

April 2, 1918.  
[S. J. Res. 133.]  
[Pub. Res., No. 27.]

**CHAP. 41.**—Joint Resolution Authorizing the granting of insurance under the Act entitled "An Act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department," approved September second, nineteen hundred and fourteen, as amended by the Act approved October sixth, nineteen hundred and seventeen, on application by a person other than the person to be insured.

War-Risk Insurance  
Bureau.  
*Act*, p. 409, amend-  
ed.  
Application for insur-  
ance permitted for  
persons in service by  
other than insured.

*Proviso.*  
If insured a prisoner  
of war before April 12,  
1918.  
Restriction on desig-  
nating beneficiary.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That insurance under the Act entitled "An Act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department," approved September second, nineteen hundred and fourteen, as amended by the Act approved October sixth, nineteen hundred and seventeen, shall be granted by the Bureau of War Risk Insurance on application made by the person to be insured or, subject to such regulations as the bureau may prescribe, by any person within the permitted class as specified in section four hundred and two of said Act: *Provided*, That the person to be insured has been taken a prisoner of war before April twelfth, nineteen hundred and eighteen: *And provided further*, That no one but the insured may designate a beneficiary, and nothing in this resolution shall be deemed to change or affect the permitted class of beneficiaries or impose any obligation on the insured against his will.

Approved, April 2, 1918.

April 4, 1918.  
[S. 2469.]  
[Public, No. 118.]

**CHAP. 42.**—An Act To authorize the change of name of the steamship Caldera to A. T. Kinney.

"A. T. Kinney,"  
steamer.  
Name of "Caldera"  
changed to.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Commissioner of Navigation is hereby authorized and directed upon application of the owner, the Kinney Steamship Company, of Cleveland, Ohio, to change the name of the steamer Caldera, official number two hundred and four thousand eight hundred and sixty-four, to A. T. Kinney.

Approved, April 4, 1918.

April 4, 1918.  
[H. R. 5351.]  
[Public, No. 119.]

**CHAP. 43.**—An Act Providing for the disposal of certain lands in block thirty-two, in the city of Port Angeles, State of Washington.

Port Angeles, Wash.  
Sale of designated  
town site lots in.  
Vol. 37, p. 74.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That all lots in block thirty-two, in the city of Port Angeles, State of Washington, now reserved for Government purposes under an Act entitled "An Act providing for the reappraisal and sale of certain lands in the town site of Port Angeles, Washington, and for other purposes," approved March sixteenth, nineteen hundred and twelve, except lots one, eight, nine, ten, sixteen, and seventeen, shall be disposed of under and pursuant to the provisions of said Act of March sixteenth, nineteen hundred and twelve, and the Secretary of the Interior is hereby directed to proceed at once to carry out the provisions of this Act.

Approved, April 4, 1918.

April 4, 1918.  
[H. R. 11123.]  
[Public No. 120.]

**CHAP. 44.**—An Act To amend an Act approved September twenty-fourth, nineteen hundred and seventeen, entitled "An Act to authorize an additional issue of bonds to meet expenditures for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to extend additional credit to foreign governments, and for other purposes."

Third Liberty Bond  
Act.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first section of the Act approved September twenty-fourth, nineteen hundred and

seventeen, entitled "An Act to authorize an additional issue of bonds to meet expenditures for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to extend additional credit to foreign governments, and for other purposes," be, and is hereby, amended to read as follows:

"That the Secretary of the Treasury, with the approval of the President, is hereby authorized to borrow, from time to time, on the credit of the United States for the purposes of this Act, and to meet expenditures authorized for the national security and defense and other public purposes authorized by law, not exceeding in the aggregate \$12,000,000,000, and to issue therefor bonds of the United States, in addition to the \$2,000,000,000 bonds already issued or offered for subscription under authority of the Act approved April twenty-fourth, nineteen hundred and seventeen, entitled 'An Act to authorize an issue of bonds to meet expenditures for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to extend credit to foreign governments, and for other purposes': *Provided*, That of this sum \$3,063,945,460 shall be in lieu of that amount of the unissued bonds authorized by sections one and four of the Act approved April twenty-fourth, nineteen hundred and seventeen, \$225,000,000 shall be in lieu of that amount of the unissued bonds authorized by section thirty-nine of the Act approved August fifth, nineteen hundred and nine, \$150,000,000 shall be in lieu of the unissued bonds authorized by the joint resolution approved March fourth, nineteen hundred and seventeen, and \$100,000,000 shall be in lieu of the unissued bonds authorized by section four hundred of the Act approved March third, nineteen hundred and seventeen.

