Thursday, Febru ala

5

1907 FEP Y 1907

17 18 19 20 21 22 23

THE WEATHER.

LEGISLATIVE.

Anti-pass bill, as amended, reintroduced

Page 3

in the house at Lincoln by the joint com-

South Omaha's "petition in petticoats"

funds for political purposes or to influence

WASHINGTON.

T. C. Munger is endorsed for Nebraska

federal judgeship by Nebraska delegation

gressman McCleary to be second assistant

NEBRASKA.

elevators on the line of the Omaha road.

ers' association introduced in evidence

before Judge Post tending to show a com-

Original appraisers of land involved in

Interstate Commerce commission in-

quires further into joint operation of

Alton railroad by Union Pacific and Rock

Mr. Jerome cross-examines expert wit-

LOCAL.

Proportional grain rates from Omaha on

in honor of memory of Count Creighton.

SCANDAL

Arrest of Former Convict for Rob-

bing Safe May Implicate

Frominent Citizens.

PEORIA. III., Feb. 27 .- Edwin H. Tate.

an ex-convict, has been arrested in New

the office of the board of school inspectors

taking of the script, for the forging of

which Newton C. Dougherty, former super-

"PAT" DYER IS TO BE JUDGE

President Will Promote St. Louis At-

torney to Place on Federal

Bench.

WASHINGTON, Feb. Z.-The presider

has decided to appoint David P. Dyer fed-

eral judge of the eastern district of Mis-

souri. He now occupies the position of

United States district attorney for that

Page 3

Page 3

Page 1

Page 7

except Norris sign his recommendation.

city and village in Nebraska.

bonds of that state.

postmaster general.

bination.

Nebraska with ice.

of South Omaha.

in certain cases.

change drafting rule.

Iowa grain end today

bors appropriation bill.

speeches against forcible annexation.

rallroads there.

mittee

legislation.

7

12 13 14 15

MUNGER IS ENDORSED SUMMARY OF TO

Delegation Takes Fifteen Ballots Before Reaching a Result.

FOUALLY DIVIDED UP TO THAT TIME

Einshaw Finally Switches and Votes for the Burkett Candidate.

ALL BUT NORRIS SIGN ENDORSEMENT 24 25 26 27 28

Unconfirmed Postmasters in Fourth May

Have Influenced Binshaw Vote.

NEEDED SOME HELP FROM SENATORS

Pollard Did Not Feel as Though He Could Afford to Antagonize Burkett and Münger in His Own District.

(From a Staff Correspondent.) WASHINGTON, Feb. 27 .- (Special Telegram.)-After fifteen ballots had been taken today by the Nebraska delegation in secret caucus T. C. Munger of Lincoln received a majority of the votes cast and his name has gone to the president for the position of federal judge for the additional place created in the district of Nebraska, signed by all the members of the delegation with the single exception of Judge Norris, who stated in the caucus that though he would make no objection to Mr. Munger's appointment, he could not consisrently sign a recommendation in his be-

Mr. Munger had, as predicted in The Bee, four votes to begin with, and received the vote of Mr. Hinshaw on the final bailot, which brought about his nomination. The four votes which were cast throughout cate of the Clarke measure pending in gone. I found from the books that the for Mr. Munger were Senators Millard and the house. Burkett and Representatives Kinkaid and Throughout the balloting Represenative Kennedy voted for Judge Norris against the latter's personal protest.

Senator Burkett has been the busiest kind of an individual rounding up the delegation in behalf of Mr. Munger. In this connection it may be said that Mr. Hirshaw has a number of postmasters awaiting confirmation by the senate. As these postmasters were recommended by Mr. Hinshaw after bitter fights in each case, he needed the active assistance of Senator Burkett to make their confirmation possible, and his vote for Munger may explain the reason for these confirmations, should they occur immediately.

Senator Burkett, by the action of today, is enabled to pay his political obligations to his friend and campaign manager whose name probably will go to the senate tomorrow, or at best on Friday.

Pollard Looks for Self. The position of Mr. Pollard was pe-Belleving that Senator Burkett and Mr. Munger, politicians of the practical sort, would be against him should he vote for any other than Mr. Munger, he

proceeded to get into the bandwagon when the procession started. Although Mr. Munger has been selected, it can with truth be said that he was not year. the choice of the majority of the delegation, but the inability of those opposed to Mr. Munger to unite on any one of the candidates voted for, M. B. Reese, M. A.

