

# LAWS

OF A

## GENERAL NATURE

PASSED AND PUBLISHED AT THE TWENTIETH SESSION

OF THE

GENERAL ASSEMBLY

OF THE

STATE OF INDIANA,

HELD AT INDIANAPOLIS, ON THE FIRST MONDAY IN DECEMBER, ONE  
THOUSAND EIGHT HUNDRED AND THIRTY-FIVE.

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BY AUTHORITY.

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Indianapolis:

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1836.

## CHAPTER II.

AN ACT to provide for a general system of Internal Improvements.

(APPROVED JANUARY 27, 1836.)

Board of Internal Improvement how appointed and term of office.

Vacancies in canal board, how filled.

Each work to be represented.

Oath and bond.

Duty.

Quorum.

Compensation.

Duty of the Board.

SEC. 1. *Be it enacted by the General Assembly of the State of Indiana,* That six persons shall be appointed by the Governor by and with the advice and consent of the Senate, who, together with the present Canal Commissioners, shall constitute a Board of Internal Improvement to serve for three years from and after their appointment; the first appointments shall, however, be divided into three classes, by lot, at their first meeting. The term of service of the 1st class shall determine at the expiration of one year, the 2d class at the end of the second year, and the 3d class at the end of the third year, so that one-third may be annually appointed so long as their services may be required, and shall be liable to be removed at any time by impeachment or joint resolution. The said Canal Commissioners thus constituted members of said Board shall respectively hold their offices therein during the time for which they would have served as Canal Commissioners, and their vacancies shall then be filled in the same manner as is provided for the appointment of other members of said Board in this section, and their service shall continue in like manner and be subject to like removal. The Governor in making the nominations as above provided shall, in addition to the qualifications for the discharge of the duties of the office, have regard to the local situation of the nominee, so that each work may be represented in said Board by a suitable person residing as near as practicable thereto.

SEC. 4. The Board thus constituted shall be called the State Board of Internal Improvement, shall take the same oath and give the same bond as now required by law of the Canal Commissioners. They shall locate, under the provisions of this act, and superintend the several works of Internal Improvement in this State, and hold semi-annual meetings, and as much oftener as they may deem necessary. Five members shall constitute a quorum, and they shall each receive as a compensation for their services the sum of two dollars per day for every day necessarily employed, and also an equitable allowance for travelling and other contingent expenses.

SEC. 3. In the meetings of said Board they shall determine the general outline of the operations in relation

to such works of internal improvement as may be authorized by law, determining questions of importance submitted to them in relation to said works, and to assist in the examination of accounts and making reports to the General Assembly, and as soon as any work or canal line shall be ready to be placed under contract the said Board shall elect one of their members to serve as acting Commissioner on said line, whose duty it shall be to superintend the same under the general direction and during the pleasure of said Board. A record of the proceedings of said Board shall be kept by them, as also an accurate account of the moneys expended on each route, as well as every other matter that may legally come under their supervision or control, by virtue of this act.

SEC. 4. The said Board of Internal Improvement is hereby authorized and directed to adopt such measures as may be necessary to commence, construct and complete, within a reasonable time, the following public works, viz:

1st. The White Water Canal, commencing on the west branch of the White Water river, at the crossing of the National Road, thence passing down the valley of the same to the Ohio river, at Lawrenceburgh, and extending up the said west branch of the White Water above the National Road as far as may be practicable; also a connexion between the said White Water Canal and the Central Canal, by a canal, if practicable, if not by a Rail Road, to commence at some point near the National Road, thence to be continued to some suitable point on said Central Canal in Madison or Delaware counties, as the same may be found most practicable and best calculated to promote the interests of the State; and for the construction of said works the sum of one million four hundred thousand dollars is hereby appropriated; *Provided, however,* That if the state of Ohio shall ultimately refuse to grant leave for the construction of that part of the White Water Canal which passes through her territory, the said Board shall construct a Rail Road from some point near Harrison to Lawrenceburgh, keeping it wholly within the territory of this state, in lieu of the canal as now located between those points, and pay for the construction of said road out of the moneys appropriated for the construction of said White Water Canal.