"The bonds herein authorized shall be in such form or forms and denomination or denominations and subject to such terms and conditions of issue, conversion, redemption, maturities, payment, and rate or rates of interest, not exceeding four and one-quarter per centum per annum, and time or times of payment of interest, as the Secretary of the Treasury from time to time at or before the issue thereof may prescribe. The principal and interest thereof shall be payable in United States gold coin of the present standard of value.

"The bonds herein authorized shall from time to time first be offered at not less than par as a popular loan, under such regulations, prescribed by the Secretary of the Treasury from time to time, as will in his opinion give the people of the United States as nearly as may be an equal opportunity to participate therein, but he may make allotment in full upon applications for smaller amounts of bonds in advance of any date which he may set for the closing of subscriptions and may reject or reduce allotments upon later applications and applications for larger amounts, and may reject or reduce allotments upon applications from incorporated banks and trust companies for their own account and make allotment in full or larger allotments to others, and may establish a graduated scale of allotments, and may from time to time adopt any or all of said methods, should any such action be deemed by him to be in the public interest: *Provided*, That such reduction or increase of allotments of such bonds shall be made under general rules to be prescribed by said Secretary and shall apply to all subscribers similarly situated. And any portion of the bonds so offered and not taken may be otherwise disposed of by the Secretary of the Treasury in such manner and at such price or prices, not less than par, as he may determine. The Secretary may make special arrangements for subscriptions at not less than par from persons in the military or naval forces of the United States, but any bonds issued to such persons shall be in all respects the same as other bonds of the same issue."

*Ante*, p. 288, amended.

*Post*, p. 844.

United States securities.  
Issue authorized to borrow money for national security, etc.

Amount increased.  
*Post*, p. 844.  
Additional to prior issues.  
*Ante*, p. 35.

*Proviso*.  
Amounts in lieu of unissued first liberty bonds.

Panama Canal bonds.  
Vol. 36, p. 117.

Naval emergency bonds.  
Vol. 39, p. 1201.

March 3, 1917, bonds.  
Vol. 39, p. 1002.

Forms, terms, etc., of bonds.

Interest at 4½ per cent.

Payable in gold.

Offer as popular loan.

Discretionary allotments to subscribers.

*Proviso*.  
General rules to apply.

Disposal of unsubscribed-for portion.

Army and Navy subscriptions.

Credits to allied Governments.  
*Ante*, p. 289, amended.

Appropriation increased.  
*Post*, pp. 844, 1312.

*Ante*, p. 35.

*Proviso*.  
Authority to cease at end of war.

Conversion of bonds.  
*Ante*, p. 290, amended.

Bonds higher than 4 per cent not convertible.  
*Ante*, pp. 288, 35.

Restrictions.  
*Ante*, p. 291.

Computing interest on converted bonds.

Certificates of indebtedness.  
*Ante*, p. 291, amended.

Limit extended.  
*Ante*, p. 36.  
*Post*, p. 1311.

Deposit of proceeds.  
*Ante*, p. 291, amended.

Proceeds may be deposited in banks, etc.

Income, etc., tax receipts added.  
Interest.

*Proviso*.  
Reserves not required for public money deposits.  
R. S., sec. 5191, p. 104.  
col. 38, p. 682.

SEC. 2. That the last sentence of section two of said Act approved September twenty-fourth, nineteen hundred and seventeen, be, and is hereby, amended to read as follows:

"For the purposes of this section there is appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$5,500,000,000, and in addition thereto the unexpended balance of the appropriations made by section two of said act approved April twenty-fourth, nineteen hundred and seventeen, or so much thereof as may be necessary: *Provided*, That the authority granted by this section to the Secretary of the Treasury to establish credits for foreign Governments, as aforesaid, shall cease upon the termination of the war between the United States and the Imperial German Government."