Hartigan, E. C. Strode, C. C. Flansberg, G. Norval and Judge Norris, made Mr. Munger's selection certain. "The choice of Mr. Munger was brought

through the fact of his overwhelming endorsements," said Senator Burkett. "Mr. Munger was endorsed by at least 300 men of prominence in the affairs of the state. surveyor of the port of Omaha, is mar-These endorsements were from reputable ried at Hastings to Hazel Mines, daughlawyers from all over the state, about a ter of Mr. and Mrs. J. D. Mines of that hundred lawyers of the bar of Lincion; men city. of affairs in every congressional district of the state; officials and business men of the Fisher claim of \$10,000 summoned to Lincoln, Kearney and Dodge counties. In Lincoln to testify as to the changing of addition to this during last night and early the amount set out in the original docuthis morning myself and others of the dei- ment. egation received telegrams urging the selection of Munger. Two telegrams worthy of special mention urging the nomination of Munger were received this morning, one from William Jennings Bryan and the Island railroads. from Ex-Governor Holcomb. Therefore it might be said that in the face of ness in Thaw case. More evidence of inall these endorsements the delegation would tention to apply for a lunacy commission have been flying directly against the ex- to examine the prisoner. pressed wishes of the people had it taken any other action than to have agreed to request the president to nominate Thomas charged for feeding city and county pris-Munger of Lincoln. Personally I am oners are presented. extremely well pleased, as Mr. Munger is my lifelong friend, but it is not true, as Lincoln on behalf of anti-annexationists has been stated, that I have endeavored to coerce my colleagues of the delegation to accomplish the nomination of Mr. Munger. His personal popularity and well known ability, as attested by the endorsementa which have poured in upon us from every section of the state, is what influenced the action of the delegation. It was nothing but Munger from the start of our conferences until the final ballot was taken Of course other candidates were given their innings, but they were not strong enough

Hepburn Opposes Investigation. It is understood Representatives Hepburn and Mann are quietly fighting Representative Kennedy's resolution calling upon the Interstate Commerce commission to investhe express companies doing an interstate business, who are charged by the Western Fruit Growers' association of entering into direct competition with the dealers in the sale of fruits, poultry and PEORIA oysters. Representative Townsend of the interstate and foreign commerce committee has taken charge of the resolution and if possible will get a report from the committee, a majority of whom are in favor of the measure. Should Chairman Hepburn, however, decide not to hold another seasion of the committee it would naturally go over to be revived at the next session of congress.

Senator Hansbrough reported the free alcohol bill from the committee on finance this morning. He gave notice that he would call it up at the first opportunity. The bill amended so as to provide for a storekeeper at government expense at each distillary established, following the rule with respect to small distilleries already estab-The senator opposed this amendment in committee on the ground that it was unnecessary and a needless expense to at Joliet. the government, but he was outvoted in Strong Interests are fighting the bill, but the senator has great confi fence that he will be able to get it through.

Minor Matters at Capital. Representative Hinshaw today recom aded J. C. Jimerson for postmaster a Liberty, vice Robert K. Kerby, resigned. The secretary of the interior has exouted a contract with the Robinson & Son Contracting company of St. Louis for the

construction and completion of the diver (Continued on Fourth Page.)

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More About Deal Between Rock Island and Union Pacific.

LINE MORTGAGED BEFORE IT WAS BUILT

Moore Crowd Found Trensury Almost Empty and Bonds Issued for Improvements All Gone-Harriman and the Bankers.

Interstate Commerce commission this aft- was adopted by a vote of E to 16, which ernoon, when they called Charles W. Hil- kills the bill. lard, comptroller of the road, as a witness. der way. There was money in the treasury for current expenses, but not enough to carry on the improvements, which in- minority report had been voted down by a crowd, were democratic officeholders and Records at Lincoln show that forty-five cluded a cut-off of 34% miles of road from a point near Murrayville to Springfield. countles and many of the cities and cowns of Nebraska have voted large sums as There was not enough money to complete bonuses to aid in the construction of rail- the building of this line, said the witness. roads, and that the interest on these bond "I looked into the question of raising oney by mortgage," he continued, "and issues in every city or town has amounted to more than the total taxes paid by the I discovered that it had already been

Page 1 mortgaged. nortgaged before it was built?" asked Commissioner Lane.

