrow money for the purposes of the corporation, issue bonds therefor, and secure the same by mortgage, deed of trust, pledge or otherwise, subject in every case to all applicable provisions of Federal and State laws.

## PRINCIPAL OFFICE; SCOPE OF ACTIVITIES; DISTRICT OF COLUMBIA AGENT

SEC. 5. (a) The principal office of the corporation shall be located in New York City, New York, or in such other place as may be later determined by the board of directors, but the activities of the corporation shall not be confined to that place, but may be conducted throughout the various States, Territories, and possessions of the United States.

(b) The corporation shall have in the District of Columbia at all times a designated agent authorized to accept service of process for the corporation; and notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed notice to or service upon the corporation.

## MEMBERSHIP; VOTING RIGHTS

SEC. 6. (a) Eligibility for membership in the corporation and the rights, privileges, and designation of classes of members shall, except as provided in this Act, be determined as the constitution and bylaws of the corporation may provide.

(b) Each member of the corporation, other than honorary, sustaining or associate members, shall have the right to one vote on each matter submitted to a vote at all meetings of the members of the corporation.

## BOARD OF DIRECTORS: COMPOSITION, RESPONSIBILITIES

SEC. 7 (a) Upon the enactment of this Act the membership of the initial board of directors of the corporation shall consist of the present members of the executive committee of the National Fund for Medical Education, Incorporated, the corporation described in section 16 of this Act, or such of them as may then be living and are qualified members of said executive committee, to wit: Earl Bunting, Washington, District of Columbia; Colby M. Chester, New York, New York; S. Sloan Colt, Westhampton Beach, New York; William E. Cotter, Scarsdale, New York; Victor Emanuel, New York, New York; William B. Given, Junior, New York, New York; Herbert Hoover, New York, New York; Devereux C. Josephs, New York, New York; Samuel D. Leidesdorf, New York, New York; Leroy A. Lincoln, New York, New York; Eustace Seligman, New York, New York; Juan T. Trippe, Greenwich, Connecticut; and John S. Zinsser, Philadelphia, Pennsylvania; together with the following members of the medical profession, namely, Donald C. Balfour, M. D., Rochester, Minnesota; Louis H. Bauer, M. D., Hempstead, New York; Howard A. Rusk, M. D., New York, New York; and Harvey B. Stone, M. D., Baltimore, Maryland.

(b) Thereafter, the board of directors of the corporation shall consist of such number (not less than fifteen and not more than twenty-five, four of whom shall at all times be members of the medical profession), shall be selected in such manner (including the filling of vacancies), and shall serve for such term as may be prescribed in the constitution and bylaws of the corporation.

(c) The board of directors shall be the governing board of the corporation and, during the intervals between the meetings of members, shall be responsible for the general policies and program of the corporation and for the control of all contributed funds as may be raised by the corporation.

## OFFICERS; ELECTION AND DUTIES OF OFFICERS

SEC. 8. (a) The officers of the corporation shall be a chairman of the board of directors, a president, one or more vice presidents (as may be prescribed in the constitution and bylaws of the corporation), a secretary, and a treasurer, and one or more assistant secretaries and assistant treasurers as may be provided in the constitution and bylaws.

(b) The officers of the corporation shall be elected in such manner and for such terms and with such duties as may be prescribed in the constitution and bylaws of the corporation.

## USE OF INCOME; LOANS TO OFFICERS, DIRECTORS, OR EMPLOYEES

SEC. 9. (a) No part of the income or assets of the corporation shall inure to any of its members, directors, or officers as such, or be distributable to any of them during the life of the corporation or upon its dissolution or final liquidation. Nothing in this subsection, however, shall be construed to prevent the payment of compensation to officers of the corporation in amounts approved by the board of directors of the corporation.

(b) The corporation shall not make loans to its officers, directors, or employees. Any director who votes for or assents to the making of a loan or advance to an officer, director or employee of the corporation, and any officer who participates in the making of such a loan or advance, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

## NONPOLITICAL NATURE OF CORPORATION

SEC. 10. The corporation, and its officers and directors as such, shall not contribute to or otherwise support or assist any political party or candidate for public office.

## LIABILITY FOR ACTS OF OFFICERS AND AGENTS

SEC. 11. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

## PROHIBITION AGAINST ISSUANCE OF STOCK OR PAYMENT OF DIVIDENDS

SEC. 12. The corporation shall have no power to issue any shares of stock or to declare or pay any dividends.

## BOOKS AND RECORDS; INSPECTION

SEC. 13. The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors, and committees having any authority under the board of directors; and it shall also keep at its principal office a record of the names and addresses of its members entitled to vote. All books and records of the corporation may be inspected by any member entitled to vote, or his agent or attorney, for any proper purpose, at any reasonable time.

## AUDIT OF FINANCIAL TRANSACTIONS

SEC. 14. (a) The financial transactions shall be audited annually by an independent certified public accountant in accordance with the principles and procedures applicable to commercial corporate transactions. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books,

accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(b) A report of such audit shall be made by the corporation to the Congress not later than March 1 of each year. The report shall set forth the scope of the audit and shall include a verification by the person or persons conducting the audit of statements of (1) assets and liabilities, (2) capital and surplus or deficit, (3) surplus or deficit analysis, (4) income and expense, and (5) sources and application of funds. Such report shall not be printed as a public document.

Report to Congress.

USE OF ASSETS ON DISSOLUTION OR LIQUIDATION

SEC. 15. Upon dissolution or final liquidation of the corporation, after discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets, if any, of the corporation shall be distributed in accordance with the determination of the board of directors of the corporation and in compliance with the constitution and bylaws of the corporation and all Federal and State laws applicable thereto.

TRANSFER OF ASSETS

SEC. 16. The corporation may acquire the assets of the National Fund for Medical Education, Incorporated, a corporation organized under the laws of the State of New York, upon discharging or satisfactorily providing for the payment and discharge of all of the liability of such corporation and upon complying with all laws of the State of New York applicable thereto.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

SEC. 17. The right to alter, amend, or repeal this Act is expressly reserved.

Approved August 28, 1954.

Public Law 686

CHAPTER 1037

AN ACT

To provide for a temporary increase in the public debt limit.

August 28, 1954  
[H. R. 6672]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That during the period beginning on the date of enactment of this Act and ending on June 30, 1955, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act, as amended, shall be temporarily increased by \$6,000,000,000.*

Approved August 28, 1954.

49 Stat. 21.  
31 USC 757b.

Public Law 687

CHAPTER 1038

AN ACT

Authorizing the Secretary of the Interior to adjust or cancel certain charges on the Milk River project.

August 28, 1954  
[H. R. 7813]

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

Milk River project, Mont.