[CHAPTER 414]

AN ACT

To provide for the local delivery rate on certain first-class mail matter.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the proviso in section 1001 of the Revenue Act of 1932 (relating to postal rates) is amended to read as follows: "Provided, That such additional rate shall not apply to first-class matter mailed for local delivery or for delivery wholly within a county the population of which exceeds one million, provided said county is entirely within a corporate city".

Approved, June 24, 1940.

[CHAPTER 415]

AN ACT

Making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, namely:

QUARTERMASTER CORPS

CEMETERIAL EXPENSES

For maintaining and improving national cemeteries, including fuel for and pay of superintendents and the superintendent at Mexico City, and other employees; purchase of land; purchase of tools and materials; purchase and exchange of two passenger-carrying motor vehicles; repair, maintenance, and operation of passenger-carrying motor vehicles; care and maintenance of the Arlington Memorial Amphitheater, chapel, and grounds in the Arlington National Cemetery, and that portion of Congressional Cemetery to which the United States has title and the graves of those buried therein, including Confederate graves, and including the burial site of Pushmataha, a Choctaw Indian chief; repair to roadways but not to more than a single approach road to any national cemetery constructed under special Act of Congress; headstones for unmarked graves of soldiers, sailors, and marines under the Acts approved March 3, 1873 (24 U. S. C. 279), February 3, 1879 (24 U. S. C. 280), March 9, 1906 (34 Stat. 56), March 14, 1914 (38 Stat. 768), and February 26, 1929 (45 Stat. 1307); travel allowances of attendants accompanying remains of military personnel and civilian employees; for repairs and preservation of monuments, tablets, roads, fences, and so forth, made and constructed by the United States in Cuba and China to mark the places where American soldiers fell; care, protection, and maintenance of the Confederate Mound in Oakwood Cemetery at Chicago, the Confederate Stockade Cemetery at Johnstons Island, the Confederate burial plats owned by the United States in Confederate Cemetery at North Alton, the Confederate Cemetery, Camp Chase, at Columbus, the Confederate Cemetery at Point Lookout, and the Confederate Cemetery at Rock Island; and for care and maintenance of
graves used by the Army for burials in commercial cemeteries, $1,458,281: Provided, That no railroad shall be permitted upon any right-of-way which may have been acquired by the United States leading to a national cemetery, or to encroach upon any roads or walks constructed thereon and maintained by the United States: Provided further, That no part of this appropriation shall be used for repairing any roadway not owned by the United States within the corporate limits of any city, town, or village.

The Secretary of War is authorized to convey to any State, county, municipality, or proper agency thereof, in which the same is located, all the right, title, and interest of the United States in and to any Government owned or controlled approach road to any national cemetery: Provided, That prior to the delivery of any instrument of conveyance hereunder, the State, county, municipality, or agency to which the conveyance herein authorized is to be made, shall notify the Secretary of War in writing of its willingness to accept and maintain the road included in such conveyance: Provided further, That upon the execution and delivery of any conveyance herein authorized, the jurisdiction of the United States of America over the road conveyed, shall cease and determine and shall thereafter vest in the State in which said road is located.

SIGNAL CORPS

ALASKA COMMUNICATION SYSTEM

For operation, maintenance, and improvement of the Alaska Communication System, including travel allowances and travel in kind as authorized by law, and operation and maintenance of passenger-carrying vehicles, $197,992, to be derived from the receipts of the Alaska Communication System which have been covered into the Treasury of the United States, and to remain available until the close of the fiscal year 1942: Provided, That the Secretary of War shall report to Congress the extent and cost of any extensions and betterments which may be effected under this appropriation.

CORPS OF ENGINEERS

RIVERS AND HARBORS AND FLOOD CONTROL

To be immediately available and to be expended under the direction of the Secretary of War and the supervision of the Chief of Engineers, and to remain available until expended:

