

I. The Use of Private Corporations to Perform Public Functions

The use of private corporations to accomplish essentially public purposes is now a common feature of American society. The Congress itself has directly chartered a number of such corporations. Some congressionally-chartered corporations are non-profit organizations established, for example, to further patriotic objectives, 1/ to encourage specific charities, 2/ to obtain and administer historically significant sites and buildings, 3/ or to promote the development of United States territories. 4/ Other corporations have been chartered directly by Congress to engage in profit-making activity deemed in the public interest, such as the maintenance of a secondary market for home mortgage loans. 5/

In other instances, Congress has directed the organization of private entities under the corporation laws of a state or the District of Columbia, to accomplish some public purpose. Some such corporations have been organized

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1/ American Legion, 36 U.S.C. §§41-51.

2/ National Fund for Medical Education, 36 U.S.C. §§601-617.

3/ National Trust for Historical Preservation, 16 U.S.C. §§468-468d.

4/ Virgin Islands Corporation, 48 U.S.C. §§1407-1407i.

5/ Federal National Mortgage Association, 12 U.S.C. §§1716-1723d.