## Public Law 86-707

September 6, 1960 [H. R. 7758]

## AN ACT

To improve the administration of overseas activities of the Government of the United States, and for other purposes.

Overseas Differentials and Allowances Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That titles I to V, inclusive, of this Act may be cited as the "Overseas Differentials and Allowances Act".

#### TITLE I—PURPOSE AND DEFINITIONS

## PART A—PURPOSE

Sec. 101. The Congress hereby declares that it is the purpose of this Act to improve and strengthen the administration of overseas activities of the Government by—

(1) providing a means for more effectively compensating Government employees for the extra costs and hardships incident to their assignments overseas,

(2) providing for the uniform treatment of Government employees stationed overseas to the extent justified by relative conditions of employment,

(3) establishing the basis for the more efficient and equitable administration of the laws compensating Government employees for the extra costs and hardships incident to their assignments overseas, and

(4) facilitating for the Government the recruitment and retention of the best qualified personnel for civilian service over-

#### PART B-DEFINITIONS

Sec. 111. As used in this title, title II, and section 522 of title V, the term—

(1) "Government" means the Government of the United States of

(2) "Government agency" means (A) each executive department of the Government, (B) each independent establishment or agency in the executive branch of the Government, including each corporation wholly owned (either directly or through one or more corporations) by the Government, (C) the General Accounting Office, and (D) the

Library of Congress;
(3) "Employee" means an individual employed in the civilian service of a Government agency and more specifically defined in regulations prescribed by the President, but including ambassadors, ministers, and officers of the Foreign Service of the United States under the Department of State;

(4) "United States", when used in a geographical sense, means the several States of the United States of America and the District of Columbia;

(5) "Continental United States" means the several States of the United States of America, excluding Alaska and Hawaii but including the District of Columbia; and

(6) "Foreign area" means any area (including the Trust Territory of the Pacific Islands) situated outside the United States, the Commonwealth of Puerto Rico, the Canal Zone, and the possessions of the United States.

# TITLE II—ALLOWANCES AND DIFFERENTIALS IN FOREIGN AREAS

#### PART A-GENERAL PROVISIONS

SEC. 201. Notwithstanding section 1765 of the Revised Statutes (5 U.S.C. 70), the allowances and differentials provided by this title are authorized for and may be granted only to an employee officially stationed in a foreign area unless otherwise provided in this title—

(1) who is a citizen of the United States, and

(2) whose rate of basic compensation is fixed by statute or, without taking into consideration the allowance and differentials provided by this title, is fixed by administrative action pursuant to law or is fixed administratively in conformity with rates paid by the Government for work of a comparable level of difficulty and responsibility in the continental United States,

except that such allowances and differentials may be paid to an employee officially stationed in a foreign area who is not a citizen of the United States to the extent that the payment of such allowances and differentials to such noncitizen employee is authorized by any pro-

vision of law other than this title.

SEC. 202. Allowances granted under this title may be paid in advance, or advance of funds may be made therefor, through the proper disbursing officer in such sums as may be deemed advisable in consideration of the need and the period of time during which expenditures must be made in advance by the employee or employees. Any advance of funds not subsequently covered by allowances accrued to the employee or employees under this title shall be recoverable by the Government by setoff against accrued salary, pay, compensation, amount of retirement credit, or other amount due from the Government to such employee or employees and by such other method as may be provided by law for the recovery of amounts owing to the Government.

The head of the Government agency concerned may, in accordance with regulations of the President, waive in whole or in part any right of recovery under this section, if it is shown that such recovery would be against equity and good conscience or against the public interest.

Sec. 203. The allowances and differentials authorized by this title shall be paid in accordance with regulations prescribed by the President establishing rules governing payments thereof and the respective rates at which such payments shall be made, the foreign areas, the groups of positions, and the categories of employees to which such rates shall apply, and other related matters.

