

Sec 1 Be it enacted by the people of the State of Illinois represented in the General Assembly; That the Governor of the State be, and he is hereby authorized and required, if the same be practicable, to negotiate a loan, on the credit of the State, for a sum of money, not exceeding five hundred thousand dollars, in such a manner and with such provisions, that the same shall be payable in instalments, at such times, as near as can be estimated, as the same may be needed in the progress of the work on the canal.

Sec 2 The Governor shall cause to be constituted certificates of stock, for the said loan, to be called the "Illinois and Michigan Canal stock," signed by the auditor, and countersigned by the Treasurer, bearing an interest not exceeding five per cent. per annum, payable semi-annually, at Vandalia, or at some bank in the city of New York, or either, as may be agreed upon, and reimbursable at the pleasure of the State, at any time after the year one thousand eight hundred and sixty.

Sec 3 The Governor shall take and use all proper means and measures for the transferring of the said stock.

Sec 4 It shall be deemed a good execution of the said power to borrow, for the Governor to cause the said certificates of stock, when created to be sold: Provided that the said stock shall not in any case be sold for less than its par value.

Sec 5 It shall be the duty of the Governor to cause the said monies from time to time, when paid or advanced, to be deposited in some safe Bank or Banks until wanted for use, at the best interest, that can be obtained for it, to be drawn out as herein after provided, taking therefor the ^{proper} securities for the safe keeping of the same.

Sec 6 The money thus loaned, the premiums arising from the sale of any stock thus created, the proceeds of the Canal lands and town lots, and all of the monies in any way arising from the contemplated canal, shall constitute the Canal Fund, and shall be used for Canal purposes, and for no other whatever, until the said Canal shall have been completed: Provided that nothing herein contained shall be so construed as to prevent appropriations from being made, out of the said fund, for the semi-annual payment of the interest upon the canal stock herein authorized to be created; and the Governor is hereby authorized to cause the ^{said} interest to be paid out of the said fund.

Sec 7 That the revenue arising from the "Illinois and Michigan Canal," and from the lands granted, or that may hereafter be granted, to the State of Illinois, by the Congress of the United States, for the construction of the said Canal, and the nett tolls thereof, are hereby pledged for the payment of the interest accruing on the stock that may be created, in pursuance of this act, and for the reimbursement of the principal of the same; and the faith of the State is hereby irrevocably pledged to establish sufficient revenues for making up any deficiency that may hereafter take place in the funds hereby pledged for the payment of the said loan and interest: Provided, that no direct taxes shall be laid upon the people of Illinois for the payment of the said loan or interest for the next twenty five years.

Sec 8 The Governor of the State, by and with the advice and consent of the Senate, shall appoint five practical and skillful persons to constitute a Board to be known under the style and description of "The Board of Commissioners of the Illinois and Michigan Canal," and he shall designate one of such commissioners to be President thereof, one to be Treasurer and one to be acting commissioner, and the Governor shall fill such vacancies as may occur in the board during the

needs of the Legislature.

Sec 9 The Governor shall have power to remove from office any Canal Commissioners at his discretion.

Sec 10 The Acting Commissioners shall be allowed a salary of twelve hundred dollars per annum, and the rest of the Board shall each be allowed a compensation of three dollars per day, while necessarily employed in the business of the Canal.

Sec 11 The said Board of Commissioners is hereby constituted a body politic and corporate, with full power and authority, in their corporate name, to contract, and be contracted with, sue and be sued, defend and be defended, plead and be impleaded, in all the matters and things relating to them as Canal Commissioners, and they shall have and use a common seal, of such device as the Governor may direct.

Sec 12 The Board shall appoint a Secretary, whose duty it shall be to keep a true record of all of their proceedings. They shall hold semi-annual meetings, and special meetings whenever any two of them, or the Acting Commissioners may desire it, and any three of them shall constitute a quorum to do business.

Sec 13 Before entering upon the duties of their office, each of the said commissioners shall make oath or affirmation, faithfully, honestly and truly, to execute and discharge all the duties and obligations herein imposed upon them, and each of them as Canal Commissioners; and they shall severally give bonds to the Governor in the sum of ten thousand dollars, with sufficient sureties for the faithful discharge of the duties imposed upon them by this act: Provided, that the Governor may at any time require additional bonds of the said Treasurer, whenever he may think that the safety of the funds require it.

Sec 14 Whenever all or any part of the money upon any contract shall become due, it shall be the duty of the Treasurer to draw his warrant or check therefor, in favor of the contractor, upon the Bank or Banks in which the Canal fund shall have been deposited, which warrant or check shall be countersigned by the Acting Commissioner, and shall be under the seal of the Board.

