

principal meridian, upon which a dam and reservoir have been constructed in Bear Canyon, on the Mimbres River, in Grant County, New Mexico, which right, title, and interest were acquired by the United States pursuant to a judgment rendered on April 22, 1942, by the District Court of the United States for the District of New Mexico in an action brought by the United States against J. S. Mitchell, also known as Jake S. Mitchell and J. A. Mitchell, and others, Numbered 203 Civil.

Approved, December 2, 1942.

[CHAPTER 659]

AN ACT

December 2, 1942  
[H. R. 7408]  
[Public Law 783]

To amend the Act of October 9, 1940, entitled "An Act to restrict or regulate the delivery of checks drawn against funds of the United States, or any agency or instrumentality thereof, to addresses outside the United States, its Territories, and possessions, and for other purposes".

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 1 of the Act of October 9, 1940 (54 Stat. 1086; U. S. C., title 31, sec. 123), is hereby amended by substituting for the period at the end thereof a colon and adding the following: "*Provided*, That any check drawn against funds of the United States for benefits under the laws administered by the Veterans' Administration, for delivery in the United States, its Territories, or possessions, to a guardian, curator, conservator, or other person legally vested with the care of any person in a foreign country, shall be deemed to be drawn for delivery in such foreign country and subject to the provisions of this Act, and the Secretary of the Treasury shall be furnished necessary notification by the Administrator of Veterans' Affairs as to each such check: *Provided further*, That the Administrator of Veterans' Affairs is authorized to except from the provisions of the foregoing proviso any check wherein the application of this amendment would result in reduction, discontinuance, or denial of benefits which otherwise might be used for the care of a dependent of such person."

Approved, December 2, 1942.

[CHAPTER 668]

AN ACT

December 2, 1942  
[S. 2412]  
[Public Law 784]

To provide benefits for the injury, disability, death, or enemy detention of employees of contractors with the United States, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**TITLE I—COMPENSATION FOR INJURY, DEATH, OR DETENTION OF EMPLOYEES OF CONTRACTORS WITH THE UNITED STATES AND CERTAIN OTHER PERSONS OR REIMBURSEMENT THEREFOR**

**INJURY OR DEATH**

**SEC. 101. (a)** In case of injury or death resulting from injury—

(1) to any person employed by a contractor with the United States, if such person is an employee specified in the Act of August 16, 1941 (Public Law Numbered 208, Seventy-seventh Congress), as amended, and no compensation is payable with respect to such injury or death under such Act; or

(2) to any person engaged by the United States under a contract for his personal services outside the United States or in Hawaii, Alaska, Puerto Rico, or the Virgin Islands; or

55 Stat. 622.  
42 U. S. C., Supp.  
I, §§ 1651-1654.  
Post, p. 1035.

Veterans' Adminis-  
tration.

Payments to guar-  
dians, etc., of persons  
in foreign countries.

Exceptions.

(3) to any person employed as a civilian employee of a post exchange or ship-service store outside the United States or in Hawaii, Alaska, Puerto Rico, or the Virgin Islands; and such injury proximately results from a war-risk hazard, whether or not such person then actually was engaged in the course of his employment, the provisions of the Act entitled "An Act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916 (5 U. S. C., ch. 15), as amended, and as modified by this Act, shall apply with respect thereto in the same manner and to the same extent as if the person so employed were a civil employee of the United States and were injured while in the performance of his duty, and any compensation found to be due shall be paid from the compensation fund established pursuant to section 35 of said Act of September 7, 1916, as amended. This subsection shall not be construed to include any person who would otherwise come within the purview of such Act of September 7, 1916, as amended.

39 Stat. 742.  
Ante, p. 726.

39 Stat. 749.  
5 U. S. C. § 785.

#### DETENTION

(b) (1) Any person specified in subsection (a) who—

(A) is found to be missing from his place of employment, whether or not such person then actually was engaged in the course of his employment, under circumstances supporting an inference that his absence is due to the belligerent action of an enemy, or

(B) is known to have been taken by an enemy as a prisoner, hostage, or otherwise, or

