

"Neutrality Act" of February 29, 1936

JOINT RESOLUTION

Extending and amending the joint resolution (Public Resolution Numbered 67 Seventy-fourth Congress), approved August 31, 1935.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the joint resolution (Public Resolution Numbered 67, Seventy-fourth Congress) approved August 31, 1935, be, and the same hereby is, amended by striking out in the first section, on the second line, after the word assembled" the following words: "That upon the outbreak or during the progress of war between", and inserting therefore the words: "Whenever the President shall find that there exists a state of war between"; and by striking out the word "may" after the word "President" and before the word "from" in the twelfth line, and inserting in lieu thereof the word "shall"; and by substituting for the last paragraph of said section the following paragraph: "except with respect to offenses committed, or forfeitures incurred prior to May 1, 1937, this section and all proclamations issued thereunder shall not be effective after May 1, 1937."

SEC. 2. There are hereby added to said joint resolution two new sections, to be known as sections 1a and 1b, reading as follows:

"SEC. 1a. Whenever the President shall have issued his proclamation as provided for in section 1 of this Act, it shall thereafter during the period of the war be unlawful for any person within the United States to purchase, sell, or exchange bonds, securities, or other obligations of the government of any belligerent country, or of any political subdivision thereof, or of any person acting for or on behalf of such government, issued after the date of such proclamation, or to make any loan or extend any credit to any such government or person: Provided, That if the President shall find that such action will serve to protect the commercial or other interests of the United States or its nationals, he may, in his discretion, and to such extent and under such regulation as he may prescribe, except from the operation of this section ordinary commercial credits and short-time obligations in aid of legal transactions and of a character customarily used in normal peace-time commercial transactions.

"The provisions of this section shall not apply to a renewal or adjustment of such indebtedness as may exist on the date of the President's proclamation.

"Whoever shall violate the provisions of this section or of any regulations issued hereunder shall, upon conviction thereof, be fined not more than \$50,000 or imprisoned for not more than five years, or both. Should the violation be by a corporation, organization, or association, each officer or agent thereof participating in the violation may be liable to the penalty herein prescribed.

"When the President shall have revoked his proclamation as provided for in section 1 of this Act, the provisions of this section and of any regulations issued by the President hereunder shall thereupon cease to apply.

"SEC. 1b. This Act shall not apply to an American republic or republics engaged in war against a non-American state or states, provided the American republic is not cooperating with a non-American state or states in such war."

SEC. 3. Section 9 of said joint resolution is amended to read as follows:

"There is hereby authorized to be appropriated from time to time, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions and accomplish the purposes of this Act."

Approved, February 29, 1936.

Source: U.S., Department of State, Publication 1983, *Peace and War: United States Foreign Policy, 1931-1941* (Washington, D.C.: U.S., Government Printing Office, 1943, pp. 312-14.