SEC. 3. That section four of said Act approved September twenty-fourth, nineteen hundred and seventeen, is hereby amended by adding two new paragraphs, as follows:

"That holders of bonds bearing interest at a higher rate than four per centum per annum, whether issued (a) under section one, or (b) upon conversion of four per centum bonds issued under section one, or (c) upon conversion of three and one-half per centum bonds issued under said Act approved April twenty-fourth, nineteen hundred and seventeen, or (d) upon conversion of four per centum bonds issued upon conversion of such three and one-half per centum bonds, shall not be entitled to any privilege of conversion under or pursuant to this section or otherwise. The provisions of section seven shall extend to all such bonds.

"If bonds bearing interest at a higher rate than four per centum per annum shall be issued before July first, nineteen hundred and eighteen, then any bonds bearing interest at the rate of four per centum per annum which shall, after July first, nineteen hundred and eighteen, and before the expiration of the six months' conversion period prescribed by the Secretary of the Treasury, be presented for conversion into bonds bearing interest at such higher rate, shall, for the purpose of computing the amount of interest payable, be deemed to have been converted on the dates for the payment of the semiannual interest on the respective bonds so presented for conversion, last preceding the date of such presentation."

SEC. 4. That the last sentence of section five of said Act approved September twenty-fourth, nineteen hundred and seventeen, be, and is hereby, amended to read as follows:

"The sum of such certificates outstanding hereunder and under section six of said Act approved April twenty-fourth, nineteen hundred and seventeen, shall not at any one time exceed in the aggregate \$8,000,000,000."

SEC. 5. That section eight of said Act approved September twenty-fourth, nineteen hundred and seventeen, be, and is hereby, amended to read as follows:

"SEC. 8. That the Secretary of the Treasury, in his discretion, is hereby authorized to deposit, in such incorporated banks and trust companies as he may designate, the proceeds, or any part thereof, arising from the sale of the bonds and certificates of indebtedness and war-savings certificates authorized by this Act, and arising from the payment of income and excess profits taxes, and such deposits shall bear such rate or rates of interest, and shall be secured in such manner, and shall be made upon and subject to such terms and conditions as the Secretary of the Treasury may from time to time prescribe: *Provided*, That the provisions of section fifty-one hundred and ninety-one of the Revised Statutes, as amended by the Federal reserve Act, and the amendments thereof, with reference to the reserves required to be kept by national banking associations and other member banks of the Federal Reserve System, shall not apply to deposits of public

moneys by the United States in designated depositories. The Secretary of the Treasury is hereby authorized to designate depositories in foreign countries with which shall be deposited all public money which it may be necessary or desirable to have on deposit in such countries to provide for current disbursements to the military and naval forces of the United States and to the diplomatic and consular and other representatives of the United States in and about such countries until six months after the termination of the war between the United States and the Imperial German Government, and to prescribe the terms and conditions of such deposits."

SEC. 6. That said Act approved September twenty-fourth, nineteen hundred and seventeen, is hereby amended by adding four new sections, to read as follows:

"SEC. 14. That any bonds of the United States bearing interest at a higher rate than four per centum per annum (whether issued under section one of this Act or upon conversion of bonds issued under this Act or under said Act approved April twenty-fourth, nineteen hundred and seventeen), which have been owned by any person continuously for at least six months prior to the date of his death, and which upon such date constitute part of his estate, shall, under rules and regulations prescribed by the Secretary of the Treasury, be receivable by the United States at par and accrued interest in payment of any estate or inheritance taxes imposed by the United States, under or by virtue of any present or future law, upon such estate or the inheritance thereof.

"SEC. 15. That the Secretary of the Treasury is authorized, from time to time, until the expiration of one year after the termination of the war, to purchase bonds issued under authority of this Act, including bonds issued upon conversion of bonds issued under this Act or said Act approved April twenty-fourth, nineteen hundred and seventeen, at such prices and upon such terms and conditions as he may prescribe. The par amount of bonds of any such series which may be purchased in the twelve months' period beginning on the date of issue shall not exceed one-twentieth of the par amount of bonds of such series originally issued, and in each twelve months' period thereafter, shall not exceed one-twentieth of the amount of the bonds of such series outstanding at the beginning of such twelve months' period. The average cost of the bonds of any series purchased in any such twelve months' period shall not exceed par and accrued interest.

