

"Commissioner" defined.

(2) the term "Commissioner" means the Commissioner of Immigration and Naturalization.

Effective dates.

(b) The provisions of this title shall take effect upon the date of enactment of this Act; except that sections 30 and 31 shall take effect sixty days after the date of its enactment.

Registration, etc., of aliens in Canal Zone.

SEC. 39. The President is authorized to provide, by Executive order, for the registration and fingerprinting, in a manner as nearly similar to that provided in this title as he deems practicable, of aliens in the Panama Canal Zone.

#### TITLE IV

Separability clause.

SEC. 40. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

Short title.

SEC. 41. This Act may be cited as the "Alien Registration Act, 1940".

Approved, June 28, 1940.

#### [CHAPTER 440]

#### AN ACT

To expedite national defense, and for other purposes.

June 28, 1940  
[H. R. 9822]

[Public, No. 671]

National defense.  
Advance payments to contractors; limitation.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That whenever in the opinion of the President of the United States such course would be in the best interests of national defense during the national emergency declared by the President on September 8, 1939, to exist, the Secretary of the Navy, or the Secretary of the Treasury in the case of Coast Guard contracts, is authorized to advance, from appropriations available therefor, payments to contractors in amounts not exceeding 30 per centum of the contract price, upon such terms as such Secretary shall prescribe, and adequate security for the protection of the Government for the payments so made shall be required. The Secretary concerned is further authorized in his discretion to make partial payments on the balance of the contract price from time to time during the progress of the work, such partial payments not to exceed the value of the work already done, but to be subject to a lien as provided by the Act of August 22, 1911 (37 Stat. 32; U. S. C., title 34, sec. 582), entitled "An Act authorizing the Secretary of the Navy to make partial payments for work already done under public contracts": *Provided*, That the Secretary concerned shall report every three months to the Congress the advance payments made under the authority of this section.

Security.

Partial payments on balance; limitation.

Lien.

*Proviso.*  
Report to Congress.

Contracts for acquisition, etc., of naval vessels or aircraft.

SEC. 2. (a) That whenever deemed by the President of the United States to be in the best interests of the national defense during the national emergency declared by the President on September 8, 1939, to exist, the Secretary of the Navy is hereby authorized to negotiate contracts for the acquisition, construction, repair, or alteration of complete naval vessels or aircraft, or any portion thereof, including plans, spare parts, and equipment therefor, that have been or may be authorized, and also for machine tools and other similar equipment, with or without advertising or competitive bidding upon determination that the price is fair and reasonable, and deliveries of material under all orders placed pursuant to the authority of this section and all other naval contracts or orders and all Army contracts and orders shall, in the discretion of the President, take priority over all deliveries for private account or for export: *Provided*, That the Secretary of the Navy shall report every three months to the Congress the

Machine tools, etc.

Priority in deliveries.

*Provisos.*  
Report to Congress.

contracts entered into under the authority of this section: *Provided further*, That contracts negotiated pursuant to the provisions of this section shall not be deemed to be contracts for the purchase of such materials, supplies, articles, or equipment as may usually be bought in the open market within the meaning of section 9 of the Act entitled "An Act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes", approved June 30, 1936 (49 Stat. 2036; U. S. C., Supp. V, title 41, secs. 35-45): *Provided further*, That nothing herein contained shall relieve a bidder or contractor of the obligation to furnish the bonds under the requirements of the Act of August 24, 1935 (49 Stat. 793; 40 U. S. C. 270 (a) to (d)): *Provided further*, That the cost-plus-a-percentage-of-cost system of contracting shall not be used under the authority granted by this subsection to negotiate contracts; but this proviso shall not be construed to prohibit the use of the cost-plus-a-fixed-fee form of contract when such use is deemed necessary by the Secretary of the Navy: *And provided further*, That the fixed fee to be paid the contractor as a result of any contract entered into under the authority of this subsection, or any War Department contract entered into in the form of cost-plus-a-fixed-fee, shall not exceed 7 per centum of the estimated cost of the contract (exclusive of the fee as determined by the Secretary of the Navy or the Secretary of War, as the case may be).

