

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE OF 1992 AMENDMENT

Pub. L. 102-558, title I, §136(b), Oct. 28, 1992, 106 Stat. 4217, provided that: "Section 709 of the Defense Production Act of 1950 (50 U.S.C. App. 2159) [now 50 U.S.C. 4559], as amended by subsection (a) of this section, shall not apply to any regulation issued in proposed or final form on or before the date of enactment of this Act [Oct. 28, 1992]."

**§ 4560. Employment of personnel; appointment policies; nucleus executive reserve; use of confidential information by employees; printing and distribution of reports**

(a) **Repealed. June 28, 1955, ch. 189, § 12(c)(1), 69 Stat. 180**

**(b) Presidential appointments**

(1) The President is further authorized, to the extent he deems it necessary and appropriate in order to carry out the provisions of this chapter and subject to such regulations as he may issue, to employ persons of outstanding experience and ability without compensation;

(2) The President shall be guided in the exercise of the authority provided in this subsection by the following policies:

(i) So far as possible, operations under this chapter shall be carried on by full-time, salaried employees of the Government, and appointments under this authority shall be to advisory or consultative positions only.

(ii) Appointments to positions other than advisory or consultative may be made under this authority only when the requirements of the position are such that the incumbent must personally possess outstanding experience and ability not obtainable on a full-time, salaried basis.

(3) Appointees under this subsection shall, when policy matters are involved, be limited to advising appropriate full-time salaried Government officials who are responsible for making policy decisions.

(4) Appointments under this subsection shall be supported by written certification by the head of the employing department or agency—

(i) that the appointment is necessary and appropriate in order to carry out the provisions of this chapter;

(ii) that the duties of the position to which the appointment is being made require outstanding experience and ability;

(iii) that the appointee has the outstanding experience and ability required by the position; and

(iv) that the department or agency head has been unable to obtain a person with the qualifications necessary for the position on a full-time, salaried basis.

(5) **NOTICE AND FINANCIAL DISCLOSURE REQUIREMENTS.—**

(A) **PUBLIC NOTICE OF APPOINTMENT.—**The head of any department or agency who appoints any individual under this subsection shall publish a notice of such appointment in the Federal Register, including the name of the appointee, the employing department or agency, the title of the appointee's position, and the name of the appointee's private employer.

(B) **FINANCIAL DISCLOSURE.—**Any individual appointed under this subsection who is not required to file a financial disclosure report pursuant to section 101 of the Ethics in Government Act of 1978, shall file a confidential financial disclosure report pursuant to section 107 of that Act with the appointing department or agency.

(6) The Director of the Office of Personnel Management shall carry out a biennial survey of appointments made under this subsection and shall report his or her findings to the President and make such recommendations as he or she may deem proper.

(7) Persons appointed under the authority of this subsection may be allowed reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out the functions for which they were appointed in the same manner as persons employed intermittently in the Federal Government are allowed expenses under section 5703 of title 5.

**(c) Employment of experts and consultants**

The President is authorized, to the extent he deems it necessary and appropriate in order to carry out the provisions of this chapter to employ experts and consultants or organizations thereof, as authorized by section 3109 of title 5. Individuals so employed may be compensated at rates not in excess of \$50 per diem and while away from their homes or regular places of business they may be allowed transportation and not to exceed \$15 per diem in lieu of subsistence and other expenses while so employed.

**(d) Utilization of other services**

The President may utilize the services of Federal, State, and local agencies and may utilize and establish such regional, local, or other agencies, and utilize such voluntary and uncompensated services, as may from time to time be needed.

**(e) Nucleus executive reserve**

The President is further authorized to provide for the establishment and training of a nucleus executive reserve for employment in executive positions in Government during periods of national defense emergency, as determined by the President. Members of this executive reserve who are not full-time Government employees may be allowed transportation and per diem in lieu of subsistence, in accordance with title 5 (with respect to individuals serving without pay, while away from their homes or regular places of business), for the purpose of participating in the executive reserve training program.

**(f) Use of confidential information for speculation**

Whoever, being an officer or employee of the United States or any department or agency thereof (including any Member of the Senate or House of Representatives), receives, by virtue of his office or employment, confidential information, and (1) uses such information in speculating directly or indirectly on any commodity exchange, or (2) discloses such information for the purpose of aiding any other person so to speculate, shall be fined not more than \$10,000 or imprisoned not more than one year, or both. As

used in this section, the term “speculate” shall not include a legitimate hedging transaction, or a purchase or sale which is accompanied by actual delivery of the commodity.

