

## CHAPTER LXX.

*An Act to provide for the Incorporation and Regulation of Railroad Companies.*

- SECTION 1. Formation of Railroad Companies; certificate to be filed; contents of certificate.
2. Corporate rights granted by this Act.
  3. Right to construct Railroad and appurtenances.
  4. Capital Stock; amount of shares.
  5. Payment of instalments.
  6. Forfeiture of payments and sale of stock on failure to pay instalments.
  7. Provision for increase of Capital Stock.
  8. Books of subscription when and where to be opened; election of Directors.
  9. Right of entry upon lands for construction of road, &c.
  10. Authority to change grades and locations; liable for damages to private property.
  11. Occupation of streets, &c. for Railroad purposes; powers and duties of Town officers.
  12. Rates of passage and of freight per mile of transportation.
  13. Authority to borrow money and mortgage property of Company therefor.
  14. Purchase or gift of land for right of way, depot grounds, &c.
  15. Authority to cross public roads and divert streams of water.
  16. Location of an office for transaction of business.
  17. Requirements in crossing public roads; erection of bridges; fencing of roads.
  18. Annual reports of the condition of Company to be made to State Auditor.
  19. Authority to construct bridges over navigable streams under certain conditions.
  20. Restrictions in running trains of cars; Conductor liable for violations of provisions.
  21. Proceeding to effect consolidation of Railroads.
  22. Articles of consolidation to be filed with Secretary of State.
  23. Transfer of rights, immunities and privileges of each Company to the consolidated Company, upon the election of Directors.
  24. Authority to aid in the construction of other Railroads, forming a connection of roads; lease or purchase of line of road authorized.
  25. Act to take effect immediately.

*Be it enacted by the Legislature of the State of Minnesota :*

SECTION 1. That any number of persons not less than five associating for the purpose of constructing a railroad, shall subscribe a statement which shall specify as follows :

*First*—The name assumed by such company and by which it shall be known.

*Second*—The name and place of residence of each of the persons forming the association.

*Third*—The name of the place or places of the termini of said road, and the county or counties through which said road shall pass.

*Fourth*—The amount of capital necessary to construct said road. Such statement verified by the affidavit of two or more of the persons therein, shall be acknowledged before some one authorised to take the acknowledgment of deeds,

Railroad companies—formation of—certificate to be filed

and certified by the Clerk of the District Court, and filed in the office of the Secretary of State, to be by him recorded in a book kept for that purpose, and the original, or copy thereof, duly certified by the Secretary of State, shall be evidence of the existence of such company.

SEC. 2. That when such certificate shall have been filed and recorded as aforesaid, the persons named as incorporators therein are hereby authorized to carry into effect the objects named in said certificate in accordance with the provisions of this Act; and they and their associates, successors and assigns, by the name and style provided in said certificate, shall thereafter be deemed a body corporate, with succession, with power to sue and be sued, plead and be impleaded, defend and be defended, contract and be contracted with, acquire and convey, at pleasure, all such real and personal estate as may be necessary and convenient to carry into effect the objects of the incorporation, to make and use a common seal, and the same to alter at pleasure, and to do all acts necessary to carry into effect the object for which it was created; and such company shall possess all the powers and be subject to all rules, liabilities and restrictions provided by this Act. *Provided*, That any corporation or corporations formed and organized or consolidated under or by virtue of this Act, exercising or attempting to exercise any banking powers under any pretence whatever, or the business of broker or brokerage, shall forfeit their right of incorporation and consolidation under or by virtue of this Act.

Corporate rights  
granted by this  
act

SEC. 3. Any corporation formed in pursuance of this Act shall be and is hereby authorized to construct and maintain a railroad, with single or double track, with such side-tracks, turn-outs, offices and depots, as it may deem necessary, between the points named in the certificate, commencing at or within and extending to or into any town, city or village along the line of said road, or named as the place of the termini of such road, and construct branches from the main line to other towns or places within the limits of any county through which said road may pass.