(b) After the date of approval of this Act no contract shall be made for the construction or manufacture of any complete naval vessel or any Army or Navy aircraft, or any portion thereof, under the provisions of this section or otherwise, unless the contractor agrees, for the purposes of section 3 of the Act of March 27, 1934 (48 Stat. 505; 34 U. S. C. 496), as amended—

(1) to pay into the Treasury profit in excess of 8 per centum (in lieu of the 10 per centum and 12 per centum specified in such section 3) of the total contract prices of such contracts within the scope of this subsection as are completed by the particular contracting party within the income taxable year;

(2) that any profit in excess of 8.7 per centum of the cost of performing such contracts except prime contracts made on a cost-plus-a-fixed-fee basis as are completed by the contracting party within the income taxable year shall be considered to be profit in excess of 8 per centum of the total contract prices of such contracts; and

(3) that he will make no subcontract which is within the scope of such section 3, unless the subcontractor agrees to the foregoing conditions.

SEC. 3. The provisions of section 3 of the Act of March 27, 1934 (48 Stat. 505), as amended by the Acts of June 25, 1936 (49 Stat. 1926), and April 3, 1939 (53 Stat. 560; U. S. C., Supp. V, title 34, sec. 496), and as made applicable to contracts for aircraft or any portion thereof for the Army by such Act of April 3, 1939, shall, in the case of contracts or subcontracts entered into after the date of approval of this Act and during the period of the national emergency declared by the President on September 8, 1939, to exist, be limited to contracts or subcontracts where the award exceeds \$25,000.

SEC. 4. In the case of every contract or subcontract for the construction or manufacture of any complete naval vessel or Army or Navy aircraft or any portion thereof which is entered into (whether before or after the date of approval of this Act), the Secretary of War or the Secretary of the Navy, as the case may be, after agreement with the contractor or subcontractor, shall certify to the Com-

Contracts, restriction on meaning.

Bonds.

40 U. S. C., Supp. V, §§ 270a-270d.  
Cost-plus contracts.

Limitation on fixed fee.  
*Ante*, pp. 395, 401; *post*, p. 973.

Contract agreement.  
*Post*, pp. 883, 1003.

34 U. S. C., Supp. V, § 496.

Profit in excess of 8 per centum, disposition.

Profit in excess of 8.7 per centum of cost of performing contracts.

Assent to conditions by subcontractor.

Designated provisions limited to contracts, etc., in excess of \$25,000.

Certification to Commissioner of Internal Revenue.

Necessity and cost, etc., to facilitate completion in private plants.

Percentage of cost chargeable against contracts.

Certification subject to regulations, etc.

34 U. S. C., Supp. V, § 496.

Reduction of contract price.

Reduction of cost of special equipment, etc.

*Proviso.*  
Report to Congress.

Regular working hours of Navy Department and Coast Guard.

*Provisos.*  
Extension of hours.

Overtime compensation for monthly, per diem, etc., employees.

34 U. S. C. § 505.

5 U. S. C. §§ 661-674; Supp. V, §§ 673, 673c.  
Overtime compensation of per annum Government employees.

Authorization for suspension of provisions of designated Act, etc.

