

[CHAPTER 360]

AN ACT

To amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (3) (C) of section 301 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting after the comma following the words "calendar year then current" the following: "except that it shall not include any amount of such tobacco of the 1939 and 1940 crops which the Secretary determines is stored temporarily in the United States because of war or other unusual conditions delaying the normal exportation thereof, and".

SEC. 2. That subsection (a) of section 312 of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out the figure "10" in the last sentence and inserting in lieu thereof the figure "20", and by striking out the period at the end of the last sentence and inserting in lieu thereof a comma and the following: "or to avoid undue restriction of marketings in adjusting the total supply to the reserve supply level."

SEC. 3. That subsection (c) of section 312 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding thereto the following: "In the same referendum the Secretary shall also submit to such farmers the question of whether they favor tobacco marketing quotas for a period of three years, beginning with the marketing year next following. If two-thirds of the farmers voting on this question favor marketing quotas for a three-year period, the Secretary shall proclaim marketing quotas for such period, and, beginning on the first day of the marketing year next following and continuing throughout the period so proclaimed, a national marketing quota shall be in effect for the tobacco marketed during each marketing year in said period unless amendments are made in the provisions for determining farm allotments so as to cause material revision of such allotments before the end of such period. If more than one-third of the farmers voting on this question oppose marketing quotas for the three-year period, such results shall be proclaimed by the Secretary and quotas for a longer period than one year shall not be in effect, but such result shall in no wise affect or limit the proclamation and submission to a referendum, as otherwise provided in this section, of a national marketing quota for any marketing year thereafter."

SEC. 4. That subsection (a) of section 313 of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out the colon and all the words thereafter which follow the words "such five-year period" and inserting in lieu thereof a period and the following: "Notwithstanding any other provision of this section and section 312, except the provisions in subsection (g) of this section relating to reduction of allotments, for any of the three marketing years, 1941-1942 to 1943-1944, in which a national marketing quota is in effect for burley or flue-cured tobacco, such national marketing quota shall not be reduced below the 1940-1941 national marketing quota by more than 10 per centum and the farm-acreage allotments (other than allotments established in each year under subsection (g) of this section for farms on which no tobacco was produced in the last five years) shall be determined by increasing or decreasing the farm-acreage allotments established in the last preceding year in which marketing quotas were in effect in the same ratio as such national marketing

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Agricultural Adjustment Act of 1938, amendments.
"Carry-over" of tobacco defined.
52 Stat. 39.
7 U. S. C., Supp. V, § 1301 (b) (C).

Proclamation of tobacco marketing quota; increase.
52 Stat. 46; 53 Stat. 1261.
7 U. S. C., Supp. V, § 1312 (a).

National marketing quota, referendum.
52 Stat. 46.
7 U. S. C., Supp. V, § 1312 (c).
Tobacco marketing quotas for 3-year period.

Effect of vote.

52 Stat. 47.
7 U. S. C., Supp. V, § 1313 (a).
Apportionment of national marketing quota.

Limitation on reduction.

Determination of farm-acreage allotments.

quota is increased or decreased above or below the last preceding national marketing quota: *Provided*, That in the case of flue-cured tobacco no allotment shall be decreased below the 1940 allotment if such allotment was two acres or less, and in the case of burley tobacco no allotment shall be decreased below the 1939 allotment if such allotment was one-half acre or less, or below the 1940 allotment if such allotment was over one-half acre and not over one acre: *And provided further*, That an additional acreage not in excess of 2 per centum of the total acreage allotted to all farms in each State in 1940 shall be allotted by the local committees, without regard to the ratio aforesaid, among farms in the State in accordance with regulations prescribed by the Secretary so as to establish allotments which the committees find will be fair and equitable in relation to the past acreage of tobacco (harvested and diverted); land, labor, and equipment available for the production of tobacco; and crop-rotation practices."

SEC. 5. That section 314 of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting "(a)" immediately before the first word therein and by adding at the end of the section the following: "If any producer falsely identifies or fails to account for the disposition of any tobacco, an amount of tobacco equal to the normal yield of the number of acres harvested in excess of the farm-acreage allotment shall be deemed to have been marketed in excess of the marketing quota for the farm, and the penalty in respect thereof shall be paid and remitted by the producer. Tobacco carried over by the producer thereof from one marketing year to another may be marketed without payment of the penalty imposed by this section if the total amount of tobacco available for marketing from the farm in the marketing year from which the tobacco is carried over did not exceed the farm marketing quota established for the farm for such marketing year (or which would have been established if marketing quotas had been in effect for such marketing year), or if the tobacco so carried over does not exceed the normal production of that number of acres by which the harvested acreage of tobacco in the calendar year in which the marketing year begins is less than the farm-acreage allotment. Tobacco produced in a calendar year in which marketing quotas are in effect for the marketing year beginning therein shall be subject to such quotas even though it is marketed prior to the date on which such marketing year begins.

