

drum-major, one thousand and eighty dollars; fifty first sergeants, sixteen thousand two hundred dollars; one hundred and forty sergeants, thirty-one thousand five hundred and sixty dollars; one hundred and eighty corporals, thirty-five thousand four hundred dollars; thirty musicians, nine thousand nine hundred and ninety-six dollars; ninety-six drummers and fifers, seventeen thousand seven hundred and thirty-six dollars; one thousand five hundred privates, two hundred and seventy thousand dollars; ten clerks and two messengers, ten thousand dollars; payments to discharged soldiers for clothing undrawn, fifteen thousand dollars; transportation of officers traveling without troops, five thousand dollars; in all, six hundred and fourteen thousand eight hundred and fifteen dollars.

Provisions.	For provisions, seventy-eight thousand dollars.
Clothing.	For clothing, sixty thousand dollars.
Fuel.	For fuel, twenty thousand dollars.
Military stores.	For military stores, namely: For pay of mechanics, repair of arms, purchase of accouterments, ordnance stores, flags, drums, fises, and other instruments, five thousand dollars.
Transportation of troops.	For transportation of troops and for expenses of recruiting, five thousand dollars.
Barracks and rent of offices.	For repairs of barracks, and rent of offices where there are no public buildings, eight thousand dollars.
Forage.	For forage for public horses and horses belonging to field and staff officers, four thousand dollars.
Hire of quarters.	For rent of quarters for officers where there are no public buildings, fourteen thousand dollars.
Contingent expenses.	For contingencies, namely: Freight; ferriage; toll; cartage; wharfage; purchase and repair of boats; labor; burial of deceased marines; stationery; telegraphing; apprehension of deserters; oil, candles, gas; repairs of gas and water fixtures; water-rent; barrack-furniture; furniture for officers' quarters; bedsacks; wrapping-paper; oil-cloth; crash; rope; twine; spades; shovels; axes; picks; carpenters' tools; repairs to fire-engines; purchase and repair of engine-hose; purchase of lumber for benches, mess-tables, bunks; purchase and repair of harness; purchase and repair of hand carts and wheel-barrows; scavengering; purchase and repair of galleys, cooking-stoves, ranges, stoves where there are no grates; gravel for parade-grounds; repair of pumps; brushes; brooms; buckets; paving; and for other purposes, twenty thousand dollars.

Approved, May 4, 1878.

May 6, 1878.

**CHAP. 95.**—An act making an appropriation for pier-lights at the entrance of the jetties in the South Pass of the Mississippi River.

Appropriation; pier-lights at South Pass of Mississippi River.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the sum of ten thousand dollars be, and the same is hereby, appropriated, out of any moneys in the Treasury not otherwise appropriated, for the erection and maintenance of pier lights, under the direction of the Light-House Board, at the entrance of the jetties in the South Pass of the Mississippi River.

Approved, May 6, 1878.

May 7, 1878.

**CHAP. 96.**—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.

Preamble.  
1862, ch. 120.  
12 Stat., 489.

Whereas, on the first day of July, anno Domini eighteen hundred and sixty-two, Congress passed an 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"; and

Whereas afterward, on the second day of July, anno Domini eighteen hundred and sixty-four, Congress passed an act in amendment of said first-mentioned act; and

1864, ch. 216.  
13 Stat., 356.

Whereas the Union Pacific Railroad Company, named in said acts, and under the authority thereof, undertook to construct a railway, after the passage thereof, over some part of the line mentioned in said acts; and

Whereas, under the authority of the said two acts, the Central Pacific Railroad Company of California, a corporation existing under the laws of the State of California, undertook to construct a railway, after the passage of said acts, over some part of the line mentioned in said acts; and

Whereas the United States, upon demand of said Central Pacific Railroad Company, have heretofore issued, by way of loan and as provided in said acts, to and for the benefit of said company, in aid of the purposes named in said acts, the bonds of the United States, payable in thirty years from the date thereof, with interest at six per centum per annum, payable half yearly, to the amount of twenty-five million eight hundred and eighty-five thousand one hundred and twenty dollars, which said bonds have been sold in the market or otherwise disposed of by said company; and

Whereas the said Central Pacific Company has issued and disposed of an amount of its own bonds equal to the amount so issued by the United States, and secured the same by mortgage, and which are, if lawfully issued and disposed of, a prior and paramount lien, in the respect mentioned in said acts, to that of the United States, as stated, and secured thereby; and

Whereas, after the passage of said acts, the Western Pacific Railroad Company, a corporation then existing under the laws of California, did, under the authority of Congress, become the assignee of the rights, duties and obligations of the said Central Pacific Railroad Company, as provided in the act of Congress passed on the third of March, anno Domini eighteen hundred and sixty-five, and did, under the authority of the said act and of the acts aforesaid, construct a railroad from the city of San Jose to the city of Sacramento, in California, and did demand and receive from the United States the sum of one million nine hundred and seventy thousand five hundred and sixty dollars of the bonds of the United States, of the description before mentioned as issued to the Central Pacific Company, and in the same manner and under the provisions of said acts; and upon and in respect of the bonds so issued to both said companies, the United States have paid interest to the sum of more than thirteen and a half million dollars, which has not been reimbursed; and

1865, ch. 8.  
13 Stat., 504.