Regulations.

missioner of Internal Revenue as to (a) the necessity and cost of special additional equipment and facilities acquired to facilitate, during the national emergency declared by the President on September 8, 1939, to exist, the completion of such naval vessel or Army or Navy aircraft or portion thereof in private plants; and (b) the percentage of cost of such special additional equipment and facilities to be charged against such contract or subcontract. For all purposes of section 3 of the Act of March 27, 1934 (48 Stat. 505; 34 U. S. C. 496), as amended, such certification shall be subject to such regulations as the President may prescribe, but shall be binding upon the Commissioner of Internal Revenue, unless, within five days after receipt of such certification, he make formal objection thereto to the Secretary of the Navy or the Secretary of War as the case may be. The part of such cost chargeable against the contract or subcontract in pursuance of such certification, shall, for the purposes of such section 3, be considered to be a reduction of the contract price of the contract or subcontract. The amount charged against the contract or subcontract in pursuance of such certification shall, for the purposes of such section 3, be applied against and reduce the cost or other basis of such special additional equipment and facilities as of the date of installation thereof: *Provided*, That the Secretary of War or the Secretary of the Navy, as the case may be, shall report to the Congress, every three months, the cost of such special additional equipment and facilities to be borne by the Government under each contract.

SEC. 5. (a) Notwithstanding the provisions of any other law, the regular working hours of the Navy Department and the Coast Guard and their field services shall be eight hours a day or forty hours per week during the period of the national emergency declared by the President on September 8, 1939, to exist: *Provided*, That under such regulations as the head of the Department concerned may prescribe, and where additional employees cannot be obtained to meet the exigencies of the situation, these hours may be exceeded: *Provided further*, That compensation for employment in excess of forty hours in any administrative workweek computed at a rate not less than one and one-half times the regular rate shall be paid only to monthly, per diem, hourly, and piece-work employees, whose wages are set by the Act of July 16, 1862 (12 Stat. 587), as amended or modified; and also to professional and subprofessional employees and to blue- printers, photostat and rotaprint operators, inspectors, supervisory planners and estimators, and supervisory progressmen, and assistants to shop and plant superintendents of the CAF service, as defined by the Classification Act of March 4, 1923 (42 Stat. 1488; U. S. C. 5, ch. 13), as amended: *Provided further*, That in determining the overtime compensation of per annum Government employees the pay for one day shall be considered to be one three-hundred-and-sixtieth of their respective per annum salaries: *Provided further*, That the President is authorized to suspend, in whole or in part, for the War and Navy Departments and for the Coast Guard and their field services, during the period of the national emergency declared by him on September 8, 1939, to exist, the provisions of the Act of March 3, 1931 (46 Stat. 1482; U. S. C. 5, 26 (a)), if in his judgment such course is necessary in the interest of national defense, and any regulations issued pursuant to the Act of March 14, 1936 (49 Stat. 1161; U. S. C. Supp. V, title 5, sec. 29 (a)), may be modified accordingly: *And provided further*, That notwithstanding the provisions of any other law, the President is hereby authorized, in his discretion, to prescribe regulations to establish such uniformity among the War and Navy Departments and the Coast Guard and their field services

in regard to hours of work and compensation for overtime of their civilian employees as he may deem necessary in the interest of national defense.

(b) During the national emergency declared by the President on September 8, 1939, to exist, the provisions of the law prohibiting more than eight hours' labor in any one day of persons engaged upon work covered by Army, Navy, and Coast Guard contracts shall be suspended.

SEC. 6. Notwithstanding the provisions of section 2 of the Act of May 29, 1930 (46 Stat. 468), and section 204 of the Act of June 30, 1932 (47 Stat. 404), any person heretofore or hereafter retired under the Civil Service Retirement Act of May 29, 1930, as amended, may be reemployed in the service of the War and Navy Departments: *Provided*, That there shall be deducted and withheld from the basic salary, pay, or compensation of such person and credited to his account as provided in section 12 (a) of the Act of May 29, 1930, as amended, the regular deductions prescribed by the said Act: *Provided further*, That upon separation from the service for any cause such person may elect to receive a refund of the total deductions so withheld together with interest at 4 per centum per annum compounded on June 30 of each year, or receive credit for the additional service in the computation of any annuity awarded thereafter: *Provided further*, That payment of the annuity of such person shall be suspended during the period of such employment: *Provided further*, That during the national emergency declared by the President on September 8, 1939, to exist, the provisions of section 6 of the Act of August 24, 1912 (37 Stat. 555; U. S. C., title 5, sec. 652), shall not apply to any civil-service employee of the War or Navy Departments or of the Coast Guard, or their field services, whose immediate removal is, in the opinion of the Secretary concerned warranted by the demands of national security, but nothing herein shall be construed to repeal, modify, or suspend the proviso in that section. Those persons summarily removed under the authority of this section may, if in the opinion of the Secretary concerned, subsequent investigation so warrants, be reinstated, and if so reinstated shall be allowed compensation for the period of such removal at the rate they were receiving on the date of removal: *And provided further*, That within thirty days after such removal any such person shall have an opportunity personally to appear before the official designated by the Secretary concerned and be fully informed of the reasons for such removal, and to submit, within thirty days thereafter, such statement or affidavits, or both, as he may desire to show why he should be retained and not removed.