**(g) Printing and distribution of reports**

The President, when he deems such action necessary, may make provision for the printing and distribution of reports, in such number and in such manner as he deems appropriate, concerning the actions taken to carry out the objectives of this chapter.

(Sept. 8, 1950, ch. 932, title VII, § 710, 64 Stat. 819; July 31, 1951, ch. 275, title I, § 109(f), 65 Stat. 139; June 28, 1955, ch. 189, § 12(c)(1), 69 Stat. 180; Aug. 9, 1955, ch. 655, §§ 7, 8, 69 Stat. 582, 583; Pub. L. 94-152, § 5, Dec. 16, 1975, 89 Stat. 820; Pub. L. 102-558, title I, § 143, Oct. 28, 1992, 106 Stat. 4217; Pub. L. 111-67, § 10, Sept. 30, 2009, 123 Stat. 2019.)

TERMINATION OF SECTION

*For termination of section, see section 4564(a) of this title.*

**Editorial Notes**

REFERENCES IN TEXT

This chapter, referred to in subsecs. (b), (c), and (g), was in the original “this Act” or “the Act”, meaning act Sept. 8, 1950, ch. 932, 64 Stat. 798, known as the Defense Production Act of 1950, which is classified principally to this chapter. For complete classification of this Act to the Code, see section 4501 of this title and Tables.

Sections 101 and 107 of the Ethics in Government Act of 1978, referred to in subsec. (b)(5)(B), are sections 101 and 107 of Pub. L. 95-521, which are set out in the Appendix to Title 5, Government Organization and Employees.

CODIFICATION

Section was formerly classified to section 2160 of the former Appendix to this title prior to editorial reclassification and renumbering as this section.

In subsec. (c), “section 3109 of title 5” substituted for “section 55a of title 5 of the United States Code” as if it had been a reference to section 15 of act Aug. 2, 1946, ch. 744, 60 Stat. 810, on which section 55a of title 5 was based, on authority of Pub. L. 89-554, § 7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees.

AMENDMENTS

2009—Subsec. (b)(2)(iii). Pub. L. 111-67, § 10(1)(A), struck out cl. (iii), which read as follows: “In the appointment of personnel and in assignment of their duties, the head of the department or agency involved shall take steps to avoid, to as great an extent as possible, any conflict between the governmental duties and the private interests of such personnel.”

Subsec. (b)(4), (5). Pub. L. 111-67, § 10(1)(B), (C), redesignated pars. (5) and (6) as (4) and (5), respectively, and struck out former par. (4), which exempted persons employed under subsec. (b) from certain provisions restricting activities of and payments to retired military officers and public officials, with specific exceptions.

Subsec. (b)(6). Pub. L. 111-67, § 10(1)(D), substituted “The Director of the Office of Personnel Management shall carry out a biennial survey of” for “At least once every three months the Director of the Office of Personnel Management shall survey”.

Pub. L. 111-67, § 10(1)(C), redesignated par. (7) as (6). Former par. (6) redesignated (5).

Subsec. (b)(7), (8). Pub. L. 111-67, § 10(1)(C), redesignated par. (8) as (7). Former par. (7) redesignated (6).

Subsec. (c). Pub. L. 111-67, § 10(2), struck out at end “The President is authorized to provide by regulation

for the exemption of such persons from the operation of sections 281, 283, 284, 434, and 1914 of title 18 and section 99 of title 5.”

Subsec. (d). Pub. L. 111-67, § 10(3), substituted “needed.” for “needed; and he is authorized to provide by regulation for the exemption of persons whose services are utilized under this subsection from the operation of sections 281, 283, 284, 434, and 1914 of title 18 and section 99 of title 5.”

Subsec. (e). Pub. L. 111-67, § 10(4), substituted “national defense emergency, as determined by the President” for “emergency” and struck out at end “The President is authorized to provide by regulation for the exemption of such persons who are not full-time Government employees from the operation of sections 281, 283, 284, 434, and 1914 of title 18 and section 99 of title 5.”

1992—Subsec. (b)(6). Pub. L. 102-558, § 143(a), amended par. (6) generally. Prior to amendment, par. (6) read as follows: “The heads of the departments or agencies making appointments under this subsection shall file with the Division of the Federal Register for publication in the Federal Register a statement including the name of the appointee, the employing department or agency, the title of his position, and the name of his private employer, and the appointee shall file with such Division for publication in the Federal Register a statement listing the names of any corporations of which he is an officer or director or within sixty days preceding his appointment has been an officer or director, or in which he owns, or within sixty days preceding his appointment has owned, any stocks, bonds, or other financial interests, and the names of any partnerships in which he is, or was within sixty days preceding his appointment, a partner, and the names of any other businesses in which he owns, or within such sixty-day period has owned, any similar interest. At the end of each succeeding six-month period, the appointee shall file with such Division for publication in the Federal Register a statement showing any changes in such interests during such period.”

