

[CHAPTER 808.]

AN ACT

August 29, 1935.

[H. R. 6914.]

[Public, No. 395.]

To authorize cooperation with the several States for the purpose of stimulating the acquisition, development, and proper administration and management of State forests and coordinating Federal and State activities in carrying out a national program of forest-land management, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That for the purpose of stimulating the acquisition, development, and proper administration and management of State forests and of insuring coordinated effort by Federal and State agencies in carrying out a comprehensive national program of forest-land management, the Secretary of Agriculture is hereby authorized to enter into cooperative agreements with appropriate officials of any State or States for acquiring in the name of the United States, by purchase or otherwise, such forest lands within the cooperating State as in his judgment the State is adequately prepared to administer, develop, and manage as State forests in accordance with the provisions of this Act and with such other terms not inconsistent therewith as he shall prescribe, such acquisition to include the mapping, examination, appraisal, and surveying of such lands and the doing of all things necessary to perfect title thereto in the United States: *Provided,* That, since it is the declared policy of Congress to maintain and, where it is in the national interest to extend the national-forest system, nothing herein shall be construed to modify, limit, or change in any manner whatsoever the future ownership and administration by the United States of existing national forests and related facilities, or hereafter to restrict or prevent their extension through the acquisition by purchase or otherwise of additional lands for any national-forest purpose: *Provided further,* That this Act shall not be construed to limit or repeal any legislation authorizing land exchanges by the Federal Government, and private lands acquired by exchange within the limits of any area subject to a cooperative agreement of the character herein authorized shall hereafter be subject to the provisions of this Act.

Forest land management.  
Cooperative agreements with State officials.

Purpose.

*Proviso.*  
Ownership and management of existing national forests and related facilities.

Land acquired through exchanges.

Conditions and requirements of agreements.

SEC. 2. No cooperative agreement shall be entered into or continued in force under the authority of this Act or any land acquired hereunder turned over to the cooperating State for administration, development, and management unless the State concerned, as a consideration for the benefits extended to it thereunder, complies in a manner satisfactory to the Secretary of Agriculture with the following conditions and requirements which shall constitute a part of every such agreement:

Restriction on acquisition of additional lands after June 30, 1942.

(a) In order to reduce the need for public expenditures in the acquisition of lands which may be brought into public ownership through the enforcement of appropriate tax delinquency laws, and, by bringing about the handling of such lands upon a sound social and economic basis, to terminate a system of indeterminate and unsound ownership injurious to the private and public interest alike, no additional lands shall be acquired within any State by the United States under this Act after June 30, 1942, unless the State concerned has prior thereto provided by law for the reversion of title to the State or a political unit thereof of tax-delinquent lands and for blocking into State or other public forests the areas which are more suitable for public than private ownership, and which in the public interest should be devoted primarily to the production of timber crops and/or the maintenance of forests for watershed protection, and for the enforcement of such law: *Provided,* That in the administration of this Act prior to June 30, 1942, preference will be given

Requirement of State legislation.

*Proviso.*  
Preference.

to States applying for cooperation hereunder which provide by law for such reversion of title under tax delinquency laws.

Employment of State forester; qualifications.

(b) In order to insure a stable and efficient organization for the development and administration of the lands acquired under this Act, the State shall provide for the employment of a State forester, who shall be a trained forester of recognized standing.

Plan defining State forest areas.

(c) The Secretary of Agriculture and the appropriate authorities of each cooperating State shall work out a mutually satisfactory plan defining forest areas within the State which can be most effectively and economically administered by said State, which plan shall constitute a part of the cooperative agreement between the United States and the State concerned: *Provided*, That nothing herein shall be held to prevent the Secretary of Agriculture from later agreeing with the proper State authorities to desirable modifications in such plan.

*Proviso.*  
Modifications.

Approval of proposed acquisitions by National Forest Reservation Commission.  
Vol. 36, p. 962; U. S. C., p. 665.

(d) No payment of Federal funds shall be made for land selected for purchase by the United States under this Act until such proposed purchase has been submitted to and approved by the National Forest Reservation Commission created by section 4 of the Act approved March 1, 1911 (36 Stat. 9661; <sup>1</sup> U. S. C., title 16, sec. 513).

Payment of taxes due on lands acquired under donation.

(e) Subject to the approval of the National Forest Reservation Commission, the Secretary of Agriculture is authorized to pay out of any available money appropriated for carrying out the purposes of this Act any State, county, and/or town taxes, exclusive of penalties, due or accrued on any forest lands acquired by the United States under donations from the owners thereof and which lands are to be included in a State or other public forest pursuant to this Act.

Preparation and application of standards of forest administration.