SEC. 7. The Act of March 14, 1936, entitled "An Act to provide for vacations to Government employees and for other purposes" (49 Stat. 1161) is hereby amended by adding, after section 7, a new section to read as follows:

"SEC. 8. Employees of the Navy Department and the Naval Establishment and of the Coast Guard may, during the period of the national emergency declared by the President on September 8, 1939, to exist, be employed during the time they would otherwise be on vacation without deprivation of their vacation pay for the time so worked. Employees who forego their vacations in accordance with the provisions of this section may be paid, in addition to their regular pay, the equivalent of the pay they would have drawn during the period of such vacation. The provisions of this section shall be applicable only to employees whose services at the time cannot, in the judgment of the Secretary of the Navy or the Secretary of the Treasury, as the case may be, be spared without detriment to the national defense."

Suspension of 8-hour-day labor provisions.

Reemployment of retired employees.  
46 Stat. 469.  
5 U. S. C. §§ 715, 715a.

*Provisos.*  
Deductions for retirement fund.  
46 Stat. 476.  
5 U. S. C. § 724 (a).

Separation from service; disposition of deductions.

Suspension of annuity payments.

Nonapplication of designated provisions.

Exception.

Reinstatement of removed employees.

Rights of removed employees.

5 U. S. C., Supp. V, §§ 29a-30e.

Payments to employees foregoing vacations.

Limitation on cost of authorized vessels, etc., increased.

*Provisos.*  
Suspension of limitations on payments to designated employees.

Additional personnel, etc., authorized.

Providing of Government facilities for production of defense items.

*Provisos.*  
Taking over and operating of private facilities.  
*Post*, p. 893.

Compensation to owner.  
*Post*, p. 893.  
Report to Congress.

Modification of existing contracts.

Approval of Secretary of the Navy; effect.

Restrictions on aliens employed by contractor; exception.

Penalty.

Alien obtaining employment by fraud.

SEC. 8. (a) The limit of cost of the vessels authorized by the Act of July 30, 1937 (50 Stat. 544), and any statutory limitation with respect to the cost of any other individual naval project of construction are hereby increased as may be necessary to expedite national defense and otherwise effectuate the purposes of this Act: *Provided*, That the monetary limitations on payments out of appropriations available to the Navy Department for employees in the Navy Department and for employees in the field service assigned to group IV (b) and those performing similar services carried under the Native and Alien Schedules of Wages of civil employees in the field services of the Navy Department shall be suspended during the limited national emergency declared by the President on September 8, 1939, to exist: *Provided further*, That the Secretary of the Navy is authorized to employ such additional personnel at the seat of government and elsewhere, and to provide out of any appropriations available to the Navy Department, for their salaries and for such printing and binding, communication service, supplies, and travel expenses, as he may deem necessary to carry out the purposes of this Act.

