

AMENDMENT TO THE CONSTITUTION.

An amendment to Section 10 of Article 9 of the Constitution, was submitted to the people of Minnesota by Act of the Legislature, and was approved by the people at the election held at the time and in the manner provided by the Act. The Act of the Legislature, containing the amendment is annexed.

AN ACT proposing an amendment to Section ten, Article nine of the Constitution, and providing for the submission of the same to the people.

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

SECTION 1. The following amendment to the Constitution of this State is hereby proposed for publication, and approval or rejection by the people, in accordance with Section 1 of Article 14 of the Constitution; that is to say, that Section 10 of Article 9 of the Constitution, shall be as follows:

SEC. 10. The credit of this State shall never be given or loaned in aid of any individual, association or corporation, except that for the purpose of expediting the construction of the lines of Railroads, in aid of which the Congress of the United States has granted lands to the Territory of Minnesota, the Governor shall cause to be issued and delivered to each of the companies in which said grants are vested by the Legislative Assembly of Minnesota, the special bonds of the State, bearing an interest of seven per cent. per annum, payable semi-annually in the city of New York, as a loan of public credit, to an amount not exceeding twelve hundred and fifty thousand dollars: or an aggregate amount to all of said Companies not exceeding five millions of dollars, in manner following, to wit:

Whenever either of the said Companies shall produce to the Governor satisfactory evidence, verified by the affidavits of the Chief Engineer, Treasurer, and two directors of said Company, that any ten miles of the road of said Company has been actually constructed and completed ready for placing the superstructure thereon, the Governor shall cause to be issued and delivered to such Company, bonds to the amount of one hundred thousand dollars, and whenever thereafter, and as often as either of said Companies shall produce to the Governor like evidence of a further construction of

ten miles of its road as aforesaid, then the Governor shall cause to be issued to such Company further like bonds to the amount of one hundred thousand dollars for each and every ten miles of road thus constructed; and whenever such Company shall furnish like evidence that any ten miles of its road is actually completed and cars running thereon, the Governor shall cause to be issued to such Company like bonds to the amount of one hundred thousand dollars; and whenever thereafter, and as often as either of said Companies shall produce to the Governor like evidence that any further ten miles of said road is in operation as aforesaid, the Governor shall cause to be issued to such Company further like bonds to the amount of one hundred thousand dollars until the full amount of the bonds hereby authorized shall be issued; *Provided*, That two-fifths and no more of all bonds issued to the Southern Minnesota Railroad Company, shall be expended in the construction and equipment of the line of road from La Crescent to the point of junction with the Transit Road, as provided by law; and further provided, that the Minneapolis and Cedar Valley Railroad Company shall commence the construction of their road at Faribault and Minneapolis, and shall grade an equal number of miles from each of said places.

The said bonds thus issued shall be denominated "Minnesota State Railroad Bonds." and the faith and credit of this State are hereby pledged for the payment of the interest and the redemption of the principal thereof. They shall be signed by the Governor, countersigned and registered by the Treasurer, and sealed with the seal of the State, of denominations not exceeding one thousand dollars, payable to the order of the company to whom issued, transferable by the endorsement of the President of the said Company, and redeemable at any time after ten and before the expiration of twenty-five years from the date thereof. Within thirty days after the Governor shall proclaim that the people have voted for a loan of State credit to Railroads, any of said companies proposing to avail themselves of the loan herein provided for, and to accept the conditions of the same, shall notify the Governor thereof, and shall within sixty days commence the construction of their roads, and shall within two years thereafter, construct ready for the superstructure, at least fifty (50) miles of their road. Each Company shall make provision for the punctual payment and redemption of all bonds issued and delivered as aforesaid, to said Company, and for the punctual payment of the interest which shall accrue thereon in such manner as to exonerate the Treasury of the State from any advances of money for that purpose; and as security therefor,