2d. The Central Canal, commencing at the most suitable point on the Wabash and Erie Canal between Fort Wayne and Logansport, running thence to Muncietown, thence to Indianapolis, thence down the valley of the west fork of White River to its junction with the east fork of said river, and thence by the most practicable

Works authorized, viz:

White Water canal.

Central canal.

route to Evansville on the Ohio river: *Provided however,* The said Board of Internal Improvement may, if it shall be found most practicable and conducive to the interests of the State, select the lower or Pipe creek route in the line north from Indianapolis, then and in that case a Feeder shall be made to commence at Muncietown and communicate with said Central Canal at some convenient point on the same, which feeder shall be of equal size and capacity with the main canal, and made equally convenient for the purposes of navigation and be constructed simultaneously with the said main canal, and in all other respects provided for in like manner with the same. For the construction of which Central Canal and navigable Feeder, the sum of three millions five hundred thousand dollars is hereby appropriated.

Extension of  
Wabash and  
Erie canal.

3d. An extension of the Wabash and Erie Canal from the mouth of *Tippicaneoe river* down the valley of the Wabash to Terre Haute, and thence by the route as surveyed on Eel river, so as to connect with the Central Canal at the point designated in said survey, or else by the most practicable route from Terre Haute so as to connect with the Central Canal at or near the mouth of Black creek in Knox county, or at some intermediate point between said points as shall, on further survey and examination of said route, be found most conducive to the public good. For the construction and completion of the continuation or extension of said Wabash and Erie Canal the sum of one million three hundred thousand dollars is hereby appropriated.

Madison and  
Lafayette Rail  
Road.

4th. A Rail Road from Madison through Columbus, Indianapolis, and Crawfordsville to Lafayette, to be called the Madison and Lafayette Rail Road, to construct which the sum of one million three hundred thousand dollars is hereby appropriated.

McAdamized  
road from New  
Albany to Vin-  
cennes.

5th. A McAdamized Turnpike Road from New Albany through Greenville, thence as near to Fredericksburgh as shall be found practicable, having in view the expense of construction and public accommodation, through Paoli, Mount Pleasant, and Washington to Vincennes; for the construction of which the sum of one one million one hundred and fifty thousand dollars is hereby appropriated.

Rail Road or  
Turnpike from  
Jeffersonville  
to Crawfords-  
ville.

6th. And the said Board is hereby authorized and directed to cause a re-survey of the route from Jeffersonville via New Albany, Salem, Bedford, Bloomington, and Greencastle to Crawfordsville, to be made before the first day of October next, and if upon such survey so made it shall be found practicable to construct a Rail

Road on said route, the sum of one million three hundred thousand dollars is hereby appropriated for its construction. But if, after such survey and examination shall have been made, the construction of the said Rail Road shall be deemed impracticable, it shall be and is hereby made the duty of said Board to construct a Macadamized Road on the route aforesaid, and in that event the same amount is hereby appropriated for its construction, to-wit: the sum of one million three hundred thousand dollars; and then and in that event the said Board shall either commence said road at Salem, or make such arrangements as may be deemed expedient and consistent with the interest of the State with the Salem and Ohio Turnpike Company: *Provided however*, that said Board shall not make any arrangements with said Company or otherwise which shall have the effect to divert said road from the most direct and practicable route for the same between Salem and New Albany.

7th. The sum of fifty thousand dollars is hereby appropriated for the removal of obstructions to navigation in the Wabash river between its mouth and the town of Vincennes; which said sum of fifty thousand dollars shall be part of the first loan effected under the provisions of this act, to be expended under the direction of the said Board of Internal Improvements for the removal of said obstructions as soon as the same can be done in a manner best calculated to promote the public interest.

Improvement of  
the Wabash.