Whereas said Western Pacific Railroad Company has issued and disposed of an amount of its own bonds equal to the amount so issued by the United States to it, and secured the same by mortgage, which are, if lawfully issued and disposed of, a prior and paramount lien to that of the United States, as stated and secured thereby; and

Whereas said Western Pacific Railroad Company has since become merged in, and consolidated with, said Central Pacific Railroad Company, under the name of the Central Pacific Railroad Company, whereby the said Central Pacific Railroad Company has become liable to all the burdens, duties, and obligations before resting upon said Western Pacific Railroad Company; and divers other railroad companies have been merged in and consolidated with said Central Pacific Railroad Company; and

Whereas the United States, upon the demand of the said Union Pacific Railroad Company, have heretofore issued by way of loan to it and as provided in said acts, the bonds of the United States, payable in thirty years from the date thereof, with interest at six per centum per annum, payable half yearly, the principal sums of which amount to twenty-seven million two hundred and thirty-six thousand five hundred and twelve

dollars; on which the United States have paid over ten million dollars interest over and above all reimbursements; which said bonds have been sold in the market or otherwise disposed of by said corporation; and

Whereas said corporation has issued and disposed of an amount of its own bonds equal to the amounts so issued to it by the United States as aforesaid, and secured the same by mortgage, and which are, if lawfully issued and disposed of, a prior and paramount lien, in the respect mentioned in said acts, to that of the United States, as stated, and secured thereby; and

Whereas the total liabilities (exclusive of interest to accrue) to all creditors, including the United States, of the said Central Pacific Company, amount in the aggregate to more than ninety-six million dollars, and those of the said Union Pacific Railroad Company to more than eighty-eight million dollars; and

Whereas the United States, in view of the indebtedness and operations of said several railroad companies respectively, and of the disposition of their respective incomes, are not and cannot, without further legislation, be secure in their interests in and concerning said respective railroads and corporations, either as mentioned in said acts or otherwise; and

Whereas a due regard to the rights of said several companies respectively, as mentioned in said act of eighteen hundred and sixty-two, as well as just security to the United States in the premises, and in respect of all the matters set forth in said act, require that the said act of eighteen hundred and sixty-two be altered and amended as hereinafter enacted; and

Whereas, by reason of the premises also, as well as for other causes of public good and justice, the powers provided and reserved in said act of eighteen hundred and sixty-four for the amendment and alteration thereof ought also to be exercised as hereinafter enacted: Therefore,

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the net earnings mentioned in said act of eighteen hundred and sixty-two, of said railroad companies respectively, shall be ascertained by deducting from the gross amount of their earnings respectively the necessary expenses actually paid within the year in operating the same and keeping the same in a state of repair, and also the sum paid by them respectively within the year in discharge of interest on their first mortgage bonds, whose lien has priority over the lien of the United States, and excluding from consideration all sums owing or paid by said companies respectively for interest upon any other portion of their indebtedness; and the foregoing provision shall be deemed and taken as an amendment of said act of eighteen hundred and sixty-four, as well as of said act of eighteen hundred and sixty-two. This section shall take effect on the thirtieth day of June next, and be applicable to all computations of net earnings thereafter; but it shall not affect any right of the United States or of either of said railroad companies existing prior thereto.

Net earnings,  
how to be ascer-  
tained.

1862, ch. 120.  
12 Stat., 489.

1864, ch. 216.  
13 Stat., 356.  
Amended.

Date of effect.

Compensation  
due from United  
States to be re-  
tained; how ap-  
plied.

SEC. 2. That the whole amount of compensation which may, from time to time, be due to said several railroad companies respectively for services rendered for the Government shall be retained by the United States, one-half thereof to be presently applied to the liquidation of the interest paid and to be paid by the United States upon the bonds so issued by it as aforesaid, to each of said corporations severally, and the other half thereof to be turned into the sinking-fund hereinafter provided, for the uses therein mentioned.

Sinking-fund.

SEC. 3. That there shall be established in the Treasury of the United States a sinking-fund, which shall be invested by the Secretary of the Treasury in bonds of the United States; and the semi-annual income thereof shall be in like manner from time to time invested, and the same shall accumulate and be disposed of as hereinafter mentioned. And in making such investments the Secretary shall prefer the five per centum bonds of the United States, unless, for good reasons appearing

to him, and which he shall report to Congress, he shall at any time deem it advisable to invest in other bonds of the United States. All the bonds belonging to said fund shall, as fast as they shall be obtained, be so stamped as to show that they belong to said fund, and that they are not good in the hands of other holders than the Secretary of the Treasury until they shall have been indorsed by him, and publicly disposed of pursuant to this act.