(b) Whenever the Secretary of the Navy finds it impossible to make contracts or obtain facilities to effectuate the purposes of this Act in the procurement or construction of items authorized in connection with national defense he is hereby authorized to provide, out of appropriations available to the Navy Department for such purposes, the necessary buildings, facilities, utilities, and appurtenances thereto on Government owned land or elsewhere, and to operate them, either by means of Government personnel or otherwise: *Provided*, That the Secretary of the Navy is further authorized, under the general direction of the President, whenever he deems any existing manufacturing plant or facility necessary for the national defense, and whenever he is unable to arrive at an agreement with the owner of any such plant or facility for its use or operation, to take over and operate such plant or facility either by Government personnel or by contract with private firms: *Provided further*, That the Secretary of the Navy is authorized to fix the compensation to the owner of such plant or facility: *And provided further*, That the Secretary of the Navy shall report to the Congress, every three months, the contracts entered into under the provisions of this subsection.

SEC. 9. The Secretary of the Navy and the Secretary of the Treasury are hereby authorized to modify existing contracts, including Coast Guard contracts, as the Secretary concerned may deem necessary to expedite military and naval defense, and to otherwise effectuate the purposes of this Act.

SEC. 10. Hereafter the approval of the Secretary of the Navy, acting by direction of the President, shall constitute approval by the President as required by section 4 of the Act approved April 25, 1939 (53 Stat. 590, 592), necessary to the validity of any contract entered into under authority contained in said section.

SEC. 11. (a) No aliens employed by a contractor in the performance of secret, confidential, or restricted Government contracts shall be permitted to have access to the plans or specifications, or the work under such contracts, or to participate in the contract trials, unless the written consent of the head of the Government department concerned has first been obtained, and any person who willfully violates or through negligence permits the violation of the provisions of this subsection shall be fined not more than \$10,000 or imprisoned not more than five years, or both.

(b) Any alien who obtains employment on secret, confidential, or restricted Government contracts by willful misrepresentation of his

alien status, or who makes such willful misrepresentation while seeking such employment, shall be fined not more than \$10,000 or imprisoned not more than five years, or both.

(c) For the purpose of this section, the term "person" shall be construed to include an individual, partnership, association, corporation, or other business enterprise.

SEC. 12. The provisions of all preceding sections of this Act shall terminate June 30, 1942, unless the Congress shall otherwise provide.

SEC. 13. Section 6 of the Act approved June 30, 1936 (49 Stat. 2036; U. S. C., Supp. V, title 41, secs. 35-45), is hereby amended by adding "Provided, That whenever in his judgment such course is in the public interest, the President is authorized to suspend any or all of the representations and stipulations contained in section 1 of this Act".

SEC. 14. (a) Notwithstanding the provision of any other law, no military or naval weapon, ship, boat, aircraft, munitions, supplies, or equipment, to which the United States has title, in whole or in part, or which have been contracted for, shall hereafter be transferred, exchanged, sold, or otherwise disposed of in any manner whatsoever unless the Chief of Naval Operations in the case of naval material, and the Chief of Staff of the Army in the case of military material, shall first certify that such material is not essential to the defense of the United States.

(b) The Secretary of War and the Secretary of the Navy as the case may be are hereby requested and directed to furnish or cause to be furnished to the respective chairmen of the Committees on Military Affairs and the Committees on Naval Affairs of the Senate and House of Representatives a copy of each contract, order, or agreement covering exchange of deteriorated, unserviceable, obsolescent, or surplus military or naval equipment, munitions, or supplies exchanged for other military or naval equipment, munitions or supplies, and a copy of each contract, order, or agreement shall be furnished regarding any other disposition of military or naval equipment, munitions and supplies by which the title passes, either de jure or de facto, from the United States, or by which delivery of material thereunder is deferred, where the original cost of such military or naval equipment, munitions or supplies exceeded or exceeds \$2,000. The copies of each contract, order or agreement herein referred to shall be transmitted to the respective chairmen of the committees not later than twenty-four hours after such contract, order or agreement is made, and the chairman of each committee shall consider such contracts, orders or agreements confidential unless a majority of the members of his committee shall direct the particular transaction to be made public.