8th. And the said Board are hereby authorized and required to cause, during the present year, a survey and estimate to be made of a Canal if practicable, if not a Rail Road, from the Wabash and Erie Canal at or near Fort Wayne, by the way of Goshen and South Bend, and Laporte, if practicable, to Lake Michigan, at or near Michigan City, to be called the Erie and Michigan Canal or Rail Road; said route to be kept within the limits of this State. For the commencement of which, within ten years, at the discretion of the said Board of Internal Improvement, and the final completion of the same, the faith of the State is hereby irrevocably pledged; and the money necessary to construct the said work shall be obtained in the same manner as is provided for other works in this act.

Survey, &c. of  
a canal or rail  
road from Fort  
Wayne to Lake  
Michigan.

Sec. 6. The said Board, in constructing that part of the Wabash and Erie Canal which lies between Lafayette and Terre Haute, shall have power to connect by lockage and otherwise the Canal with the Wabash river on section number forty-seven, and at such other places where the interest of the State and the conve-

Duty of the  
Board in rela-  
tion to the Wa-  
bash and Erie  
canal.

venience of its citizens shall, in their opinion, be promoted by such connexion. And the said Board shall also be authorized and required, upon application being made, to permit any county or association of individuals to tap any or either of the canals herein mentioned and provided for, at any point upon said Canals by side cut Canal or Canals, whenever, in the opinion of said Board, the navigation of said Canal or Canals shall not be injured thereby.

Internal Im-  
provement fund

SEC. 7. For the purpose of constructing the several works authorized by this act, there shall be a fund for internal improvements, which shall consist of all the moneys which may be raised by the sale of stocks, or in any other manner by virtue of the loans authorized by law, and of all appropriations which may have been made, or which may hereafter be made for those objects, all the proceeds or moneys which may be derived from the tolls and rents of said works, and of all grants or donations which may be received from individuals to aid in their completion, together with all the profits and interests which may accrue from their construction in any manner whatever.

Loan authoriz-  
ed.

SEC. 8. The said Canal Fund Commissioners are hereby authorized and required, on behalf of the state to contract with any individual, company, or corporation, at such times as may be directed by the Board of Internal Improvement for a loan or loans, from time to time, in all not exceeding the sum of ten millions of dollars, on a credit of twenty-five years, said loan or loans to be at a rate of interest not exceeding five per cent. per annum, and to be so negotiated that the same may be drawn and bear interest at any time, as early as practicable, when they may be advised by the Board of Internal Improvements that it will be required for the progress of any of the works of Internal Improvement to which the same has been appropriated by this act, and the said Commissioners of the Canal Fund shall issue for such loans transferable certificates of stock in the name of the state, which when signed by them shall be valid; and to facilitate the purposes herein contemplated the Commissioners of the Canal Fund shall have power to make such arrangements relative to obtaining loans, the payment of interest thereon, the transmission and deposits of money, as they may deem conducive to the interest of the State.

Faith of the  
State pledged  
for the payment  
of loan.

SEC. 9. For the punctual payment of the interest and final redemption of the principal of all sums of money which may be borrowed under the provisions of this act,

there shall be and are hereby irrevocably pledged and appropriated, the Canals, Rail and Turnpike Roads, with the portions of ground thereunto appertaining and privileges thereby created; and the rents and profits of the water power thereof, together with the nett proceeds of tolls collected thereon; the sufficiency of which, for the purposes aforesaid, the State of Indiana doth hereby irrevocably guarantee.

SEC. 10. The said Canal Fund Commissioners are hereby authorized to negotiate a loan not exceeding the sum of five hundred thousand dollars in addition to the loans heretofore authorized by law for the canal fund, the proceeds of which shall be applied to finish that part of the Wabash and Erie Canal which lies between the Ohio state line and the mouth of the Tippecanoe river, and within the lands granted by Congress, to aid in the construction of said work, which authority to contract said loan on the credit of the State shall be as ample and governed in every respect by the same provisions as have governed the loans which have heretofore been authorized by the several acts of this State for that purpose; and for the punctual payment of the principal and interest on said loan or loans the said Canal when constructed, its tolls, its interest and profits derived therefrom, and the proceeds of the Canal lands are hereby pledged, the sufficiency of which to pay the interest and principal of said loan or loans, as the same shall become due, the State hereby guarantees.