SEC. 4. That there shall be carried to the credit of the said fund, on the first day of February in each year, the one-half of the compensation for services hereinbefore named, rendered for the Government by said Central Pacific Railroad Company, not applied in liquidation of interest; and, in addition thereto, the said company shall, on said day in each year, pay into the Treasury, to the credit of said sinking-fund, the sum of one million two hundred thousand dollars, or so much thereof as shall be necessary to make the five per centum of the net earnings of its said road payable to the United States under said act of eighteen hundred and sixty-two, and the whole sum earned by it as compensation for services rendered for the United States, together with the sum by this section required to be paid, amount in the aggregate to twenty-five per centum of the whole net earnings of said railroad-company, ascertained and defined as hereinbefore provided, for the year ending on the thirty-first day of December next preceding. That there shall be carried to the credit of the said fund, on the first day of February in each year, the one-half of the compensation for services hereinbefore named, rendered for the Government by said Union Pacific Railroad Company, not applied in liquidation of interest; and, in addition thereto, the said company shall, on said day in each year, pay into the Treasury, to the credit of said sinking fund, the sum of eight hundred and fifty thousand dollars, or so much thereof as shall be necessary to make the five per centum of the net earnings of its said road payable to the United States under said act of eighteen hundred and sixty-two, and the whole sum earned by it as compensation for services rendered for the United States, together with the sum by this section required to be paid, amount in the aggregate to twenty-five per centum of the whole net earnings of said railroad company, ascertained and defined as hereinbefore provided, for the year ending on the thirty-first day of December next preceding.

Credits to, and payments into sinking-fund.

SEC. 5. That whenever it shall be made satisfactorily to appear to the Secretary of the Treasury, by either of said companies, that seventy-five per centum of its net earnings as hereinbefore defined, for any current year are or were insufficient to pay the interest for such year upon the obligations of such company, in respect of which obligations there may exist a lien paramount to that of the United States, and that such interest has been paid out of such net earnings, said Secretary is hereby authorized, and it is made his duty, to remit for such current year so much of the twenty-five per centum of net earnings required to be paid into the sinking-fund, as aforesaid, as may have been thus applied and used in the payment of interest as aforesaid.

Remission of payments into sinking-fund.

SEC. 6. That no dividend shall be voted, made, or paid for or to any stockholder or stockholders in either of said companies respectively at any time when the said company shall be in default in respect of the payment either of the sums required as aforesaid to be paid into said sinking-fund, or in respect of the payment of the said five per centum of the net earnings, or in respect of interest upon any debt the lien of which, or of the debt on which it may accrue, is paramount to that of the United States; and any officer or person who shall vote, declare, make, or pay, and any stockholder of any of said companies who shall receive any such dividend contrary to the provisions of this act, shall be liable to the United States for the amount thereof, which, when recovered, shall be paid into said sinking-fund. And every such officer, person, or stockholder who shall knowingly vote, declare, make, or pay any such dividend, contrary to the provisions of this act, shall be deemed guilty of a misdemeanor, and, on conviction thereof, shall be punished

No dividend in case of default.

Liabilities to repay dividends.

Penalty.

by a fine not exceeding ten thousand dollars, and by imprisonment not exceeding one year.

Application of sinking-fund.

SEC. 7. That the said sinking-fund so established and accumulated shall, at the maturity of said bonds so respectively issued by the United States, be applied to the payment and satisfaction thereof, according to the interest and proportion of each of said companies in said fund, and of all interest paid by the United States thereon, and not reimbursed, subject to the provisions of the next section.

Priorities in application of sinking-fund.

SEC. 8. That said sinking-fund so established and accumulated shall, according to the interest and proportion of said companies respectively therein, be held for the protection, security, and benefit of the lawful and just holders of any mortgage or lien debts of such companies respectively, lawfully paramount to the rights of the United States, and for the claims of other creditors, if any, lawfully chargeable upon the funds so required to be paid into said sinking-fund, according to their respective lawful priorities, as well as for the United States, according to the principles of equity, to the end that all persons having any claim upon said sinking-fund may be entitled thereto in due order; but the provisions of this section shall not operate or be held to impair any existing legal right, except in the manner in this act provided, of any mortgage, lien, or other creditor of any of said companies respectively, nor to excuse any of said companies respectively from the duty of discharging, out of other funds, its debts to any creditor except the United States.

Liabilities to United States a lien on property of companies.

