

of the program of loans for the manufacture of prefabricated houses depends, to a large extent, on the ready availability of mortgage insurance by the Federal Housing Administration as the primary means of assuring permanent financing for their sale.

The Federal Housing Administration also insures mortgages on rental housing developments to serve military installations under title VIII of the National Housing Act, as amended, the so-called Military Housing Act. The Congress recently has recognized the place of prefabricated houses in this program by amending the law to make it clear that the Department of Defense should use prefabricated housing which conforms to standards established by the Federal Housing Administration wherever it is feasible to do so. The development of a strong, expandable prefabricated housing industry also is essential for rapidly meeting any emergency housing needs of the country. The Housing and Home Finance Agency, in cooperation with the National Security Resources Board, should be in a position to encourage peacetime uses of prefabricated housing readily adaptable to potential emergency requirements of the future.

The transfer by this reorganization plan of the functions, loans, and unused authorizations of the Reconstruction Finance Corporation with respect to prefabricated housing will place most of the Government functions concerning such housing in the Housing and Home Finance Agency. This will make possible greater consistency between governmental assistance available for the production or manufacture of prefabricated houses with governmental assistance available for the distribution, erection, and marketing of such housing. It will also assure coordination and integration of the prefabricated housing functions with other programs within the Housing and Home Finance Agency and thus materially assist in carrying out the national housing policy.

This reorganization may not result in substantial immediate savings, although benefits should be achieved through improved operations which will result in economies over a period of time. An itemization of these economies in advance of actual experience is not practicable.

After investigation I have found, and I hereby declare, that each reorganization contained in Reorganization Plan No. 23 of 1950 is necessary to accomplish one or more of the purposes set forth in section 2(a) of the Reorganization Act of 1949.

HARRY S. TRUMAN.

THE WHITE HOUSE, May 9, 1950.

#### REORGANIZATION PLAN NO. 24 OF 1950

Reorganization Plan No. 24 of 1950, which proposed transfer of the Reconstruction Finance Corporation to the Department of Commerce, was submitted to Congress on May 9, 1950, and was disapproved by the Senate on July 6, 1950.

#### REORGANIZATION PLAN NO. 25 OF 1950

Eff. July 9, 1950, 15 F.R. 4565, 64 Stat. 1280

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 9, 1950, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949 [see 5 U.S.C. 901 et seq.].

#### NATIONAL SECURITY RESOURCES BOARD

##### SECTION 1. FUNCTIONS OF CHAIRMAN AND OF BOARD

The functions of the National Security Resources Board are hereby transferred to the Chairman of the National Security Resources Board, and the Board shall hereafter advise and consult with the Chairman with respect to such matters within his jurisdiction as he may request.

##### SEC. 2. VICE CHAIRMAN

There is hereby established the office of Vice Chairman of the National Security Resources Board. Such

Vice Chairman shall (1) be an additional member of the National Security Resources Board, (2) be appointed from civilian life by the President, by and with the advice and consent of the Senate, (3) receive compensation at the rate of \$16,000 per annum, and (4) perform such of the duties of the Chairman as the Chairman shall designate.

##### SEC. 3. PERFORMANCE OF FUNCTIONS OF CHAIRMAN

The Chairman may from time to time make such provisions as he shall deem appropriate authorizing the performance by any other officer, or by any agency or employee, of the National Security Resources Board of any function of the Chairman.

##### MESSAGE OF THE PRESIDENT

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 25 of 1950, prepared in accordance with the provisions of the Reorganization Act of 1949. The plan transfers the function of the National Security Resources Board from the Board to the Chairman of the Board and makes the Board advisory to the Chairman. The plan also provides for a Vice Chairman, appointed by the President and confirmed by the Senate.

The function assigned to the National Security Resources Board by the National Security Act of 1947 is "to advise the President concerning the coordination of military, industrial and civilian mobilization." Proper performance of this function requires action by the Board and its staff in two broad areas:

(1) The conduct of advance mobilization planning which identifies the problems which will arise and the measures necessary to meet these problems if and when the Nation moves from a peacetime into a wartime situation.

(2) The formulation of current policies and programs which will help the Nation achieve an adequate state of readiness against the eventuality of a future war.

The role assigned the National Security Resources Board is clearly one of staff assistance to the President. The Congress recently recognized this fact in its approval of Reorganization Plan No. 4 of 1949 which, pursuant to the specific recommendation of the Hoover Commission, placed the National Security Resources Board in the Executive Office of the President.

The accompanying reorganization plan is designed to make the National Security Resources Board a more effective instrument. Successful performance of the Board's mission requires a wide range of detailed study and analysis to cover all the major aspects of national mobilization. A committee of department heads or departmental representatives encounters some natural difficulties in providing supervision and leadership in such an extensive and detailed activity. The Chairman has the difficult task of exercising discretion as to which matters shall be submitted for Board approval. The departmental members of the Board cannot possibly supervise or approve the Board's extensive and detailed activities and yet, as Board members, must accept ultimate responsibility for all such activities. Likewise, the departmental members are encumbered by the difficulty of having to reach collective and speedy decisions on a great many matters for which they, as Board members, are responsible.

By vesting the functions of the Board in the Chairman, the difficulties of Board operation will be overcome. At the same time, the reorganization plan provides for the continued participation of the several departments and agencies in the task of mobilization planning. This is not only a matter of established policy but also a requirement of the National Security Act. The departments will continue to have representation on the Board. The Board, in an advisory relationship to the Chairman, will be a useful arrangement for obtaining the necessary participation of departments in mobilization planning and for coordination of their activity. It will enable the departments to keep abreast of the total range of security resources planning. With-