

liver without charge to the Department of the Army so much power as shall be necessary in the judgment of said Department for use in operation of all locks, lifts, or other facilities in aid of navigation.

(l) To produce, distribute, and sell electric power, as herein particularly specified.

(May 18, 1933, ch. 32, § 5, 48 Stat. 61; Aug. 31, 1935, ch. 836, § 4, 49 Stat. 1076; July 26, 1947, ch. 343, title II, § 205(a), 61 Stat. 501; July 3, 1952, ch. 570, § 2(a), 66 Stat. 334; Pub. L. 86-137, § 3, Aug. 6, 1959, 73 Stat. 285; Pub. L. 94-412, title V, § 501(d), Sept. 14, 1976, 90 Stat. 1258; Pub. L. 108-447, div. C, title VI, § 603(a)(2), Dec. 8, 2004, 118 Stat. 2966.)

#### CODIFICATION

Former subsec. (n) authorized President within twelve months after May 18, 1933, to lease nitrate plant numbered 2 and Waco Quarry for production of fertilizer, and has been omitted as executed.

#### AMENDMENTS

2004—Pub. L. 108-447 substituted “Board” for “board” wherever appearing.

1976—Subsec. (m). Pub. L. 94-412 struck out subsec. (m) which barred sale of TVA products outside United States except to Government for military use or its allies in case of war or until six months after termination of Korean emergency.

1959—Subsec. (m). Pub. L. 86-137 excepted ferrophosphorus.

1952—Subsec. (m). Joint Res. July 3, 1952, inserted “or, until six months after the termination of the national emergency proclaimed by the President on December 16, 1950, or until such earlier date or dates as the Congress by concurrent resolution or the President may provide but in no event after April 1, 1953, to nations associated with the United States in defense activities”.

1935—Subsec. (c). Act Aug. 31, 1935, inserted “with farmers, landowners, and associations of farmers and landowners,” after “demonstration farms” and “and for promoting the prevention of soil erosion by the use of fertilizers and otherwise” after “period of their introduction”.

#### CHANGE OF NAME

Department of War designated Department of the Army and title of Secretary of War changed to Secretary of the Army by section 205(a) of act July 26, 1947, ch. 343, title II, 61 Stat. 501. Section 205(a) of act July 26, 1947, was repealed by section 53 of act Aug. 10, 1956, ch. 1041, 70A Stat. 641. Section 1 of act Aug. 10, 1956, enacted “Title 10, Armed Forces” which in sections 3010 to 3013 continued military Department of the Army under administrative supervision of Secretary of the Army.

#### EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by Pub. L. 108-447 effective on the later of the date on which at least three persons nominated under section 604(a) of Pub. L. 108-447 take office or May 18, 2005, see section 604(b) of Pub. L. 108-447, set out in an Appointments; Effective Date; Transition note under section 831a of this title.

#### EFFECTIVE DATE OF 1952 AMENDMENT

Joint Res. July 3, 1952, ch. 570, § 7, 66 Stat. 334, provided that the amendment is effective June 16, 1952.

#### REPEAL OF PRIOR ACTS CONTINUING SUBSECTION (m)

Section 6 of Joint Res. July 3, 1952, ch. 570, 66 Stat. 334, repealed Joint Res. Apr. 14, 1952, ch. 204, 66 Stat. 54, as amended by Joint Res. May 28, 1952, ch. 339, 66 Stat. 96; Joint Res. June 14, 1952, ch. 437, 66 Stat. 137; Joint Res. June 30, 1952, ch. 526, 66 Stat. 296, which continued

provisions of subsection (m) relating to sales to allies until July 3, 1952. This repeal was to take effect as of June 16, 1952, by section 7 of Joint Res. July 3, 1952.

#### SAVINGS PROVISION

Repeal of subsec. (m) of this section by Pub. L. 94-412, not to affect any action taken or proceeding pending at the time of repeal, see section 501(h) of Pub. L. 94-412, set out as a note under section 1601 of Title 50, War and National Defense.

#### SECRETARY OF THE AIR FORCE

For transfer of certain functions insofar as they pertain to Air Force, and to extent that they were not previously transferred to Secretary of the Air Force from Secretary of the Army, see Secretary of Defense Transfer Order No. 40 [App. A(40)], July 22, 1949.

#### TERMINATION OF FOREIGN SALES

Joint Res. Mar. 31, 1953, ch. 13, § 1, 67 Stat. 18, provided for the extension of certain emergency provisions (previously extended to April 1, 1953, by Joint Res. July 3, 1952, ch. 570, § 2(a), 66 Stat. 334) until July 1, 1953. Section 2 of said Joint Res. Mar. 31, 1953, provided that such extension did not apply to the provisions of this section.

### § 831e. Officers and employees; nonpolitical appointment; removal for violation

In the appointment of officials and the selection of employees for said Corporation, and in the promotion of any such employees or officials, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency. Any member of said Board who is found by the President of the United States to be guilty of a violation of this section shall be removed from office by the President of the United States, and any appointee of said Board who is found by the Board to be guilty of a violation of this section shall be removed from office by said Board.

(May 18, 1933, ch. 32, § 6, 48 Stat. 63; Pub. L. 108-447, div. C, title VI, § 603(a)(2), Dec. 8, 2004, 118 Stat. 2966.)

#### AMENDMENTS

2004—Pub. L. 108-447 substituted “Board” for “board” wherever appearing.

#### EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by Pub. L. 108-447 effective on the later of the date on which at least three persons nominated under section 604(a) of Pub. L. 108-447 take office or May 18, 2005, see section 604(b) of Pub. L. 108-447, set out in an Appointments; Effective Date; Transition note under section 831a of this title.

### § 831f. Control of plants and property vested in Corporation; transfer of other property to Corporation

In order to enable the Corporation to exercise the powers and duties vested in it by this chapter—

(a) The exclusive use, possession, and control of the United States nitrate plants numbered 1 and 2, including steam plants, located, respectively, at Sheffield, Alabama, and Muscle Shoals, Alabama, together with all real estate and buildings connected therewith, all tools and machinery, equipment, accessories, and materials belonging thereto, and all laboratories and

plants used as auxiliaries thereto; the fixed-nitrogen research laboratory, the Waco limestone quarry, in Alabama, and Dam Numbered 2, located at Muscle Shoals, its power house, and all hydroelectric and operating appurtenances (except the locks), and all machinery, lands, and buildings in connection therewith, and all appurtenances thereof, and all other property to be acquired by the Corporation in its own name or in the name of the United States of America, are intrusted to the Corporation for the purposes of this chapter.

(b) The President of the United States is authorized to provide for the transfer to the Corporation of the use, possession, and control of such other real or personal property of the United States as he may from time to time deem necessary and proper for the purposes of the Corporation as herein stated.

(May 18, 1933, ch. 32, § 7, 48 Stat. 63.)

#### DELEGATION OF FUNCTIONS

Authority of President under subsection (b) of this section to provide for transfer to Tennessee Valley Authority of use, possession, and control of real or personal property of United States deemed by Administrator of General Services to be necessary and proper for purposes of that Authority as provided for in this section, delegated to Administrator of General Services, see section 1(17) of Ex. Ord. No. 11609, July 22, 1971, 36 F.R. 13747, set out as a note under section 301 of Title 3, The President.

#### § 831g. Principal office of Corporation; books; directors' oath

##### (a) Location

The Corporation shall maintain its principal office in the immediate vicinity of Muscle Shoals, Alabama. The Corporation shall be held to be an inhabitant and resident of the northern judicial district of Alabama within the meaning of the laws of the United States relating to the venue of civil suits.

##### (b) Account books

The Corporation shall at all times maintain complete and accurate books of accounts.

##### (c) Oath of office

Each member of the Board, before entering upon the duties of his office, shall subscribe to an oath (or affirmation) to support the Constitution of the United States and to faithfully and impartially perform the duties imposed upon him by this chapter.

(May 18, 1933, ch. 32, § 8, 48 Stat. 63; Pub. L. 108-447, div. C, title VI, § 603(a)(2), Dec. 8, 2004, 118 Stat. 2966.)

#### AMENDMENTS

2004—Subsec. (c). Pub. L. 108-447 substituted “Board” for “board”.

#### EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by Pub. L. 108-447 effective on the later of the date on which at least three persons nominated under section 604(a) of Pub. L. 108-447 take office or May 18, 2005, see section 604(b) of Pub. L. 108-447, set out in an Appointments; Effective Date; Transition note under section 831a of this title.

#### § 831h. Annual financial statement; purchases and contracts; audit by Comptroller General

##### (a) Financial statement and report

The Board shall file with the President and with the Congress, in March of each year, a financial statement and a complete report as to the business of the Corporation covering the preceding governmental fiscal year. This report shall include an itemized statement of the cost of power at each power station, the total number of employees and the names, salaries, and duties of those receiving compensation at the rate of more than \$1,500 a year.

##### (b) Bids

All purchases and contracts for supplies or services, except for personal services, made by the Corporation, shall be made after advertising, in such manner and at such times sufficiently in advance of opening bids, as the Board shall determine to be adequate to insure notice and opportunity for competition: *Provided*, That advertisement shall not be required when, (1) an emergency requires immediate delivery of the supplies or performance of the services; or (2) repair parts, accessories, supplemental equipment, or services are required for supplies or services previously furnished or contracted for; or (3) the aggregate amount involved in any purchase of supplies or procurement of services does not exceed \$25,000; in which cases such purchases of supplies or procurement of services may be made in the open market in the manner common among businessmen: *Provided further*, That in comparing bids and in making awards the Board may consider such factors as relative quality and adaptability of supplies or services, the bidder's financial responsibility, skill, experience, record of integrity in dealing, ability to furnish repairs and maintenance services, the time of delivery or performance offered, and whether the bidder has complied with the specifications.

##### (c) Audits

The Comptroller General of the United States shall audit the transactions of the Corporation at such times as he shall determine, but not less frequently than once each governmental fiscal year, with personnel of his selection. In such connection he and his representatives shall have free and open access to all papers, books, records, files, accounts, plants, warehouses, offices, and all other things, property, and places belonging to or under the control of or used or employed by the Corporation, and shall be afforded full facilities for counting all cash and verifying transactions with and balances in depositaries. He shall make report of each such audit in quadruplicate, one copy for the President of the United States, one for the chairman of the Board, one for public inspection at the principal office of the Corporation, and the other to be retained by him for the uses of the Congress: *Provided*, That such report shall not be made until the Corporation shall have had reasonable opportunity to examine the exceptions and criticisms of the Comptroller General or the Government Accountability Office, to point out errors therein, explain or answer the same, and to file a statement which shall be submitted by