

the operation of the subsidized vessels, services, routes, and lines, the contractor shall pay to the United States an amount equal to one-half of such profits in excess of 10 per centum per annum as partial or complete reimbursement for operating-differential subsidy payments received by the contractor for such recapture period, but the amount of excessive profit so recaptured shall not in any case exceed the amount of the operating-differential subsidy payments theretofore made to the contractor for such period under such contract or consecutive contracts and the repayment of such reimbursement to the Commission shall be subject to the provisions of section 607."

SEC. 2. Each operating-differential subsidy contract in force on the date of enactment of this Act shall, if the subsidized contractor consents, be amended to conform to the provisions of section 606 of the Merchant Marine Act, 1936, as amended by section 1 of this Act.

Amendment of
contracts.

Approved May 10, 1956.

Public Law 516

CHAPTER 248

AN ACT

To authorize the Territory of Alaska to incur indebtedness, and for other purposes.

May 10, 1956
[H. R. 4781]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Territory of Alaska is authorized and empowered, notwithstanding any provision of the Organic Act of Alaska or any other Act of Congress to the contrary, to borrow on the credit of the Territory from time to time such sums as may be necessary for constructing, altering, equipping, or acquiring public improvements including, but without limitation, schools, hospitals, colleges, offices, prisons, and other public buildings, and roads, water and sewer systems, wharves, docks, bridges, and other public facilities, and to issue bonds of the Territory for such borrowings. Such bonds shall be issued only by authorization of the Territorial legislature, shall bear such rates of interest as may be authorized by the law under which the bonds are issued, and shall be sold for not less than their principal amount plus accrued interest. The principal amount of such bonds outstanding at any one time shall not exceed \$20,000,000. The faith of the Territory shall be solemnly pledged to the payment of all such bonds according to their terms.

Alaska.
Public-improvement
bonds.

SEC. 2. No such bonded debt shall be contracted unless it shall be authorized by Territorial law for one or more public improvements, which shall be distinctly specified in such law. No such bonded debt shall be contracted for a period longer than the probable life of the works of improvement for which the debt is to be contracted nor, in any event, for a period longer than thirty years. A determination of such probable life provided by either a special or general law of the Territory in effect at the time the debt is contracted shall be conclusive.

SEC. 3. The bonds provided for in this Act shall be serial bonds the maturities of which shall be so scheduled as to provide for the payment of the principal of each issue of bonds in annual installments, which need not be equal. The earliest-maturing bonds of each issue shall become payable not more than three years from the date of the issue, and the latest-maturing bonds of each issue shall become payable before or upon the expiration of the probable life of the works of improvement for which the issue was made and, in any event, not more than thirty years from the date of the issue. The privilege of redeeming all or any part of the bonds of each issue prior to the

dates on which they respectively become due may be reserved to the Territory on such terms and conditions, which may include the payment of a premium, as may be prescribed by the law authorizing the issuance of the bonds. The Territorial legislature may provide means and authority whereby any such debt may be refunded, in accordance with any privilege of redemption reserved to the Territory, but any debt incurred for refunding purposes shall be payable in annual installments so scheduled as not to extend by more than six months the maturity of any portion of the debt so refunded.

Emergencies.

SEC. 4. The Territory of Alaska is authorized and empowered, notwithstanding any provision of the Organic Act or any other Act of Congress to the contrary, to borrow on the credit of the Territory from time to time, when the legislature of the Territory is not in session, such sums as may be necessary to meet emergencies for which funds are not made available by appropriation or otherwise, and to issue certificates of indebtedness of the Territory for such borrowings. Such certificates of indebtedness shall be issued only by authorization of the Territorial legislature, shall bear interest at not more than the commercial interest rate, shall be sold for not less than their principal amount, shall become payable at such time or times, not later than one month subsequent to the date of convening of the succeeding regular session of the legislature, as the Territorial treasurer or other officer designated by the law authorizing the issuance of such certificates may prescribe, and shall be subject to redemption by the Territory prior to their maturity. The principal amount of such certificates of indebtedness outstanding at any one time shall not exceed the sum by which the principal amount of the bonds then outstanding under this Act is less than \$20,000,000 and shall not, in any event, exceed \$200,000. The term "emergencies" as used in this section shall be defined by Territorial law and the Governor shall be empowered to apply, and shall determine the application of, such definition. The faith of the Territory shall be solemnly pledged to the payment of all such certificates of indebtedness according to their terms.