Right to con-  
struct railroad  
and its appurten-  
ances

SEC. 4. The capital stock of such company shall be divided into shares of fifty dollars each, and consist of such sum as may be named in the certificate; such shares shall be regarded as personal property, and shall be subject to execution at law.

Capital stock

SEC. 5. An installment of five dollars on each share of stock shall be payable at the time of making the subscription, and the residue thereof shall be paid in such installments, and at such times and places, and to such person, as may be required by the directors of such companies.

Payment of in-  
stalments

SEC. 6. If any installment of stock shall remain unpaid for sixty days after the time it may be required, whether such stock is held by an assignee, transferee, or the original subscriber, the same may be collected by action of debt; or

Failure to pay—  
forfeiture of pay-  
ments—stock to  
be sold

the directors may sell the stock so unpaid at public auction, for the installment then due thereon; first giving thirty days public notice of the time and place of sale, in some newspaper in general circulation in the county where such delinquent stockholder resided at the time of making such subscription, or becoming such assignee or transferee, or in the county of his actual residence at the time of making such assignment or transfer, or, if such stockholder reside out of the State, such publication shall be made in the county where the principal office of the company is located, and if any residue of money shall remain after paying the amount due on said stock, the same shall, on demand, be paid over to the owner; if the whole of said installment be not paid by such sale, the remainder shall be recoverable by an action of debt against the subscriber, assignee or transferee.

Increase of capi-  
tal stock

SEC. 7. That whenever any railroad company, heretofore incorporated, or created and incorporated under the provisions of this Act, shall, in the opinion of the directors thereof, require an increased amount of capital stock, they shall, if authorized by the holders of a majority of the stock, file with the Secretary of State a certificate, setting forth the amount of such desired increase, and thereafter such company shall be entitled to have such increased capital as is fixed by said certificate.

Books of subscrip-  
tion when opened  
—election of di-  
rectors

SEC. 8. That the persons named in said certificate of incorporation, or any three of them, shall be authorized to order books to be opened for receiving subscriptions to the capital stock of said company, at such time or times, and at such place or places as they may deem expedient, after having given at least thirty days notice in a newspaper published or generally circulated in one or more counties where books of subscription are to be opened, of the time and place of opening books; and so soon as ten per centum of the capital stock shall be subscribed, they may give like notice for the stockholders to meet at such time and place as they may designate, for the purpose of choosing seven directors, who shall continue in office until the time fixed for the annual election, and until their successors are chosen and qualified; at the time and place appointed, directors shall be chosen by ballot, by such of the stockholders as shall attend for that purpose, either in person or by lawful proxies, each share shall entitle the owner to one vote, and a plurality of votes shall be necessary for a choice; but after the first election of directors, no person shall vote on any share on which any installment is due and unpaid. The persons named in such certificates, or such of them as may be present, shall be inspectors of election, and shall certify what persons are elected directors, and appoint the time and place for holding the first meeting. A majority of said directors shall form a board and be competent to fill vacancies in their board, make by-laws, and transact all business of the corporation. An annual election

shall be held for directors, at such time and place as the stockholders, at their first meeting, shall determine, or as the by-laws of the corporation may require; and the directors chosen at any election, shall, so soon thereafter as may be convenient, choose one of their number President, and shall appoint a Secretary and Treasurer of the corporation. The directors, before entering on their duties, shall each take an oath or affirmation, faithfully to discharge his duties, and they shall, from time to time make such dividends of the profits of said company, as they may think proper.

SEC. 9. Such corporation is authorized to enter upon any land, for the purpose of examining and surveying its railroad line, and may appropriate so much thereof as may be deemed necessary for its railroads, including necessary side tracks, depots, and work shops, and water stations, materials for construction, except timber, a right of way over adjacent lands, sufficient to enable such company to construct and repair its road, and a right to conduct water by aqueducts, and the right of making proper drains; but no appropriation of private property to the use of any corporation provided for in this Act, shall be made, until full compensation therefor be first made, in money, or first secured by deposit of money to the owner or owners, irrespective of any benefit from any improvement proposed by such corporation, or in such manner as is or may be prescribed by law.