Loan authorized for Wabash and Erie Canal.

SEC. 11. Distinct accounts shall be kept of all disbursements of money which have been or which shall hereafter be made for the construction of that part of the Wabash and Erie Canal which lies eastwardly of the Tippecanoe river within the grant of the canal lands, and the amount of such expenditures shall be charged to and paid out of the canal fund, and an account also kept of the tolls which may be received on that part of the Canal, in order that their amount, as well as the proceeds arising from the sale of the canal lands, may be strictly applied to the payment of the canal fund for which, by various acts of the General Assembly, they have been specifically pledged.

Distinct accounts shall be kept of the receipts and disbursements on that part of the W. and E. Canal east of Tippecanoe.

SEC. 12. The members composing the Board of Internal Improvement shall meet as soon after their appointment as convenient, and choose one of their members to be President of said Board, and appoint a Secretary, whose duties and compensation they shall regulate. The President of the Board shall have power to call meetings of the same when in his opinion the public in-

Board to meet and appoint President and Secretary.

President may call meetings.

Power of the Board.

interest may require it, and said Board shall have authority to adjourn from time to time to meet at any other place they may think proper, and have power to employ such Engineers, agents, and other assistants as the interest of the State shall, in their opinion, demand to enable them to discharge the duties required of them by this act, and to pay such Engineers, agents, and assistants for their services such sums as in their opinion may be a reasonable compensation for the duties which they may perform.

Board authorized to draw on Fund Commissioners, &c.

SEC. 13. The said Board of Internal Improvement shall be authorized to give drafts or checks from time to time, payable to such persons and at such places, on the Commissioners of the Canal Fund, and receive from them all such sums of money as may be necessary for the prosecution of the works contemplated by the acts of the General Assembly in relation to this subject, under such rules, regulations, and restrictions as the said Commissioners of the Canal Fund may deem necessary for its security and proper application, and the said Board of Internal Improvement shall cause the same to be expended in the most economical manner on the works of improvement authorized by this act, at such times and places and in such sums as they may deem most conducive to the interest of said works; to establish reasonable tolls and adopt all measures necessary for the collection and payment thereof to the Commissioners of the Canal Fund, and report to the Legislature at each session thereof the state of said works, with an account of the expenditures, together with their proceedings under this act, and recommend such measures as they may think advisable to promote the objects intended by this act, and likewise, when called upon by the Governor, to report to him from time to time such information as he may require.

Report to Legislature annually.

Works to be put under contract, &c.

SEC. 14. The Board of Internal Improvement is hereby authorized to put under contract, and construct that part of the Wabash and Erie Canal which lies between the Tippecanoc river and the Ohio state line, and any and all such portions of the several works as are authorized by this act, to make such minor changes in the lines already located, such re-surveys, and at such times and places as they shall deem most conducive to the public interest, having regard always to economy and the most profitable and early receipt of tolls.

Reports to be made to Auditor.

SEC. 15. The Commissioners of the Canal Fund shall make report to the Auditor of Public Accounts for their receipts and disbursements growing out of the provisions



of this act, in the same manner as they are now required by law in relation to canal and other funds under their direction; and the Board of Internal Improvements shall also render to the Auditor an account of its disbursements in the same manner as is now by law required of the Commissioners of the Wabash and Erie Canal; and for the increased duties of the Auditor of Public Accounts he shall be allowed, for clerk hire, a sum equal to the compensation paid by the Commissioners of the Canal Fund to their Secretary.

Compensation  
to Auditor.