"(b) The Secretary shall require collection of the penalty upon a proportion of each lot of tobacco marketed from the farm equal to the proportion which the tobacco available for marketing from the farm in excess of the farm marketing quota is of the total amount of tobacco available for marketing from the farm if satisfactory proof is not furnished as to the disposition to be made of such excess tobacco prior to the marketing of any tobacco from the farm. All funds collected pursuant to this section shall be deposited in a special deposit account with the Treasurer of the United States until the end of the marketing year next succeeding that in which the funds are collected, and upon certification by the Secretary there shall be paid out of such special deposit account to persons designated by the Secretary the amount by which the penalty collected exceeds the amount of penalty due upon tobacco marketed in excess of the farm marketing quota for any farm. Such special account shall be administered by the Secretary, and the basis for, the amount of, and the person entitled to receive a payment from such account, when determined in accordance with regulations prescribed by the Secretary, shall be final and conclusive."

Proviso.
Limitation on decrease of allotments.

Allotment of additional acreage.

52 Stat. 48.
7 U. S. C., Supp. V,
§ 1314.
Penalties.
False identification,
etc., of tobacco by
producer.

Tobacco carried over.

Designated tobacco subject to quotas.

Collection of penalty.

Deposit of funds in special account.

Payments.

Administration.

52 Stat. 65.
7 U. S. C., Supp. V,
§ 1373 (a).
Failure to remedy
violation, additional
fine.

Proviso.
Maximum fine.
Service of notice of
violation.

SEC. 6. That subsection (a) of section 373 of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out the period at the end of such subsection and inserting in lieu thereof a semicolon and by adding the following: "and any tobacco warehouseman or dealer who fails to remedy such violation by making a complete and accurate report or keeping a complete and accurate record as required by this subsection within fifteen days after notice to him of such violation shall be subject to an additional fine of \$100 for each ten thousand pounds of tobacco, or fraction thereof, bought or sold by him after the date of such violation: *Provided*, That such fine shall not exceed \$5,000; and notice of such violation shall be served upon the tobacco warehouseman or dealer by mailing the same to him by registered mail or by posting the same at any established place of business operated by him, or both."

Approved, June 13, 1940.

[CHAPTER 364]

AN ACT

To establish the composition of the United States Navy, to authorize the construction of certain naval vessels, 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 authorized composition of the United States Navy in under-age vessels as established by the Act of May 17, 1938 (52 Stat. 401), is hereby further increased by one hundred and sixty-seven thousand tons, as follows:

Aircraft carriers.

(a) Aircraft carriers, seventy-nine thousand five hundred tons, making a total authorized under-age tonnage of two hundred and fifty-four thousand five hundred tons.

Cruisers.

(b) Cruisers, sixty-six thousand five hundred tons, making a total authorized under-age tonnage of four hundred and seventy-nine thousand and twenty-four tons.

Submarines.

(c) Submarines, twenty-one thousand tons, making a total authorized under-age tonnage of one hundred and two thousand nine hundred and fifty-six tons: *Provided*, That the foregoing total tonnage for aircraft carriers, cruisers, and submarines may be varied by thirty-three thousand four hundred tons in the aggregate so long as the sum of the total tonnages of these classes as authorized herein is not exceeded: *Provided further*, That the terms used in this or any other Act to describe vessels of designated classes shall not be understood as limited or controlled by definitions contained in any treaty which is not now in force.

Provisos.
Variance of tonnage.

Descriptive terms.

Construction.
34 U. S. C. §§ 494-
497; Supp. V, § 496.

Acquisition, etc., of
naval airplanes and
lighter-than-air craft.
Post, pp. 400, 780.

Acquisition, etc., of
auxiliary vessels.

SEC. 2. The President of the United States is hereby authorized to construct such vessels, including replacements authorized by the Act of March 27, 1934 (48 Stat. 503), as may be necessary to provide the total under-age composition authorized in section 1 of this Act.

SEC. 3. The President of the United States is hereby authorized to acquire or construct naval airplanes, and lighter-than-air craft, and spare parts and equipment, as may be necessary to provide and maintain the number of useful naval airplanes at a total of not more than four thousand five hundred, including five hundred airplanes for the Naval Reserve; and the number of useful nonrigid lighter-than-air craft at a total of not more than eighteen.

SEC. 4. The President of the United States is hereby further authorized to acquire and convert or to undertake the construction of seventy-five thousand tons of auxiliary vessels of such size, type, and design as he may consider best suited for the purposes of national defense.