## PART B-QUARTERS ALLOWANCES

SEC. 211. Whenever Government-owned or Government-rented quarters are not provided without charge for an employee in a foreign area, one or more of the following quarters allowances may be granted

to such employee where applicable:

(1) A temporary lodging allowance for the reasonable cost of temporary quarters incurred by the employee and his family (A) for a period not in excess of three months after first arrival at a new post of assignment in a foreign area or a period ending with the occupation of residence quarters, whichever shall be shorter, and (B) for a period of not more than one month immediately preceding final departure from the post subsequent to the necessary evacuation of residence quarters;

(2) A living quarters allowance for rent, heat, light, fuel, gas, electricity, and water, without regard to the limitations of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529); and

(3) Under unusual circumstances payment or reimbursement for extraordinary, necessary, and reasonable expenses, not otherwise compensated for, incurred in initial repairs, alterations, and improvements to an employee's privately leased residence at a post of assignment in a foreign area, if such expenses are administratively approved in advance and if the duration and terms of the lease justify payment of such expenses by the Government.

#### PART C-Cost-of-Living Allowances

Sec. 221. The following cost-of-living allowances may be granted, where applicable, to an employee in a foreign area:

(1) A post allowance to offset the difference between the cost of living at the post of assignment of the employee in a foreign area and the cost of living in Washington, District of Columbia;

(2) A transfer allowance for extraordinary, necessary, and reasonable expenses, not otherwise compensated for, incurred by an employee incident to establishing himself at any post of assignment in a foreign area or at a post of assignment in the United States between assignments to posts in foreign areas;

(3) A separate maintenance allowance to assist an employee who is compelled, by reason of dangerous, notably unhealthful, or excessively adverse living conditions at his post of assignment in a foreign area or for the convenience of the Government, to meet the additional expense of maintaining, elsewhere than at such post, his wife or his dependents, or both;

(4) An education allowance or payment of travel costs to assist an employee with the extraordinary and necessary expenses, not otherwise compensated for, incurred by reason of his service in any foreign area or foreign areas in providing adequate education for his dependents, as follows:

(A) An allowance not to exceed the cost of obtaining such elementary and secondary educational services as are ordinarily provided without charge by the public schools in the United States, plus, in those cases where adequate schools are not available at the employee's post, board and room, and periodic transportation between such post and the nearest locality, where adequate schools are available, without regard to the limitations of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529); but the amount of the allowance granted shall be determined on the basis of the educational facility used;

(B) The travel expenses of dependents of an employee to and from a school in the United States to obtain an American secondary or undergraduate college education, not to exceed one trip each way for each dependent for the purpose of obtaining each type of education; but no allowance payments under subparagraph (A) of this paragraph (4) shall be made for any dependent during the twelve months following his arrival in the United States for secondary education pursuant to authority contained in this subparagraph (B). Notwithstanding section 111(6) of this Act, travel expenses, for the purpose of obtaining undergraduate college education, may be authorized under this subparagraph (B), under such regulations as the President may prescribe, for dependents of employees who are citizens of the United States stationed in the Canal Zone.

LION OF residence quarters;

#### PART D—POST DIFFERENTIAL

Sec. 231. A post differential may be granted on the basis of conditions of environment which differ substantially from conditions of environment in the continental United States and warrant additional compensation as a recruitment and retention incentive. Such differential also may be granted to any employee who is officially stationed in the United States and who is on extended detail in a foreign area. Additional compensation paid as a post differential shall not in any instance exceed 25 per centum of the rate of basic compensation.

## TITLE III—MISCELLANEOUS EXPENSES

## PART A-STORAGE

Sec. 301. (a) Paragraphs (4) and (5) of section 911 of the Foreign Service Act of 1946 (22 U.S.C. 1136 (4) and (5)) are amended to read as follows:

"(4) the cost of packing and unpacking, transporting to and from a place of storage, and storing the furniture and household and personal effects of an officer or employee of the Service, when he is absent from his post of assignment under orders, or when he is assigned to a post to which he cannot take or at which he is unable to use such furniture and household and personal effects, or when it is in the public interest or more economical to authorize storage; but in no instance shall the weight or volume of the effects stored together with the weight or volume of the effects transported exceed the maximum limitations fixed by

regulations, when not otherwise fixed by law;

"(5) the cost of packing and unpacking, transporting to and from a place of storage, and storing the furniture and household and personal effects of an officer or employee of the Service in connection with assignment or transfer to a new post, from the date of his departure from his last post or from the date of his departure from his place of residence in the case of a new officer or employee and for not to exceed three months after arrival at the new post, or until the establishment of residence quarters, whichever shall be shorter; and, in connection with separation of an officer or employee of the Service, the cost of packing and unpacking, transporting to and from a place of storage, and storing for a period not to exceed three months, his furniture and household and personal effects; but in no instance shall the weight or volume of the effects stored together with the weight or volume of the effects transported exceed the maximum limitations fixed by regulations, when not otherwise fixed by law."