Sec. 16. It shall be lawful for the Board of Internal Improvement, and each of the members thereof, by themselves, or by any superintendent, agent, or engineer employed by them, to enter upon, and take possession of, and use all and singular any lands, streams and materials of any and every description necessary for the prosecution and completion of the improvements contemplated by *this act*; and to make all such canals, feeders, dams, locks, rail roads, turnpike roads, and other works as they may think necessary for making said improvements, avoiding, in all cases, unnecessary damage or injury to the proprietors.

Board may  
take materials,  
&c.

Sec. 17. In all cases where persons may feel aggrieved or injured by the construction of any of the works contemplated by this act, or by the use of materials for the same, the person or persons so feeling aggrieved or injured, shall make out a written statement of the cause of such complaint, particularly describing the nature of the injury and the interest of the complainant or complainants therein, and deliver the same to the member of the Board of Internal Improvement having the superintendence of that part of the public works which is supposed to occasion such injury, or under whose superintendence said supposed injury was committed, which written statement shall, by said superintendent be copied into a book to be kept for that purpose; and said superintendent shall lay said complaint before the Board of Internal Improvement at their next semi-annual meeting thereafter, which shall be filed among the papers of said Board, and said Board shall thereupon refer the subject matter of said complaint to three disinterested persons, as appraisers, to be named and appointed by said Board of Internal Improvement, to appraise and assess the damages of such complainant or complainants. The said Board shall fix the time or times and place or places for said appraisers to meet, and [cause] reasonable notice of the same to be given to such complainant or complainants of the time and place of the meeting of said

Claims for da-  
mages.

appraisers, and when said appraisers are so met, shall be sworn to do impartial justice between the state and complainant or complainants, according to the best of their understanding, and shall bring before them, and either of them shall swear such witnesses as they may think justice requires; and their decision and award they shall report to the said superintendent to whom the complaint was made, or his successor, and by him the same shall be copied into a book procured for the purpose, which decision of said appraisers shall be final, unless either party shall think proper to appeal to the circuit court of the county where such cause of difference arose, within thirty days after the decision and award of said appraisers, and when such appeal is taken it shall be governed by the same rules and regulations as appeals from judgments of justices of the peace, except no bond shall be required of the State in case she may be the supposed injured party; and on any appeal being taken, the member of the Board of Internal Improvement having possession of the books containing the said complaint, and the award of said appraisers, shall take the necessary appeal bond, sufficient in his opinion, to cover double the amount of the costs; and shall also make out and certify a transcript of said complaint, together with the award of the appraisers, in the same manner as transcripts are required to be certified by justices of the peace, in case of appeals; and in all cases in the assessment of damages as in this section provided for, the appraisers, the court, or jury shall take into consideration the benefits resulting to such complainant from the construction of the works which occasion the supposed injury; and the damages, so assessed by said appraisers, when no appeal is taken or the amount settled by the judgment of a judicial tribunal, shall be paid to the party injured by the Board of Internal Improvement: *Provided*, That no claim shall be recovered or paid by said Board unless the application therefor be made as herein provided within two years next after the property shall have been taken possession of as aforesaid: *Provided*, That no such appraiser or juror shall be the owner or lessee of any real property situated on or within one mile of the line of said work of improvement for damages for the construction of which such claim or complaint may be made.

Releases to be taken.

SEC. 18. The said Board of Internal Improvement shall, by any one or more of its members, proceed in due time along the lines of the said several works herein contemplated; and take from the several individuals through whose lands any of said contemplated works may

pass, or which may be contiguous thereto, releases to the state of the necessary land, timber, stone, sand, or other material, for the purposes of constructing any or all of said works, or for repairing the same, and for building-ground for the construction of mills or other hydraulic machinery to be propelled by the water power of any such canal, and also to enter and purchase, on behalf of the state, any lands belonging to the general government or to individuals contiguous to such work for the same purpose, and file the same in the office of the Secretary of State; which releases shall operate so as to vest in said state a full and complete right to enter upon, use, and take the same at any and all times thereafter.

