

Sixth—Such a report from the President of the institution, as is usually made from such institutions of other States.

Visitors to Institution

SEC. 14. The Governor, Lieutenant Governor, and Judges of the Supreme Court, shall be *ex officio* visitors of said institution.

SEC. 15. This Act shall take effect and be in force from and after its passage.

GEORGE BRADLEY,
Speaker of the House of Representatives.

WILLIAM HOLCOMBE,
President of the Senate.

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

HENRY H. SIBLEY.

SECRETARY'S OFFICE, MINNESOTA, }
August 11, 1858.

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

FRANCIS BAASEN, Secretary of State.

CHAPTER LXXII.

An Act concerning Land Grant Railroads.

- SECTION 1. Railroad Companies to provide for payment of interest and principal on State Bonds; expenses of issuing State bonds to be paid by Railroads.
2. Default in payment of interest; duty of Governor.
 3. Default; first mortgage bonds to be sold for indemnity.
 4. Sale of lands for default; Governor to advertise and sell the same.
 5. Manner of foreclosing mortgages, for default.
 6. Governor authorized to employ engineers to examine work of Companies making issues of State bonds.
 7. Act takes effect on passage.

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

Land grant railroad companies to provide for principal and interest on state loans

SECTION 1. Each and every railroad company entitled to, and accepting the loan of State credit authorized by Section X. of Article 9 of the Constitution, shall make due provision for the punctual payment of the interest and the final redemption of the Minnesota Railroad Bonds, issued to such company by the State, and to this end, every such railroad company shall provide and arrange that semi-annual payments of interest and final payments of the principal of the first mortgage bonds of any such railroad company, which

may be or shall have been transferred to this State on the roads, lands, and franchises of any such company, corresponding to the State bonds to such company issued, shall mature and be payable at least sixty days before the maturity of the principal or interest of the Minnesota State Railroad Bonds issued, and delivered or to be issued, and delivered to such company; and the interest and principal of said railroad bonds which may have been transferred to the State, shall be paid at the maturity thereof to the Treasurer of the State, together with such amount as may be necessary to pay all exchanges or expenses in payment of the ensuing installments or interest or principal of the Minnesota State Railroad Bonds, issued for the benefit or use of such railroad company. And all such railroad companies claiming or receiving State aid, shall further make due provision that all necessary expenses or charges incurred to carry out the provisions of this enactment, and the provisions of the said Section ten, Article nine of the Constitution authorizing and having reference to a loan of State credit to railroads, shall be borne, and paid *pro rata*, by such railroad companies as may receive the benefits thereof, and shall not be chargeable to the State.

SEC. 2. Whenever any default shall occur in the payment of interest or principal of the railroad bonds transferred to the State, so that no provision shall be made by the said railroad companies as aforesaid, for the ensuing payment of the interest or principal of the Minnesota State Railroad bonds, sixty days before the maturity of any installment of interest or final redemption of said State railroad bonds as herein provided, the Governor shall immediately proceed to provide for such payment or payments, and to indemnify the State for such payment or payments, or responsibility, by sale of a sufficient amount of the bonds of the defaulting company, or by sale of the lands pledged, or foreclosure of the mortgage or deed of trust of such defaulting company, or by all or any such means of indemnification in the manner herein provided.

SEC. 3. The Governor may on such default, immediately advertise for thirty days in three newspapers published in the city of New York, and in one newspaper published at the seat of government of this State, that a sufficient amount of first mortgage bonds of such defaulting company shall be sold on the fortieth day after such default, in the city of New York, to the highest bidder for cash, and such sale of bonds shall be made accordingly, and the proceeds thereof shall be returned to the Treasury to indemnify the State for such default, together with all costs, charges and damages growing out of such default and sale.

SEC. 4. In case of a sale of lands to be made under and to provide for the default of any such company as aforesaid, the Governor may advertise and sell the same in such parcels, and at such times, as shall be deemed most expedient,

Default in payment of interest
—duty of Governor

Default—first mortgage bonds
to be sold

**Sale of lands for
default—Govern-
or to advertise
sale**

and all such sales or conveyances shall be made by the Governor and Secretary of State, and shall be absolute conveyances of the title in fee as far as the same may have been invested in any such company, or in the State, and without any redemption or right of redemption in any company, or subsequent creditor, person or persons whomsoever, but no sales of bonds or lands shall take place if the defaulting company shall make payment of all principal and interest then due, and all expenses incurred by the State prior to the day of sale of any such railroad bonds or lands, but this provision shall not be so construed as to prevent the Governor and Secretary of State, until such payment by the defaulting company, from making sales and conveyances of any parcels of lands, as aforesaid, without the consent or assistance of the defaulting company, whenever default shall occur in the provision by such company as herein required, for any ensuing payment of interest or principal of the Minnesota State Railroad bonds issued to such company.

**Manner of fore-
closing mortgage**

SEC. 5. All foreclosures of the mortgage or deed of trust of any defaulting company making such default, in the payment of interest or principal of the bonds of such company and for which default a foreclosure of the mortgage or deed of trust of such company may be required, or demanded, shall be made only for and on account of the default occurring, and all such foreclosure shall be by public sale of all the properties, rights, privileges, and franchises pledged in such deed of trust or mortgage, for the payment of the interest and final redemption of such company's bonds, due notice having first been given of such intended sale, by advertisement in such manner and for such length of time as may be prescribed in said deed of trust or mortgage; and in case of any sale of any railroad or railroads, or any part thereof, constructed, or in process of construction, by any railroad company by virtue of any trust deed, or on foreclosure of any mortgage thereupon, the party or parties acquiring title under any such sale, and their associates, successors, or assigns, shall have and acquire thereby, and shall exercise and enjoy thereafter, all and the same rights, privileges, grants, franchises, immunities and advantages in and by said mortgage or trust deed enumerated and conveyed which belonged to and were enjoyed by the company making such deed or mortgage, or contracting such debts, so far as the same relate and appertain to that portion of said road, or the line thereof, mentioned and described in and conveyed by said mortgage or trust deed, and no further, as fully and absolutely, in all respects as the corporators, shareholders, officers and agents of such company, might or could have done theretofore, had not such sale or foreclosure taken place. Such purchaser or purchasers, their associates, successors or assigns, may proceed to organize anew and elect directors, distribute and dispose of stock, take the same or another

name, and may conduct their business generally under and in the manner provided in the charter of such railroad company, with such changes or variations in manner and form of organization as their altered circumstances and better convenience may seem to require ; *Provided, however,* That no greater or enlarged powers shall be exercised by the new organization than are conferred by the charter of such company.

SEC. 6. The Governor may, at any time during the prosecution of the work on any sections of road entitling any company to an issue of State bonds, engage the services of practical engineers or surveyors to visit, examine and report upon the amount and quality of all work done or being done thereon ; and such engineers or surveyors shall certify under oath to the Governor the condition and character of all such work, particularly specifying the quality, extent and character of the grading and excavations, as well as respectively all mechanical structures and other appurtenances of any such road or section, and whether in the opinion of such engineer or engineers, surveyor or surveyors, such railroad company are entitled to an issue of State bonds on account of such particular section or sections of road ; but no such certificate, examination or proof shall be deemed conclusive or final, but new surveys or examinations may be ordered or other proof received in the discretion and to the satisfaction of the Governor before any such State bonds shall be issued thereon.

Governor may
employ engineers
to examine work
of railroads asking
loans

SEC. 7. This Act shall take effect and be in force from and after its passage.

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.