"For the purposes of this section the Secretary of the Treasury shall set aside, out of any money in the Treasury not otherwise appropriated, a sum not exceeding one-twentieth of the amount of such bonds issued before April first, nineteen hundred and eighteen, and as and when any more such bonds are issued he shall set aside a sum not exceeding one-twentieth thereof. Whenever, by reason of purchases of bonds, as provided in this section, the amount so set aside falls below the sum which he deems necessary for the purposes of this section, the Secretary of the Treasury shall set aside such amount as he shall deem necessary, but not more than enough to bring the entire amount so set aside at such time up to one-twentieth of the amount of such bonds then outstanding. The amount so set aside by the Secretary of the Treasury is hereby appropriated for the purposes of this section, to be available until the expiration of one year after the termination of the war.

"The Secretary of the Treasury shall make to Congress at the beginning of each regular session a report including a detailed statement of the operations under this section.

"SEC. 16. That any of the bonds or certificates of indebtedness authorized by this Act may be issued by the Secretary of the Treasury payable, principal and interest, in any foreign money or foreign

Depositories abroad for disbursements to armed forces, etc.

Termination, etc.

Sections added. Ante, p. 295, amended.

Acceptance of higher rate bonds for estate or inheritance taxes.

Conditions.

Purchase of bonds authorized until one year after the war.

Yearly limitation.

Cost limited.

Fund to be set aside for purchases.

Appropriation.

Detailed statement to Congress.

Securities payable only in foreign moneys may be issued. Discretionary disposal.

Post, p. 845.	moneys, as expressed in such bonds or certificates, but not also in United States gold coin, and he may dispose of such bonds or certificates in such manner and at such prices, not less than par, as he may determine, without compliance with the provisions of the third paragraph of section one. In determining the amount of bonds and certificates issuable under this Act the dollar equivalent of the amount of any bonds or certificates payable in foreign money or foreign moneys shall be determined by the par of exchange at the date of issue thereof, as estimated by the Director of the Mint, and proclaimed by the Secretary of the Treasury, in pursuance of the provisions of section twenty-five of the Act approved August twenty-seventh, eighteen hundred and ninety-four, entitled 'An Act to reduce taxation, to provide revenue for the Government, and for other purposes.' The Secretary of the Treasury may designate depositaries in foreign countries, with which may be deposited as he may determine all or any part of the proceeds of any bonds or certificates authorized by this Act, payable in foreign money or foreign moneys.
Ante, p. 503.	
Estimate of foreign dollar equivalent.	
Vol. 28, p. 552.	
Depositaries abroad for proceeds may be designated.	
Title.	"SEC. 17. That the short title of this Act shall be 'Second Liberty Bond Act.'"
New section to First Liberty Bond Act. Ante, p. 37, amended.	SEC. 7. That the Act entitled "An Act to authorize an issue of bonds to meet expenditures for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to extend credit to foreign governments, and for other purposes," approved April twenty-fourth, nineteen hundred and seventeen, is hereby amended by adding a new section to read as follows:
Title given.	"SEC. 9. That the short title of this Act shall be 'First Liberty Bond Act.'"
Title to this Act.	SEC. 8. That the short title of this Act shall be "Third Liberty Bond Act."
	Approved, April 4, 1918.

April 5, 1918.  
[S. 3714.]  
[Public, No. 121.]

**CHAP. 45.**—An Act To provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and to supervise the issuance of securities, and for other purposes.

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

War Finance Corporation Act.

#### TITLE I.—WAR FINANCE CORPORATION.

Creation and membership of Corporation.

That the Secretary of the Treasury and four additional persons (who shall be the directors first appointed as hereinafter provided), are hereby created a body corporate and politic in deed and in law by the name, style, and title of the "War Finance Corporation" (herein called the Corporation), and shall have succession for a period of ten years: *Provided*, That in no event shall the Corporation exercise any of the powers conferred by this Act, except such as are incidental to the liquidation of its assets and the winding up of its affairs, after six months after the termination of the war, the date of such termination to be fixed by proclamation of the President of the United States.

Proviso. Powers limited to continuance of the war.

Capital stock. All to be held by United States.

SEC. 2. That the capital stock of the Corporation shall be \$500,000,000, all of which shall be subscribed by the United States of America, and such subscription shall be subject to call upon the vote of three-fifths of the board of directors of the Corporation, with the approval of the Secretary of the Treasury, at such time or times as may be deemed advisable; and there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum

Appropriation for subscriptions.