

livestock industry, or such other industrial or agricultural pursuits or avocations as will enable them to become self-supporting; (2) the educational advancement of such Indians; (3) financial assistance in cases of illness, death, or other emergency; (4) the repayment of reimbursable debts previously contracted; or (5) security for or the repayment of loans made to such Indians from any Klamath revolving loan fund now existent or which shall hereafter be created.

Disposition of balance in event of death.

SEC. 4. In the event of the death of any such Indian entitled to receive a payment in lieu of allotment after the date of the enactment of this Act, any unexpended balance of said \$1,500 still due the decedent shall first be applied to the repayment of any loans received by such Indian from the United States or from the Klamath Tribal funds, and the balance thereafter shall be distributed as personal property.

Inheritance restriction.

SEC. 5. Hereafter only enrolled members of the Klamath Tribe of not less than one-sixteenth degree Indian blood of the Klamath Tribe shall inherit or take by devise any restricted or trust property within the Klamath Reservation: *Provided*, That the surviving spouse shall be entitled to the use of one-half part during his or her natural life of all the land included in any such property whereof the decedent was seized of an estate of inheritance at any time during coverture.

Proviso. Life interest of surviving spouse.

Disposition of restricted or trust property upon death without heirs, etc.

SEC. 6. If any enrolled member of the Klamath Tribe dies without lawful heirs or devises¹, all interest which such member has in any restricted or trust property within the Klamath Reservation shall revert to and become part of the common tribal property.

Approved, June 1, 1938.

[CHAPTER 311]

AN ACT

To amend section 402 of the Merchant Marine Act, 1936, to further provide for the settlement of ocean mail contract claims.

June 1, 1938
[H. R. 9577]
[Public, No. 573]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 402 of the Merchant Marine Act, 1936, be hereby amended by adding thereto a new subsection (d) to read as follows:

Merchant Marine Act, 1936, amendments.
49 Stat. 1933.
46 U. S. C., Supp. III, § 1142.
Ocean mail contracts.

“(d) Notwithstanding the provisions of the Acts making appropriation for the Treasury and Post Office Departments for the fiscal years ending June 30, 1934, June 30, 1935, June 30, 1936, and June 30, 1937, which were approved, respectively, March 3, 1933 (47 U. S. Stat. L. 1510), March 15, 1934 (48 U. S. Stat. L. 446), May 14, 1935 (49 U. S. Stat. L. 239), and June 23, 1936 (49 U. S. Stat. L. 1850), as soon as practicable after the enactment of this subsection, and within six months after its enactment, the Commission, in its discretion, may proceed to attempt to adjust all differences with the holder of any contract alleged to have been made by the Postmaster General pursuant to the provisions of the Merchant Marine Act of 1928 for the carriage of mail, in cases where a suit, pending in the Court of Claims at the time of the enactment of this subsection and based upon the alleged termination or breach of such contract, had been filed by such contractor prior to July 1, 1937, including any claims of the contractor against the United States and any claims of the United States against such contractor, arising out of said contract. In adjusting such differences and claims the Commission shall not take into consideration any prospective or speculative future profits, but shall consider any and all payments theretofore made by the United States pursuant to such mail contract, and the profits realized as a result thereof, and the interest paid and the interest due according to law

47 Stat. 1510; 48 Stat. 446; 49 Stat. 239, 1850.

Adjustment of differences and claims arising out of contracts alleged to have been made under 1928 Act.
45 Stat. 692.
46 U. S. C. § 891e; Supp. III, § 891e.

¹ So in original.

on construction loans, and all other facts deemed pertinent. If the contractor shall be willing to accept such determination and receive payment for the amount determined by the Commission to be a fair adjustment of such differences, the Commission is authorized and directed, concurrently with the dismissal of any suit based upon the alleged termination or breach of such contract filed by such contractor with prejudice and without costs, to enter into and execute a settlement agreement with such contractor, wherein such contractor shall release the United States from any and all claims arising from such contractor's mail contract: *Provided*, That the Attorney General of the United States shall review such settlement agreement, and if he is dissatisfied with such finding shall notify the Commission and the contractor in writing within sixty days and upon such notice the settlement agreement shall become null and void; otherwise the contractor shall be paid any sum of money due him under such settlement agreement out of such appropriation as the Congress may hereafter provide for this purpose from funds controlled by the Commission or from the general funds of the Treasury: *Provided*, That if any sum of money is payable to the contractor under the terms of any settlement agreement made pursuant to this subsection, such sums shall be applied (a) as a credit upon any amount owing by the contractor to the United States on any loan agreement entered into under section 11 of the Merchant Marine Act of 1920, as amended, or upon unpaid ship sales mortgage notes, (b) Federal taxes of the contractor due or to become due for the taxable year in which the settlement is made, and (c) on any other indebtedness of the contractor to the United States. If any such sums are applied as a credit as aforesaid, then the Comptroller General of the United States shall execute a discharge of the amount of such debts satisfied thereby. Nothing herein shall affect any right which such contractor may now have to maintain a suit arising out of such contract against the United States in the Court of Claims unless such suit is dismissed as provided herein: *Provided further*, That nothing herein shall be construed to affect any right or defense of any party in any suit pending in the Court of Claims: *And provided further*, That the enactment of this legislation shall not be considered or construed by the Commission or by any court as a legislative interpretation in favor of the validity or legality of any alleged contract involved in, or the basis of, any controversy or litigation, adjustment of which is permitted by this subsection."

Approved, June 1, 1938.

[CHAPTER 312]

AN ACT

To amend section 5 of an Act entitled "An Act to provide for the construction and maintenance of roads, the establishment and maintenance of schools, and the care and support of insane persons in the district of Alaska, and for other purposes", approved January 27, 1905 (33 Stat. 616).

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last three sentences of section 5 of the Act entitled "An Act to provide for the construction and maintenance of roads, the establishment and maintenance of schools, and the care and support of insane persons in the district of Alaska, and for other purposes", approved January 27, 1905 (33 Stat. 616), are hereby amended to read as follows:

"The Governor shall assign and set apart to each school district established and organized under the provisions of this section a sum, not less than \$300 nor more than \$1,000, in proportion to the number

Proviso.
Review by Attorney General; nullification of agreement.

Payment, if satisfactory.

Provisos.
Application of sums payable to contractor as credit on construction loan, etc.

41 Stat. 993.
46 U. S. C. § 870;
Supp. III, § 870.
Federal taxes.

Any other indebtedness to United States.

Right or defense in any suit pending in Court of Claims.

Not to be construed as validating any alleged contract involved, etc.

June 1, 1938
[H. R. 9722]

[Public, No. 574]

Alaska, schools.

33 Stat. 619.
48 U. S. C. § 168.

Funds for construction, etc.