

CHAPTER II.

An Act to amend an act entitled "An act to Facilitate the Construction of the Minneapolis and Cedar Valley Railroad, and to amend and continue certain acts in relation thereto," approved March 10th, 1862.

- Sections**
1. Transfer of rights, benefits, franchises, and interests of said road.
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Be it enacted by the Legislature of the State of Minnesota:

SECTION 1. The act of the Legislature of the State of Minnesota, entitled "An act to facilitate the construction of the Minneapolis and Cedar Valley Railroad, and to amend and continue certain acts in relation thereto," approved March 10th, 1862, is hereby amended so as to read as follows :

Sec. 1. That all the rights, benefits, privileges, property, franchises and interests of the Minneapolis and Cedar Valley Railroad Company, acquired by the State of Minnesota, by virtue of any acts, deeds, sale, foreclosure, agreement or thing, by the said Company heretofore done or suffered, or by virtue of any law of the State, or any foreclosure and sale of the same, by the Trustees of the first mortgage bond-holders of such road, on the 16th day of August, A. D. 1860, and bid in and purchased by the Governor of the State of Minnesota, for the benefit of said State, or by virtue of any forfeiture accruing from a failure to comply with the conditions imposed by any provisions of the Constitution of said State, or of any law of the State or of the former Territory of Minnesota, or which have accrued to the said

Transfer of rights
benefits, franchi-
ses and interests
of said road

State under and by virtue of any of the provisions of an act entitled "An act to facilitate the construction of the Minneapolis and Cedar Valley Railroad, and to amend and continue certain acts in relation thereto," approved March 8th, A. D., 1861, by reason of a failure on the part of the corporators or grantees therein named, or of any other persons or company to comply with the provisions of said last named act, be and the same are hereby continued, granted, and transferred to D. N. Barney, Jesse Hoyt, Angus Smith, A. H. Barney, Wm. Lamb, J. G. Camp, W. G. Fargo, Lewis H. Meyer, and H. L. Dousman, their successors and associates, for the purpose and on the terms and conditions hereinafter in this act provided, free and clear of all liens or claims thereon, by or to the State of Minnesota, and free and clear from any and all claims or liens whatever, thereon, except as herein provided.

In whom vested

Sec. 2. All the rights, privileges, franchises, lands, property, and interest, heretofore granted by the Territory of Minnesota to the Minneapolis and Cedar Valley Railroad Company, by the two several acts of the Legislature of said Territory, the one entitled "An Act to incorporate the Minneapolis and Cedar Valley Railroad Company," approved March 1st, 1856, and an act entitled "An act to execute the trust created by the act of Congress, entitled 'An act making a grant of lands to the Territory of Minnesota, in alternate sections, to aid in the construction of certain Railroads in said Territory; and granting public lands in alternate sections to the State of Alabama, to aid in the construction of certain Railroads in said State, and granting certain lands to Railroad Companies therein named,'" approved May 22, 1857, are hereby continued and granted to and vested in the said D. N. Barney, Jesse Hoyt, Angus Smith, A. H. Barney, Wm. Lamb, J. G. Camp, W. G. Fargo, Lewis H. Meyer, and H. L. Dousman, and their associates and successors, with all the immunities, rights, property, benefits and privileges which the said Minneapolis and Cedar Valley Railroad Company had, or might or could have by reason of the passage of the said acts, or either or both of them, free and clear of all liens or claims of the State of Minnesota thereto, except such as are retained to the said State in or by said acts, or by the provisions of this act, and the said persons herein named and their associates and successors, shall hereafter

Power of incorporation

be known as the Minnesota Central Railroad Company. For the purpose of carrying out and effecting the objects of this act, the said Minnesota Central Railroad Company, and their successors and assigns, shall have and be possessed of all the powers, immunities, rights, franchises and privileges contained in and provided for in the said two acts referred to in section two of this act, and be subject to all the conditions and provisions of the said acts, excepting as altered or changed by this act, and shall have and be possessed of full power and authority to mortgage the property and franchises belonging and appertaining to said Company.

Sec. 3. The persons named in the first section of this act shall constitute a Board of Directors, a majority of whom shall be a quorum, who shall serve for one year or until their successors are chosen and qualified, and the officers and Directors of said Company, shall not be required to be residents of this State, and said persons may hold a meeting within the year for the election of Directors. The Board of Directors of said Company shall thereafter consist of nine persons, to be elected by the stockholders. Elections for Directors shall be held annually, at such time and place, either within or without this State, as may be fixed by the by-laws of said Company. All vacancies may be filled by the remaining members of the Board.