(C) is not returned to his home or to the place where he was employed by reason of the failure of the United States or its contractor to furnish transportation,

until such time as he is returned to his home, to the place of his employment, or is able to be returned to the jurisdiction of the United States, shall, under such regulations as the Commission may prescribe, be regarded solely for the purposes of this subsection as totally disabled, and the same benefits as are provided for such disability under this title shall be credited to his account and be payable to him for the period of such absence or until his death is in fact established or can be legally presumed to have occurred: *Provided*, That if such person has dependents residing in the United States or its Territories or possessions (including the United States Naval Operating Base, Guantanamo Bay, Cuba, the Canal Zone, and the Philippine Islands), the Commission during the period of such absence may disburse a part of such compensation, accruing for such total disability, to such dependents, which shall be equal to the monthly benefits otherwise payable for death under this title, and the balance of such compensation for total disability shall accrue and be payable to such person upon his return from such absence. Any payment made pursuant to this subsection shall not in any case be included in computing the maximum aggregate or total compensation payable for disability or death, as provided in section 102 (a): *Provided further*, That no such payment to such person or his dependent, on account of such absence, shall be made during any period such person or dependent, respectively, has received, or may be entitled to receive, any other payment from the United States, either directly or indirectly, because of such absence, unless such person or dependent refunds or renounces such other benefit or payment for the period claimed.

Persons regarded as  
totally disabled.

Detention benefits.

*Provided*.  
Payments to de-  
pendents.

Restriction if re-  
ceiving other benefits.

Benefits found to be due under this subsection shall be paid from the compensation fund established pursuant to section 35 of such Act

Fund available.  
39 Stat. 749.  
5 U. S. C. § 785.

*Provisos.*  
Dependents.

Filing of claim.

Erroneous pay-  
ments.

Transportation  
from point of release  
from custody.

Expenses in case of  
death.

Restriction.

Fund available.

39 Stat. 749.  
5 U. S. C. § 785.

Amount of compen-  
sation.

Exceptions:

of September 7, 1916, as amended: *Provided*, That the determination of dependents, dependency, and amounts of payments to dependents shall be made in the manner specified in such Act: *Provided further*, That claim for such detention benefits shall be filed in accordance with and subject to the limitation provisions of such Act, as modified by section 106 (c) of this Act: *And provided further*, That except in cases of fraud or willful misrepresentation, the Commission may waive recovery of money erroneously paid under this subdivision whenever it finds that such recovery would be impracticable or would cause hardship to the beneficiary affected.

(2) Upon application by such person, or someone on his behalf, the Commission may, under such regulations as it may prescribe, furnish transportation or the cost thereof (including reimbursement) to any such person from the point where his release from custody by the enemy is effected, to his home, the place of his employment, or other place within the jurisdiction of the United States; but no transportation, or the cost thereof, shall be furnished under this paragraph where such person is furnished such transportation, or the cost thereof, under any agreement with his employer or under any other provision of law.

(3) In the case of death of any such person, if his death occurred away from his home, the body of such person shall, in the discretion of the Commission, and if so desired by his next of kin, near relative, or legal representative, be embalmed and transported in a hermetically sealed casket or other appropriate container to the home of such person or to such other place as may be designated by such next of kin, near relative, or legal representative. No expense shall be incurred under this paragraph by the Commission in any case where death takes place after repatriation, unless such death proximately results from a war-risk hazard.

(4) Such benefits for detention, transportation expenses of repatriated persons, and expenses of embalming, providing sealed or other appropriate container, and transportation of the body, and attendants (if required), as approved by the Commission, shall be paid out of the compensation fund established under section 35 of such Act of September 7, 1916, as amended.

#### LIMITATION OF BENEFITS TO DEPENDENTS IN FOREIGN COUNTRIES

(c) Compensation for permanent total or permanent partial disability or for death payable under this section to persons who are not citizens of the United States and who are not residents of the United States or Canada, shall be in the same amount as provided for residents; except that dependents in any foreign country shall be limited to surviving wife or husband and child or children, or if there be no surviving wife or husband or child or children, to surviving father or mother whom such person has supported, either wholly or in part, for the period of one year immediately prior to the date of the injury; and except that the Commission, at its option, may commute all future installments of compensation to be paid to such persons by paying to them one-half of the commuted amount of such future installments of compensation as determined by the Commission.

#### EXCLUSION

(d) The provisions of this section shall not apply in the case of any person (1) whose residence is at or in the vicinity of the place of his employment, and (2) who is not living there solely by virtue of the exigencies of his employment, unless his injury or death resulting from injury occurs or his detention begins while in the course of his employment.

## LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION ACT

SEC. 102. (a) In the administration of the provisions of such Act of September 7, 1916, as amended, with respect to cases coming within the purview of section 101 of this title, the scale of compensation benefits and the provisions for determining the amount of compensation and the payment thereof as provided in sections 8 and 9 of the Longshoremen's and Harbor Workers' Compensation Act, approved March 4, 1927 (44 Stat. 1424), as amended, so far as the provisions of said sections can be applied under the terms and conditions set forth therein, shall be payable in lieu of the benefits, except medical benefits, provided under such Act of September 7, 1916, as amended: *Provided*, That the total compensation payable under this title for injury or death shall in no event exceed the sum of \$7,500, exclusive of medical costs and funeral and burial expenses.

(b) For the purpose of computing compensation with respect to cases coming within the purview of section 101 of this title, the provisions of sections 6 and 10 of such Longshoremen's and Harbor Workers' Compensation Act, as amended, shall be applicable: *Provided*, That the minimum limit on weekly compensation for disability, established by section 6 (b), and the minimum limit on the average weekly wages on which death benefits are to be computed, established by section 9 (e) of such Longshoremen's and Harbor Workers' Compensation Act, as amended, shall not apply in computing compensation under this title.

## DEFINITION

SEC. 103. As used in this title, the term "contractor with the United States" includes any subcontractor or subordinate subcontractor with respect to the contract of such contractor.

## REIMBURSEMENT

SEC. 104. (a) Where any employer or his insurance carrier or compensation fund pays or is required to pay benefits—

(1) to any person or fund on account of injury or death of any person coming within the purview of this title or the Act of August 16, 1941 (Public Law Numbered 208, Seventy-seventh Congress), as amended, if such injury or death arose from a war-risk hazard, which are payable under any workmen's compensation law of the United States or of any State, Territory, or possession of the United States, or other jurisdiction; or

(2) to any person by reason of any agreement outstanding on the date of enactment of this Act made in accordance with a contract between the United States and any contractor therewith to pay benefits with respect to the death of any employee of such contractor occurring under circumstances not entitling such person to benefits under any workmen's compensation law or to pay benefits with respect to the failure of the United States or its contractor to furnish transportation upon the completion of the employment of any employee of such contractor to his home or to the place where he was employed; or

(3) to any person by reason of an agreement approved or authorized by the United States under which a contractor with the United States has agreed to pay workmen's compensation benefits or benefits in the nature of workmen's compensation benefits to an injured employee or his dependents on account of detention by the enemy or on account of injury or death arising from a war-risk hazard;

such employer, carrier, or fund shall be entitled to be reimbursed for all benefits so paid or payable, including funeral and burial expenses,

Administrative provisions.  
39 Stat. 742.  
5 U. S. C., ch. 15.  
*Ante*, p. 725.

44 Stat. 1427, 1429.  
33 U. S. C. §§ 908, 909.

*Proviso.*  
Total compensation.

44 Stat. 1426, 1431.  
33 U. S. C. §§ 906, 910.  
*Proviso.*

44 Stat. 1430.  
33 U. S. C. § 909 (e)

"Contractor with the United States."

Reimbursement to employers, etc., for certain payments.

Under designated laws.

55 Stat. 622.  
42 U. S. C., Supp. 1, §§ 1651-1654.  
*Post*, p. 1035.

Under outstanding agreements.

Under agreements approved or authorized by U. S.

medical, hospital, or other similar costs for treatment and care; and reasonable and necessary claims expense in connection therewith. Claim for such reimbursement shall be filed with the Commission under regulations promulgated by it, and such claims, or such part thereof as may be allowed by the Commission, shall be paid from the compensation fund established under section 35 of such Act of September 7, 1916, as amended. The Commission may, under such regulations as it shall prescribe, pay such benefits, as they accrue and in lieu of reimbursement, directly to any person entitled thereto, and the insolvency of such employer, insurance carrier, or compensation fund shall not affect the right of the beneficiaries of such benefits to receive the compensation directly from the said compensation fund established under section 35 of such Act of September 7, 1916, as amended. The Commission may also, under such regulations as it shall prescribe, use any private facilities, or such Government facilities as may be available, for the treatment or care of any person entitled thereto.

