

SEC. 9. This Act shall become effective six months after the date of approval, except as to subsection (7) of section 1 hereof, which subsection shall become effective on the date of approval. Such initial regulations as may be necessary to make the Act effective shall be promulgated within ninety days from the date of approval hereof: *Provided, however,* That during any national emergency proclaimed by the President, he may, in his discretion, accelerate any or all provisions of this section.

SEC. 10. 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 the provisions thereof, shall not be affected thereby.

Approved, October 9, 1940.

[CHAPTER 778]

AN ACT

To authorize the Secretary of the Treasury to order retired commissioned and warrant officers of the Coast Guard to active duty during time of national emergency, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That any commissioned or warrant officer of the Coast Guard on the retired list may at any time, with his consent, in the discretion of the Secretary of the Treasury, be ordered to active duty.

SEC. 2. That all authority or discretion vested in the Secretary of the Navy to order commissioned and warrant officers of the Coast Guard on the retired list to active duty while the Coast Guard is not operating as a part of the Navy, is hereby transferred to and vested in the Secretary of the Treasury.

Approved, October 9, 1940.

[CHAPTER 779]

AN ACT

To assist in the national-defense program by amending sections 3477 and 3737 of the Revised Statutes to permit the assignment of claims under public contracts.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That sections 3477 and 3737 of the Revised Statutes be amended by adding at the end of each such section the following new paragraph:

"The provisions of the preceding paragraph shall not apply in any case in which the moneys due or to become due from the United States or from any agency or department thereof, under a contract providing for payments aggregating \$1,000 or more, are assigned to a bank, trust company, or other financing institution, including any Federal lending agency: *Provided,*

"1. That in the case of any contract entered into prior to the date of approval of the Assignment of Claims Act of 1940, no claim shall be assigned without the consent of the head of the department or agency concerned;

"2. That in the case of any contract entered into after the date of approval of the Assignment of Claims Act of 1940, no claim shall be assigned if it arises under a contract which forbids such assignment;

"3. That unless otherwise expressly permitted by such contract any such assignment shall cover all amounts payable under such contract and not already paid, shall not be made to more than one party, and shall not be subject to further assignment, except that

Effective dates.

Promulgation of initial regulations.

*Proviso.*  
Acceleration of provisions during national emergency.

Separability of provisions.

October 9, 1940  
[H. R. 10337]  
[Public, No. 810]

Coast Guard.  
Active duty of retired officers.

Transfer of authority.

October 9, 1940  
[H. R. 10464]  
[Public, No. 811]

Assignment of Claims Act of 1940.  
31 U. S. C. § 203; 41 U. S. C. § 15.

Assignment of claims upon U. S. to banks, etc.

*Proviso.*

Prior contracts; consent to assignment.

Contracts forbidding assignment.

Limitations on assignment.

any such assignment may be made to one party as agent or trustee for two or more parties participating in such financing;

Filing of written notice by assignee.

"4. That in the event of any such assignment, the assignee thereof shall file written notice of the assignment together with a true copy of the instrument of assignment with—

"(a) the General Accounting Office,

"(b) the contracting officer or the head of his department or agency,

"(c) the surety or sureties upon the bond or bonds, if any, in connection with such contract, and

"(d) the disbursing officer, if any, designated in such contract to make payment.

Validity of assignment.

Notwithstanding any law to the contrary governing the validity of assignments, any assignment pursuant to the Assignment of Claims Act of 1940 shall constitute a valid assignment for all purposes."

War or Navy Department contracts. Set-off, etc., of assignor's indebtedness to U. S.

Any contract entered into by the War Department or the Navy Department may provide that payments to an assignee of any claim arising under such contract shall not be subject to reduction or set-off, and if it is so provided in such contract, such payments shall not be subject to reduction or set-off for any indebtedness of the assignor to the United States arising independently of such contract.

Short title.

SEC. 2. This Act may be cited as the "Assignment of Claims Act of 1940".

Approved, October 9, 1940.

[CHAPTER 780]

AN ACT

October 9, 1940  
[H. R. 10539]

[Public, No. 812]

Making supplemental appropriations for the support of the Government for the fiscal year ending June 30, 1941, and for other purposes.

First Supplemental Civil Functions Appropriation Act, 1941.

*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 support of the Government for the fiscal year ending June 30, 1941, and for other purposes, namely:

TITLE I—GENERAL APPROPRIATIONS

LEGISLATIVE

SENATE

Ernest Lundeen.  
Payment to widow.

For payment to Norma Ward Lundeen, widow of Ernest Lundeen, late a Senator from the State of Minnesota, \$10,000.

Clerical assistance.  
*Ante*, p. 464.

So much as may be necessary of the appropriation "Clerical Assistance to Senators, 1941" is hereby made available to enable the Secretary of the Senate to pay two additional clerks at \$1,500 per annum each, one for each Senator from the State of Wisconsin, from the date the Census Bureau officially announces the population of said State to exceed three million to June 30, 1941.

Compensation of clerk of Finance Committee.  
*Ante*, p. 463.

For an amount required to increase the compensation of the clerk of the Finance Committee of the Senate at the rate of \$1,000 per annum so long as the position is held by the present incumbent, \$750.

Assistant superintendents of press gallery.

Beginning with the first day of the month next following the enactment of this Act, the compensation of the assistant superintendents of the Senate press gallery shall be at the respective rates of \$3,000 and \$1,920 per annum, and the Legislative Branch Appropriation Act for the fiscal year 1941 hereby is amended accordingly.

*Ante*, p. 465.

Miscellaneous items.

For miscellaneous items, exclusive of labor, fiscal year 1940, \$40,000.