Board of electors
to be elected by
stockholders an-
nually

Sec. 4. *And be it further enacted*, That it is hereby made a condition of the grant herein made, and the privileges and benefits herein conferred, that the absolute title to the road beds, right of way, depot grounds, culverts, bridges, turn outs, switches, rights, privileges, immunities, and franchises, and the track and line of said Minneapolis and Cedar Valley Railroad Company shall not vest in the said Minnesota Central Railroad Company, or the incorporators herein named and referred to, until they shall have expended the sum of one hundred thousand dollars upon the construction of the said road, fifty thousand dollars of which shall be expended between Owatonna and the Iowa State line, on or before the first day of January, 1864. *Provided*, That said Company as an evidence of its good faith and ability to construct said road, shall deposit with the Governor, within ninety days from the time of the passage of this act, ten thousand dollars in money or United States bonds or bonds of this State, other than Railroad

When incorpora-
tion to acquire
absolute title

Who the rights, property and franchises revert to in case of failure to comply with the provisions of this act

bonds, to be withdrawn as soon as ten miles of said road shall be completed, with the cars running thereon, and upon the failure of the said Minnesota Central Railroad Company to comply with the before mentioned provisions within the time herein specified, then the road beds, right of way, depot grounds, culverts, bridges, turn-outs, switches, rights, privileges, and franchises of the Minneapolis and Cedar Valley Railroad Company, herein conditionally granted to the Minnesota Central Railroad Company, shall, without any further act or legal proceeding, revert to and become vested in Alexander Chambers, Sylvester Smith, W. H. Dike, Charles A. Wheaton, Franklin Steele, Henry Chaffee, Thos. A. Harrison, Eli B. Ames, John M. Gilman, Wm. G. LeDuc, Rufus J. Baldwin, or the survivors of them, said persons being incorporators in an act entitled "An act to facilitate the construction of the Minneapolis and Cedar Valley Railroad, and to amend and continue certain acts in relation thereto," approved March 10, 1862, and to which this act is amendatory. And upon such failure and reversions, the persons in this section named, their successors and assigns shall be possessed of all the rights, franchises, property and privileges which are herein conferred upon the persons named in the first section of this act; and they shall thereupon be the Directors of the said Minnesota Central Railroad Company, for one year and until others are chosen and qualified, and may make all rules and by-laws not inconsistent with this act, for the transaction of their business and the control and management of the said Railroad and its property and rights. The incorporators named in the first section of this act, shall have the privilege of entering into and upon said Railroad track, rights of way, and depot grounds, for the purpose of constructing said Railroad, and shall have the privilege of acquiring the right of way over the property owned by individuals, in the same way as prescribed in the said charter of the said Minneapolis and Cedar Valley Railroad Company.

Sec. 5. *And be it further enacted,* That it shall be a condition of the grants and benefits conferred by this act, that no title to the lands granted by an act entitled "An act to execute the trusts created by the act of Congress, entitled 'An act making a grant of lands to the Territory of Minnesota, in alternate sections, to aid in the construction of certain Railroads in said Territory of Minnesota, and

granting public lands in alternate sections, to the State of Alabama, to aid in the construction of a certain Railroad in said State, and granting certain lands to Railroad companies therein named," approved May 22d, 1857, or any other act of the Legislature of the Territory or State of Minnesota, shall vest in the Company taking under the provisions of this act, except in the manner, and at the time, and upon the conditions following, to wit: Said Company taking under the provisions of this act, shall construct and fully complete said Railroad, ready for business, and so that the cars can be run continuously over the same, from the Iowa line west of range sixteen, (16) via Faribault, to Minneapolis and West St. Paul or St. Paul, on the present located line of said road, except so far as it may be necessary to change the same for engineering purposes, in crossing the Minnesota and Straight rivers, by the first day of January, A. D., 1866; and upon such construction and completion, the Governor of the State shall certify the same to the Secretary of the Interior, and shall execute in the name of the State of Minnesota, and under the great seal thereof, a deed in fee simple to said persons or Company, in and to so many and such portions of the lands appertaining to said road, as the State may then be entitled to under and by virtue of the act of Congress entitled "An act making a grant of lands to the Territory of Minnesota, in alternate sections, to aid in the construction of certain Railroads in said Territory, and granting public lands in alternate sections to the State of Alabama, to aid in the construction of a certain Railroad in said State;" or to which it would, under any law of the Territory or State of Minnesota, or in any way or manner be entitled, and upon the execution of said deed, the said Company or the said persons shall have the absolute, full and complete title to the said lands in fee simple; *Provided*, That the said road shall be constructed, completed and operated to Minneapolis as soon as it shall be constructed, completed and operated to St. Paul or West St. Paul.