"Yes, I was told that it was covered by

the mortgage of 1900, and there was nothgets a hearing at Lincoln, the legislature ing that could be done except to put a secmeeting in joint session to listen to ond mortgage on it, which would have been poor security," said Hillard. Mr. Kellogg then read the mortgage to The senate recommends Thomas' bill for show the line had been covered by it, and terminal taxation for passage with a the witness said: "All the bonds were slight amendment. This bill is a dupli-\$12,000,000 had never been paid to Stanton Page 1 for the stock, that the \$3,000,000 had never The senate recommends for passage sevbeen paid to Stanton for the road, but that eral insurance bills, among them one the \$22,000,000 in bonds had been turned providing penalties for using insurance

Page 1 ary, Mr. Stanton." Representative Jennison of Clay county The commission wanted to know what the affords a comprehensive analysis of the books showed had been actually expended terminal taxation plan, showing how railroad property escapes taxation in every Page 1 ing for the records the session was ad-South Dakota senate kills bill to repay to North Carolina the money collected on

stock and the road through the intermedi-

lourned until temorrow. Mr. Hilliard will be recalled tomorrow

Page 1 morning. Commissions to Bankers Edward H. Harriman concluded his testimony at the morning session and his exon the fifteenth ballot, after which all amination brought forth nothing of special importance. He was succeeded on the pone. Page 1 stand by Otto H. Kahn, one of the leading Shallenberger, Madden and White to re- member of the firm of Kuhn, Loeb & Co., tire from the Postoffice department. Con- which has financed many of the important deals of the Harriman party and Page 2 a former director of the Union Pacific. Both houses of congress approve the Kahn remained on the stand until midconference report on the rivers and har- afternoon and under cross examination of Page 2 C. A. Severance, counsel for the government, told of the re-organization of the Three sons of former Governor Jackson Union Pacific. There was a special inquiry of Iowa are founders and boesters of as to the commissions paid to Kuhn, Loeb Dallas, S. D., on border of Tripp county & Co., and the inter-relations of the lands, to be spened to settlement next firm, the witness and Jacob Schiff with the Page 3 Union Pacific. The witness said the firm Sherman Saunders and J. F. Westrand had received a commission equal to 5 per of Bloomfield purchase the Peavey line of cent of the purchase of the Southern Pacific, a commission of 5 per cent, divided Page 3 with other underwriters, on the sael of the Letter from secertary of lumber deal- Union Pacific convertible bonds at a reduction of 5 per cent. The witness spirit-Page 3 cited instances where it has sold stocks to Cold rain, freezing as it fell, has coated the Union Pacific at a figure below the

Page 3 market. My. Kahn made an extended de-Willard Barrows, son of B. F. Barrows, fense of the Alton transaction, based on the methods and conditions of the time. Mr. Harriman, during his testimony, again invoke the question of private business as against interstate commerce and the Union Pacific direcorate. He and counsel. Paul D. Cravath, urged the same ob- ten days later in company with Jack jection made by Attorney Milburn in behalf of Mr. Harriman and added the special plea of the confidential privilege between

a banker and his clients. The commission ruled against all objections and the record was in each instance properly completed for reference to the courts.

Figures showing meals and prices William H. Moore and Daniel G. Reld. directors of the Rock Island, testified as to the contracts with Mr. Harriman and More women and boys than men go to his associates for joint control of the Alton and that there was no other written or Page 7 verbal agreement. Mr. Moore said that while the contract was still being fully ob-Page 7 served, its effect was nominal. He and his Knights of Columbus pass resolutions associates had expected benefits from the arrangement that had not materialized and Real Estate exchange drafts bill to their earlier plans in connection with the

require water companies to extend mains project had not been carried out. Purchase of Grand Island Line. Page 12 Charles C. Bassett, forced by court's Mr. Harriman, in answer to Mr. Kellogg. refusal to proceed further with suit for testified that the Union Pacific had purtustody of children, will take the witness chased the St. Joseph & Grand Island since stand today, making his first public ap- last year. The price paid was \$2,022,000 and pearance since the divorce case began, the witness owned the property and sold

though he has been in Omaha ten days. It to the Union Pacific. Objection was made to questions as to Page 4 when he bought the stock of the St. Jo-National Base Ball commission defers seph & Grand Island and what he paid for action on Western league draft of To. it and the witness declined to answer. The commission ruled that he must anpeka and asks National association to

swer and there was the usual formal refunni. REVIVED Island was not a parallel and competing

> York Central stocks acquired by the Union Pacific were bought. Mr. Harriman said they were bought in the open market. "Were you or any of your associates interested in the sale at the time of the

Union Pacific purchase?" pursued Mr. Kel-York City for the robbery of the safe in logg. in the library building January 6, and the declined to answer.

reaches Chicago today in charge of de- lines were about \$18,000,000. Mr. Harriman ture. tectives. It is said the robbery was planned said that possibly the figures were correct. spent on the line.

