

Development of Pennsylvania.

The following is a correct copy of the Act recently passed by the Legislature of Pennsylvania, entitled "An Act to facilitate and secure the construction of an additional railway connection between the waters of the Susquehanna and the great lakes, Canada and the northwestern States, by extending the aid and credit of certain corporations to the Jersey Shore, Pine Creek and Buffalo Railway Company, and in like manner to aid the construction of the Pittsburg, Virginia and Charleston Railway, the Clearfield and Buffalo Railway, and the Erie and Allegheny Railway :

WHEREAS, It is a matter of much public importance to the State at large that a railway should be completed at an early date, to form an additional connection between the anthracite and bituminous coal fields of Pennsylvania and the great chain of lakes and States West ; also, aid the construction of the Pittsburg, Virginia and Charleston Railway, the Clearfield and Buffalo Railway, and the Erie and Allegheny Railway, and thereby provide outlets for important portions of this Commonwealth that are filled with valuable coal, minerals and other products, now without such highways ; and when these lines are constructed, adding greatly to the taxable values for State, county and municipal purposes—as well as to greatly increase the value of productions from those sections of the Commonwealth for manufacturing, agricultural and all other purposes ; *And whereas*, It is believed that those desirable objects may be accomplished by the provisions of the annexed bill ; and in order to grant sufficient authority for effective aid as aforesaid to secure the same ; therefore,

SECTION 1. *Be it enacted by the Senate and House of Representatives of the Commonwealth of Pennsylvania in General Assembly met, and is hereby enacted by the authority of the same,* That the Jersey Shore, Pine Creek and Buffalo railway company be and are hereby authorized to execute a first mortgage to the amount of six millions of dollars in lieu and substitution of the loan said company have heretofore been authorized to make, which shall cover all their line of railway to be constructed from Jersey Shore to connect with the Buffalo and Washington railway as set forth in their charter, with its extensions, rights of way, equipment, engine houses, machine shops, tools, and property of every kind whatsoever appurtenant to and requisite for the maintenance, management and operation of said road, together with the corporate rights and franchises acquired and to be acquired, to secure the payment of bonds as hereinafter provided, each bond bearing interest at five per centum per annum, payable semi-annually, from and after the first day of April, A. D., 1870, which bonds shall be payable to the Commonwealth of Pennsylvania, to be deposited in the sinking fund of the Commonwealth, with the interest thereon, for application only to the payment of the public debt ; these bonds to be received by the Commonwealth in lieu and substitution of the existing debt of that amount of five per centum bonds that is contracted to be paid by the Pennsylvania Railroad Company, and all liens and claims arising in connection therewith ; and the said six millions of dollars of bonds shall be received in full satisfaction of said bonds of the Pennsylvania Railroad Company, and of all liens and claims arising thereunder or therefor.

One hundred thousand dollars of said bond of the Jersey Shore, Pine Creek and Buffalo Railway shall be payable each and every year, beginning with the first day of April, one thousand eight hundred and seventy-five, and so continue annually thereafter, until the first day of April one thousand eight hundred and ninety. On the first day of April, one thousand eight hundred and ninety-one, one million of dollars. On the first day of April, one thousand eight hundred and ninety-two, one million of dollars. On the first day of April, one thousand eight hundred and ninety-three, one million of dollars. And all the remaining balance

of the entire debt, with the interest due thereon, shall be fully paid and liquidated on the first day of April, Anno Domini one thousand eight hundred and ninety-four.

Upon the delivery of the bonds and mortgages, as hereinbefore provided, the commissioners of the sinking fund of this Commonwealth are hereby authorized, empowered and directed to deliver to the Jersey Shore, Pine Creek and Buffalo Railway Company the obligations of the Pennsylvania Railroad Company now in the sinking fund, or in any way belonging to the Commonwealth, to the amount of six millions of dollars of five per centum bonds, and to cancel and fully satisfy all mortgages or claims of every nature and kind whatsoever existing therefor by legislative enactment, contract or otherwise, in favor of the Commonwealth against said Pennsylvania Railroad Company, and thereupon the entire proceeds that may be realized from the said bonds and claims against the Pennsylvania Railroad Company shall be applied from time to time by the Jersey Shore, Pine Creek and Buffalo Railway Company only to the immediate construction and equipment of the said line of railway between the points specified in the act incorporating the said company, and the said main line of railway shall be constructed and opened for public use within three years from the passage of this act : *Provided however*, That no delivery or exchange of bonds shall be made under the provisions or authority of this act by the commissioners of the sinking fund until a contract for the construction and equipment of the Jersey Shore, Pine Creek and Buffalo Railway with responsible parties duly executed shall be delivered to said commissioners, and an absolute guarantee for the fulfillment thereof within the time and conditions of this act by the Catawissa and Philadelphia and Reading Railroad Companies, or the Catawissa and Lehigh Valley Railroad Companies, or the Philadelphia and Erie, Northern Central and Pennsylvania Railroad Companies, and also a guarantee in like manner of the payment by the Jersey Shore, Pine Creek and Buffalo Railway Company of three hundred thousand dollars interest per annum as it accrues to the State on the said bonds of the Jersey Shore, Pine Creek and Buffalo Railway Company during the construction of said line of railway, and until it is opened for traffic as required by this act.