RIVERS AND HARBORS

For the preservation and maintenance of existing river and harbor works, and for the prosecution of such projects heretofore authorized as may be most desirable in the interests of commerce and navigation; for survey of northern and northwestern lakes and other boundary and connecting waters as heretofore authorized, including the preparation, correction, printing, and issuing of charts and bulletins and the investigation of lake levels; for prevention of obstructive and injurious deposits within the harbor and adjacent waters of New York City; for expenses of the California Debris Commission in carrying on the work authorized by the Act approved March 1, 1893, as amended (33 U. S. C. 661, 678, and 683); for removing sunken vessels or craft obstructing or endangering navigation as authorized by law; for operating and maintaining, keeping in repair, and continuing in use without interruption any lock, canal (except the
Panama Canal), canalized river, or other public works for the use and benefit of navigation belonging to the United States, including maintenance of the Hennepin Canal in Illinois; for payment annually of tuition fees of not to exceed fifty student officers of the Corps of Engineers at civil technical institutions under the provisions of section 127a of the National Defense Act, as amended (10 U. S. C. 553); for examinations, surveys, and contingencies of rivers and harbors; for printing and binding, newspapers, lawbooks, books of reference, periodicals, and office supplies and equipment required in the Office of the Chief of Engineers to carry out the purposes of this appropriation, including such printing as may be authorized by the Committee on Printing of the House of Representatives, either during a recess or session of Congress, of surveys authorized by law, and such surveys as may be printed during a recess of Congress shall be printed, with illustrations, as documents of the next succeeding session of Congress, and for the purchase (not to exceed $197,700) of motor-propelled passenger-carrying vehicles and motorboats, for official use: Provided, That no part of this appropriation shall be expended for any preliminary examination, survey, project, or estimate not authorized by law, $67,365,310: Provided, That from this appropriation the Secretary of War may, in his discretion and on the recommendation of the Chief of Engineers based on the recommendation by the Board of Rivers and Harbors in the review of a report or reports authorized by law, expend such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality, or other public agency, outside of harbor lines and serving essential needs of general commerce and navigation, such work to be subject to the conditions recommended by the Chief of Engineers in his report or reports thereon: Provided further, That no appropriation under the Corps of Engineers for the fiscal year 1941 shall be available for any expenses incident to operating any power-driven boat or vessel on other than Government business: Provided further, That not to exceed $3,000 of the amount herein appropriated shall be available for the support and maintenance of the Permanent International Commission of the Congresses of Navigation and for the payment of the actual expenses of the properly accredited delegates of the United States to the meeting of the congresses and of the commission.

**FLOOD CONTROL**

Flood control, general: For the construction and maintenance of certain public works on rivers and harbors for flood control, and for other purposes, in accordance with the provisions of the Flood Control Act, approved June 22, 1936, as amended and supplemented, including printing and binding, newspapers, law books, books of reference, periodicals, and office supplies and equipment required in the Office of the Chief of Engineers to carry out the purposes of this appropriation, the purchase (not to exceed $59,625) of motor-propelled passenger-carrying vehicles and motorboats for official use, and for preliminary examinations and surveys of flood-control projects authorized by law, $70,000,000, of which not to exceed $58,125,780 shall be available for expenditure upon projects on account of which allotments heretofore have been made: Provided, That $2,000,000 of this appropriation shall be transferred and made available to the Secretary of Agriculture for preliminary examinations and surveys, as authorized by law, for run-off and water-flow retardation and soil-erosion prevention on the watersheds of flood-control projects, including the employment of persons in the District of Columbia and else-
Salmon River, Alaska.

52 Stat. 1216.  

Expenditure of funds.

North Little Rock, Ark.

49 Stat. 1570.  

Mississippi River and tributaries.


Emergency fund, tributaries of Mississippi River.

49 Stat. 1511.  

Sacramento River, Calif.

Proviso. John Martin Reservoir Project.

49 Stat. 1570.  

Fort Peck Dam, Mont.


Bonneville Dam, Ore.

Post, p. 1047.

where, purchase of books and periodicals, printing and binding, rent in the District of Columbia, the purchase (not to exceed $35,000) of motor-propelled passenger-carrying vehicles and motorboats, and for other necessary expenses: Provided further, That funds appropriated herein may be used for flood-control work on the Salmon River, Alaska, as authorized by law: Provided further, That funds appropriated herein may be used to execute detailed surveys, prepare plans and specifications, and to procure options on land and property necessary for the construction of authorized flood-control projects or for flood-control projects considered for selection in accordance with the provisions of section 4 of the Flood Control Act approved June 28, 1938: Provided further, That the expenditure of funds for completing the necessary surveys and securing options shall not be construed as a commitment of the Government to the construction of any project: Provided further, That the flood-control project at North Little Rock, in Pulaski County, Arkansas, authorized by the Flood Control Act approved June 22, 1936, shall be constructed in accordance with the revised plans and cost estimates now in the Office of the Chief of Engineers.

