

# HOUSE . . . . . No. 1581.

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Mr. J. F. Sullivan of Boston gives notice that he will move to substitute this bill for the bill printed as House, No. 1574.

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## Commonwealth of Massachusetts.

In the Year One Thousand Nine Hundred and Seven.

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### AN ACT

To restrain the Consolidation of Railroad Corporations.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. No corporation owning, leasing or  
2 operating a railroad in this Commonwealth nor  
3 any person or corporation acting in its interests  
4 shall after the passage of this act acquire or  
5 attempt to acquire by purchase, exchange of shares  
6 or in any other way, any shares of the capital stock  
7 of any domestic railroad company, except under  
8 specific authority provided by statute. No such  
9 corporation nor any person on its behalf, shall  
10 except as hereinafter provided in section three,  
11 vote any such stock which it now holds or may

12 acquire in its own name or in that of any person  
13 or corporation acting in its interest, nor attempt  
14 to vote the same, at any meeting of the stockholders  
15 of such domestic railroad company, nor exercise,  
16 nor attempt to exercise, directly or indirectly, any  
17 control, direction, supervision or influence whatso-  
18 ever over the acts or doings of such domestic rail-  
19 road company by virtue of such holdings of stock  
20 therein.

1 SECTION 2. No domestic railroad company shall  
2 prior to said date permit any shares of its capital  
3 stock owned or controlled by said corporation de-  
4 scribed in section one, or by any person or corpora-  
5 tion acting in its interest to be voted on behalf of  
6 said corporation by its officers, attorneys or agents,  
7 or any other person at any corporate election for  
8 directors or officers of such domestic railroad com-  
9 pany. No such domestic railroad company, or any  
10 officer, director, servant or agent thereof, shall per-  
11 mit or suffer said corporation described in section  
12 one, or any of its officers or agents to exercise any  
13 control whatsoever over the corporate acts of such  
14 domestic company. No officer, agent, servant or  
15 employe of such corporation shall be elected, ap-  
16 pointed or shall serve or act as an officer, agent,  
17 servant or employe of such domestic railroad com-  
18 pany: *provided, however,* that the provisions of this  
19 section shall not apply to any vote upon such shares  
20 of stock or any action taken thereon under the  
21 provisions of the following sections.

1 SECTION 3. At the next annual state election the  
2 following question shall be placed upon the ballot

3 for determination by the voters of the Common-  
4 wealth:—

5 “ Shall the Boston and Maine Railroad be per-  
6 mitted to be operated, controlled by or consolidated  
7 with any other railroad company? ”

8 If a majority of the voters voting thereon shall  
9 vote in the affirmative, then the presidents, or a  
10 majority of the boards of directors, or the holders  
11 of not less than one-third in interest of the capital  
12 stock of two or more railroad corporations, may  
13 apply to the board of railroad commissioners for  
14 its determination as to whether the consolidation  
15 of the railroads of such corporations is consistent  
16 with the public interests. If the board, after pub-  
17 lic notice and a hearing, shall find that such con-  
18 solidation is consistent with the public interests it  
19 shall report its findings to the general court, to-  
20 gether with drafts of laws to authorize such con-  
21 solidation upon the agreement of the corporations  
22 to be consolidated, and after ratification by a vote  
23 of not less than two-thirds in interest of the stock-  
24 holders in each, and under terms and conditions  
25 which will effectually prevent the facilities for  
26 transportation on the railroad of each of such cor-  
27 porations from being diminished by such consolida-  
28 tion, or the rates for passengers or freight being  
29 thereby increased, and which will in the opinion of  
30 the board secure to the Commonwealth adequate  
31 control over the organization, conduct and manage-  
32 ment of the same, and upon such other terms and  
33 conditions as seem to the board desirable and  
34 proper.