Sec 15 The Bank or Banks in which the Canal fund shall have been deposited, shall not pay the drafts of the Treasurer, as aforesaid, unless a copy of the contract for which the same was drawn shall have been previously

deposited therein, as herein provided: Provided that this section shall not relate to the contingent expenses of the Board of Commissioners.

Sec. 16 It shall be the duty of the sitting Commissioners,

1st To make, under the direction of the Board, all necessary contracts for the supply of materials and the performance of labor.

2nd To inquire into the official conduct of the Agents, Clerks, Superintendants, and all subordinate officers, and to receive and hear all complaints that may be preferred against them.

3rd To enforce the faithful execution by all persons concerned, of the duties and obligations imposed upon them by this act.

4th To examine frequently and carefully into the state of the Canal, and the progress of the works thereon.

5th To have the immediate care and superintendance of the Canal and all matters relating thereto.

Sec 17. The said Canal shall not be less than forty five feet wide at the surface, thirty feet at the base, and of sufficient depth to ensure a navigation of at least four feet; to be suitable for ordinary Canal boat navigation, to be supplied with water from Lake Michigan and such other sources as the Canal Commissioners may think proper.

proper, and to be constructed in the manner best calculated to promote the permanent interest of the country.

Sec 18 They shall take efficient and proper measures for the immediate construction of the said Canal, shall put such parts of it, as they may deem proper, under contract, as herein provided, and shall have the general care and superintendance thereof.

Sec 19 They shall inspect and examine into the accounts, books, state of the Treasury, and all of the proceedings of the Treasurer and of the acting Commissioner.

Sec 20 They shall furnish the Acting Commissioner with all proper means and facilities that may be necessary to enable him to discharge the duties herein imposed upon him.

Sec 21 They shall have full power and authority, in their good judgment, to do in relation to the construction and completion of the said Canal; all things not otherwise herein expressly provided for.

Sec 22 It shall be lawful for them to enter upon and use any lands, waters, streams, and materials of any description necessary for the prosecution of the works contemplated by this act.

Sec 23 They may employ such and so many Agents,

Engineers, Surveyors, Draftsmen, and other persons as they may judge necessary, to enable them to discharge their duties as Commissioners, and may pay such compensation as they shall judge reasonable to each person so employed.

Sec 24. Public notice shall be given of the time and place at which proposals will be received for entering into contracts, which notice shall be previously published for at least six weeks in the newspaper printed at Chicago and in such other papers, either in this State or elsewhere, as may be deemed proper.

Sec 25. Proposals for contracts shall be sealed, and shall be for a sum definite and certain, as to the price to be paid or received; and shall be accompanied with good and sufficient security for the faithful performance of such contract.

Sec 26. The Commissioners shall not enter into any contract for the supply of materials or the performance of labor, without previously taking satisfactory security for the faithful performance of such contract, according to its terms.

Sec 27. The Board may, if they think the interest of the State requires it, retain one half of the amount due

upon any contract, until the contract shall have been completed, at which time all arrearages shall be paid up; and in no case shall more than three fourths of the amount due upon any contract be paid, until the work shall have been completed.

See 28 All contracts concerning the contemplated Canal shall be made in writing, under the seal of the Board; and of each contract three copies shall be executed by the parties, one of which shall be retained by the Board, and one shall be immediately forwarded to the Bank or Banks in which the Canal fund shall have been deposited.

See 29 All materials procured or partially procured under a contract with the commissioners, shall be exempt from execution; but it shall be the duty of the commissioners to pay the money due for such materials to the judgment creditor of the contractor, under whose execution such materials might have been sold, upon his producing to them due proof that his execution would have so attached, and such payment shall be held a valid payment on the contract.

See 30 In case of the death of any Canal contractor, who

shall at the time of his decease be entitled to any labor or
for work done on the Canal, it shall be lawful for the
Board, if ^{they} think proper, to pay such laborers out of any
money that may be due to the deceased contractor, and
the receipt of such laborers shall be a good voucher in off-
set to the sum due to the deceased contractor from the
Board, on the final settlement between them and his execu-
tors and administrators: Provided, that the said person
shall first obtain a judgment against the administrator
of such deceased contractor, and produce a certificate from
the court, that the said judgment was rendered for work
done on the Canal, or for materials furnished therefor and
for no other cases.

Sec 31 The Board shall from time to time, make such
rules and regulations not inconsistent with the laws of this
State, in respect to the persons employed about the Canal,
injury done to the said Canal or locks, and the manage-
ment and navigation of the same, and impose such forfeit-
ures of money for the breach of such rules and regulations
as they may judge reasonable; but no forfeiture imposed shall
for a single offence, exceed the sum of fifty dollars or
above the amount of actual damages done.