(b) Paragraphs (1) (D) and (E) of section 4 of the Central Intelligence Agency Act of 1949 (63 Stat. 209, 72 Stat. 337; 50 U.S.C.

403e(a)(1) (D) and (E)) are amended to read as follows:

"(D) pay the cost of packing and unpacking, transporting to and from a place of storage, and storing the furniture and household and personal effects of an officer or employee of the Agency, when he is absent from his post of assignment under orders, or when he is assigned to a post to which he cannot take or at which he is unable to use such furniture and household and personal effects, or when it is in the public interest or more economical to authorize storage; but in no instance shall the weight or volume of the effects stored together with the weight or volume of the effects transported exceed the maximum limitations fixed by regulations, when not otherwise fixed by law;

60 Stat. 1026.

"(E) pay the cost of packing and unpacking, transporting to and from a place of storage, and storing the furniture and household and personal effects of an officer or employee of the Agency in connection with assignment or transfer to a new post, from the date of his departure from his last post or from the date of his departure from his place of residence in the case of a new officer or employee and for not to exceed three months after arrival at the new post, or until the establishment of residence quarters, whichever shall be shorter; and in connection with separation of an officer or employee of the Agency, the cost of packing and unpacking, transporting to and from a place of storage, and storing for a period not to exceed three months, his furniture and household and personal effects; but in no instance shall the weight or volume of the effects stored together with the weight or volume of the effects transported exceed the maximum limitations fixed by regulations, when not otherwise fixed by law."

(c) The first section of the Administrative Expenses Act of 1946

(60 Stat. 806), as amended (5 U.S.C. 73b-1), is amended—
(1) by striking out "(not to exceed seven thousand pounds if uncrated or eight thousand seven hundred and fifty pounds if crated or the equivalent thereof when transportation charges are based on cubic measurement)" in subsection (a) of such section and inserting in lieu thereof "(not to exceed seven thousand pounds net weight)"; and

(2) by adding at the end of such section the following new

subsection:

"(e) Whenever any civilian officer or employee (including any new appointee in accordance with section 7 of this Act) is assigned to a permanent duty station outside the continental United States to which he cannot take or at which he is unable to use his household goods and personal effects or whenever the head of the department concerned authorizes storage of any such property in the public interest or for reasons of economy, storage expenses (including related transportation and other expenses) may be allowed such officer or employee in accordance with regulations prescribed by the President; but in no instance shall the weight of the property stored under this subsection, together with the weight of property transported under subsection (a), exceed the maximum weight limitation provided by subsection (a)."

(d) The term "furniture and household and personal effects", as used in the amendments made by this part to the Foreign Service Act of 1946, as amended, and the Central Intelligence Agency Act of 1949, as amended, and the term "household goods and personal effects", as used in the amendments made by this part to the Administrative Expenses Act of 1946, as amended, mean such personal property of an employee and the dependents of such employee as the Secretary of State and the Director of Central Intelligence, as the case may be, with respect to the term "furniture and household and personal effects", and the President, with respect to the term "household goods and personal effects", shall by regulation authorize to be transported or stored under the amendments made by this part to such Acts (including, in emergencies, motor vehicles authorized to be shipped at Government expense). Such motor vehicle shall be excluded from the weight and volume limitations prescribed by the laws set forth in this part.

60 Stat. 999. 22 USC 801 note. 63 Stat. 208. 50 USC 403a note.

5 USC 73b-3.

#### PART B—OFFICIAL RESIDENCE EXPENSES

Sec. 311. (a) The Administrative Expenses Act of 1946 (60 Stat. 5 USC 73b-1 806), as amended, is amended by adding at the end thereof the folnote. lowing new section:

"Sec. 22. Under such regulations as the President may prescribe, funds available to the departments for administrative expenses may be allotted to posts in foreign countries for the purpose of defraying the unusual expenses incident to the operation and maintenance of official residences suitable for the chief representatives of the United States at such posts and such other senior officials of this Government

in foreign countries as the President may designate."

