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Printing; and that there be printed thirty thousand five hundred additional copies, of which ten thousand copies shall be for the use of the Senate, twenty thousand copies for the use of the House of Representatives, and five hundred copies for the use of Mrs John A. Logan; and the Secretary of the Treasury be, and he is hereby, directed to have printed a portrait of the said John A. Logan, to accompany said eulogies; and for engraving and printing said portrait the sum of five hundred dollars, or so much as may be necessary, is hereby appropriated out of any money in the Treasury not otherwise appropriated.

Portrait.

Appropriation.

Approved, March 3, 1887.

Mar. 3, 1887.

CHAP. 345.—An act authorizing an investigation of the books, accounts, and methods of railroads which have received aid from the United States, and for other purposes.

Commission to investigate books, etc., of certain railroads.

Compensation, etc.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States, be, and he is hereby, authorized to appoint three commissioners, whose compensation shall be seven hundred and fifty dollars per month to each, and the necessary traveling expenses and board bills, for which proper vouchers shall be returned, to be approved by the Secretary of the Interior; and said commission may appoint a stenographer, if necessary, and fix his compensation; and the persons appointed on the said commission shall have power to examine all books, papers, and methods of the companies hereinafter named, employ experts if necessary; and they shall at all times be under the immediate direction and control of the President of the United States, and may at any time be removed by him in his discretion. The term of office of said commissioners shall not extend beyond the beginning of the next session of the Senate.

Term of office.

If the Senate shall be convened after the fourth day of March, eighteen hundred and eighty-seven and before the first of December in said year and the duties of the said commissioners shall not then be completed, the President shall by and with the advice and consent of the Senate appoint three commissioners who shall perform and complete the duties prescribed in this act within the time therein specified.

Scope of investigation.

SEC. 2. That the duty of said commission shall be to examine into the working and financial management of all of the railroads that have received aid from the Government in bonds; to ascertain whether they have observed all the obligations imposed upon them by the laws of the United States under which they received such aid, or which have been since passed in reference thereto, and complied with all other obligations to the United States; and whether their books and accounts are or have been so kept as to show the net earnings of the aided roads, and what said books and accounts actually show in regard thereto, and what have been in fact said net earnings; or whether there has been a diversion of earnings of aided roads to less productive branches, through constructive mileage allowances, or average mileage allowances between aided and non-aided roads or parts of roads, or otherwise, and also whether such system of constructive mileage allowances is fair and usual, and in practical operation has resulted adversely or otherwise to the aided roads and the interest of the United States; or whether there has been a diversion of earnings of aided roads to wrongful or improper purposes, and, if so, to what extent; whether there is a discrimination of rates in favor of unaided against aided roads; whether any, and, if so, how much, money is due and owing to the United States on account of mistaken or erroneous accounts, reports, or settlements made by said roads; whether any traffic or business which could or should be done on the aided lines of said companies has been diverted to the lines of any other company or to non-aided lines, and what amounts have been deducted from the gross earnings of any of said aided railroad companies, by their general freight and passenger agents or auditors, by way of rebate, percent-