**Filing of claims.**

39 Stat. 749.  
5 U. S. C. § 785.

**Direct payment in lieu of reimbursement.**

**Use of private or Government facilities for treatment or care.**

**Exception.**

(b) No reimbursement shall be made under this title in any case in which the Commission finds that the benefits paid or payable were on account of injury, detention, or death which arose from a war-risk hazard for which a premium (which included an additional charge or loading for such hazard) was charged.

#### RECEIPT OF WORKMEN'S COMPENSATION BENEFITS

**Restriction if receiving other benefits.**

SEC. 105. (a) No benefits shall be paid or furnished under the provisions of this title for injury or death to any person who recovers or receives workmen's compensation benefits for the same injury or death under any other law of the United States, or under the law of any State, Territory, possession, foreign country, or other jurisdiction, or benefits in the nature of workmen's compensation benefits payable under an agreement approved or authorized by the United States pursuant to which a contractor with the United States has undertaken to provide such benefits.

**Lien and right of recovery.**

(b) The Commission shall have a lien and a right of recovery, to the extent of any payments made under this title on account of injury or death, against any compensation payable under any other workmen's compensation law on account of the same injury or death; and any amounts recovered under this subsection shall be covered into the fund established under section 35 of such Act of September 7, 1916, as amended.

39 Stat. 749.  
5 U. S. C. § 785.

**Credits.**

(c) Where any person specified in section 101 (a), or the dependent, beneficiary, or allottee of such person, receives or claims wages, payments in lieu of wages, insurance benefits for disability or loss of life (other than workmen's compensation benefits), and the cost of such wages, payments, or benefits is provided in whole or in part by the United States, the amount of such wages, payments, or benefits shall be credited, in such manner as the Commission shall determine, against any payments to which any such person is entitled under this title.

**Nationals of foreign governments.**

(d) Where a national of a foreign government is entitled to benefits on account of injury or death resulting from a war-risk hazard, under the laws of his native country or any other foreign country, the benefits of this title shall not apply.

**Persons receiving benefits for prior accident or disease.**

(e) If at the time a person sustains an injury coming within the purview of this title said person is receiving workmen's compensation benefits on account of a prior accident or disease, said person shall not be entitled to any benefits under this title during the period covered by such workmen's compensation benefits unless the injury from a

war-risk hazard increases his disability, and then only to the extent such disability has been so increased.

#### ADMINISTRATION

SEC. 106. (a) The provisions of this title shall be administered by the United States Employees' Compensation Commission, and the Commission is authorized to make rules and regulations for the administration thereof and to contract with insurance carriers for the use of the service facilities of such carriers for the purpose of facilitating administration.

Administration by  
U. S. Employees'  
Compensation Com-  
mission.

(b) In administering the provisions of this title the Commission may enter into agreements or cooperative working arrangements with other agencies of the United States or of any State (including the District of Columbia, Hawaii, Alaska, Puerto Rico, and the Virgin Islands) or political subdivision thereof, and with other public agencies and private persons, agencies, or institutions, within and outside the United States, to utilize their services and facilities and to compensate them for such use. The Commission may delegate to any officer or employee, or to any agency, of the United States or of any State, or of any political subdivision thereof, or Territory or possession of the United States, such of its powers and duties as it finds necessary for carrying out the purposes of this title.

Other services and  
facilities.

Delegation of pow-  
ers and duties.

(c) The Commission, in its discretion, may waive the limitation provisions of such Act of September 7, 1916, as amended, with respect to notice of injury and filing of claims under this title, whenever the Commission shall find that, because of circumstances beyond the control of an injured person or his beneficiary, compliance with such provisions could not have been accomplished within the time therein specified.

Optional waivers.  
39 Stat. 742.  
5 U. S. C., ch. 15.  
Ante, p. 726.

#### EFFECTIVE DATE

SEC. 107. This title shall take effect as of December 7, 1941.

### TITLE II—MISCELLANEOUS PROVISIONS

#### DEFINITIONS

SEC. 201. When used in this Act (except when used in title III)—

(a) The term "Commission" means the United States Employees' Compensation Commission.

"Commission."

(b) The term "war-risk hazard" means any hazard arising after December 6, 1941, and prior to the end of the present war, from—

"War-risk hazard."