Flood control, Mississippi River and tributaries: For prosecuting work of flood control in accordance with the provisions of the Flood Control Act approved May 15, 1928, as amended (33 U. S. C. 702a), including printing and binding, newspapers, lawbooks, books of reference, periodicals, and office supplies and equipment required in the office of the Chief of Engineers to carry out the purposes of this Appropriation, and for the purchase (not to exceed $40,425) of motor-propelled passenger-carrying vehicles and motorboats for official use, $30,000,000.

Emergency fund for flood control on tributaries of Mississippi River: For rescue work and for repair or maintenance of any flood-control work on any tributaries of the Mississippi River threatened or destroyed by flood, in accordance with section 9 of the Flood Control Act, approved June 15, 1936 (49 Stat. 1508), $800,000.

Flood control, Sacramento River, California: For prosecuting work of flood control, Sacramento River, California, in accordance with the provisions of Acts approved March 1, 1917, May 15, 1928, and August 26, 1937 (33 U. S. C. 703, 704; 50 Stat. 849), $1,242,000: Provided, That from and after the approval of this Act, the Caddoa Reservoir project for flood control and water conservation in Colorado and Kansas, authorized by the Flood Control Act approved June 22, 1936, shall be known and designated on the public records as the John Martin Reservoir Project and that the change in the name of such project shall in no wise affect the rights of the State of Colorado or the State of Kansas or any county, municipality, corporation, association, or person, and all records, surveys, maps, and public documents of the United States or of either of said States in which such project is mentioned or referred to under any other name than the John Martin Reservoir Project shall be held to refer to such project under and by the name of John Martin Reservoir Project.

HYDROELECTRIC POWER

Power plant, Fort Peck Dam, Montana: For continuing the construction of the hydroelectric power plant at Fort Peck Dam, Montana, as authorized by the Act approved May 18, 1938 (52 Stat. 403), $2,000,000.

Power plant, Bonneville Dam, Columbia River, Oregon: For continuing the construction of the hydroelectric power plant at Bonne-
ville Dam, Columbia River, Oregon, as authorized by the Acts approved August 30, 1935 (49 Stat. 1038), and August 20, 1937 (50 Stat. 731), $3,400,000.

SURVEYS AND MAPPING

For topographic surveys and mapping as proposed in Senate Document Numbered 54, Seventy-sixth Congress, first session, to be transferred to the Department of the Interior, Geological Survey, and to be applied to the same objects (but not limited to the amounts specified for such objects) authorized in the Interior Department Appropriation Act for the fiscal year ending June 30, 1941, in the first paragraph under the heading "Geological Survey" and in the sub-item for "Topographic Surveys", and to the employment of personal services (not to exceed $30,400) in the District of Columbia, the purchase of office equipment for use in the District of Columbia, field and office stationery, and engraving and printing maps, $1,210,350, to remain available until June 30, 1942: Provided, That this appropriation shall be devoted to mapping in strategic areas, in accordance with priorities to be determined by the Secretary of War.

UNITED STATES SOLDIERS' HOME

For maintenance and operation of the United States Soldiers' Home, to be paid from the Soldiers' Home Permanent Fund, $796,013.

THE PANAMA CANAL

For every expenditure requisite for and incident to the maintenance and operation, sanitation, and civil government of the Panama Canal and Canal Zone, and construction of additional facilities, including the following: Compensation of all officials and employees; foreign and domestic newspapers and periodicals; lawbooks; textbooks and books of reference; printing and binding, including printing of annual report; rent and personal services in the District of Columbia; purchase or exchange of typewriting, adding, and other machines; purchase or exchange, maintenance, repair, and operation of motor-propelled and horse-drawn passenger-carrying vehicles; claims for damages to vessels passing through the locks of the Panama Canal, as authorized by the Panama Canal Act; claims for losses of or damages to property arising from the conduct of authorized business operations; claims for damages to property arising from the maintenance and operation, sanitation, and civil government of the Panama Canal, and construction of additional facilities; acquisition of land and land under water, as authorized in the Panama Canal Act; expenses incurred in assembling, assorting, storing, repairing, and selling material, machinery, and equipment heretofore or hereafter purchased or acquired for the construction of the Panama Canal which are unserviceable or no longer needed, to be reimbursed from the proceeds of such sale; expenses incident to conducting hearings and examining estimates for appropriations on the Isthmus; expenses incident to any emergency arising because of calamity by flood, fire, pestilence, or like character not foreseen or otherwise provided for herein; travel expenses, when prescribed by the Governor of the Panama Canal to persons engaged in field work or traveling on official business; not to exceed $2,000 for travel and subsistence expenses of members of the police and fire forces of the Panama Canal incident to their special training in the United States;
transportation, including insurance, of public funds and securities between the United States and the Canal Zone; purchase, construction, repair, replacement, alteration, or enlargement of buildings, structures, equipment, and other improvements; and for such other expenses not in the United States as the Governor of the Panama Canal may deem necessary best to promote the maintenance and operation, sanitation, and civil government of the Panama Canal, and construction of additional facilities, all to be expended under the direction of the Governor of the Panama Canal and accounted for as follows:

For maintenance and operation of the Panama Canal: Salary of the Governor, $10,000; contingencies of the Governor, to be expended in his discretion, not exceeding $3,000; purchase, inspection, delivery, handling, and storing of materials, supplies, and equipment for issue to all departments of the Panama Canal, the Panama Railroad, other branches of the United States Government, and for authorized sales; payment in lump sums of not exceeding the amounts authorized by the Injury Compensation Act approved September 7, 1916 (5 U. S. C. 793), to alien cripples who are now a charge upon the Panama Canal by reason of injuries sustained while employed in the construction of the Panama Canal; and relief payments authorized by the Act approved July 8, 1937 (50 Stat. 478), $8,011,367; for continuing the construction of special protective works, $19,000,000; in all, $27,011,367, together with all moneys arising from the conduct of business operations authorized by the Panama Canal Act, and, in addition, the Governor of the Panama Canal may, when authorized by the Secretary of War, enter into contracts prior to July 1, 1941, for or on account of the construction of special protective works, Panama Canal, to an amount not in excess of $4,500,000, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof.

Construction of additional facilities—Panama Canal: For construction of additional facilities for the improvement and enlargement of the capacity of the Panama Canal, in accordance with the Act approved August 11, 1939 (53 Stat. 1409), including reimbursement to the appropriations "Maintenance and Operation, Panama Canal", "Sanitation, Panama Canal", and "Civil Government, Panama Canal", in such amounts as the Governor of the Panama Canal shall from time to time determine to be additional costs incurred for the objects specified in said appropriations on account of the prosecution of the work; in all, $15,000,000, and, in addition, the Governor of the Panama Canal may, when authorized by the Secretary of War, make or authorize the making of contracts prior to July 1, 1941, for or on account of the construction of such additional facilities, to an amount not in excess of $99,000,000.

For sanitation, quarantine, hospitals, and medical aid and support of the insane and of lepers and aid and support of indigent persons legally within the Canal Zone, including expenses of their deportation when practicable, the purchase of artificial limbs or other appliances for persons who were injured in the service of the Isthmian Canal Commission or the Panama Canal prior to September 7, 1916, additional compensation to any officer of the United States Public Health Service detailed with the Panama Canal as chief quarantine officer, and payments of not to exceed $50 in any one case to persons within the Government service who shall furnish blood from their veins for transfusion to the veins of patients in Panama Canal hospitals: Provided, That expenditures heretofore made to any person within the Government service for blood furnished to patients in Panama Canal hospitals are hereby validated; $1,045,938.
For civil government of the Panama Canal and Canal Zone, including gratuities and necessary clothing for indigent discharged prisoners, $1,192,011.

Total, Panama Canal, $44,248,771, to be available until expended.

In addition to the foregoing sums there is appropriated for the fiscal year 1941 for expenditures and reinvestment under the several heads of appropriation aforesaid, without being covered into the Treasury of the United States, and to remain available until expended, all moneys received by the Panama Canal during the fiscal year 1941 and prior fiscal years (exclusive of net profits for such prior fiscal years) from services rendered or materials and supplies furnished to the United States, the Panama Railroad Company, the Canal Zone government, or to their employees, respectively, or to the Panama Government, from hotel and hospital supplies and services; from rentals, wharfage, and like service; from labor, materials, and supplies and other services furnished to vessels other than those passing through the Canal, and to others unable to obtain the same elsewhere; from the sale of scrap and other byproducts of manufacturing and shop operations; from the sale of obsolete and unserviceable materials, supplies, and equipment purchased or acquired for the operation, maintenance, protection, sanitation, and government of the Canal and Canal Zone; and any net profits accruing from such business to the Panama Canal shall annually be covered into the Treasury of the United States.