SEC. 19. Said Board, or any member as aforesaid, in taking releases as aforesaid, is hereby authorized, in consideration of any privilege granted by individuals to the state of the right of way or other privilege, to contract with such individual, on behalf of the state, to erect across said Canal any bridge or bridges for the benefit of such individual and the public. Bridges.

SEC. 20. In erecting any bridge or other structure across any river or stream, for the purpose of carrying any canal or rail-way across such river or stream, the said Board shall cause to be constructed, in addition to the usual structures necessary for a canal or rail-way, a way for wagons and carriages, if they shall deem it expedient. Wagon way in bridges to be constructed.

SEC. 21. The appraisers appointed by the Board of Internal Improvement to assess damages in pursuance of the provisions of the sixteenth section of this act shall each be allowed the same compensation per day as is or shall be allowed to a member of the Board of Internal Improvement, and so much of the laws of this state now in force as provides for creating, continuing, or compensating a state board of appraisers be and the same is hereby repealed. Compensation to appraisers.

SEC. 22. So soon as the site of any lock, dam, or other structure on any or either of the Canals or Feeders as authorized by this act shall be determined on, at which there will be any water power created, it shall be the duty of the Board of Internal Improvement to procure by donation or purchase, on behalf of and for the use of the state, the necessary ground for the profitable use of such water power, provided the same can be procured at what said Board may consider a fair or reasonable price. Board to procure ground for the use of water power.

SEC. 23. Whenever in the opinion of the Board of Internal Improvement there shall or may be surplus water, Water power, &c. to be leased.

over and above the quantity required for navigation, in either of the Canals or Feeders authorized by this act, or at any dam erected at the expense of the State; or where the water which shall or can be passed around any lock from one level to another without injuring the navigation, may be sufficient to propel hydraulic machinery, the Board of Internal Improvement is hereby authorized to cause such surplus water, with such portions of ground belonging to the State as may be necessary to its use, to be leased to the highest bidder for hydraulic purposes, under such conditions and restrictions as they may deem necessary and proper for the interest of the state, but no water power shall be leased unless the ground on which it is proposed to be used shall be the property of the state.

Reservation in  
the lease, &c.

SEC. 24. Every lease, grant, or conveyance of water power, made in pursuance of this act, shall contain a reservation or condition that the State, by its authorized agent or agents, may at any time reserve the right to use the water or any part thereof, whenever it may be deemed necessary for the purposes of navigation, or whenever its use for hydraulic purposes shall be found in any manner to interfere with the convenient navigation of the Canal near which the same may be situated. And whenever such privilege may be resumed in whole or in part, the sum paid therefor, or such portion thereof as may upon equitable principles be determined upon, agreeably to the stipulations of the lease or deed of conveyance aforesaid, shall be refunded to the purchaser or lessee, his or their heirs or assigns.

Provisions in  
relation to the  
Lawrenceburgh  
and Indianapolis  
Rail Road  
Company.

SEC. 25. That it shall be lawful for the Lawrenceburgh and Indianapolis Rail Road Company to receive in payment of stock therein, to the extent of five hundred thousand dollars, the bonds of stockholders payable to said company in twenty years from the 1st day of January, 1836, with interest semi-annually at the rate of six per centum per annum, payable at some one of the Branches of the State Bank of Indiana, together with mortgages on real estate of the full value of the real sum intended to be covered thereby exclusive of perishable improvements, which bonds and mortgages may be assigned and transferred to the state of Indiana by order of the Board of Directors of said company by endorsement thereon, signed by the President and attested by the Secretary of said company in form following, viz: "The within is hereby assigned for value received to the state of Indiana."

**Sec. 26.** That on receiving a transfer of such bonds and mortgages, and the delivery thereof to the Treasurer of State for the use of the State, or any amount thereof, not less than one hundred thousand dollars, it shall be the duty of the Treasurer of this State to deliver to said Company the State bonds payable to bearer in twenty-one years from the said first day of January, 1836, bearing five per cent. interest, payable semi-annually at such place or places as shall be agreed upon between said Treasurer and said Company, to an amount equal to the amount of the bonds and mortgages so transferred to the State, which said State bonds shall be of the like description and signed in the same manner, as near as may be, as the bonds authorized to be issued for the Bank loan.