And said companies, or such of them as may join in said guarantee for the purpose of providing additional security to the State, as aforesaid, are hereby fully authorized and empowered to execute such agreements and obligations, under their corporate seals, as may be needful to perfect their said guarantee as required by this act, and as further security to the Commonwealth for the execution of guarantees, as hereinbefore provided ; the same shall be deemed and taken to be a lien upon the railways, their property and franchises, that may enter into the same, and so continue until the conditions thereof are fully complied with : *Provided, however*, That the said Pennsylvania Railroad Company shall give its consent in writing, duly executed under the seal of said company, to the transfer of the said Pennsylvania Railroad Company's bonds to the said Jersey Shore, Pine Creek and Buffalo Railway.

Sec. 2. That the three and a half millions of five per centum bonds now in the hands of the commissioners of the sinking funds given by the Allegheny Railroad Company to the Commonwealth of Pennsylvania, together with all the guarantees connected therewith, be and they are hereby appropriated for aiding in the development of certain districts of the Commonwealth as hereinafter provided : First. To the Pittsburg, Virginia and Charleston Railway Company, and to the branch road to Waynesboro', in Greene county, one million six hundred thousand dollars. Second. To the Clearfield and Buffalo Railway Company, one million four hundred thousand dollars. Third. To the Erie and Allegheny Railway Company, five hundred thousand dollars. For which the Commonwealth of Pennsylvania shall

receive their bonds respectively, bearing the same interest, maturing at the same time, as the bonds the Commonwealth now holds in *pro rata* proportion from each company, all of which shall be secured by a second mortgage upon those lines, and the branches thereof, respectively, their property, franchises and equipment, which bonds shall be deposited in the sinking fund, and the proceeds thereof shall be applied only to the payment of the public debt, and the interest thereon, the said companies limiting their first mortgage to an amount not exceeding sixteen thousand dollars per mile, bearing interest at seven per centum per annum, the proceeds thereof, and also the proceeds of all the bonds received from the Commonwealth under this act, to be used only for aiding in the construction and equipment of their roads and branches, all of which bonds and mortgages they are hereby fully authorized and empowered to perfect in the usual form ; upon this being done and the five per centum bonds of said companies delivered to them, the said commissioners of sinking fund are hereby authorized, empowered and directed to deliver to the companies named in this section of this act their respective portions of the bonds of the Allegheny Valley Railroad Company now in the sinking fund, or in any way belonging to the Commonwealth, to the amount of three million five hundred thousand dollars of five per centum bonds, and to cancel and fully satisfy all mortgages and claims of every nature and kind whatsoever existing therefor in favor of the Commonwealth against said Allegheny Valley Railroad Company, and the guarantors thereof, the consent of said guarantors to said transfer first being filed with the commissioners of the sinking fund, and to relinquish and transfers all and every claim of the Commonwealth against the Allegheny Valley Railroad Company and the guarantors thereof, to the parties receiving the bonds aforesaid ; and the said lines of railway, and the branch to Waynesburg, in Greene county, shall be constructed and open for public use within three years from the passage of this act, as follows :

The Pittsburg, Virginia and Charleston Railway and the branch to Waynesburg, in Greene county, between such point in South Pittsburg, Allegheny county, and Greensboro', in Greene county, Pennsylvania, including said branch to Waynesburg, by such route as the Pittsburg, Virginia and Charleston Railway Company may adopt.

The Clearfield and Buffalo Railway between such point on the line of the Allegheny Valley Railroad extension in Clearfield county, or other point in said county, and at a point of connection with the Buffalo and Washington Railway, in the county of McKean, by such route as may after careful survey be finally adopted by the Clearfield and Buffalo Railway Company.

The Erie and Allegheny Railway between such point on the Atlantic and Great Western Railway in the counties of Erie or Crawford, and the city of Erie, by such route as the Erie and Allegheny Railway Company may finally adopt : *Provided, however*, That no delivery or exchange of bonds shall be made under the provisions or authority of this act by the commissioners of the sinking fund until a contract for the construction and equipment of said lines of railway, and the said branch to Waynesburg, respectively, with responsible parties, duly executed, shall be delivered to the said commissioners, and an absolute guarantee for the fulfillment thereof, within the time and conditions of this act by a responsible railway company or companies, of which the Pennsylvania Railway Company shall be one, and also a guarantee in like manner of the payment by the said railway company or companies respectively of all interest as it accrues to the State on said bonds belonging to the Commonwealth of said companies respectively, during the construction of their lines of railway, and until they are open for traffic as required by this act. And said company or companies as may join in said guarantee for the purpose of providing security for the said lines, are hereby fully authorized and empowered to execute such agreements and ob-