(b) Section 8 of the United Nations Participation Act of 1945, as amended (22 U.S.C. 287e), is amended by striking out "and the allotment of funds, similar to the allotment authorized by section 902 of the Foreign Service Act of 1946, for unusual expenses incident to the operation and maintenance of such living quarters, to be accounted for in accordance with section 903 of said Act;" and inserting in lieu thereof "and unusual expenses similar to those authorized by section 22 of the Administrative Expenses Act of 1946, as amended by section 311 of the Overseas Differentials and Allowances Act, incident to the operation and maintenance of such living quarters;".

#### PART C-TRANSPORTATION OF MOTOR VEHICLES

Sec. 321. The first section of the Administrative Expenses Act of 1946 (60 Stat. 806), as amended (5 U.S.C. 73b-1), is amended by adding thereto, immediately following the new subsection (e) added to such first section by section 301(c) of this Act, the following new

subsection:

"(f) Under such regulations as the President may prescribe, the privately owned motor vehicle of any employee (including any new appointee, in accordance with section 7 of this Act) assigned to a post of duty outside the continental United States on other than temporary duty orders may be transported to, from, and between the continental United States and such post of duty, or between posts of duty outside the continental United States, whenever it is determined by the head of the department concerned to be in the interest of the Government for such employee to have the use of a motor vehicle at his post of Not more than one motor vehicle of any employee may be transported under authority of this subsection during any four-year period, except that, as a replacement for such motor vehicle, one additional motor vehicle of any employee may be so transported during such period upon approval, in advance, by the head of the department concerned and upon a determination, in advance, by such department head that such replacement is necessary for reasons beyond the control of the employee and is in the interest of the Government. After the expiration of a period of four years following the date of transportation under authority of this subsection of a privately owned motor vehicle of any employee who has remained in continuous service outside the continental United States during such period, the transportation of a replacement for such motor vehicle for such employee may be authorized, in accordance with this subsection, by the head of the department concerned. The head of each department may, in accordance with this subsection, authorize the transportation of privately owned motor vehicles of employees of such department, assigned to duty outside the continental United States, by commercial means if available at reasonable rates and under reasonable conditions or by Government means on a space-available basis. This subsection shall not apply to the Foreign Service of the United States under the Department of State and to the Central Intelligence Agency but shall not affect the authority contained in section 913 of the Foreign Service Act of 1946 (60 Stat. 1027; 22 U.S.C. 1138) or paragraph (4) of section 4 of the Central Intelligence Agency Act of 1949 (63 Stat. 210, 72 Stat. 337; 50 U.S.C. 403e(a) (4)).

63 Stat. 736.

5 USC 73b-3.

Sec. 322. Section 913 of the Foreign Service Act of 1946 (60 Stat. 1027; 22 U.S.C. 1138) is amended to read as follows:

#### "TRANSPORTATION OF MOTOR VEHICLES

"Sec. 913. The Secretary may, notwithstanding the provisions of any other law, transport for or on behalf of an officer or employee of the Service, a privately owned motor vehicle in any case in which he shall determine that water, rail, or air transportation of the motor vehicle is necessary or expedient for all or any part of the distance between points of origin and destination. Not more than one motor vehicle of any such officer or employee may be transported under authority of this section during any four-year period, except that, as a replacement for such motor vehicle, one additional motor vehicle of any such officer or employee may be so transported during such period upon approval, in advance, by the Secretary and upon a determination, in advance, by the Secretary that such replacement is necessary for reasons beyond the control of the officer or employee and is in the interest of the Government. After the expiration of a period of four years following the date of transportation under authority of this section of a privately owned motor vehicle of any officer or employee who has remained in continuous service outside the continental United States (excluding Alaska and Hawaii) during such period, the transportation of a replacement for such motor vehicle for such officer or employee may be authorized by the Secretary in accordance with this section."