(1) the discharge of any missile (including liquids and gas) or the use of any weapon, explosive, or other noxious thing by an enemy or in combating an attack or an imagined attack by an enemy; or

(2) action of the enemy, including rebellion or insurrection against the United States or any of its Allies; or

(3) the discharge or explosion of munitions intended for use in connection with the national war effort (except with respect to any employee of a manufacturer or processor of munitions during the manufacture, or processing thereof, or while stored on the premises of the manufacturer or processor); or

(4) the collision of vessels in convoy or the operation of vessels or aircraft without running lights or without other customary peacetime aids to navigation; or

(5) the operation of vessels or aircraft in a zone of hostilities or engaged in war activities.

## DISQUALIFICATION FROM BENEFITS

Subversive acts.

55 Stat. 1647.  
50 U. S. C., Supp. I,  
app., prec. § 1 note.

SEC. 202. No person convicted in a court of competent jurisdiction of any subversive act against the United States or any of its Allies, committed after the declaration by the President on May 27, 1941, of the national emergency, shall be entitled to compensation or other benefits under title I, nor shall any compensation be payable with respect to his death or detention under such title, and upon indictment or the filing of an information charging the commission of any such subversive act, all such compensation or other benefits shall be suspended and remain suspended until acquittal or withdrawal of such charge, but upon conviction thereof or upon death occurring prior to a final disposition thereof, all such payments and all benefits under such title shall be forfeited and terminated. If the charge is withdrawn, or there is an acquittal, all such compensation withheld shall be paid to the person or persons entitled thereto.

## FRAUD

Penalty.

SEC. 203. Whoever, for the purpose of causing an increase in any payment authorized to be made under this Act, or for the purpose of causing any payment to be made where no payment is authorized hereunder, shall knowingly make or cause to be made, or aid or abet in the making of any false statement or representation of a material fact in any application for any payment under title I, or knowingly make or cause to be made, or aid or abet in the making of any false statement, representation, affidavit, or document in connection with such an application, or claim, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than \$1,000 or imprisoned for not more than one year, or both.

## LEGAL SERVICES

Approval and pay-  
ment of claim for serv-  
ices.

Penalty provision.

SEC. 204. No claim for legal services or for any other services rendered in respect of a claim or award for compensation under title I to or on account of any person shall be valid unless approved by the Commission; and any claim so approved shall, in the manner and to the extent fixed by the said Commission, be paid out of the compensation payable to the claimant; and any person who receives any fee, other consideration, or any gratuity on account of services so rendered, unless such consideration or gratuity is so approved, or who solicits employment for another person or for himself in respect of any claim or award for compensation under title I shall be guilty of a misdemeanor and upon conviction thereof shall, for each offense, be fined not more than \$1,000 or imprisoned not more than one year, or both.

## FINALITY OF DECISIONS

SEC. 205. The action of the Commission in allowing or denying any payment under title I shall be final and conclusive on all questions of law and fact and not subject to review by any other official of the United States or by any court by mandamus or otherwise, and the Comptroller General is authorized and directed to allow credit in the accounts of any certifying or disbursing officer for payments in accordance with such action.

## DETERMINATION OF DEATH OR DETENTION

SEC. 206. A determination that an individual is dead or a determination that he has been detained by the enemy may be made on

the basis of evidence that he has disappeared under circumstances such as to make such death or detention appear probable.

#### ASSIGNMENTS, AND SO FORTH

SEC. 207. The right of any person to any benefit under title I shall not be transferable or assignable at law or in equity except to the United States, and none of the moneys paid or payable (except money paid hereunder as reimbursement for funeral expenses or as reimbursement with respect to payments of workmen's compensation or in the nature of workmen's compensation benefits), or rights existing under such title, shall be subject to execution, levy, attachment, garnishment, or other legal process or to the operation of any bankruptcy or insolvency law.

### TITLE III

#### AMENDMENT TO DEFENSE BASE ACT

SEC. 301. Section 1 of the Act entitled "An Act to provide compensation for disability or death resulting from injury to persons employed at military, air, and naval bases acquired by the United States from foreign countries, and on lands occupied or used by the United States for military or naval purposes outside the continental limits of the United States, including Alaska, Guantanamo, and the Philippine Islands, but excluding the Canal Zone, and for other purposes", approved August 16, 1941 (Public Law Numbered 208, Seventy-seventh Congress), is hereby amended to read as follows:

"That (a) except as herein modified, the provisions of the Longshoremen's and Harbor Workers' Compensation Act, approved March 4, 1927 (44 Stat. 1424), as amended, shall apply in respect to the injury or death of any employee engaged in any employment—