age of business done, constructive mileage, monthly or other payments on any pooling or rate arrangement, contract, or agreement; and also to inquire into, ascertain, and report as to the kind, character, and amount of the assets of said companies, and what assets of each company are now subject to the lien of the Government, and the value thereof; and also whether any dividends have been unlawfully declared by the directors or paid to the stockholders of said companies, and, if so, to what extent, and whether the amount thereof may not be recovered from the directors unlawfully declaring the same or persons who have unlawfully received the same; whether the proceeds of any trust funds or lands loaned, advanced, or granted have been diverted from their lawful use; whether any new stock or bonds have been issued or any guarantees or pledges made contrary to or without authority of law; whether any of the directors, officers, or employees of said companies respectively have been or are now directly or indirectly interested, and to what amount or extent, in any other railroad, steamship, telegraph, express, mining, construction, or other business company or corporation, and with which any agreements, undertakings, or leases have been made or entered into; what amounts of money or credit have been or are now loaned by any of said companies to any person or corporation; what amounts of money or credit have been or are now borrowed by any of said companies, giving names of lenders and the purposes for which said sums have been or are now required; what amounts of money or other valuable consideration, such as stocks, bonds, passes, and so forth, have been expended or paid out by said companies, whether for lawful or unlawful purposes, but for which sufficient and detailed vouchers have not been given or filed with the records of said companies; and, further, to enquire and report whether said companies, or either of them, or their officers or agents, have paid any money or other valuable consideration, or done any other act or thing, for the purpose of influencing legislation; and to investigate and report all the facts relating to an alleged consolidation of the Union Pacific Railroad Company, the Kansas Pacific Railway Company, and the Denver Pacific Railway and Telegraph Company into an alleged corporation known as the Union Pacific Railway Company. Said investigation shall include the alleged sale of the stock of the Kansas Pacific Railroad Company to the Union Pacific Railroad Company, and all the circumstances and particulars pertaining to said alleged sale, and whether any of the Pacific railroad corporations which obtained bonds from the United States to aid in the construction of their railroads have expended any of their moneys or other assets in the construction, or to aid in the construction, of other railroads, or invested of their moneys or other assets in the stocks or bonds of any manufacturing, mining, and commercial companies or corporations, or of other railroad corporations; and if any such expenditures or investments have been made, the extent and character thereof made by each of said corporations shall be inquired into, and also the present interest of any of said corporations in the railroads auxiliary to their respective railroads.

Consolidation of Union Pacific, Kansas Pacific and Denver Pacific Railway Companies.

And said commission shall also ascertain and report the names of all the stockholders in each of said companies, from its organization to the date of the investigation herein provided for, as they appear on the books of said companies at the date of its annual meeting in each year; the amount of stock held by each; what consideration, if any, was paid by each stockholder to said company for his stock, and when and in what property such payment was made; the date when each stockholder so appearing on the books became such; and whether stock is now held or has heretofore been held in the name of any person in trust or for the benefit of any other, and the names of all such persons; the total amount of the stock in each company, and the dates and amount of any increase of such stock, and the reason for such increase; and the amount of the annual salaries or compensation that are now or at any prior time have been paid to any officer or employee of said company,

Names of stockholders, etc., to be reported.

when such salary or compensation amounts to five thousand dollars or more per annum, and the names of the persons now receiving or who have heretofore received such salaries or compensation, and all bonuses or donations which may have been given or paid to any such person; and all payments made under the head of legal expenses, to whom made, and the amount paid to each, and for what specific services such payments were made.

Relations to communities.

Said commission shall also inquire into and report upon the relations of said railroads to the interests of the communities through which they pass; to all questions concerning the payment of taxes, especially upon lands granted by Congress, and the delay of said companies in taking out patents for such lands; the rates of fare and freight charged, discriminations, differentials, pools, and other devices, and the facilities and accommodations furnished to the patrons of such roads; and their report shall embrace a consideration of the interests and rights of said communities as affected by whatever plan of settlement or payment of the existing debt may be proposed.

Obligations of the companies to the Government.

Said commissioners shall also consider and report whether the interests of the United States require any extension of the time for performance of the obligations to the United States of said companies, or any of them, and the facts and circumstances upon which said opinion is based, including the security held by the United States for the performance of such obligations, and the value thereof, and the value of the property of such companies, and either of them, not included in such security, and what further security it is expedient that said companies shall be required to give; and if, in their opinion, such extension shall be required by the interests of the United States, they shall submit a scheme for such extension, which shall secure to the United States full payment of all debts due them from said companies, with a reasonable rate of interest, in such time as the commissioners shall propose, having due regard to the financial ability of said companies and the proper conduct of their business in such manner as shall afford efficient service to the public.

Report.