STUYVESANT TALKS

Deposed Head of Illinois Central Declines to Wrangle. NEW YORK, Feb. 77,-Stuyvesant Fish was asked by the Associated Press today what answer, if any, he cared to make to the accusations which E. H. Harriman preferred yesterday before the Interstate

Commerce commission. He said: I have little to say. I shall not be drawn into a wrangle with (Continued on Second Page.)

LE JOINT CONTROL OF ALTON SOUTH DAKOTA KEEPS CASH PETITION

Senate Votes Down Bill to Refund Money to State of North Carolina.

PIERRE, S. D., Feb. 27 .- (Special Telegram.)-The senate resolved itself into a TOM HOCTOR'S THOUSAND AT THE CAPITOL debating club at the opening of the session and continued in that position for the session, killing the bill to repay North Carolina the money secured on the Shaffer bonds; placing the divorce bill on the calendar, and passing the anti-discrimination bill. The North Carolina bill had the right of-way on an adverse committee report and NEW YORK, Feb. 27 .- Counsel for the the report was opposed by Dillon in a government renewed their attack on the speech of nearly an hour. Byrne, Goodner inancial methods of the Harriman group and Lincoln opposed the return of the in the Chicago & Alton railroad before the money and the adverse committee report

The favorable committee report on the Hilliard testified that he became comptrol- divorce bill, which required a year's resi- referred to as a petition in "petticoata." officers, of A. W. Scribner, tax commisler in October last, when, under the joint dence in the state and three months in There were conugh school teachers and Sioner, and Erastus Young, general auditor, arrangement for the management of the the county before bringing suit, with all school children in the crowd of 1,000 to returned the reproduction or tangible value property the Rock Island took its turn, hearings in open court, was the next on give the delegation all the appearance of of the Union Pacific main line property Hilliard said his first task was to find call and was fought by Dillon, Goodner money to carry on the improvements un- and Dudley. Dowdell and Lothrop cham- the 144 school teachers and their pupils or an average reproduction value of \$31,864 pioned the favorable report, which was who were given a holiday by the powers per mile. The state board's value of \$90,988 finally vote of 28 to 15.

The next fight was on the house bill to prevent discrimination in trade. It is bearing the inscription "South Omaha proalmed at the Standard Oll and lumber business of the state and prohibits selling at a higher rate in one place than another, with freight rate differences. Goodner, Dilion and Tobin opposed the bill, which was "Do I understand that this road had been supported by Robertson, Dowdell, Byrne and Vessey, and while it falled as an emergency bill, it went through with the emergency off by a vote of 28 to 15.

The public printing committee introduced a bill for a state printing committee to establish a plant and at the same time a resolution for a constitutional amendment to levy a tax for the purpose of establishing the plant.

The only house tangle was over the Price 214-cent fare bill, which was defeated on committee report, after it, had been advocated by Price and Vanosdel and opposed said: by Glass, Satre, Issenbuth and Hare. The house passed a number of house bills, in over to the syndicate, who delivered the the principal of which they include drugs in the provisions of the pure food act; providing for compulsory education of Indian children; authorizing the Board of Regents in connection with the handling of the of Education to select two sections of state property, but while the witness was search- land west of the river for experimental farms.

The house defeated the senate bill to provide for uniform life insurance policies, but notice of reconsideration was given. equip their engines with self-dumping ash it committed no overt act other than to pans was defeated by a vote of 47 yeas have the band play some spicy music for to 34 nays on a motion to indefinitely post. the benefit of the state house employes

ing to hold the appropriations below \$2,250,-000. The situation will require special 2mill levies for both years.