Right of entry up-  
on lands

SEC. 10. That whenever any railroad company heretofore incorporated, or which may hereafter be incorporated, shall find it necessary for the purpose of avoiding annoyance to public travel, or dangerous or difficult curves, or grades, or unsafe or unsubstantial grounds or foundations, or for other reasonable causes, to change the location or grade of any portions of their road, whether heretofore made or hereafter to be made, such railroad companies shall be, and are hereby authorized to make such changes of grade and location, not departing from the general route prescribed in the certificate of such company, and for the purpose of making any such change in the location and grade of any such road, as aforesaid, such company shall have all the rights, powers and privileges to enter upon and take and appropriate such lands and make surveys necessary to effect such changes and grades, upon the same terms, and be subject to the same obligations, rules and regulations as are or shall be prescribed by law, and shall also be liable, in damages, when any have been caused by such change, to the owner or owners of the lands upon which said road was heretofore constructed, to be ascertained and paid or deposited, as aforesaid; but no damages shall be allowed unless claimed within thirty days after actual notice of such intended change shall be given to such owner or owners, if residing on the premises, or notice by publication in some newspaper in general circulation in the county, if non-resident.

Authority to  
change grades &c  
-liable for dam-  
ages

Occupation of  
streets—duties of  
town officers

Sec. 11. If it shall be necessary, in the location of any part of any railroad, to occupy any road, street, alley or public way, or ground of any kind, or any part thereof, it shall be competent for the municipal or other corporation or public officer, or public authorities, owning or having charge thereof, and the railroad company to agree upon the manner and upon the terms and conditions upon which the same may be used or occupied; and if said parties shall be unable to agree thereon, and it shall be necessary in the judgment of the directors of such company, to use or occupy such road, street, alley, or other public way or ground, such company may appropriate so much of the same as may be necessary for the purposes of said road, in the same manner and upon the same terms as is provided for the appropriation of the property of individuals, by the ninth section of this Act.

Rates of fare and  
freight

Sec. 12. Such corporation may demand and receive for the transportation of passengers on said road, not exceeding three cents per mile, and for the transportation of property, not exceeding five cents per ton per mile, when the same is transported a distance of thirty miles or more, and in case the same is transported for a less distance than thirty miles, such reasonable rate as may be from time to time fixed by said company or prescribed by law.

Authority to bor-  
row money

Sec. 13. Such company shall have power to borrow money on the credit of the corporation, not exceeding its authorized capital stock, at a rate of interest not exceeding eight per cent. per annum, and may execute bonds or promissory notes therefor, in sums of not less than one hundred dollars, and to secure the payment thereof, may pledge the property and income of such company.

Land for right of  
way how acquired

Sec. 14. Such company may acquire, by purchase or gift, any lands in the vicinity of said road, or through which the same may pass, so far as may be deemed convenient or necessary by said company to secure the right of way, or such as may be granted to aid in the construction of such roads, and the same to hold or convey, in such manner as the directors may prescribe, and all deeds and conveyances made by such company, shall be signed by the President, under the seal of the corporation, and any existing railroad corporation may accept the provisions of this Act, and after such acceptance, all conflicting provisions of their respective charters shall be null and void.

Bridging streams  
and roads

Sec. 15. It shall be lawful for such corporation, whenever it may be necessary, in the construction of such road, to cross any road or stream of water, to divert the same from its present location or bed; but said corporation shall, without unnecessary delay, place such road or stream in such condition as not to impair its former usefulness.