(c) Nothing herein shall be construed to repeal or modify sections 3 and 6, title V of the Act approved June 15, 1917 (40 Stat. 222; U. S. C., title 18, secs. 33 and 36).

## TITLE II

SEC. 201. In connection with the national defense program, the Navy and War Departments and the United States Housing Authority are hereby authorized to cooperate in making necessary housing available for persons engaged in national defense activities, as hereinafter provided. "Persons engaged in national defense activities" (as that term is used in this title) shall include (i) enlisted men with families, who are in the naval and military service (excluding officers) and employees of the Navy and War Departments who are

Penalty.

"Person" defined.

Date of termination; exception.

Government contracts.

Proviso.  
Suspension of designated stipulations, etc.

Prohibition on transfer, etc., of military or naval weapons, ships, etc.  
*Post*, p. 1091.

Exception.

Disposition of surplus, etc., military or naval equipment.  
Copies of contracts, etc., to be furnished chairmen of designated committees.

Time requirement.

Contracts, etc., considered confidential; exception.

Designated provisions not repealed, etc.

Housing for "persons engaged in national defense activities."  
*Post*, pp. 883, 1115, 1125.

Term defined.

<p>Approval of projects by President.</p>	<p>assigned to duty at naval or military reservations, posts, or bases, and (ii) workers with families, who are engaged or to be engaged in industries connected with and essential to the national defense program. No project shall be developed or assisted for the purposes of this title except with the approval of the President and upon a determination by him that there is an acute shortage of housing in the locality involved which impedes the national defense program.</p>
<p>Projects for designated dwellings.</p>	<p>SEC. 202. (a) Projects may be initiated hereunder by the Navy or War Department to provide dwellings on or near naval or military reservations, posts or bases for rental to the enlisted men and employees of the Navy and War Departments described in section 201. Such projects shall be developed by the Navy or War Department or by the Authority, whichever the President determines is better suited to the fulfillment of the purposes of this title with respect to any particular project. If the development of such project is to be undertaken by the Navy or War Department, the Authority is authorized to aid the development of the project by furnishing technical assistance and by transferring to such Department the funds necessary for the development of the project. Any project developed for the purpose of this section shall be leased to the Navy or War Department by the Authority (which shall have title to such project until repayment of the cost thereof to the Authority as prescribed in such lease) upon such terms as shall be prescribed in the lease, which may be the same terms as are authorized by the United States Housing Act of 1937, as amended, with respect to leases to public housing agencies. All the provisions of said Act which apply to the development of projects by the Authority shall (insofar as applicable and not inconsistent herewith) apply to the development of projects by the Navy or War Department. Notwithstanding other provisions of this or any other law, the Department leasing a project shall have the same jurisdiction over such project as it has over the reservation, post or base in connection with which the project is developed.</p>
<p>Development.</p>	<p>(b) The Navy or War Department, in connection with any project developed or leased by it, and the Authority, in connection with any project developed or assisted by it, for the purposes of this title, may acquire real or personal property or any interest therein by purchase, eminent domain, gift, lease or otherwise. The provisions of section 355 of the Revised Statutes shall not apply to the acquisition of any real property by the Navy or War Department or by the Authority for the purposes of this title or to the project developed thereon, and the provisions of section 321 of the Act of June 30, 1932 (U. S. C. 1934 edition, title 40, sec. 303b), shall not apply to any lease of any project developed for the purposes of this title or of any dwelling therein. Condemnation proceedings instituted by the Authority shall be in its own name and the practice and procedure governing such proceedings by the United States shall be followed, and the Authority shall likewise be entitled to proceed in accordance with the provisions of the Act of Congress approved February 26, 1931 (46 Stat. 1421), and an Act of Congress approved March 1, 1929 (45 Stat. 1415). If the Authority acquires land in connection with a project to be assisted for the purposes of this title, it may convey such land to the public housing agency involved for a consideration equal to the cost of the land to the Authority. The Navy and War Departments and the Authority may negotiate, contract and fix such fees as they determine are reasonable for the services of architects, engineers, surveyors, appraisers, title examiners and real estate negotiators in connection with specific projects developed by them under this title. The Secretaries of Navy and War are hereby authorized to make available to the Authority any</p>
<p>Technical assistance, etc., from Authority.</p>	
<p>Leasing of project.</p>	
<p>50 Stat. 888. 42 U. S. C., Supp. V, §§ 1401-1430.</p>	
<p>Jurisdiction over project.</p>	
<p>Acquisition of real, etc., property.</p>	
<p>Inapplicability of R. S. § 355, etc. 40 U. S. C. § 255. Post, p. 1083.</p>	
<p>47 Stat. 412.</p>	
<p>Condemnation proceedings.</p>	
<p>40 U. S. C. §§ 258a-258e, 361-386. Land conveyances by Authority.</p>	
<p>Fees of architects, etc.</p>	
<p>Leased land; when available to Authority.</p>	