SEC. 9. That all sums due to the United States from any of said companies respectively, whether payable presently or not, and all sums required to be paid to the United States or into the Treasury, or into said sinking-fund under this act, or under the acts hereinbefore referred to, or otherwise, are hereby declared to be a lien upon all the property, estate, rights, and franchises of every description granted or conveyed by the United States to any of said companies respectively or jointly, and also upon all the estate and property, real, personal, and mixed, assets, and income of the said several railroad companies respectively, from whatever source derived, subject to any lawfully prior and paramount mortgage, lien, or claim thereon. But this section shall not be construed to prevent said companies respectively from using and disposing of any of their property or assets in the ordinary, proper and lawful course of their current business, in good faith and for valuable consideration.

Right of disposal.

Enforcement of rights of United States.

SEC. 10. That it is hereby made the duty of the Attorney-General of the United States to enforce, by proper proceeding against the said several railroad companies respectively or jointly, or against either of them, and others, all the rights of the United States under this act and under the acts hereinbefore mentioned, and under any other act of Congress or right of the United States; and in any suit or proceeding already commenced, or that may be hereafter commenced, against any of said companies, either alone or with other parties, in respect of matters arising under this act, or under the acts or rights hereinbefore mentioned or referred to, it shall be the duty of the court to determine the very right of the matter without regard to matters of form, joinder of parties, multifariousness, or other matters not affecting the substantial rights and duties arising out of the matters and acts hereinbefore stated and referred to.

What to be determined.

Forfeiture of franchises.

SEC. 11. That if either of said railroad companies shall fail to perform all and singular the requirements of this act and of the acts hereinbefore mentioned, and of any other act relating to said company, to be by it performed, for the period of six months next after such performance may be due, such failure shall operate as a forfeiture of all the rights, privileges, grants, and franchises derived or obtained by it from the United States; and it shall be the duty of the Attorney-General to cause such forfeiture to be judicially enforced.

Further amendment, repeal, etc.

SEC. 12. That nothing in this act shall be construed or taken in any wise to affect or impair the right of Congress at any time hereafter further

to alter, amend, or repeal the said acts hereinbefore mentioned; and this act shall be subject to alteration, amendment, or repeal, as, in the opinion of Congress, justice or the public welfare may require. And nothing herein contained shall be held to deny, exclude, or impair any right or remedy in the premises now existing in favor of the United States.

Existing remedies.

SEC. 13. That each and every of the provisions in this act contained shall severally and respectively be deemed, taken, and held as in alteration and amendment of said act of eighteen hundred and sixty-two and of said act of eighteen hundred and sixty-four respectively, and of both said acts.

Amending effect of this act.

Approved, May 7, 1878.

CHAP. 106.—An act to amend a joint resolution authorizing the Secretary of War to issue arms, approved July third, eighteen hundred and seventy-six.

May 16, 1878.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That a joint resolution, approved July third, eighteen hundred and seventy-six, entitled "Joint resolution authorizing the Secretary of War to issue arms", be amended as follows, by inserting in the fifth line, after the word "States" and before the word "each", the words "and Territories", and by striking out after the word "each" in said fifth line, and before the word "provided" in the sixth line, the words "and not more than five hundred to each of said Territories": *Provided,* That the quota to the States now authorized by law shall not hereby be diminished.

Issue of arms to Territories.  
1876, res. 13.  
19 Stat., 214,  
Amended.

Approved, May 16, 1878.

CHAP. 107.—An act to regulate the advertising of mail lettings, and for other purposes.

May 17, 1878.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That before making any contract for inland mail transportation, other than by railroads and steamboats, except for temporary service, as provided for in an act approved August eleventh, eighteen hundred and seventy-six, amendatory of sub-sections two hundred and forty-six and two hundred and fifty-one of section twelve of an act approved June twenty-third, eighteen hundred and seventy-four, the Postmaster-General shall cause to be published, in not exceeding ten newspapers published in the State or Territory in which such service is to be let, one of which shall be published at the seat of government of such State or Territory, once a week, for six consecutive weeks, preceding the time of letting, a notice in displayed type, not to exceed six inches of space in one column of a newspaper of the following purport:

Mail lettings, how advertised.  
1876, ch. 260.  
19 Stat., 129.

MAIL LETTINGS.

NOTICE TO CONTRACTORS.

Form of notice.

POST OFFICE DEPARTMENT,  
Washington, D. C. —, —, 18—.

Proposals will be received at the Contract Office of this Department until —, A. M. of —, —, 18—, for carrying the mails of the United States, upon the routes, and according to the schedule of arrival and departure specified by the Department, in the State (or Territory) of —, from — 18—, to — 18—. Lists of routes, with schedules of arrivals and departures, instructions to bidders, with forms for contracts and bonds and all other necessary information will be furnished upon application to the Second Assistant Postmaster-General.

\_\_\_\_\_,  
Postmaster-General.