SEC. 323. (a) That part of section 4(a) of the Central Intelligence Agency Act of 1949, as amended (63 Stat. 209, 73 Stat. 337; 50 U.S.C. 403e), which precedes paragraph (1) thereof, is amended—

(1) by striking out "(a)"; and

(2) by striking out "permanent-duty stations outside the continental United States, its territories, and possessions," and inserting in lieu thereof "duty stations outside the several States of the United States of America, excluding Alaska and Hawaii, but including the District of Columbia,".

(b) Paragraph (4) of section 4 of the Central Intelligence Agency Act of 1949, as amended (63 Stat. 210, 73 Stat. 337; 50 U.S.C. 403e(a)

(4)), is amended to read as follows:

"(4) Notwithstanding the provisions of any other law, transport for or on behalf of an officer or employee of the Agency, a privately owned motor vehicle in any case in which it shall be determined that water, rail, or air transportation of the motor vehicle is necessary or expedient for all or any part of the distance between points of origin and destination, and pay the costs of such transportation. Not more than one motor vehicle of any officer or employee of the Agency may be transported under authority of this paragraph during any four-year period, except that, as a replacement for such motor vehicle, one additional motor vehicle of any such officer or employee may be so transported during such period upon approval, in advance, by the Director and upon a determination, in advance, by the Director that such replacement is necessary for reasons beyond the control of the officer or employee and is in the interest of the Government. After the expiration of a period of four years following the date of transportation under authority of this paragraph of a privately owned motor vehicle of any officer or employee who has remained in continuous service outside the several States of the United States of America, excluding Alaska and Hawaii, but including the District of Columbia, during such period, the transportation of a replacement for such motor vehicle for such officer or employee may be authorized by the Director in accordance with this paragraph."

## TITLE IV—AMENDMENTS TO ANNUAL AND SICK LEAVE ACT OF 1951

SEC. 401. Subsections (d), (e), and (f) of section 203 of the Annual and Sick Leave Act of 1951, as amended (5 U.S.C. 2062 (d),

(e), and (f)), are amended to read as follows:

"(d) Notwithstanding the provisions of subsection (c), a maximum accumulation not to exceed forty-five days at the beginning of the first complete biweekly pay period, or corresponding pay period in the case of an officer or employee who is not paid on the basis of biweekly pay periods, in any year is authorized for the following categories of employees of the Federal Government stationed outside the United States:

"(1) Persons directly recruited or transferred by the Federal Government (A) from the United States, or (B) from the Commonwealth of Puerto Rico or the possessions of the United States for employment

outside the area of recruitment or from which transferred.

"(2) Persons employed locally but (A)(i) who were originally recruited from the United States, or from the Commonwealth of Puerto Rico or the possessions of the United States but outside the area of employment, (ii) who have been in substantially continuous employment by other Federal agencies, United States firms, interests or organizations, international organizations in which the United States Government participates, or foreign governments, and (iii) whose conditions of employment provide for their return transportation to the United States or the Commonwealth of Puerto Rico or the possessions of the United States, or (B) (i) who were at the time of employment temporarily absent, for the purpose of travel or formal study, from the United States, or from their respective places of residence in the Commonwealth of Puerto Rico or the possessions of the United States and (ii) who, during such temporary absence, have maintained residence in the United States or in the Commonwealth of Puerto Rico or the possessions of the United States but outside the area of employment.

"(3) Persons who are not normally residents of the area concerned and who are discharged from service in the Armed Forces of the United States to accept employment with an agency of the Federal

Government.

- "(e) The leave granted pursuant to this title shall be exclusive of the time actually and necessarily occupied in going to and from the post of duty and exclusive of such time as may be necessarily occupied in awaiting transportation, in the case of an officer or employee (1) who is within the purview of subsection (d) of this section, (2) whose post of duty is outside the United States, and (3) who returns on leave to the United States, or to his place of residence, which is outside the area of employment, in the Commonwealth of Puerto Rico or the possessions of the United States. The provisions of this subsection shall not apply to more than one period of leave in a prescribed tour of duty at a post outside the United States.
- "(f) Upon completion of twenty-four months of continuous service outside the United States, officers and employees may be granted, in accordance with regulations of the President, leave of absence at a rate not to exceed one week for each four months of such service without regard to any other leave provided by this title, for use in

65 Stat. 679.

Annual leave.

