

BURLINGTON AND DES MOINES TRANSPORTATION COMPANY.

[To accompany bill H. R. No. 356.]

APRIL 24, 1840.

Mr. STORRS, from the Committee on the Judiciary, submitted the following

REPORT:

*The Committee on the Judiciary, to whom was referred the act of the Governor and Legislative Assembly of the Territory of Iowa, entitled "An act to incorporate the Burlington and Des Moines Transportation Company," have had the same under consideration, and report:*

The said act was passed by the Territorial Legislature of Iowa, at the session thereof next prior to the present session of Congress; and is presented to Congress for its approval and confirmation, in pursuance of an act of Congress, entitled "An act to disapprove and annul certain acts of the Territorial Legislature of Florida, and for other purposes," passed on the 1st day of July, 1836; by the 1st section of which it is prescribed, "that no act of the Territorial Legislature of any of the Territories of the United States, incorporating any bank, or any institution with banking powers or privileges, thereafter to be passed, shall have any force or effect whatever, until approved and confirmed by Congress."

The general object of the act referred to your committee, is, to create and establish a corporation, by the name of "The Burlington and Des Moines Transportation Company," for the purpose of constructing and continuing a navigable canal, or slackwater navigation, from the city of Burlington, in the Territory of Iowa, to such point of the head-waters of the Des Moines river as, in the opinion of the directors, should be most eligible, and to construct such navigable feeders for said canal as should be found necessary; and if, in the estimation of the directors, a canal should not be found practicable, to authorize said corporation to construct and continue either a railroad or a Macadamized road between the points aforesaid.

But the 18th section of said act is in the words following, to wit: "Inasmuch as the works herein contemplated would now yield little profit to said corporation, and inasmuch as the Indian title to a part of the lands over which said works would pass has not yet been extinguished, said company are hereby authorized to receive deposits, and loan money on bonds, notes, bills of exchange, and other securities, to the amount that may have been subscribed, at any rate of interest not exceeding twelve per cent. per annum upon its actual loans. But nothing herein contained shall be construed as authorizing said company to issue bank notes, or bills, nor to continue its operations of receiving deposits and loaning money beyond the period of twenty years from the first day of May next, nor to loan any money, except gold and silver, or notes of specie-paying banks: *Provided*, That said com-

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pany shall not hold bonds, notes, or other securities, from any one person, company, or corporation, for any amount, at any one time, greater than five thousand dollars: *Provided, also,* That the notes of specie-paying banks, loaned by said company, shall be such as are at par credit in Burlington, the city of St. Louis, or the city of New York."

It being the opinion of the committee that the said corporation is, by the terms of said act, invested with the powers and privileges of that particular species of banks which are usually called "banks of deposit," they believe that the said act is properly presented to Congress for its approval and confirmation thereof. They are of opinion that it is expedient to approve of and confirm the said act; and, for that purpose, they report, and recommend the passage of, the accompanying bill.

REPORT

The committee on the subject of the bill to incorporate the Burlington and St. Louis Bank, and the city of New York, have the honor to report, and recommend the passage of, the accompanying bill.

The bill is entitled "An act to incorporate the Burlington and St. Louis Bank, and the city of New York." It is a bill to incorporate a bank, and to give it the power to issue notes, and to receive deposits, and to do all the acts and things which a bank is authorized to do by law.

The bill is divided into four sections. The first section relates to the incorporation of the bank, and provides that the bank shall be a corporation, and shall have the same powers and privileges as a corporation under the laws of the State of Missouri.

The second section relates to the capital of the bank, and provides that the capital of the bank shall be five hundred thousand dollars, and that the same shall be paid in by the subscribers to the stock of the bank.

The third section relates to the powers of the bank, and provides that the bank shall have the power to receive deposits, and to issue notes, and to do all the acts and things which a bank is authorized to do by law.

The fourth section relates to the management of the bank, and provides that the bank shall be managed by a board of directors, and that the same shall be chosen by the stockholders of the bank.