**Sec. 27.** That before said Treasurer shall deliver said State bonds it shall be his duty to be satisfied that the bonds and Mortgages so transferred to the State shall cover real estate, exclusive of perishable improvements, to the full value of the sums expressed therein free of all incumbrances, and for the better ascertainment thereof the said Treasurer is hereby invested with the same powers and authority as is given to the Treasurer of State in the 5th, 6th, and 7th sections of an act entitled, "an act to authorize the loaning of the Seminary funds," approved Jan. 24, 1828.

**Sec. 28.** That said bonds so to be given by stockholders shall contain this further condition, that the penal sum therein expressed shall become payable on the failure to pay any of the semi-annual instalments of interest, and in such case that such bond may be forthwith put in suit and the mortgage accompanying the same forthwith foreclosed, and that the court rendering judgment thereon shall, in addition to the ordinary cost of suit and damages, add five per cent. for the expense of collecting.

**Sec. 29.** That so long as said company shall regularly pay the interest on said state bonds issued for their benefit one month before the same falls due, by depositing the amount thereof to the credit of the Fund Commissioners, (or such other agent as may be appointed) in any one of the Branches of the State Bank of Indiana, it shall and may be lawful for said company to have, collect, and receive the interest falling due on the several bonds which may have so been assigned to the State.

**Sec. 30.** That whenever the principal and interest due on any such bond and mortgage shall be paid up

(and which said Treasurer is authorized to receive at any time and pay over to the said Fund Commissioners) said Treasurer shall give up such bond and mortgage to the person entitled thereto, acknowledging satisfaction of the same on the back of such mortgage before some proper officer, the recording of which in the records of the proper county and where said mortgage was recorded, shall fully and entirely discharge such mortgage.

SEC. 31. That it shall be the duty of said company to defray all expenses that shall or may accrue in recording said mortgages, paying said commissioners that may be appointed to value said mortgaged premises, and to examine the title thereof, together with the compensation of said Treasurer, and such Commissioner and Treasurer shall be respectively entitled to the same compensation as is allowed by the 8th and 17th sections of the act before referred to.

SEC. 32. The said company shall pay a bonus to the State of one half of one per cent. on the amount of bonds issued by the State, as herein above provided, which bonds shall be paid to the Treasurer of State, as such bonds may be cashed.

SEC. 33. That the Madison, Indianapolis, & Lafayette Rail Road Company shall have the privilege of joining said Lawrenceburgh and Indianapolis Rail Road Company with their works, at Napoleon, or some other point, to be selected by said Madison company.

SEC. 34. That the Lawrenceburgh and Indianapolis Rail Road Company shall be bound to construct the rail road from the point of intersection to Indianapolis, agreeably to the provisions of their charter, and the Madison, Indianapolis, and Lafayette Rail Road Company shall be jointly interested in the road from the point of intersection to Indianapolis, the said Madison, Indianapolis, and Lafayette Rail Road Company paying one half of all the expenses incurred by said Lawrenceburgh and Indianapolis Rail Road Company in the construction of the same, together with one half of the bonus required to be paid by said Lawrenceburgh and Indianapolis company to the State, in the twenty-eighth section of this act, and one half of all the expenses necessarily incurred by said company in procuring the money on the State bonds, at the same time that said Lawrenceburgh and Indianapolis company shall have to pay the same.

SEC. 35. The Madison Company shall procure bonds of the stockholders in their Company to the amount of

two hundred and fifty thousand dollars, which said bonds shall be of the same tenor and date, bearing like interest, and secured in like manner with the bonds that may be given by the stockholders in the Lawrenceburgh and Indianapolis Rail Road Company, said bonds to be made payable at such times and places as will meet the payments of the Lawrenceburgh and Indianapolis Company to the State; and the said bonds of the Madison Company shall be assigned to the said Lawrenceburgh and Indianapolis Company, in the same manner that the bonds of the latter shall or may be assigned to the State; which said bonds, so transferred, shall be received by the Lawrenceburgh Company from the Madison Company in payment of that amount on the cost of construction of said road from the point of intersection to Indianapolis.