There is also appropriated for the fiscal year 1941 for the operation, maintenance, and extension of waterworks, sewers, and pavements in the cities of Panama and Colon, to remain available until expended, the necessary portions of such sums as shall be paid during that fiscal year as water rentals or directly by the Government of Panama for such expenses.

Sec. 2. No part of any appropriation contained in this Act shall be used directly or indirectly after May 1, 1941, except for temporary employment in case of emergency, for the payment of any civilian for services rendered by him on the Canal Zone while occupying a skilled, technical, clerical, administrative, executive, or supervisory position unless such person is a citizen of the United States of America or of the Republic of Panama: Provided, however, (1) That, notwithstanding the provision in the Act approved August 11, 1939 (53 Stat. 1409), limiting employment in the above-mentioned positions to citizens of the United States from and after the date of the approval of said Act, citizens of Panama may be employed in such positions; (2) that at no time shall the number of Panamanian citizens employed in the above-mentioned positions exceed the number of citizens of the United States so employed, if United States citizens are available in continental United States or on the Canal Zone; (3) that nothing in this Act shall prohibit the continued employment of any person who shall have rendered fifteen or more years of faithful and honorable service on the Canal Zone; (4) that in the selection of personnel for skilled, technical, administrative, clerical, supervisory, or executive positions, the controlling factors in filling these positions shall be efficiency, experience, training, and education; (5) that all citizens of Panama and the United States rendering skilled, technical, clerical, administrative, executive, or supervisory service on the Canal Zone under the terms of this Act (a) shall normally be employed not more than forty hours per week, (b) may receive as compensation equal rates of pay based upon rates paid for similar employment in continental United States plus 25 per cent; (6) this entire section shall apply only to persons employed in skilled, technical, clerical, administrative, executive, or supervisory positions on the Canal Zone.
directly or indirectly by any branch of the United States Government or by any corporation or company whose stock is owned wholly or in part by the United States Government: Provided further, That the President may suspend compliance with this section in time of war or national emergency if he should deem such course to be in the public interest.

Sec. 3. The total amount used on an annual basis for administrative within-grade promotions for officers and employees under any appropriation or other fund made available in this Act shall not exceed the amount determined by the Bureau of the Budget to be available for such purpose on the basis of the Budget estimate for such appropriation or fund exclusive of new money in any such Budget estimate for such administrative promotions.

Sec. 4. No part of any appropriation contained in this Act or authorized hereby to be expended shall be used to pay the compensation of any officer or employee of the Government of the United States, or of any agency the majority of the stock of which is owned by the Government of the United States, whose post of duty is in continental United States unless such person is a citizen of the United States, or a person in the service of the United States on the date of the approval of this Act who being eligible for citizenship had theretofore filed a declaration of intention to become a citizen or who owes allegiance to the United States.

Sec. 5. This Act may be cited as the "War Department Civil Appropriation Act, 1941".

Approved, June 24, 1940.

[CHAPTER 416] AN ACT

To amend sections 2803 (c) and 2903 of the Internal Revenue Code.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2803 (c), Internal Revenue Code, be amended to read as follows:

"(c) UNUSED STAMPS; EXCHANGE, REFUND, ETC.—The Commissioner of Internal Revenue, under regulations prescribed by him and approved by the Secretary of the Treasury, may redeem or make allowance for any unused stamps issued under section 203 of the Liquor Taxing Act of 1934 or subsection (b) of this section by exchanging them for other stamps of the same kind or by refunding moneys received therefor: Provided, That stamps may be exchanged or the value thereof refunded only in quantities of the value of $5 or more: And provided further, That no claim for the exchange of strip stamps or refund thereof shall be allowed unless presented within two years after the date on which such stamps were lawfully issued. There are hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out this provision."

Sec. 2. Section 2903, Internal Revenue Code, is hereby amended by relettering subsections (e), (f), and (g) as (f), (g), and (h), respectively, and by inserting a new subsection (e) to read as follows:

"(e) UNUSED STAMPS; EXCHANGE, REFUND, ETC.—The Commissioner of Internal Revenue, under regulations prescribed by him and approved by the Secretary of the Treasury, may redeem or make allowance for any unused case stamp, with all coupon strip stamps attached thereto, issued under section 1 of the Act entitled 'An Act to allow the bottling of distilled spirits in bond', approved