Sec 32 They shall cause a sufficient number of such rules and regulations to be posted up for public inspection; and shall transmit a copy of them from time to time to the Governor as they may be made in their next quarterly reports and annual reports.

Sec 33 All rules ~~and~~ regulations and forfeitures established by them as aforesaid, shall be filed in the office of the Auditor, and a copy thereof, certified by him, under his hand and seal of office, shall be received in all courts of law as due proof that such rules, regulations and forfeitures were by them established.

Sec 34 The Commissioners shall examine the whole Canal route, and select such places thereon as may be eligible for town lots, and cause the same to be laid off into town lots, and they shall cause the Canal lands in or near Chicago, suitable therefor, to be laid off into town lots.

Sec 35 They may, from time to time, proceed to sell such portions of the town lots on the Canal route, as may be necessary to pay the interest that may be due upon the loan herein authorized to be created, deducting therefrom the premiums that may arise upon the sale of canal stock; Provided, that none of the said Canal lots shall be sold

for the next five years, unless the Governor and a
majority of "The Board of Canal Commissioners" shall de-
cide that it will be for the interest of the canal to do
so; and if they shall determine not to sell, then the Governor
shall cause the interest on the said loan, as it becomes due,
to be paid out of the Canal fund as required in the sixth
section of this act.

Sec 36 Public notice of all sales of Canal lots or lands,
shall be given in such newspapers (not less than three in
number) either in this or in other States, as the Board
may think best, at least six weeks prior to any sale.

Sec 37 All lots shall be appraised prior to the sale there-
of, and shall be sold at public auction for cash; but
they shall not in any case be sold for less than the app-
raised value thereof.

Sec 38 In all sales of Canal lots the Secretary and
Treasurer shall act as Register and Receiver, and shall be
governed by the same rules that now govern the Register
and Receiver in the United States Land offices in this
State, except as is herein provided.

Sec 39 It shall be the duty of the Treasurer, upon the
payment of the purchase money, to grant to the purchaser

or purchaser a certificate, containing a description of the land or lots purchased, and the price for which the same was sold, and shall forward a duplicate of such certificates to the Auditor of the State, who shall record the same; and the persons holding such a certificate shall, upon presenting the same to the Governor, receive a patent for the land described therein signed by the Governor and countersigned by the Secretary of the State, with the seal of the State affixed thereto.

Sec 40 All moneys paid to the Treasurer for the purchase of any Canal lands or lots, shall be by him immediately deposited in some Bank, under the direction of the Governor, for the payment of the interest on the Canal loan.

Sec 41 None of the Board of Canal Commissioners shall be allowed to purchase any of the Canal lands or lots herein authorized to be sold, nor shall they, or either of them in any way, either directly or indirectly, be concerned in any such purchase, or have any manner of interest therein, and in all sales, in which the said Commissioners, or any

any of them, shall be in any way interested, shall be absolutely null and void; the purchase money shall be forfeited, and the land shall revert to the canal fund; and the said commissioners, or either of them, upon conviction thereof, in any court having competent jurisdiction, may at any time within ten years thereafter, be further punished by imprisonment in the Penitentiary, for a term not less than one nor more than ten years.

Sec 42. If any two or more persons shall combine themselves together for the purpose of lessening competition at the sale of any of the Canal lands or lots, or if they shall agree, or have any understanding among themselves, that they will not bid upon one another at any such sale, for the purpose of obtaining the said Canal lands or lots at a low price, the same shall be deemed a fraud, and any person or persons convicted thereof, in any court having competent jurisdiction, shall be fined in a sum not less than one hundred, nor more than one thousand dollars, one moiety thereof to use of the person informing, and the

either wholly to the canal fund; and any patent issued for any lands or lots purchased as aforesaid, shall be absolutely null and void: the money paid therefor shall be forfeited, and the lands or lots so purchased shall revert to the canal fund: and it is hereby declared to be the duty of the State's Attorney to prosecute for all such offenses: Provided that all such prosecutions shall be commenced within ten years after the commission of the offence.