"(1) at any military, air, or naval base acquired after January 1, 1940, by the United States from any foreign government; or

"(2) upon any lands occupied or used by the United States for military or naval purposes in any Territory or possession outside the continental United States (including Alaska; the Philippine Islands; the United States Naval Operating Base, Guantanamo Bay, Cuba; and the Canal Zone); or

"(3) upon any public work in any Territory or possession outside the continental United States (including Alaska; the Philippine Islands; the United States Naval Operating Base, Guantanamo Bay, Cuba; and the Canal Zone), if such employee is engaged in employment at such place under the contract of a contractor (or any subcontractor or subordinate subcontractor with respect to the contract of such contractor) with the United States; but nothing in this paragraph shall be construed to apply to any employee of such a contractor or subcontractor who is engaged exclusively in furnishing materials or supplies under his contract;

"(4) under a contract entered into with the United States or any executive department, independent establishment, or agency thereof (including any corporate instrumentality of the United States), or any subcontract, or subordinate contract with respect to such contract, where such contract is to be performed outside the continental United States and at places not within the areas described in subparagraphs (1), (2), and (3) of this subdivision, for the purpose of engaging in public work, and every such contract shall contain provisions requiring that the contractor (and

Persons employed at defense bases. Extension of injury or death benefits.

55 Stat. 622.  
42 U. S. C., Supp. I, § 1651.

33 U. S. C. §§ 901-950.

Bases acquired from foreign governments.

Designated lands occupied or used by U. S.

Public work in Territories or possessions.

In other areas outside continental U. S.

subcontractor or subordinate contractor with respect to such contract) (1) shall, before commencing performance of such contract, provide for securing to or on behalf of employees engaged in such public work under such contract the payment of compensation and other benefits under the provisions of this Act, and (2) shall maintain in full force and effect during the term of such contract, subcontract, or subordinate contract, or while employees are engaged in work performed thereunder, the said security for the payment of such compensation and benefits, but nothing in this paragraph shall be construed to apply to any employee of such contractor or subcontractor who is engaged exclusively in furnishing materials or supplies under his contract; irrespective of the place where the injury or death occurs, and shall include any injury or death occurring to any such employee during transportation to or from his place of employment, where the employer or the United States provides the transportation or the cost thereof.

“Public work.”

“(b) As used in this section, the term ‘public work’ means any fixed improvement or any project involving construction, alteration, removal, or repair for public use of the United States or its Allies, including but not limited to projects in connection with the war effort, dredging, harbor improvements, dams, roadways, and housing, as well as preparatory and ancillary work in connection therewith at the site or on the project.

Liability of employer, etc.

“(c) The liability of an employer, contractor (or any subcontractor or subordinate subcontractor with respect to the contract of such contractor) under this Act shall be exclusive and in place of all other liability of such employer, contractor, subcontractor, or subordinate contractor to his employees (and their dependents) coming within the purview of this Act, under the workmen’s compensation law of any State, Territory, or other jurisdiction, irrespective of the place where the contract of hire of any such employee may have been made or entered into.

“Contractor.”

“(d) As used in this section, the term ‘contractor’ means any individual, partnership, corporation, or association, and includes any trustee, receiver, assignee, successor, or personal representative thereof, and the rights, obligations, liability, and duties of the employer under such Longshoremen’s and Harbor Workers’ Compensation Act shall be applicable to such contractor.

Applicability to existing contracts.

“(e) The liability under this Act of a contractor, subcontractor, or subordinate contractor engaged in public work under subparagraphs (3) and (4), subdivision (a) of this section, and the conditions set forth therein, shall become applicable to contracts and subcontracts heretofore entered into but not completed at the time of the approval of this Act, and contracting officers of the United States are authorized to make such modifications and amendments of existing contracts as may be necessary to bring such contracts into conformity with the provisions of this Act. No right shall arise in any employee or his dependent under subparagraphs (3) and (4), subdivision (a) of this section, prior to two months after the approval of this Act. Upon the recommendation of the head of any department, or other agency of the United States, the United States Employees’ Compensation Commission, in the exercise of its discretion, may waive the application of the provisions of subparagraphs (3) or (4), subdivision (a) of this section, with respect to any contract, subcontract, or subordinate contract, work location under such contracts, or classification of employees.”

Approved, December 2, 1942.