the Governor shall demand and receive from each of said Companies, before any of said bonds are issued, an instrument pledging the net profits of its road, for the payment of said interest, and a conveyance to the State of the first two hundred and forty sections of land, free from prior incumbrances, which such Company is or may be authorized to sell in trust for the better security of the Treasury of the State from loss on said bonds, which said deed of trust shall authorize the Governor and Secretary of State to make conveyances of title to all or any of such lands to purchasers agreeing with the respective Railroad Companies therefor. *Provided*, That before releasing the interest of the State to such lands, such sale shall be approved by the Governor, but the proceeds of all such sales shall be applied to the payment of interest accruing upon the bonds in case of default of the payment of the same, and as a sinking fund to meet any future default in the payment of interest and the principal thereof when due; and as further security, an amount of first mortgage bonds, on the roads, lands and franchises, of the respective Companies, corresponding to the State bonds issued, shall be transferred to the Treasurer of the State at the time of the issue of State bonds, and in case either of said Companies shall make default in payment of either the interest or principal of the bonds issued to said Companies by the Governor, no more State bonds shall thereafter be issued to said Company; and the Governor shall proceed in such manner as may be prescribed by law, to sell the bonds of the defaulting Company or Companies, or the lands held in trust as above, or may require a foreclosure of the mortgage executed to secure the same: *Provided*, That if any company so in default, before the day of sale, shall pay all interest and principal then due, and all expenses incurred by the State, no sale shall take place, and the right of such company shall not be impaired to a further loan of State credit. *Provided*, If any of said Companies shall at any time offer to pay the principal, together with the interest that may then be due upon any of the Minnesota State Railroad Bonds, which may have been issued under the provisions of this section, then the Treasurer of State shall receive the same, and the liabilities of said company or companies, in respect to said bonds, shall cease upon such payment into the State Treasury, of principal, together with the interest, as aforesaid. *Provided further*, That in consideration of the loan of State credit herein provided, that the company or companies which may accept the bonds of the State in the manner herein specified, shall, as a condition thereof, each complete not less than fifty miles of its road on or before the expiration of the year 1861,

and not less than one hundred miles before the year 1864, and complete four-fifths of the entire length of its road before the year 1866, and any failure on the part of any such company to complete the number of miles of its road or roads, in the manner and within the several times herein prescribed, shall forfeit to the State all the rights, title and interest of any kind whatsoever in and to any lands, together with the franchises connected with the same not pertaining or applicable to the portion of the road by them constructed, and a fee simple to which has not accrued to either of said companies, by reason of such construction, which was granted to the company or companies, thus failing to comply with the provisions hereof, by act of the Legislature of the Territory of Minnesota, vesting said land in said companies respectively.

SEC. 2. The foregoing amendment shall be submitted to the electors of the State, at an election to be held on the fifteenth day of April, one thousand eight hundred and fifty-eight, in the several elective districts in this State. The ballots at such election shall be written or printed as follows : those in favor of the amendment "Loan of State Credit for Railroads—Yes." Those against the amendment, "Loan of State Credit for Railroads—No." The polls at said election shall be opened between the hours of eight and ten o'clock A. M., and closed at six o'clock P. M., and the said election shall be conducted and the returns thereof made and certified, in the manner provided by law for returning votes for Territorial Delegate to Congress, except that the said returns shall be addressed to the Governor, by whom the same shall be canvassed within twenty days after said election ; and if it shall appear that a majority of voters present and voting at said election have ratified the proposed amendment, the Governor shall incorporate the foregoing amendment in the Constitution, and shall make proclamation of the result, and deposit the election returns in the office of the Secretary of State.

SEC. 3. Besides the publication prescribed by existing laws, this Act is hereby directed to be published in all the newspapers of this State, for which publication the same rate of compensation is hereby fixed as for similar insertions in the official paper of the Legislature.

SEC. 4. This Act shall take effect from and after its passage.

GEORGE BRADLEY,

Speaker *pro tem.* of the House of Representatives.

RICHARD G. MURPHY,

President *pro tem.* of the Senate.

APPROVED—March ninth, one thousand eight hundred and fifty-eight.

CHAS. L. CHASE, Acting Governor.

SECRETARY'S OFFICE, Minnesota, }
March 9, 1858. }

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

CHAS. L. CHASE, Secretary.