Subsec. (b)(7). Pub. L. 102-558, § 143(b)(1), substituted “Director of the Office of Personnel Management” for “Chairman of the United States Civil Service Commission” and “his or her findings” for “his findings”, struck out “and the Joint Committee on Defense Production” after “to the President”, and substituted “he or she may” for “he may”.

Subsec. (b)(8). Pub. L. 102-558, § 143(b)(2), substituted “reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out the functions for which they were appointed in the same manner as persons employed intermittently in the Federal Government are allowed expenses under section 5703 of title 5” for “transportation and not to exceed \$15 per diem in lieu of subsistence while away from their homes or regular places of business pursuant to such appointment”.

1975—Subsec. (e). Pub. L. 94-152 substituted provisions authorizing per diem in lieu of subsistence in accordance with provisions of title 5 with respect to individuals serving without pay while away from their homes or regular places of business, for provisions authorizing \$15 per diem in lieu of subsistence.

1955—Subsec. (a). Act June 28, 1955, repealed subsec. (a) which authorized President to place positions and employ persons temporarily in grades 16, 17, and 18 of the General Schedule established by Classification Act of 1949.

Subsec. (b). Act Aug. 9, 1955, § 7, imposed additional restrictions on employment of persons without compensation by establishing guides to be used by President, requiring written certification, publication of statements, and a survey of appointments.

Subsecs. (e) to (g). Act Aug. 9, 1955, § 8, added subsec. (e) and redesignated former subsecs. (e) and (f) as (f) and (g), respectively.

1951—Subsec. (f). Act July 31, 1951, added subsec. (f).

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-558 deemed to have become effective Mar. 1, 1992, see section 304 of Pub. L. 102-558, set out as a note under section 4502 of this title.

## EFFECTIVE DATE OF 1975 AMENDMENT

Amendment by Pub. L. 94-152 effective at close of Nov. 30, 1975, see section 9 of Pub. L. 94-152, as amended, set out as a note under section 4558 of this title.

## EFFECTIVE DATE OF 1955 AMENDMENTS

Amendment by act Aug. 9, 1955, effective as of close of July 31, 1955, see section 11 of act Aug. 9, 1955, set out as a note under section 4502 of this title.

**Executive Documents**

## DELEGATION OF FUNCTIONS

Authority of President to implement the Defense Production Act of 1950 (this chapter) in this subchapter—

(1) with respect to hoarding of health and medical resources necessary to respond to the spread of COVID-19 within the United States delegated to Secretary of Health and Human Services, see section 2(a)(ii) of Ex. Ord. 13910, Mar. 23, 2020, 85 F.R. 17001, set out as a note under section 4512 of this title;

(2) with respect to responding to the spread of COVID-19 within the United States delegated to Secretary of Health and Human Services and Secretary of Homeland Security, see section 2(a) of Ex. Ord. No. 13911, Mar. 27, 2020, 85 F.R. 18403, set out as a note under section 4511 of this title; and

(3) in addition to the delegation of authority in Ex. Ord. No. 13911, delegated to Chief Executive Officer of the United States International Development Finance Corporation, see section 2 of Ex. Ord. No. 13922, May 14, 2020, 85 F.R. 30583, set out as a note under section 4532 of this title.

Functions of President under this chapter relating to production, conservation, use, control, distribution, and allocation of energy, delegated to Secretary of Energy, see section 4 of Ex. Ord. No. 11790, June 25, 1974, 39 F.R. 23185, set out under section 761 of Title 15, Commerce and Trade.

For delegation of authority of President under subsecs. (b), (c), and (e) of this section, see sections 501(b) and 502 of Ex. Ord. No. 13603, Mar. 16, 2012, 77 F.R. 16656, set out as a note under section 4553 of this title.

**§ 4561. Authorization of appropriations; availability of funds**

There is authorized to be appropriated \$133,000,000 for fiscal year 2015 and each fiscal year thereafter for the carrying out of the provisions and purposes of this chapter by the President and such agencies as he may designate or create. In addition to the appropriations authorized by the previous sentence, there is authorized to be appropriated \$117,000,000 for each of fiscal years 2020 through 2024 to carry out subchapter II.