(f) The State shall prepare such standards of forest administration, development, and management as are necessary to insure maximum feasible utility for timber production and watershed protection, and are acceptable to the Secretary of Agriculture and shall apply the same to lands acquired and placed under the jurisdiction of the State pursuant to this Act.

Payment of future administration costs.

(g) That with the exception of such Federal expenditures as may be made for unemployment relief, the State shall pay without assistance from the Federal Government the entire future cost of administering, developing, and managing all forest lands acquired and over which it has been given jurisdiction under this Act.

Division of gross proceeds from lands covered by agreement.

(h) During the period any cooperative agreement made under this Act remains in force, one-half of the gross proceeds from all lands covered by said agreement and to which the United States holds title shall be paid by the State to the United States and covered into the Treasury. All such payments shall be credited to the purchase price the State is to pay the United States for said land, such purchase price to be an amount equal to the total sum expended by the United States in acquiring said lands. Upon payments of the full purchase price, either as herein provided or otherwise, title to said lands shall be transferred from the Federal Government to the State, and the Secretary of Agriculture is authorized to take such action and incur such expenditures, as may be necessary to effectuate such transfer.

Credit of payments.

Transfer of title upon payment of full purchase price.

Termination of agreement.

(i) Upon the request of the State concerned, any agreement made pursuant to this Act may be terminated by the Secretary of Agriculture. The Secretary of Agriculture may, with the consent and approval of the National Forest Reservation Commission, after due notice given the State and an opportunity for hearing by said Commission, terminate any such agreement for violations of its terms and/or the provisions of this Act. If such agreement is terminated,

Reimbursements.

<sup>1</sup> So in original.

the United States shall reimburse the State for so much of the State funds as have been expended in the administration, development, and management of the lands involved as the Secretary of Agriculture may decide to be fair and equitable.

(j) The State shall furnish the Secretary of Agriculture with such annual, periodic, or special reports as he may require respecting the State's operations under its agreement with him.

(k) When a State or political unit thereof acquires under tax delinquency laws title to forest lands without cost to the United States and which lands are included within a State or other public forest, the Secretary of Agriculture, on behalf of the Federal Government, may contribute annually out of any funds made available under this Act not to exceed one-half the cost of administering, developing, and managing said lands.

SEC. 3. For the purposes of this Act, there is hereby authorized to be appropriated, a sum or sums out of any money in the Treasury not otherwise appropriated, not to exceed \$5,000,000, as Congress may from time to time appropriate.

Approved, August 29, 1935.

[CHAPTER 809.]

AN ACT

To amend an Act entitled "An Act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and Acts amendatory thereof and supplementary thereto.

Reports.

Contributions.

Appropriation authorized.

August 29, 1935.  
[H. R. 7858.]  
[Public, No. 396.]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subdivision (1) of subsection (e) of section 77B of the Act of July 1, 1898, entitled "An Act to establish a uniform system of bankruptcy throughout the United States", as amended, be, and is hereby, amended to read as follows:

"(e) (1) A plan of reorganization shall not be confirmed until it has been accepted in writing, whether before or after the filing of the petition or answer under this section, and such acceptance shall have been filed in the proceeding by or on behalf of creditors holding two-thirds in amount of the claims of each class whose claims have been allowed and would be affected by the plan and by or on behalf of stockholders of the debtor holding a majority of the stock of each class: *Provided, however,* That such acceptance shall not be requisite to the confirmation of the plan by any creditor or class of creditors, (a) whose claims are not affected by the plan, or (b) if the plan makes provision for the payment of their claims in cash in full, or (c) if provision is made in the plan for the protection of the interests, claims, or liens of such creditor or class of creditors in the manner provided in subdivision (b), clause (5), of this section: *And provided further,* That such acceptance shall not be requisite to the confirmation of the plan by any stockholder or class of stockholders (1) if the judge shall have determined either that the debtor is insolvent, or that the interests of such stockholder or stockholders will not be affected by the plan, or (2) if provision is made in the plan for the protection of the interests of such stockholder or class of stockholders in the manner provided in subdivision (b), clause (4), of this section. With such acceptance there shall be set forth, verified in such manner as the judge shall require, what, if any, contracts of the debtor are executory in whole or in part, and what unexpired leases have been rejected and surrendered. With such acceptance there shall be filed a statement, verified in such manner as the judge shall require, showing what, if any, claims and

Bankruptcy Act of 1898; amendment. Vol. 48, p. 912. Corporate reorganizations.

Plan of reorganization; acceptance and confirmation.

*Provisos.* Classes of creditors whose acceptance not requisite.

Classes of stockholders, etc.

Debtor's contracts and leases.

Statement of claims and shares of stock transferred by persons accepting plan.