Duty of Governor on completion of said road

And be it further enacted, That if at any time, the Congress of the United States should make a further grant of lands to the State of Minnesota, for the purpose of making good the quantity of lands to which the Minneapolis and Cedar Valley Railroad was entitled, under the act of Congress granting lands to the State of Minne-

sota for Railroad purposes, and which are now deficient, all said lands so granted to the State are hereby pledged, granted to, and shall become vested in the Minnesota Central Railroad Company on the terms and in the manner following: Whenever any continuous twenty miles of said road shall be completed, with the running of regular trains of cars on the same, it shall be the duty of the Governor to certify the same to the Secretary of the Interior, and thereupon and not before, said Company may demand and shall be entitled to receive from the Governor, in the name and for the State, a deed in fee simple for one hundred and twenty sections of land; and in like manner and whenever, as often as a further distance of twenty miles shall be so completed, the Governor shall certify the same to the Secretary of the Interior, and in like manner convey to said Company another quantity of one hundred and twenty sections of land, and so from time to time, till said road is completed; and when the entire length of said road shall be completed, with cars running over the same, it shall be the duty of the Governor to certify the same to the Secretary of the Interior, and thereupon convey by deed in fee simple, to said Company, whatever lands if any, there may remain, and to which the Company may be entitled; *Provided*, That if the amount of lands hereafter to be granted as aforesaid, together with the lands heretofore granted, shall not be sufficient to supply one hundred and twenty sections of land for every twenty miles of road, then and in that case said Company shall be entitled for every twenty miles completed, with cars running thereon, as aforesaid, to demand and receive a deed as aforesaid, for such proportion only of the lands to be hereafter granted, as such length of twenty miles bears to the whole length of said proposed road from Minneapolis to Iowa line.

Sec. 6. *And be it further enacted*, That the lands granted or intended to be granted, by the provisions of this act, to the Company herein named, and who shall finish and complete said Railroad herein mentioned, shall be and hereby is exempted from all assessments and from all taxation whatever, by virtue of any act of the State, or any county, town or municipal authorities, until the same shall have been sold and conveyed by the said Company, or until said Company shall contract to sell the said lands, and in consideration of an annual

Duty of Governor on the completion of every twenty consecutive miles

When exempt from assessment and taxation

payment of a per centum, (as provided in this section) by said Company as aforesaid, the Railroad, its appurtenances and appendages, and all other property, estate, and effects of said Company, which by the provisions of this act contained, said Company is to acquire, purchase, hold, possess, enjoy, or use, for, in, or about the construction, equipment, renewal, repair, maintaining or operating its railroad, as also the stock and capital of said Company, shall be and hereby are forever exempt from all such taxation, and from all such assessments as aforesaid, and in consideration of the grants made to, and the privileges and franchises conferred upon the company taking under this act, and of the exemption contained in this section, the said Company shall during the first three years from and after said Railroad shall be completed and in operation, on or before the first day of March of each and every year, pay into the Treasury of this State, one per cent. on the net earnings of said Railroad; and said company shall during the next seven years after the expiration of the three years aforesaid, pay into the Treasury of this State, on or before the first day of March of each and every year, two per cent. on the gross earnings of said railroad, and shall from and after the expiration of ten years from the completion of said Railroad, on or before the first day of March, of each and every year, pay into the Treasury of this State, three per cent. of the gross earnings of said railroad; and the payment of such per centum annually, as aforesaid, shall be and is in full of all such taxation and such assessment whatsoever, as aforesaid. And for the purpose of ascertaining the net and gross earnings aforesaid, an accurate account of such earnings shall be kept by said Company, an abstract whereof shall be furnished by said Company to the Treasurer of this State, on or before the first day of February in each year, the truth of which abstract shall be verified by the affidavit of Treasurer and Secretary of said Company, and for the purpose of ascertaining the truth of such affidavits, and the correctness of such abstract, full power is hereby vested in the Governor of this State, or any other person appointed by law, empowered to examine under oath the officers and employees of said Company or other persons, and if any person so examined by the Governor or other authorized person, shall knowingly or willingly swear falsely, concerning the matter aforesaid, every such person shall be

Installments
 when and how
 made

Penalty for per-
 jury

deemed guilty of perjury, and be subject to the pains and penalties thereof. And for securing to the State the payment of the aforesaid per centum, it is hereby declared that the State shall have a lien upon the right of way, road beds, depot grounds, turn outs, switches, rolling stock, and the track and line of the railroad of said Company.

