

to such words and phrases by the Civil Aeronautics Act of 1938, as amended.

SEC. 12. There is hereby authorized to be appropriated the sum of \$14,000,000 for the purpose of carrying out the provisions of this Act, said appropriation to remain available until expended. There are hereby authorized to be appropriated from year to year such sums as may be necessary for the proper development, improvement, maintenance, protection, control, and operation of said airport or as may be otherwise necessary to carry out the purpose of this Act.

Approved September 7, 1950.

[CHAPTER 906]

AN ACT

To authorize the Secretary of Commerce to provide war risk and certain marine and liability insurance.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Merchant Marine Act, 1936, as amended, is amended by adding thereto a new title to read as follows:

“TITLE XII—WAR RISK INSURANCE

“SEC. 1201. As used in this title—

“(a) The term ‘American vessels’ includes any vessel registered, enrolled, or licensed under the laws of the United States and any undocumented vessel owned or chartered by or made available to the United States or any department or agency thereof and any tug or barge or other watercraft (documented or undocumented) owned by a citizen of the United States used in essential water transportation or in the fishing trade or industry, except watercraft used exclusively in or for sport fishing.

“(b) The term ‘transportation in the water-borne commerce of the United States’ includes the operation of vessels in the fishing trade or industry, except watercraft used exclusively in or for sport fishing.

“(c) The term ‘war risks’ includes to such extent as the Secretary may determine all or any part of those losses which are excluded from marine insurance coverage under a ‘free of capture and seizure’ clause, or analogous clauses.

“(d) The term ‘citizen of the United States’ includes corporations, partnerships, and associations existing, authorized, or organized under the laws of the United States or any State, district, Territory, or possession thereof.

“(e) The term ‘Secretary’ shall mean the Secretary of Commerce.

“SEC. 1202. (a) The Secretary, with the approval of the President, and after such consultation with interested agencies of the Government as the President may require, may provide insurance and reinsurance against loss or damage by war risks in the manner and to the extent provided in this title, whenever it appears to the Secretary that such insurance adequate for the needs of the water-borne commerce of the United States cannot be obtained on reasonable terms and conditions from companies authorized to do an insurance business in a State of the United States.

“(b) Any insurance or reinsurance issued under any of the provisions of this Act shall be based, insofar as practicable, upon consideration of the risk involved.

“SEC. 1203. The Secretary may provide the insurance and reinsurance authorized by section 1202 with respect to the following persons, property, or interest:

52 Stat. 973.
49 U. S. C. § 681;
Sup. III, § 401 *et seq.*
Ante, pp. 395, 417.
Appropriations authorized.
Post, p. 1049.

September 7, 1950
[S. 2484]
[Public Law 763]

Merchant Marine Act, 1936, amendment.
49 Stat. 1985.
46 U. S. C. § 1245;
Sup. III, § 1111 *et seq.*
Post, pp. 1078, 1079.

Definitions.

Insurance and reinsurance.

Vessels.	“(a) American vessels, including vessels under construction, foreign-flag vessels owned by citizens of the United States or engaged in transportation in the water-borne commerce of the United States or in such other transportation by water or such other services as may be deemed by the Secretary to be in the interest of the national defense or the national economy of the United States, when so engaged.
Cargoes.	“(b) Cargoes shipped or to be shipped on any such vessels, including shipments by express or registered mail; cargoes owned by citizens or residents of the United States, its Territories or possessions; cargoes imported to, or exported from, the United States, its Territories or possessions, and cargoes sold or purchased by citizens or residents of the United States, its Territories or possessions, under contracts of sale or purchase by the terms of which the risk of loss by war risks or the obligation to provide insurance against such risks is assumed by or falls upon a citizen or resident of the United States, its Territories or possessions; cargoes shipped between ports in the United States, or between ports in the United States and its Territories and possessions, or between ports in such Territories or possessions.
Disbursements.	“(c) The disbursements, including advances to masters and general average disbursements, and freight and passage moneys of such vessels.
Personal effects.	“(d) The personal effects of the masters, officers, and crews of such vessels, and of other persons transported on such vessels.
Loss of life, etc.	“(e) Masters, officers, members of the crews of such vessels and other persons employed or transported thereon against loss of life, injury, detention by an enemy of the United States following capture.
Liabilities of vessels, etc.	“(f) Statutory on contractual obligations or other liabilities of such vessels or of the owner or charterer of such vessels of the nature customarily covered by insurance.
Other than war risks.	“SEC. 1204. Whenever the Secretary shall insure any risk included under subsection (d), (e), or (f) of section 1203, insofar as it concerns liabilities relating to the masters, officers, and crews of such vessels or to other persons transported thereon, the insurance on such risks may include risks other than war risks to the extent that the Secretary determines to be necessary or advisable.
Procurement.	“SEC. 1205. (a) Any department or agency of the United States may, with the approval of the President, procure from the Secretary any of the insurance as provided for in this title, except as provided in sections 1 and 2 of the Act of July 8, 1937 (50 Stat. 479).
5 U. S. C. §§ 134-134b. Insurance without premium.	“(b) The Secretary is authorized with such approval to provide such insurance at the request of the Secretary of Defense, and such other agencies as the President may prescribe, without premium in consideration of the agreement of the Secretary of Defense or such agency to indemnify the Secretary against all losses covered by such insurance, and the Secretary of Defense and such other agencies are authorized to execute such indemnity agreement with the Secretary.
Indemnity agreement.	“SEC. 1206. The Secretary is authorized during any time the United States is at war or during any period of emergency declared to exist by the President of the United States, to provide insurance for any person who performs services or provides facilities for or with respect to any American- or foreign-flag vessel, public or private, against legal liabilities that may be incurred by such person in connection with the performance of such services or the providing of such facilities. Such insurance shall not be issued against liability to employees in respect of employers' liability or workmen's compensation. No such insurance shall be provided unless, in the opinion of the Secretary, such insurance is required in the prosecution of the war effort or in connection with national defense and cannot be obtained at reasonable rates or upon reasonable conditions from
War or period of emergency.	