(Sept. 8, 1950, ch. 932, title VII, §711, 64 Stat. 820; Pub. L. 93-426, §3, Sept. 30, 1974, 88 Stat. 1167; Pub. L. 96-294, title I, §105(a), June 30, 1980, 94 Stat. 632; Pub. L. 98-265, §5, Apr. 17, 1984, 98 Stat. 151; Pub. L. 99-441, §3, Oct. 3, 1986, 100 Stat. 1117; Pub. L. 101-137, §9(b), Nov. 3, 1989, 103 Stat. 826; Pub. L. 102-99, §3, Aug. 17, 1991, 105 Stat. 487; Pub. L. 102-558, title I, §§144, 152, 161, Oct. 28, 1992, 106 Stat. 4218, 4219; Pub. L. 104-64, §3, Dec. 18, 1995, 109 Stat. 689; Pub. L. 105-261, div. A, title X, §1072(b), Oct. 17, 1998, 112 Stat. 2137; Pub. L.

106-65, div. A, title X, §1063(b), Oct. 5, 1999, 113 Stat. 769; Pub. L. 106-363, §2, Oct. 27, 2000, 114 Stat. 1407; Pub. L. 107-47, §3, Oct. 5, 2001, 115 Stat. 260; Pub. L. 108-195, §2(b), Dec. 19, 2003, 117 Stat. 2892; Pub. L. 110-367, §3, Oct. 8, 2008, 122 Stat. 4026; Pub. L. 111-67, §2(b), Sept. 30, 2009, 123 Stat. 2007; Pub. L. 113-172, §5, Sept. 26, 2014, 128 Stat. 1898; Pub. L. 116-92, div. A, title XVII, §1705(a), Dec. 20, 2019, 133 Stat. 1797.)

## TERMINATION OF SECTION

*For termination of section, see section 4564(a) of this title.*

**Editorial Notes**

## REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning act Sept. 8, 1950, ch. 932, 64 Stat. 798, known as the Defense Production Act of 1950, which is classified principally to this chapter. For complete classification of this Act to the Code, see section 4501 of this title and Tables.

## CODIFICATION

Section was formerly classified to section 2161 of the former Appendix to this title prior to editorial reclassification and renumbering as this section.

## AMENDMENTS

2019—Pub. L. 116-92 inserted at end “In addition to the appropriations authorized by the previous sentence, there is authorized to be appropriated \$117,000,000 for each of fiscal years 2020 through 2024 to carry out subchapter II.”

2014—Pub. L. 113-172 substituted “is authorized to be appropriated \$133,000,000 for fiscal year 2015 and each fiscal year thereafter” for “are hereby authorized to be appropriated such sums as may be necessary and appropriate” and struck out at end “Funds made available pursuant to this paragraph for the purposes of this chapter may be allocated or transferred for any of the purposes of this chapter, with the approval of the Office of Management and Budget, to any agency designated to assist in carrying out this chapter. Funds so allocated or transferred shall remain available for such period as may be specified in the Acts making such funds available.”

2009—Pub. L. 111-67 struck out subsec. (a) designation and heading, struck out provisions relating to exception provided in subsec. (b) and parenthetical provision including sections 4532 and 4533 of this title within provisions and purposes of chapter and excluding sections 305 and 306 of act Sept. 8, 1950, ch. 932, from such provisions and purposes, and struck out subsec. (b) which related to subchapter II appropriations for fiscal years 1996 through 2009.

2008—Subsec. (b). Pub. L. 110-367 substituted “2009” for “2008”.

2003—Subsec. (b). Pub. L. 108-195 substituted “2008” for “2003”.

2001—Subsec. (b). Pub. L. 107-47 substituted “2003” for “2001”.

2000—Subsec. (b). Pub. L. 106-363 substituted “2001” for “2000”.

1999—Subsec. (b). Pub. L. 106-65 substituted “fiscal years 1996 through 2000” for “the fiscal years 1996, 1997, 1998, and 1999”.

1998—Subsec. (b). Pub. L. 105-261 substituted “1998, and 1999” for “and 1998”.

1995—Subsec. (a). Pub. L. 104-64, §3(1), struck out paragraph designation “(1)” and former par. (1) heading “In general” and in text substituted “Except as provided in subsection (b),” for “Except as provided in subsection (c),”.

Subsecs. (b) to (d). Pub. L. 104-64, §3(2), added subsec. (b) and struck out former subsec. (b) which authorized