Issuance as negotiable instruments.

SEC. 5. The bonds and certificates of indebtedness provided for in this Act may be issued as negotiable instruments and, when so issued, shall be treated as negotiable instruments for all purposes. Such bonds or certificates of indebtedness may bear such date or dates, may be in such denominations, may carry such registration privileges, may be executed by such persons and in such manner, and may be subject to such other terms and conditions as may be prescribed, consistently with the requirements of this Act, by the laws authorizing their issuance, and shall be offered for sale on a competitive basis.

Tax levy, etc.

SEC. 6. The Territorial legislature shall provide in the law authorizing any such bonds or certificates of indebtedness, and thereafter, for the payment of the interest upon and the principal of such bonds or certificates of indebtedness as the same shall fall due, by the levy of an adequate tax or otherwise, and by seasonable appropriation for payment. If at the time when any such interest or principal falls due sufficient moneys have not been appropriated to pay the same, the Territorial treasurer shall pay such interest or principal out of the first revenues thereafter received by him that are applicable to the general funds of the Territory.

Guarantee of payment.

SEC. 7. The Territory of Alaska is authorized and empowered notwithstanding any provision of the Organic Act or any other Act of Congress to the contrary, to guarantee payment of bonds issued by municipalities, school districts and public utility districts in Alaska for constructing, altering, equipping, or acquiring public improvements of the nature for which the Territory may issue bonds in an aggregate amount which shall not at any one time exceed the sum by

which the principal amount of Territorial bonds and certificates of indebtedness then outstanding under this Act is less than \$20,000,000. The authority to guarantee bonds of such subdivisions shall be exercised in a manner prescribed in section 2 of this Act.

Approved May 10, 1956.

Public Law 517

CHAPTER 256

AN ACT

To terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects.

May 10, 1956
[H. R. 1603]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Reclamation Act of June 17, 1902 (32 Stat. 389), is hereby amended by inserting a period in lieu of the comma after the word "work" in the proviso of that section and striking out the following language: "and no Mongolian labor shall be employed thereon."

43 USC 419.

Approved May 10, 1956.

Public Law 518

CHAPTER 257

AN ACT

To amend section 40 of the Bankruptcy Act, so as to increase salaries for part-time and full-time referees.

May 10, 1956
[H. R. 4791]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 40a (11 U. S. C. 68 (a)) of the Bankruptcy Act approved July 1, 1898, as amended, is amended to read as follows:

Bankruptcy Act.
Amendment.
66 Stat. 438.

"SEC. 40. COMPENSATION OF REFEREES; REFEREES' SALARY AND EXPENSE FUNDS; RETIREMENT OF REFEREES. a. Referees shall receive as full compensation for their services salaries to be fixed by the conference, in the light of the recommendations of the councils, made after advising with the district judges of their respective circuits, and of the Director, at rates not more than \$15,000 per annum for full-time referees, and not more than \$7,500 per annum for part-time referees. In fixing the amount of salary to be paid to a referee, consideration shall be given to the average number and the types of, and the average amount of gross assets realized from, cases closed and pending in the territory which the referee is to serve, during the last preceding period of ten years, and to such other factors as may be material. Disbursement of such salaries shall be made monthly by or pursuant to the order of the Director."

Approved May 10, 1956.

Public Law 519

CHAPTER 258

AN ACT

To require the inspection and certification of certain vessels carrying passengers.

May 10, 1956
[H. R. 7952]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That when used in this Act, unless the context requires otherwise—

(a) The term "passenger" means every person carried on board a passenger-carrying vessel other than—

Vessels.

Definitions.