Sec 43 The Board of Commissioners shall, quarterly, viz; on the first Monday of March, June, September and December in each year, make a minute and particular report to the Governor, which report shall set forth in a plain and intelligible manner all of their acts and doings in relation to the said Canal and the Canal lands and lots, all the moneys received and expended, the work done, and the price allowed for the various kinds of work, the contracts made, with whom made, and the security given, the number of Engineers Draftsmen, Clerks and Agents of every description employed by them, and the amount of compensation paid to each, the progress of the Canal, their contemplated

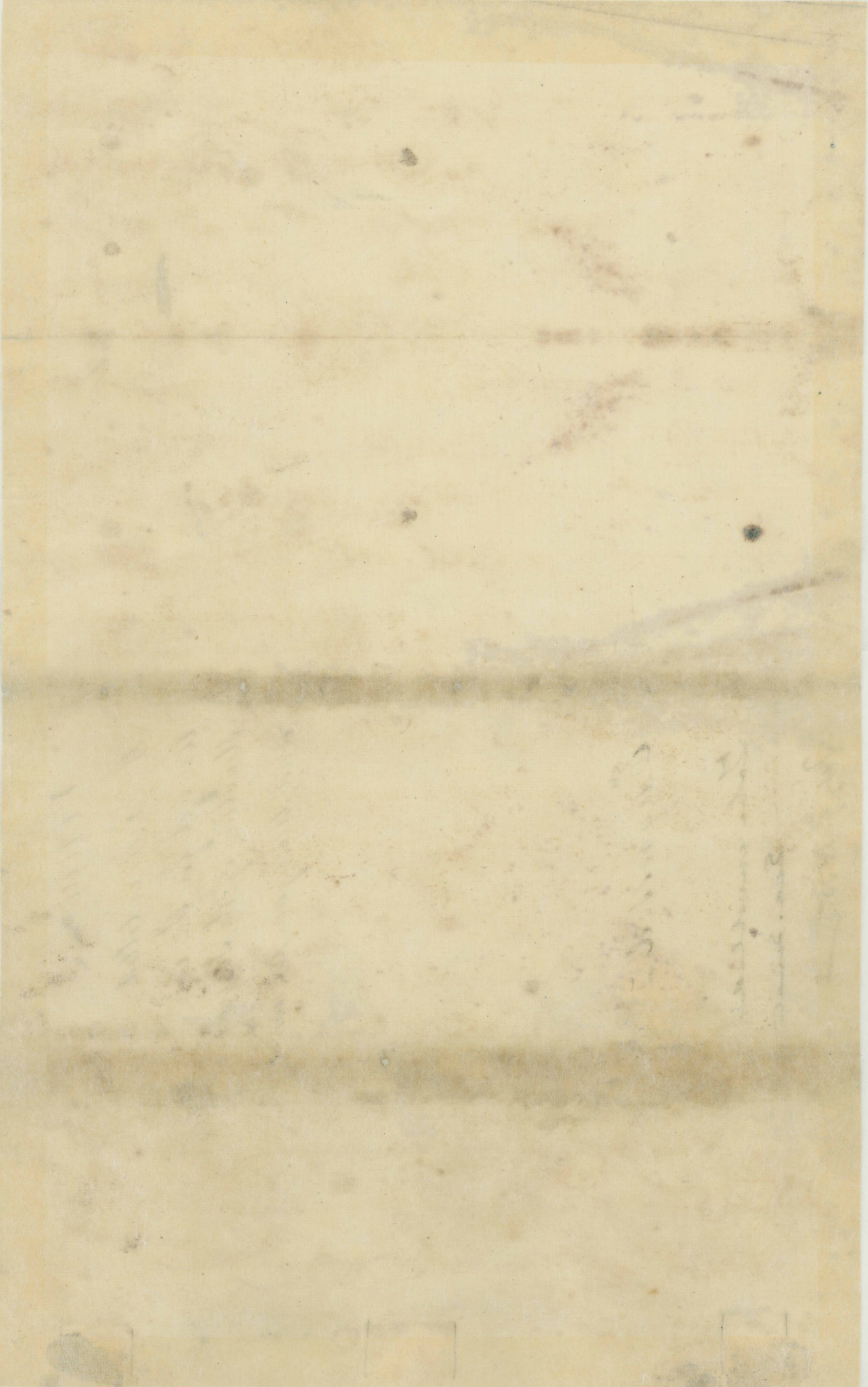
plans for the next three months, with an estimate of the probable amount of money that will be required to be expended for Canal purposes during that time: together with such other matters and things as they may see fit to add; and also the amount, time and rate of any loan made by virtue of this act; which report, or other utterances thereof, the Governor shall cause to be published.

Sec 44 They shall annually, on the first Monday of December, make a report to the Governor, setting forth all their acts and doings in relation to the canal and the canal lands and lots during the previous year in like manner as is required of them in their quarterly reports; containing such statements and estimates for the year, as their quarterly reports do for the quarters

Report Senate Jan. 18. 1835.

Geo White

see Senate



Number

A Bill entitled

An Act for the con-
struction of the Illinois

and Michigan Canal

Engraved

John W. Wallcut

Sec. State

July 9th 1835