approved companies authorized to do insurance business in any State of the United States.

"SEC. 1207. (a) To the extent that he is authorized by this title to provide marine, war risk, and liability insurance, the Secretary may reinsure, in whole or in part, any company authorized to do an insurance business in any State of the United States. The Secretary may reinsure with, or cede or retrocede to, any such company any insurance or reinsurance provided by the Secretary in accordance with the provisions of this title.

"(b) Reinsurance shall not be provided by the Secretary at rates less than nor obtained by the Secretary at rates more than the rates established by the Secretary on the same or similar risks or the rates charged by the insurance carrier for the insurance so reinsured which ever is most advantageous to the Secretary, except that the Secretary may make to the insurance carrier such allowances for expenses on account of the cost of services rendered or facilities furnished as he deems reasonably to accord with good business practice, but such allowance to the carrier shall not provide for any payment by the carrier on account of solicitation for or stimulation of insurance business.

"SEC. 1208. (a) The Secretary shall create an insurance fund in the Treasury to enable him to carry out the provisions of this title. Moneys appropriated by Congress to carry out the provisions of this title and all moneys received from premiums, salvage, or other recoveries and all receipts in connection with this title shall be deposited in the Treasury to the credit of such fund. Payments of return premiums, losses, settlements, judgments, and all liabilities incurred by the United States under this title shall be made from such fund through the Division of Disbursement, Treasury Department.

"(b) Such sums as shall be necessary to carry out the provisions of this title are authorized to be appropriated to such fund.

"SEC. 1209. (a) The Secretary, in the administration of this title, may issue such policies, rules, and regulations as he deems proper and may adjust and pay losses, compromise and settle claims, whether in favor of or against the United States and pay the amount of any judgment rendered against the United States in any suit, or the amount of any settlement agreed upon, in respect of any claim under insurance authorized by this title, but with respect to any vessel which is insured under the provisions of this Act, the amount of the claim adjusted, compromised, settled, adjudged or paid shall not exceed the vessel's fair and reasonable value as determined by the Federal Maritime Board.

"(b) The Secretary may prescribe and change forms and policies, and fix, adjust, and change the amounts insured and rates of premium provided for in this title.

"(c) The Secretary, in administering this title, may exercise his powers, perform his duties and functions, and make his expenditures, in accordance with commercial practice in the marine insurance business. Except as authorized in subsection (d) of this section, no insurance broker or other person acting in a similar intermediary capacity shall be paid any fee or other consideration by the Secretary by virtue of his participation in arranging any insurance wherein the Secretary directly insures any of the risk thereof.

"(d) The Secretary may, and whenever he finds it practical to do so shall, employ domestic companies or groups of domestic companies authorized to do a marine insurance business in any State of the United States, to act as his underwriting agent. The Secretary may allow such companies or groups of companies fair and reasonable compensation for servicing insurance written by such companies or groups of

Reinsurance of insurance companies.

Rates.

Insurance fund.

Appropriation authorized.
Post, p. 1226.
Rules and regulations, adjustment of losses, etc.

Restriction of fees.

Underwriting agent.

companies as underwriting agent for the Secretary. The services of such underwriting agents may be utilized in the adjustment of claims under insurance provided by this title, but no claim shall be paid unless and until it has been approved by the Secretary. Such compensation may include an allowance for expenses reasonably incurred by such agent, but such allowance shall not include any payment by such agent on account of solicitation for or stimulation of insurance business.

Experts in marine insurance.

“(e) The Secretary without regard to the laws, rules, or regulations relating to the employment of employees of the United States, may appoint and prescribe the duties of such number of experts in marine insurance as he deems necessary under this title.

Services of governmental agencies.

“(f) The Secretary with the consent of any executive department, independent establishment, or other agency of the Government, including any field service thereof, may avail himself of the use of information, services, facilities, officers, and employees thereof in carrying out the provisions of this title.