land that is needed for a project to be developed by the Authority and leased to the Navy or War Department and to execute such leases, agreements and other instruments with the Authority as may be necessary to carry out the purposes of this title.

SEC. 203. In any localities where the President determines that there is an acute shortage of housing which impedes the national defense program and that the necessary housing would not otherwise be provided when needed for persons engaged in national defense activities, the Authority may undertake the development and administration of projects to assure the availability of dwellings in such localities for such persons and their families, or the Authority may extend financial assistance to public housing agencies for the development and administration of such projects. Such financial assistance to public housing agencies shall be extended (except as otherwise provided herein and not inconsistent herewith) under the provisions of, and in the same manner and forms as provided in, title I of the United States Housing Act of 1937, as amended, with respect to other housing projects.

SEC. 204. Any contract made for financial assistance under the United States Housing Act of 1937, as amended, may be revised so as to provide that the project involved will be assisted for any of the purposes of this title. The Navy or War Department or the Authority, in the administration of any project developed for the purposes of this title, shall fix rentals for persons engaged in national defense activities and their families which will be within their financial reach, and the Authority, in any contract for financial assistance or any lease of such a project, shall require the fixing of such rentals. Projects developed by the Navy or War Department, or developed or assisted by the Authority, for the purposes of this title shall not be subject to the elimination requirements of sections 10 (a) and 11 (a) of said Act, or to any provisions of section 9 of said Act which would require any part of the development cost thereof to be met in any manner other than from funds loaned or furnished by the Authority. Funds expended for the purposes of this title shall be excluded in determining, for the purposes of section 21 (d) of said Act, the amounts expended within each State. Except as otherwise provided herein or as may be inconsistent herewith, all the provisions of title I of said Act shall apply to this title. During the period when the President determines that in any locality there is an acute need for housing to assure the availability of dwellings for persons engaged in national defense activities, dwellings in a project developed or assisted in said locality which are devoted to the purposes of providing housing for persons engaged in national defense activities shall not be subject to sections 2 (1) and 2 (2) of the United States Housing Act of 1937, as amended, and during such period such projects shall be deemed projects of a low-rent character for the purposes of any of the applicable provisions in title I of said Act.

SEC. 205. The Authority may use for the purposes of this title any of the funds or authorizations heretofore or hereafter made available to it. The provisions of title I of this Act shall not apply to this title.

Approved, June 28, 1940.

Development, etc., of projects to relieve acute housing shortage.

Extension of financial assistance.

50 Stat. 888. 42 U. S. C., Supp. V, §§ 1401-1430.

Revision of financial assistance contracts. 50 Stat. 888. 42 U. S. C., Supp. V, §§ 1401-1430.

Fixing of rentals.

50 Stat. 891, 893.

Exclusion of funds. 50 Stat. 898. Provisions applicable.

Provisions inapplicable.

50 Stat. 888.

Funds available.

Provisions inapplicable.