Sec. 16. Such corporation shall, as soon as convenient, after its organization, establish a principal office at some

point on the line of its road, and may change the same at pleasure, giving public notice in some newspaper of such establishment or change. Principal office of company

SEC. 17. Every company organized under this Act, shall be required to erect, at all points where their road shall cross any public road, at a sufficient elevation from such public road to admit of the free passage of vehicles of every kind, a sign with large and distinct letters placed thereon, to give notice of the proximity of the railroad, and warn persons of the necessity of looking out for the cars; and any company neglecting or refusing to erect such sign, shall be liable in damages for all injuries occurring to persons or property from such neglect or refusal; and each railroad company shall be required to fence its roads with a good, substantial fence, under such rules as the county Supervisors of the several counties through which the same may pass, shall prescribe. Bridge and road crossings—requirements

SEC. 18. That each and every railroad company incorporated under this Act, shall annually, in the month of January, make a full report of the condition of its affairs, to the Auditor of State, showing the amount of the capital stock of such company, the gross amount of tolls or receipts during the previous year, the cost of repairs and incidental expenses, the net amount of profits and the dividends made, with such other facts as may be necessary to a full statement of the affairs and condition of such road; and the Auditor of State shall annually present an abstract copy of such report to the Legislature. Annual reports to state auditor

SEC. 19. That whenever any railroad company now existing, or which may hereafter organize under this Act, shall deem it necessary to extend their line of road across any navigable waters of this State, it shall be lawful, and they are hereby granted full power, to construct such bridge or bridges as may be required for purposes of said road across such navigable waters, and to repair and maintain the same in such manner as may best subserve the interests of such company; *Provided*, That such bridge shall not be constructed in a manner to obstruct or impede, in any wise, the free navigation of said waters; *And provided*, That nothing herein contained shall be construed as violative of the laws of the United State in respect to the navigable waters therein. Bridge over navigable streams

SEC. 20 That every railroad company in this State, shall cause all its trains of cars for passengers to stop upon each arrival at a station advertised by such company as a station for receiving passengers upon such trains, at least one minute; and shall also cause all its trains of cars to entirely stop not more than sixty rods and not less than ten rods before each arrival at the crossing of any other railroad; and every company, and every person in the employment of such company, that shall violate, or cause or permit to be violated, the provisions of this section, shall be liable to a Restrictions in running trains—liability of conductor

forfeiture of not more than one hundred dollars, nor less than twenty dollars, to be recovered in an action of debt, before any Justice of the Peace of the county in which such violation shall occur, upon the complaint of any person, one half to go to the complainant and the remainder to the use of common schools in the county; and such company shall be further liable in the full amount of damages done to property or person in consequence of any neglect on the part of its agents or employees to comply with the requirements of this section; and in all cases in which a forfeiture shall occur under the provisions of this section, the company, whose agents shall cause or permit such violation, shall be liable for the amount of such forfeiture, and in all cases the conductor upon such train shall be held *prima facie* to have caused the violation of this section, which may occur upon the train in his charge.

#### CONSOLIDATION OF RAILROAD COMPANIES.

Consolidation—  
manner of effect—  
1877

SEC. 21. That whenever the lines of railroad of any railroad companies in this State, or any portion of such lines, have been or may be constructed so as to admit the passage of burden or passenger cars over any two or more of such roads continuously without break or interruption, such companies are hereby authorized to consolidate themselves into a single corporation in the manner following:

1. Any two or more railroad corporations may, by their directors, enter into an agreement, under the corporate seal of each for the consolidation of the said two or more corporations, prescribing the terms and conditions thereof; the mode of carrying the same into effect; the name of the new corporation; the names and places of residence and number of the directors thereof, which shall not exceed fifteen; the time and place of holding the first election of directors; the number of shares of capital stock in the new corporation; the amount of each share, which shall not be less than one hundred dollars; the manner of converting the shares of capital stock in each of said two or more corporations into shares in such new corporations; the manner of compensating stockholders in each of said two or more corporations, who refuse to convert their stock into the stock of such new corporation; with such other details as they shall deem necessary to perfect such consolidation of said corporations; and such new corporation shall possess all the powers, rights and franchises conferred upon such said two or more corporations, and shall be subject to all the restrictions and perform all the duties imposed by the provisions of this Act; *Provided*, That all stockholders in either of such corporations who shall refuse to convert their stock into the stock of such new corporation, shall be paid at least par value for each of the shares so held by them, if they shall

so require, previous to said consolidation being consummated.