Rights of seamen.

“SEC. 1210. This title shall not affect rights of seamen under existing law.

Reports to Congress.

“SEC. 1211. The Secretary shall include in his annual report to Congress a detailed statement of all activities and of all expenditures and receipts under this title for the period covered by such report and in addition make quarterly progress reports to the Congress with reference to contracts entered into, proposed contracts, and the general progress of his insurance activities.

Suits in admiralty.

“SEC. 1212. Upon disagreement as to a loss insured under this title, suit may be maintained against the United States in admiralty in the district in which the claimant or his agent resides, and this remedy shall be exclusive of any other action by reason of the same subject matter against any agent or employee of the United States employed or retained under this title. If the claimant has no residence in the United States, suit may be brought in the district court of the District of Columbia or in such other district court in which the Attorney General of the United States agrees to accept service. Such suits shall be heard and determined under the provisions of an Act entitled ‘An Act authorizing suits against the United States in admiralty, suits for salvage services, and providing for the release of merchant vessels belonging to the United States from arrest and attachment in foreign jurisdiction, and for other purposes’, approved March 9, 1920, as amended (known as the Suits in Admiralty Act). All persons having or claiming or who might have an interest in such insurance, may be made parties either initially or upon the motion of either party. In any case where the Secretary acknowledges the indebtedness of the United States on account of such insurance, and there is a dispute as to the persons entitled to receive payment, the United States may bring an action in the nature of a bill of interpleader against such parties, in the District Court for the District of Columbia, or in the district court of the district in which any such person resides. In such actions any party, if not a resident of or found within the district, may be brought in by order of court served in such reasonable manner as the court directs. If the court is satisfied that persons unknown might assert a claim on account of such insurance, it may direct service upon such persons unknown by publication in the Federal Register. Judgment in any such suit shall discharge the United States from further liability to any parties to such action, and to all persons when service by publication upon persons unknown is directed by the court. The period within which suits may be commenced contained in said Suits in Admiralty Act shall, if claim be filed therefor within such period, be suspended from such time of filing until the claim shall have been administratively denied by the Secretary and for sixty days

41 Stat. 525.
46 U. S. C., §§ 741-
752.
Post, p. 1112.

thereafter: *Provided, however*, That such claim shall be deemed to have been administratively denied if not acted upon within six months after the time of filing, unless the Secretary for good cause shown shall have otherwise agreed with the claimant.

"SEC. 1213. A person having an insurable interest in a vessel may, with the approval of the Secretary, insure with other underwriters in an amount in excess of the amount insured with the Secretary of Commerce, and in that event the Secretary of Commerce shall not be entitled to the benefit of such insurance.

"SEC. 1214. The authority of the Secretary to provide insurance and reinsurance under this title shall expire five years from the date of enactment of this title."

Approved September 7, 1950.

[CHAPTER 907]

AN ACT

To give effect to the Convention for the Establishment of an International Commission for the Scientific Investigation of Tuna, signed at Mexico City January 25, 1949, by the United States of America and the United Mexican States, and the Convention for the Establishment of an Inter-American Tropical Tuna Commission, signed at Washington May 31, 1949, by the United States of America and the Republic of Costa Rica, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Tuna Conventions Act of 1950".

SEC. 2. As used in this Act, the term—

(a) "convention" includes (1) the Convention for the Establishment of an International Commission for the Scientific Investigation of Tuna, signed at Mexico City January 25, 1949, by the United States of America and the United Mexican States, (2) the Convention for the Establishment of an Inter-American Tropical Tuna Commission, signed at Washington May 31, 1949, by the United States of America and the Republic of Costa Rica, or both such conventions, as the context requires;

(b) "commission" includes (1) the International Commission for the Scientific Investigation of Tuna, (2) the Inter-American Tropical Tuna Commission provided for by the conventions referred to in subsection (a) of this section, or both such commissions, as the context requires;

(c) "United States Commissioners" means the members of the commissions referred to in subsection (b) of this section representing the United States of America and appointed pursuant to the terms of the pertinent convention and section 3 of this Act;

(d) "person" means every individual, partnership, corporation, and association subject to the jurisdiction of the United States; and

(e) "enforcement agency" means such agency or agencies of the Federal Government as may be designated by the President to enforce the provisions of this Act and of the conventions and of regulations adopted pursuant to the conventions or this Act.

SEC. 3. The United States shall be represented on the two commissions by a total of not more than four United States Commissioners, who shall be appointed by the President, serve as such during his pleasure, and receive no compensation for their services as such Commissioners. Of such Commissioners—

(a) not more than one shall be a person residing elsewhere than in a State whose vessels maintain a substantial fishery in the areas of the conventions;

Insurance with other underwriters.

Expiration of authority.

September 7, 1950
[S. 2633]
[Public Law 764]

Tuna Conventions Act of 1950.

Definitions.

U. S. representation on commissions.