Maximum accumulation.

the United States, or, if their respective places of residence are outside the area of employment, in the Commonwealth of Puerto Rico or the possessions of the United States. Such leave so granted may be accumulated for future use without regard to the limitation in subsection (d) of this section but no such leave shall be made the basis for any terminal leave or for any lump-sum payment."

Sec. 402. (a) Section 202(b) (2) of the Annual and Sick Leave Act of 1951, as amended (5 U.S.C. 2061(b)(2)), is amended to read

as follows:

"(2) This title, except section 203(g), shall not apply to alien

employees who occupy positions outside the United States."

(b) Section 203(g) of such Act, as amended (5 U.S.C. 2062(g)), is amended by striking out "the several States and the District of Columbia" and inserting in lieu thereof "the United States".

(c) Section 202 of such Act, as amended (5 U.S.C. 2061), is amended by adding at the end of such section the following new

"(d) As used in this title, the term 'United States' means the several States of the United States of America and the District of Columbia."

Effective date.

"United States".

Exceptions.

Sec. 403. The amendments made by this title to the Annual and Sick Leave Act of 1951, as amended, shall take effect on the first day of the first pay period following the date of enactment of this Act.

## TITLE V-APPROPRIATION, REPEAL, AMENDATORY, AND MISCELLANEOUS PROVISIONS

## PART A—APPROPRIATION PROVISIONS

Sec. 501. (a) There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act and the

amendments made by this Act.

(b) Appropriations or funds otherwise available, for the fiscal year ending June 30, 1960, to any department, agency, establishment or corporation of the Government of the United States of America within the purview of this Act or of any amendment made by this Act are hereby made available for the purposes of this Act and of any such amendment in accordance with the authority contained in this Act or contained in any law amended by this Act and in accordance with such regulations as the President may prescribe.

## PART B-REPEAL AND AMENDATORY PROVISIONS

Sec. 511. (a) The following provisions of law are hereby repealed: (1) Sections 443, 902, 903, and 911(9) of the Foreign Service Act of 1946, as amended (60 Stat. 1006, 1025, and 1026; 69 Stat. 27; 22 U.S.C. 888, 1132, 1133, and 1136(9));

(2) Sections 2(b), 13, and 14 of the Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956 (70 Stat. 890, 892; Public Law 885, Eighty-fourth Congress;

5 U.S.C. 170g(b), 170r, and 170s); and
(3) Sections 1(d) and 4(b) of the Central Intelligence Agency Act of 1949, as amended (63 Stat. 208 and 211; 50 U.S.C. 403a(d) and

403e(b)).

(b) Any provision of law which is not repealed by subsection (a) of this section but is inconsistent with any provision of this Act or of any amendment made by this Act shall be held and considered to be amended, modified, or superseded to the extent necessary to carry out the purposes of and conform to such provision of this Act or of such amendment.

(c) (1) Section 1(c) of the Central Intelligence Agency Act of 1949 (63 Stat. 208; 50 U.S.C. 403a(c)) is amended by striking out "Government; and" and inserting in lieu thereof "Government.".

(2) Paragraph (1)(A) of section 4 of the Central Intelligence Agency Act of 1949, as amended (63 Stat. 209; 72 Stat. 337; 50

U.S.C. 403e(a)(1)(A)), is amended to read as follows:

"(1) (A) pay the travel expenses of officers and employees of the Agency, including expenses incurred while traveling pursuant to authorized home leave;".

(3) Paragraph (3) (A) of section 4 of such Act (63 Stat. 209 and 210; 72 Stat. 337; 50 U.S.C. 403e(a) (3) (A)) is amended to read as

follows:

"(3) (A) Order to any of the several States of the United States of America (including the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States) on leave of absence each officer or employee of the Agency who was a resident of the United States (as described above) at time of employment, upon completion of two years' continuous service abroad, or as soon as possible thereafter."

(4) Paragraph (3) (B) of section 4 of such Act (63 Stat. 210; 72 Stat. 337; 50 U.S.C. 403e(a) (3) (B)) is amended to read as follows:

"(B) While in the United States (as described in paragraph (3)(A) of this section) on leave, the service of any officer or employee shall be available for work or duties in the Agency or elsewhere as the Director may prescribe; and the time of such work or duty shall not be counted as leave."