ADAMS ALIBI STRENGTHENED

More Evidence that Prisoner Signed Alleged Confession Under Duress.

illiterate, ignorant man, incapable of using prosperous as an engaged school ma'am, Omaha and South Omaha terminals over the language ascribed to him in his alleged and the resolution was declared out of or- the main line only \$10,993,798 over 457.7 miles charge on these bonds at the outset was the language ascribed to him in his allegent to him his a be hanged if he did not sign the statement who spoke in the following order: Rev. railroad orators claim and what is the reedly defended the acts of his firm and and would be spared if he did sign; and Dr. R. C. Wheeler, Police Commissioner T. that under this fear he affixed his name J. Nolan and City Attorney Fleharty. The to the statement prepared by Detective Mc- tune they played this year was different its \$42,525,948 assessed value is in the in- from 10 per cent to 41/2. Partland and his associates.

pioneer settler, to uphold an alibi for Adams on August 10, 1904, the date Tyler is supposed to have been killed. Mason testified that about August 1, 1904, he met for all. Fleharty went into details to some to his individual stock deals and Mr. Kahn Steve Adams, then known as Steve Dick- extent, showing the debts of the city and refused to divulge anything specific as to son, at Mason's hay ranch. He remembers the business transactions undertaken by his seeing Adams on August 7. Next day, the firm in behalf of clients in or outside of witness said. Dickson and Glover went down the river, Adams coming back about Simpkins.

Miss Myrtle Mason, a sister of Lloyd Mason, corroborated this testimony.

A mysterious stranger of unknown name was pictured by the defense as presumably one of the real murderers of Tyler and Boule, Charles A. Hill testified that he was in the Marble Creek country in August, 1904, about the time Boule and Tyler were killed, and while on the trail met and talked with the stranger, who said: "The sea gives up its dead, but the woods

Mrs. Warren Oliver of Spokane testified that her husband is a cousin of Steve Adams and that Adams came to see her in the hospital in Spokane on August 13, 1904. Warren Oliver corroborated his wife's testi-

mony. and asked if he knew Harry Orchard. He at a time. said he had met Orchard twice in the

Marble Creek district in company with Jack Simpkins in 1905.

to his farm in Oregon. McPartland made the same statement to her after arriving in Boise, after which she was locked in the women's ward in the penitentiary, where she was visited by Governor Good-The witness said the St. Joseph & Grand ing. who treated her with every considera-

Mr. Kellogg asked of whom the New FOLK SIGNS TWO MEASURES

Governor of Missouri Approves Two-Cent Railroad Fare and Insurance Bills.

JEFFERSON CITY, Mo., Feb. 27 .- Gov-Mr. Milburn objected and Mr. Harriman ernor Folk today signed the bills passed by the legislature providing for a 2-cent Mr. Kellogg asked the witness if it was per mile railroad passenger rate and limitnot a fact that of the \$22,000,000 said to ing the salaries of insurance companies, intendent of schools, is now doing time in have been spent on the Chicago & Alton, both those incorporated under the state residents and officials of Peoria. Tate & Co., so that the expenditures of the days after the adjournment of the legisla-

election.

on stock exchanges for future delivery.

Colorado Woman Released. DENVER, Feb. 27.—Stella Good, arrested yesterday at Colorado Springs in connec-tion with the murder here of Mrs. Cara B. Wright and her daughter, was released during the night by the Denver police.

South Omaha School Ma'ams and School Children Visit Lincoln.

Pleasant Greetings Exchanged and Speeches Against "Foreible Annexation" Listened to by the Legislature.

(From a Staff Correspondent.) LINCOLN, Feb. 27. - (Special.)-South being annexed to Omaha, but this time in- It we may assume it a correct valuation. stead of it being a "petition in boots," the Magic City's delegation was more aptly pany, over the signatures, among other a fresh air picnic. Acting as escorts for including Omaha terminals, at \$14,892,903 adopted, after the unfavorable that be, in order to get them to swell the per mile raised this value to a total of friends of the administration. The delegation was bedecked with ribbons of red tests against forcible annexation," while numerous banners were flung aloft bearing various inscriptions, "For the square deal," and such like, and it was headed by a brass band and the "big stick," which incidentally was stolen by some one and will never again get back to dear old South Omaha.

> Sentiments of One Protestant. One of the bright little fellows in the delegation was Oscar Lucas, aged 9 years, who was gally decorated with the usual badge. The little fellow did not care to be quoted on the question which is so thoroughly uppermost in the minds of the people of the packing house city, but of other things he was willing to talk. He

"I am 9 years old. I go to the parochial school, but we got a holiday today to come down here. All of the school children in South Omaha got a holiday and most of them are here. I think there must be 100 with the crowd about my age. My papa used to work for the electric light company, but he isn't working now because he hurt his eye."