2. Such agreement of the directors shall not be deemed to be the agreement of the said two or more corporations, until after it has been submitted to the stockholders of each of said corporations separately, at a meeting thereof, to be called upon a notice of at least thirty days; specifying the time and place of such meeting, and the object thereof, to be addressed to each of such stockholders, when their place of residence is known, and deposited in the post office, and published for at least three successive weeks in one newspaper in at least one of the cities or towns in which each of said corporations has its principal office of business, and has been sanctioned by such stockholders by the vote of at least two-thirds in amount of the stockholders present at such meeting, voting by ballot, in regard to such agreement, either in person or by proxy, each share of capital stock being entitled to one vote; and when such agreement of the directors has been so sanctioned by each of the meetings of the stockholders separately, after being submitted to such meetings in the manner above mentioned, then such agreement of the directors shall be deemed to be the agreement of the said two or more corporations.

SEC. 22. Upon making the agreement mentioned in the preceding section, in the manner required therein, and filing a duplicate or counterpart thereof in the office of the Secretary of State, the said two or more corporations mentioned or referred to in the first section of this Act, shall be merged in the new corporation provided for in such agreement, to be known by the corporate name therein mentioned; and the details of such agreement shall be carried into effect, as provided therein.

SEC. 23. Upon the election of the first Board of Directors of the corporation created by the agreement in the twenty-first section of this Act mentioned, and by the provisions of this Act, all and singular the rights and franchises of each and all of said two or more corporations, parties to such agreement, all and singular their rights and interests in and to every species of property, real, personal and mixed, and things in action, shall be deemed to be transferred to and vested in such new corporation, without any other deed or transfer; and such new corporation shall hold and enjoy the same, together with the right of way, and all other rights of property, in the same manner, and to the same extent, as if the said two or more corporations, parties to such agreement, should have continued to retain the title, and transact the business of such corporation; and the titles and the real estate acquired by either of said two or more corporations, shall not be deemed to revert or be impaired by means of any thing in this Act contained; *Provided*, That all rights of creditors, and all liens upon the property of either of said

corporations, parties to said agreement, shall be and hereby are preserved unimpaired; and the respective corporations shall continue to exist so far as may be necessary to enforce the same; *And Provided further*, That all the debts, liabilities and duties of either company, shall thenceforth attach to such new corporation, and be enforced from the same, to the same extent, and in the same manner, as if such debts, liabilities and duties, had been originally incurred by it.

Aid to other rail-  
roads—when it  
may be given

Sec. 24. Any railroad company heretofore or hereafter incorporated, may at any time, by means of subscription to the capital of any other company, or otherwise, aid such company in the construction of its railroad, for the purpose of forming a connection of said last mentioned road with the road owned by the company furnishing said aid; or any railroad company organized in pursuance of law, may lease or purchase any part or all of any railroad constructed by any other company, and if said companies' lines of said road are continuous or connected as aforesaid, upon such terms and conditions as may be agreed on between said companies respectively; or any two or more railroad companies whose lines are so connected may enter into any arrangement for their common benefit, consistent with and calculated to promote the objects for which they were created; *Provided*, That no such aid shall be furnished, nor any purchase, lease or arrangement perfected, until a meeting of the stockholders of each of said companies shall have been called by the directors thereof, at such time and place, and in such manner as they shall designate, and the holders of at least two-thirds of the stock of such company represented at such meeting, in person or by proxy, and voting thereat shall have assented thereto.

Sec. 25. This Act shall take effect immediately.

GEORGE BRADLEY,

Speaker of the House of Representatives.

WILLIAM HOLCOMBE,

President of the Senate.

APPROVED—August the twelfth, one thousand eight hundred and fifty-eight.

HENRY H. SIBLEY.

SECRETARY'S OFFICE, Minnesota, }  
August 12, 1858. }

I hereby certify the foregoing to be a true copy of the original on file in this office.

FRANCIS BAASEN, Secretary of State.