When property,
rights and fran-
chises may be
forfeited

SEC. 7. It is hereby stipulated as a further condition on which the grant of privileges to said Company is made, that said Company shall complete the grading of said road, ready for the superstructure, by the first day of January, 1865, and shall complete the construction and equipment of the entire line of said road by the first day of January, A. D., 1866, together with the branch from some point on the main line, to the city of Hastings, and from Mendota to the south bank of the Mississippi river at West St. Paul, or St. Paul, and upon the failure to keep and perform either or any of the conditions in this section contained, all the unbuilt portions of said road and branches, with the properties, rights and franchises appertaining thereto, shall be absolutely forfeited, and shall revert without any further act or legal proceedings to the persons named in the fourth section of this act, or the survivors of them, who shall thereupon be possessed and vested with the same, with all the rights, powers, privileges, duties and franchises pertaining thereto, provided in the said fourth section of this act, except the duty of expending the said sum of one hundred thousand dollars; but the rights, privileges, franchises, and lands, pertaining to such portion of said road, as shall be completed as herein provided, shall continue in and remain with said Company, unaffected by any forfeiture provided by this section of this act. And said Company is hereby authorized and empowered to build a branch of said road to Hastings and West St. Paul or St. Paul, and said Company is further authorized to extend said road from Minneapolis to St. Anthony.

Construction of
fences—how gov-
erned

SEC. 8. That whenever the owner or occupant of any land through which said road shall pass, or adjoining the line of said road, shall enclose with a fence, his or her lands, bounded in part by said road, said Company shall construct and maintain its portion of the same in the same manner that individuals are or may be required by law to erect and maintain partition fences, and all fences

erected on the line of said road by said Company, or by the owners or occupants of lands along the line thereof, shall be considered partition fences, and be in all respects governed by the laws in force regulating the same. Said Company shall construct all necessary farm crossings over the line of their said road. At any time after the expiration of ten years from and after the passage of this act, the Legislature shall have full power to alter the provisions of this section, and to make such further and other rules and regulations respecting the construction and maintenance of farm and cattle guards by said Company as they may deem best.

Sec. 9. Said Company may construct a telegraphic line upon its road, connect with other telegraphic lines, and charge fees for transmitting messages thereon. May construct telegraph lines

Sec. 10. The said Minnesota Central Railroad shall transport by all regular trains all passengers and freights delivered to the same, by any connecting line of railroad now or hereafter to be constructed, on the same terms and at no greater rate than for the time being shall be charged for the same service to persons living on the line of said road; *Provided*, That any such connecting line shall be governed by the same rules in transporting passengers and freight on their several lines, delivered by the said Minnesota Central Railroad; *Provided further*, That the Minnesota Central Railroad Company shall charge no greater or higher rates for the conveyance of passengers or freight, destined for transmission over the Root River Valley and Southern Minnesota Railroad than over its own or any connecting line of railroad. Regulations for transportation of passengers and freight

Sec. 11. *And be it further enacted*, That all persons, their heirs or legal representatives, or assigns, who were entitled to the right of pre-emption under the laws of the United States, to any of the lands granted to this State, by the act of Congress of March 3, 1857, to aid in the construction of the said road, at the time when the line of said road was definitely fixed and located, and who have heretofore occupied the same in good faith, and shall have continued in the occupancy thereof, at the time when the Company taking under this act, shall become entitled to the fee thereof, shall be at liberty to purchase the same of said Company at two dollars and fifty cents per acre, if within the six mile limits of the line of said road, and if without such limits, at one dollar Rights of pre-emptors

and twenty-five cents per acre; *Provided*, That application therefor, and proof of the right to purchase, shall be made within six months after the fee to said lands shall be acquired by said Company as aforesaid.

Amount of capital stock limited Sec. 12. Section three of the act incorporating the Minneapolis and Cedar Valley Railroad Company, approved March 1st, 1856, is hereby amended by substituting as follows: The capital stock, including the mortgage or bonded debt of said road, shall not exceed the amount of two millions five hundred thousand dollars, which shall be deemed personal property, and be transferable in such manner as the by laws of said Company may direct.

Repeal of inconsistent acts Sec. 13. All acts and parts of acts repugnant to or inconsistent with this act, are hereby repealed.

When act to take effect Sec. 14. This act shall take effect and be in force from and after ten days from its passage, and shall be accepted by the Board of Directors of the Minneapolis, Faribault and Cedar Valley Railroad Company. And no change or amendment of this act by the Legislature, in respect to the route, termini, or lands of said road, shall take effect prior to the full completion of said road as provided in this act, until the same shall have been submitted to and accepted by the persons named in the fourth section of this act, or the survivors of them, and said persons are continued as Directors of the Minneapolis, Faribault and Cedar Valley Railroad Company, for the purposes named in this section.

Approved, March 6, 1863.