(5) Paragraph (3) (C) of section 4 of such Act (63 Stat. 210; 72 Stat. 337; 50 U.S.C. 403e(a) (3) (C)) is amended to read as follows:

"(C) Where an officer or employee on leave returns to the United States (as described in paragraph (3) (A) of this section), leave of absence granted shall be exclusive of the time actually and necessarily occupied in going to and from the United States (as so described) and such time as may be necessarily occupied in awaiting transportation."

occupied in awaiting transportation."

(6) The Act entitled "An Act to provide living quarters, including heat, fuel, and light, for civilian officers and employees of the Government stationed in foreign countries", approved June 26, 1930 (46 Stat. 818; Public Law 445, Seventy-first Congress; 5 U.S.C. 118a), is

amended—

(A) by striking out "and, where such quarters are not available, may be granted an allowance for living quarters, including heat, fuel, and light, notwithstanding the provisions of section 1765 of the Revised Statutes (U.S.C., title 5, sec. 70)"; and

(B) by striking out that part of the first proviso of such Act of June 26, 1930, which reads "or allowances in lieu thereof".

(7) Section 901 of the Foreign Service Act of 1946, as amended (22 U.S.C. 1131), is amended to read as follows:

"REPRESENTATION ALLOWANCES

"Sec. 901. In accordance with such regulations as the President may prescribe and notwithstanding the provisions of section 1765 of the Revised Statutes (5 U.S.C. 70), the Secretary is authorized to grant to any officer or employee of the Service who is a citizen of the United States allowances in order to provide for the proper representation of the United States by officers or employees of the Service."

60 Stat. 1025.

26 USC 912.

## PART C-MISCELLANEOUS PROVISIONS

SEC. 521. Whenever reference is made in any other law or in any regulation to any provision of law which is repealed, modified, amended, or superseded by reason of section 511 of this Act, such reference, unless inconsistent with this Act, shall be held and considered to refer to this Act or the appropriate provision of, or amend-

ment made by, this Act.

Sec. 522. Notwithstanding any provision of this Act and until such time as regulations are issued under this Act, employees shall continue to be paid allowances and differentials in accordance with rules and regulations issued pursuant to the laws in effect immediately prior to the enactment of this Act and such rules and regulations may be amended or revoked in accordance with the provisions of such laws.

SEC. 523. (a) Section 912 of the Internal Revenue Code of 1954 (relating to exemption for certain allowances) is amended to read

as follows:

#### "SEC. 912. EXEMPTIONS FOR CERTAIN ALLOWANCES.

"The following items shall not be included in gross income, and

shall be exempt from taxation under this subtitle:

"(1) Foreign areas allowances.—In the case of civilian officers and employees of the Government of the United States, amounts received as allowances or otherwise (but not amounts received as post differentials) under—

"(A) title IX of the Foreign Service Act of 1946, as

amended (22 U.S.C., sec. 1131 and following),

"(B) section 4 of the Central Intelligence Agency Act of

1949, as amended (50 U.S.C., sec. 403e),

"(C) title II of the Overseas Differentials and Allow-

ances Act, or

"(D) subsection (e) or (f) of the first section of the Administrative Expenses Act of 1946, as amended, or section 99 of such Act

tion 22 of such Act.

"(2) Cost-of-living allowances.—In the case of civilian officers or employees of the Government of the United States stationed outside the continental United States (other than Alaska), amounts (other than amounts received under title II of the Overseas Differentials and Allowances Act) received as cost-of-living allowances in accordance with regulations approved by the President."

Applicability. (h) I

(b) Paragraphs (1) and (2) of section 912 of the Internal Revenue Code of 1954, as amended by subsection (a) of this section, shall apply only with respect to amounts received on or after the date of the enactment of this Act in taxable years ending on or after such date.

Approved September 6, 1960.

Public Law 86-708

September 6, 1960 [S. 1870]

#### AN ACT

To provide for examination, licensing, and for regulation of practical nurses, and for practical nursing education in the District of Columbia, and for other purposes.

D. C. Practical Nurses' Licensing Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be known and may be cited as the "District of Columbia Practical Nurses' Licensing Act".