SEC. 36. The said bonds, so to be given by the Stockholders in the Madison, Indianapolis and Lafayette Rail Road Company, shall contain the further condition that the penal sum therein expressed shall become payable on the failure to pay any one of the semi-annual instalments of interest, and in such case that such bonds may be forthwith put in suit, and the mortgages accompanying the same forthwith foreclosed; and that the Court rendering judgment thereon shall, in addition to the ordinary cost of suit and damages, add five per cent. for the expense of collecting.

SEC. 37. That if the Madison, Indianapolis, and Lafayette Rail Road Company shall fail to furnish the bonds above named, in manner and form as above provided for, within six months after the bonds of the State for five hundred thousand dollars shall have been obtained by the Lawrenceburgh and Indianapolis Rail Road Company, the said Madison Company shall not have the right of becoming joint proprietors in any part of said Road, nor shall they enjoy any privileges on said road north of the point of intersection, aforesaid, but all the rights, privileges and immunities belonging or in any wise pertaining to said road, shall rest wholly in the said Lawrenceburgh and Indianapolis Rail Road Company.

SEC. 38. That the said companies shall commence the construction of a rail road, from some convenient point on said road to Rushville, within one year from the time the Lawrenceburgh and Indianapolis Rail Road Company, shall have completed their road from Lawrenceburgh to Greensburgh, and shall complete the same within three years from that time.

Rail Road to  
Rushville to be  
constructed by  
said companies

Ratification  
by board of di-  
rectors &c.

SEC. 39. That all the foregoing sections which relate to the Madison, Indianapolis and Lafayette Company, and the Lawrenceburgh and Indianapolis Company, joining and acting together, shall be laid before the directors of said Companies respectively, and if they agree to the same, by an order made on their records by their respective boards of directors, the same shall stand as a part of their charters.

SEC. 40. That if the said Madison, Indianapolis, and Lafayette Company shall reject the above provisions as a part of their charter, then and in that case the Lawrenceburgh and Indianapolis Company may construct their work as above provided, and shall construct the above named branch to Rushville within the above specified term of three years from and after the time the said company shall have completed their road from Lawrenceburgh to Greensburgh. That in case the last named Company shall reject the same, and not consent thereto, then and in that case, they shall forfeit all right or benefit arising from the state bonds as above provided.

SEC. 41. That the Madison company shall not be compelled to pay interest on any funds used in the construction of said road except it be expended on that part of the road which lies west and north of the point of intersection, nor shall they be called on to pay any interest on the notes transferred until the funds are procured and ready to be applied on said portion of the road.

Faith of the  
State pledged  
for the com-  
mencement and  
completion of  
the works.

SEC. 42. For the commencement and completion of the several works of Internal Improvement, contemplated by this act, so soon as the interest of the State will justify, the faith of the state is hereby irrevocably pledged.

Restrictions  
on the board,  
&c.

SEC. 43. Should any member of said Board of Internal Improvement or Engineer employed in the construction of any works contemplated by this act, purchase or receive by grant or lease, directly or indirectly, (otherwise than by descent or devise) any interest in any real estate, situate within two miles from the line of either of said public works for a longer term than two years during his term of office, it shall work as a forfeiture of said office. No member of the Senate or of the House of Representatives, or any State officers, holding their offices either by the appointment of the Governor or by joint ballot of the two Houses of the General Assembly, shall be eligible to an appointment as a member of the Board of Internal Improvement during the time for which he may have been elected.

Persons inelig-  
ible to an ap-  
pointment on  
the Board.



Sec. 44. This act shall be taken and considered a public act, and shall be favorably and liberally construed for all beneficial purposes, and shall take effect and be in force from and after its passage.

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