

SEC. 12. (a) The powers vested in the Reconstruction Finance Corporation pursuant to clause (a) of section 5d (3) of the Reconstruction Finance Corporation Act, as amended (15 U. S. C. 606b (3)), may be used to underwrite or guarantee markets for new type building materials and prefabricated houses, but only to the extent that the Housing Expediter finds this necessary to assure a sufficient supply for the veterans' emergency housing program: *Provided*, That the number of prefabricated houses covered by outstanding underwriting or guaranty (including such houses as may be held by the Housing Expediter) shall at no time during the program exceed two hundred thousand.

Underwriting or guaranteeing of markets.  
54 Stat. 961.  
15 U. S. C., Supp. V, § 606b (3) (a).

Prefabricated houses.

(b) The following standards shall be applied by the Housing Expediter to such underwriting or guaranty:

Standards applicable to underwriting or guaranty.

(1) To avoid impairment of established enterprises, new type materials and prefabricated houses shall be encouraged only to supplement such expanded production of conventional type materials and houses (with access to available materials) as can be achieved with sufficient rapidity and economy.

(2) There shall be reasonable prospect of either (A) full return to the Government of any funds involved in such underwriting or guaranty, or (B) net cost to the Government substantially lower than under any other available method of achieving the necessary expansion of production. Toward this end, the underwriting or guaranty of such materials or houses shall not be for more than 90 per centum of the producers' standard delivery price. The Housing Expediter shall maintain constant review of experience toward the objective that the total net costs to the Government shall in no event exceed 5 per centum of the total amount of underwriting or guaranty undertaken.

(3) There shall be clear evidence that the new type materials or prefabricated houses require underwriting or guaranty only temporarily until they attain general market acceptability.

(4) Emphasis shall be placed upon avoiding either economic dislocations or adverse effects upon established business.

(5) New type materials and prefabricated houses shall be tested for sound quality and (in the case of such houses) for durability, livability, and safety.

(6) Any underwriting or guaranty shall require adequate showing by the producer that he has sufficient working capital and experience, and that he can achieve the desired production on time under conditions satisfactory to the Housing Expediter.

SEC. 13. If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the validity of the remainder of the Act and the applicability of such provision to other persons or circumstances shall not be affected thereby.

Separability of provisions.

Approved May 22, 1946.

[CHAPTER 269]

AN ACT

To continue in effect section 6 of the Act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities.

May 23, 1946  
[S. 1980]  
[Public Law 389]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 6 of the Act of July 2, 1940 (54 Stat. 714), as amended by the Act of June 30, 1942 (56 Stat. 463), the Act of July 1, 1944 (58 Stat. 671), and the Act of June 30, 1945 (59 Stat. 270), is hereby further amended by deleting from subsection (d) thereof the words "June 30, 1946" and substituting therefor the words "June 30, 1947".

Export control of certain commodities.

50 U. S. C., Supp. V, app. § 701 (d).

Approved May 23, 1946.