

the use or to the safe keeping of any public institution within the Territory.

Appropriation.

Section 5. There is hereby appropriated out of the moneys of the Territorial Treasury not otherwise appropriated the sum of Ten Thousand Dollars (\$10,000.00) or as much thereof as is necessary to carry out the provisions of this Act.

Approved May 2, 1927.

CHAPTER 34.

AN ACT

[H. B. 37]

To appropriate the sum of Seventeen Thousand Two Hundred Dollars (\$17,200.00), to aid shipping in the Territory of Alaska, along the coast of Seward Peninsula, from St. Michaels to Kotzebue, and for the advertising for bids, repealing Chapter 47, Session Laws of 1923, and Chapter 15, Session Laws of 1925, and declaring an emergency.

Be it enacted by the Legislature of the Territory of Alaska:

Appropriation
for ship
subsidy.

Section 1. That the Governor of Alaska is authorized to pay a sum of money, not to exceed Ten Thousand Dollars (\$10,000.00) and not to exceed Five Thousand Dollars (\$5,000.00) in any one year, to the owner or charterer of any ship or vessel of American registry, of a cargo capacity of not less than forty tons under deck and a passenger capacity of not less than twenty (20) persons, and a loaded draft of not to exceed seven (7) feet, and of a maximum speed of not less than eight (8) knots per hour, who shall operate such ship or vessel in the coastwise trade, as a common carrier of freight and passengers from Nome to Kotzebue, touching at Teller, Wales, Shismareff, Deering, Keewalik, and making not less than seven (7) regular stated trips and return not less than once each two (2) weeks during the season when navigation is open in the aforementioned waters under

Nome to
Kotzebue.

Specifications.

such conditions as are provided for in Sections three, four, five and six of this Act.

Section 2. That the Governor of the Territory of Alaska is authorized to pay a sum of money not to exceed Seven Thousand Dollars (\$7,000.00) and not to exceed Three Thousand Five Hundred Dollars (\$3,500.00), during any one year, to the owner or charterer of any ship or vessel of American registry, of a cargo capacity of not less than thirty (30) tons under deck and a passenger capacity of not less than twenty (20) persons, and a loaded draft not to exceed seven (7) feet, and of a maximum speed of not less than eight (8) knots per hour, who shall operate such ship or vessel in the coastwise trade, as a common carrier of freight and passengers, from Nome to St. Michaels, touching at Solomon, Bluff, Chinik, Unalakleet, and not make less than sixteen (16) regular stated trips not less than once each week during season when navigation is open in the aforementioned waters, under such conditions as are provided for in Sections three, four, five and six of this Act.

Appropriation
for ship
subsidy.

Specifications.

Nome to
St. Michael.

Section 3. That the Governor of the Territory, after the passage and approval of this Act, shall call for bids or offers to operate such ships or vessels for the biennium, of the size and speed herein required over the aforementioned routes, which call shall define the specifications for passenger accommodations to be afforded by such ships or vessels and which accommodations shall be reasonable and in proportion to the size of the ships.

Call for bids
for service and
award of
subsidy.

The awarding of the subsidies shall be in the discretion of the Governor and he may arrange for the payment of lesser amounts than the sums appropriated.

The Treasurer of the Territory shall pay to the person, persons or corporation to whom the subsidy shall be awarded the amount of money due such person,

Subsidy,
how paid.

persons or corporation thereunder upon warrants issued as in other cases.

Exceptions in case of loss or damage to vessel.

Provided, however, that should such subsidized ship or vessel be lost, wrecked or damaged the Governor shall have authority to disregard the specifications as set forth in Sections one and two hereof and permit the contractor to temporarily carry out the service herein contemplated with such ship or vessel as may meet with his approval without affecting the claim of contractor for subsidy by reason of such disregard of specifications; provided said ship or vessel shall be of American registry and pass full inspection as provided by law for vessels or ships of such class.

Report concerning loss or damage to be made to Governor.

And further provided that in case of damage to said subsidized vessel during the season of navigation the specifications above referred to may be set aside only for such length of time as is necessary to repair such damage; that report concerning the damage and the length of time required for repairing such damage shall be submitted to the Governor by the operator or operators of such ship or vessel; that upon receipt of such report the Governor shall specify the duration of time during which the required specifications shall be set aside on account of such damage to such subsidized ship or vessel.

Payments how made and when.

Section 4. The subsidy herein provided for may, in the discretion of the Governor, be paid as follows: fifty per centum for the period ending August 15 of each year, and the balance after the close of navigation upon the submission of reports and vouchers which may be prescribed or required by the Governor and upon proof submitted to the Governor of Alaska by the Deputy United States Customs Collector at Nome, Alaska, that the conditions of the contract for subsidy have been fulfilled for such periods; provided that the reports, information or vouchers required under this Act, except as to proof of service, may be

deferred by the Governor until final claim by the contractor for the year's subsidy; provided, however, that inability, due to stress of weather or ice conditions, to touch at any point along such routes, not provided with proper docking or harbor facilities, shall not prevent the owners or charterers of the ships or vessels from receiving the moneys herewith appropriated, otherwise earned nor shall the inability to touch at such places, for the reasons herein stated, be made a cause for reducing the amount of the subsidy for any part of the period of open navigation.

Proviso.

Section 5. The owners or charterers when awarded a subsidy shall immediately publish a tariff of freight and passenger rates, which rates shall be reasonable, under penalty of forfeiture of the subsidy; and the Governor, when he so finds, shall have the power to declare a rate or rates excessive.

Owners or charterers to publish rates.

Section 6. It shall be a condition in the awarding of any contract or subsidy under this Act that the contractor shall make a report, under oath, at the close of navigation to the Treasurer of Alaska, and prior to the payment of any amounts due the contractor, giving the following information:

Report of contractor to be made to Treasurer.

- (a) Tariff sheet of freight and passenger rates for the route covered;
- (b) Total tonnage and total number of passengers carried;
- (c) Gross earnings from passenger, freight and mail service rendered, segregating the same according to the three classes here mentioned;
- (d) The gross expense and the gross earnings of the route covered.

Section 7. That the books of said contractor shall be open for inspection by the Governor or other authorized agent of the Territory.

Appropriation
for advertising
for bids.

Section 8. The Governor shall be authorized to expend a sum of money not to exceed Two Hundred Dollars (\$200.00), for advertising for said bids or offers in accordance with the provisions of this Act.

Section 9. The sum of Seventeen Thousand Two Hundred Dollars (\$17,200.00) is hereby appropriated for the purpose of carrying out the provisions of this Act.

Amount of
subsidy and
how arrived at.

Section 10. It being the intention of this Act that the contractor shall receive only such portion of the subsidy as shall be necessary to bring the net profits up to the amount of the subsidy, only such part of the subsidy shall be paid the contractor as, when added to the net profits, make a total not exceeding the total amount of the subsidy such contractor would be entitled to receive under the prior provisions of this Act.

Repeal.

Section 11. Chapter 47 of the Session Laws of 1923, and Chapter 15 of the Session Laws of 1925 are hereby repealed.

Section 12. An emergency is hereby declared to exist, and this Act shall take effect immediately on its passage and approval.

Approved May 2, 1927.