And the said commission shall report in full in regard to all such matters aforesaid, and in regard to any other matters which may be ascertained or come to their knowledge in regard to said companies respectively, on or before December first, eighteen hundred and eighty-seven, to the President of the United States, who shall forward said report to Congress, with such recommendations or comments as he may see fit to make in the premises.

Cost of transportation, etc.

The commissioners shall also ascertain the average cost per annum of Government transportation in the region now traversed by the Pacific railroads between the year eighteen hundred and fifty and the completion of said roads, and also the average cost per annum since such completion, and what additional facilities have been furnished to the Government and the people by said roads; also to enquire what discount the Pacific Railroad and its several branches were forced to make, in disposing of the bonds guaranteed by the Government, to obtain the gold coin which was the currency of the country through which the greater part of said roads pass; also to ascertain the comparative cost of construction of said roads as compared with what they would have cost with the prices of labor and commodities prevailing five years preceding or five years subsequent to the completion of said roads; also to enquire whether or not the Pacific Railroad was completed in less time than was allowed by law, and, if so, how much less time, and if the United States was benefitted thereby; also to enquire if either of the Pacific railroad companies have been embarrassed and their earning capacity impaired by antagonistic local or State legislation; also to enquire if the United States, since the Union and Central Pacific Railroad Companies accepted the terms proposed by Congress for the construction of the Pacific Railroad, has granted aid in lands for building competing parallel railroads to said Pacific railroads, and, if so, how many such roads, and to what extent such competing lines have impaired the earning capacity of the Pacific rail-

Relations to the Government.

roads; also to enquire if the United States have contracts with branch roads controlled by either of said Pacific roads for carrying United States mails, and, if so, what service has been performed by them, and what money, if any, has been paid for such service, and what remains due and unpaid, and if the United States by failing to pay for such mail services has embarrassed said railroad companies, or either of them, in paying their indebtedness to the United States; also to enquire if the several Pacific railroad companies have complied with the provisions of "An act to alter and amend the act entitled 'An act to aid in the construction of a railroad and telegraph line from the Missouri River to the Pacific Ocean, and to secure to the Government the use of the same for postal, military, and other purposes,' approved July first, eighteen hundred and sixty-two, and also to alter and amend the act of Congress approved July second, eighteen hundred and sixty-four, in amendment of said first-named act," commonly known as the Thurman act, and, if not, in what particulars they have failed to comply; also to enquire what sums the Pacific railroads and their branches can severally pay annually on account of their indebtedness to the United States without imposing such burdens upon the people, and particularly upon the localities through which the roads pass, as to retard the development of the country.

Vol. 12, p. 489.
Vol. 13, p. 356.
Vol. 20, p. 56.

Power to send for persons and papers.

That the commissioners hereby created, or either of them, shall have power to require the attendance and testimony of witnesses and the production of all books, papers, contracts, agreements, and documents relating to the matter under investigation, and to administer oaths; and to that end may invoke the aid of any court of the United States in requiring the attendance and testimony of witnesses and the production of books, papers, and documents under the provisions of this section. Any of the circuit or district courts of the United States within the jurisdiction of which such inquiry is carried on may, in case of contumacy or refusal to obey a subpœna issued to any person, issue an order requiring any such person to appear before said commissioners, or either of them, as the case may be, and produce books and papers if so ordered, and give evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

United States courts to punish contumacy.

Evidence.

The claim that any such testimony or evidence may tend to criminate the person giving such evidence, shall not excuse such witness from testifying; but such evidence or testimony shall not be used against such person on the trial of any criminal proceeding.

Appropriation.

SEC. 3. That the sum of one hundred thousand dollars, or so much thereof as may be necessary, is hereby appropriated, out of any money in the Treasury of the United States not otherwise appropriated, for the purposes of this investigation.

Subrogation of United States to prior liens, etc.

SEC. 4. That whenever, in the opinion of the President, it shall be deemed necessary to the protection of the interests and the preservation of the security of the United States in respect of its lien, mortgage, or other interest in any of the property of any or all of the several companies upon which a lien, mortgage, or other incumbrance paramount to the right, title, or interest of the United States for the same property, or any part of the same, may exist and be then lawfully liable to be enforced, the Secretary of the Treasury shall, under the direction of the President, redeem or otherwise clear off such paramount lien, mortgage, or other incumbrance by paying the sums lawfully due in respect thereof out of the Treasury; and the United States shall thereupon become and be subrogated to all rights and securities theretofore pertaining to the debt, mortgage, lien, or other incumbrance in respect of which such payment shall have been made. It shall be the duty of the Attorney-General, under the direction of the President, to take all such steps and proceedings, in the courts and otherwise, as shall be needful to redeem such lien, mortgage, or other incumbrance, and to protect and defend the rights and interests of the United States in respect of the

Proceedings to protect the rights, etc., of United States.

matters in this section mentioned, and to take steps to foreclose any mortgages or liens of the United States on any such railroad property.

Investment of sinking funds.

SEC. 5. That the sinking-funds which are or may be held in the Treasury for the security of the indebtedness of either or all of said railroad companies may, in addition to the investments now authorized by law, be invested in any bonds of the United States heretofore issued for the benefit of either or all of said companies, or in any of the first-mortgage bonds of either of said companies which have been issued under the authority of any law of the United States and secured by mortgages of their roads and franchises, which by any law of the United States have been made prior and paramount to the mortgage, lien, or other security of the United States in respect of its advances to either of said companies as provided by law.

Approved, March 3, 1887.

Mar. 3, 1887.

CHAP. 346.—An act authorizing the employment of mail-messengers in the postal service.

Mail messengers. Employment authorized in certain cases.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Postmaster-General be, and he is hereby, authorized to employ such mail-messenger service as may be necessary for the carriage of the mails in connection with railroad and steamboat service, transfer service between depots, over bridges or ferries, between post-offices, post-offices and branch offices or stations, in cases where by the laws and regulations of the Post-Office Department, railroad companies, steamboat companies, and the masters of vessels are not required to deliver into and take from the post-offices the mails carried on their lines or vessels.

Approved, March 3, 1887.

Mar. 3, 1887.

CHAP. 347.—An act providing an additional circuit judge in the second judicial circuit, and for other purposes.

Additional judge to be appointed, second judicial circuit.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there shall be appointed for the second circuit, by the President of the United States, by and with the advice and consent of the Senate, in addition to the present circuit judge, another circuit judge, who shall have the same qualifications and shall have the same power and jurisdiction therein that the present circuit judge, has under existing laws, and who shall be entitled to the same compensation as the present circuit judge: *Provided*, That the applications and proceedings therein provided for by sections two thousand and eleven, two thousand and twelve, two thousand and thirteen, and two thousand and fourteen of the Revised Statutes shall be made and taken before the senior circuit judge of the second circuit; but in his absence or inability to act under said sections, or any of them, such applications and proceedings may be made and had before the junior circuit judge in said circuit.

Proviso. Senior judge to sit in election proceedings. R. S., secs. 2011-2014, pp. 353, 354.

Approved, March 3, 1887.

Mar. 3, 1887.

CHAP. 348.—An act to amend sections twenty-five hundred and thirty-three, and twenty-five hundred and thirty-four of the Revised Statutes, and making Hartford, in the State of Connecticut, a port of entry, in place of Middletown.

Hartford, Conn., made port of entry and collection district in place of Middletown.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph three of section twenty-five hundred and thirty-three of the Revised Statutes of the United States of America is hereby amended so that said paragraph shall read as follows:

R. S., sec. 2533, p. 498, amended.

"Third. The district of Hartford; to comprise the waters and shores of the towns of Saybrook, Clinton, Westbrook, Old Saybrook, Essex,