At the State House. The delegation with its brass band Union Pacific lines in the state.

reached the state house doors at 12 o'clock, The house bill to require railroads to but as the house had adjourned for lunch and hangerson. At 2 o'clock the delega-Appropriations committees are attempt- tion occupied every available space in representative hall. Dignified school teachers the speaker's rostrum and in the window of \$16,500 per mile. ledges. Members of the senate then came WALLACE, Inc., Feb. 3.—By testimony music as he so gracefully did two years mileage. And I am willing to take it in \$125,000 for each county involved. At presfrom his own lips, Steve Adams' attorneys ago, but while it was being read the Hon- the worst way possible, and will for this ent bonds issued for this purpose to the purpose to convince the jury that he is an orable Michael came in wearing a smile a confession of the murder of Fred Tyler; the speakers from the Magic City, tribution of \$9,000 more per mile than the triffe less than 8 per cent, while the infrom two years ago. Then they did not Strong testimony was given today by want annexation or anything that looked Lloyd Mason, the son of Alvin Mason, the like it. This year they did not want

"forcible" annexation, but were professedly willing to vote on the question and let the majority of both cities settle it once played to the sentiment of the members without a discussion of the merits or demerits of annexation. The speeches were well received and the speakers given the most respectful hearing, and at the conclusion Mike Lee carried a motion to let Omaha and the rest of South Omaha dis-

next Friday. Recommends Terminal Taxation The terminal taxation bill which was introduced into the senate by Thomas of Douglas was reported back to the senate this morning with a recommendation that it pass. It was amended by the committee to exclude freight line companies from its Building on right-of-way not locally provisions and in a few minor details. The

cuss the other side of the question at 1:30

At the afternoon session the senate de veloped a mania for killing insurance bills, and after a long discussion on one of a dozen measures introduced by Aldrich at the request of the insurance department Alvin Mason was recalled by the defense started in to indefinitely postpone them one

The friends of the bills argued that they were recommended by the committee of fifteen that met in the east some time ago and city tax on its mileage was \$798. witness stand and testified that when she tion. The opponents based their arguments less than three and one-half times that was being taken to Boise she was told on the ground that they were designed to amount, or \$2,800. that Steve had confessed all and would cripple the local state companies and were soon be released and permitted to return backed by the large companies of the east. furnish to all property within its limits in principal and interest, assuming the recrequired insurance companies to make its city government? Is it not true that 000, and still owes \$35,000, on which the inannual apportionments of surplus funds on if the railroad company is failing to pay deferred payment policies, instead of mak- its share of the cost of city government ing the apportionment at the maturing of that other taxpayers are paying this cost the policies. Local companies contended for the company? the law would take away from them their panies.

Recommended for Passage. use of money by insurance companies for political purposes or to effect legislation, was recommended to pass, after being amended.

S. F. 26, which required that the insurance policy should contain the entire con- figures most unfair to H. R. 192, what must \$2,740,000 was made up of car trust certifi- laws and foreign companies doing business tract, was indefinitely postponed, Files 207 be the condition where no large terminals The arrest has implicated four prominent cates and \$1,000,000 loan from Kuhn, Loeb in Missouri. They will become laws ninety and 208 were ordered engrossed for third are distributed? I come to this conclusion, reading. The former prohibits and pro- that the railroads escape their fair share vides pealties for misrepresenting the terms The house today passed the senate bill of a policy or the benefits to accrue under system of assessment and that it is up to by Dougherty, who is serving a sentence He simply knew that \$22,000,000 had been amending the constitution of the state to it, and the latter makes the insurance somake salary of the members of the legisla- licitor agent for the company and not for that will correct the inequality and make ture \$750 a year. The proposition will be the insured. S. F. 210, placing limitation, submitted to the voters at the next general on the salaries of insurance company officials and agents, was ordered engrossed, The senate today passed the senate bill and S. F. 211, relating to the provisions providing for a stamp tax of 25 cents on which shall be contained in policies, was each ten shares of stock, 1,000 bushels of indefinitely postponed. After this action the grain or 1,000 pounds of cotton or pork sold committee quit work after the most atrenuous two hours put in since the beginning of the session.

House on Railroad Commission The appearance of the South Omaha dele gation delayed the discussion of the joint (Continued on Third Page.)

PETTICOATS TERMINAL TAXATION NEEDED

Nebraska Towns and Villages Are Now Being Deprived of Their Just Revenue.

(From a Staff Correspondent.) LINCOLN, Feb. 27. (Special.) - Representative Jennison of Clay county is one of the house members of the legislature who has made a close study of the question of taxation of railroad terminals by cities and dillages for local purposes. He favors the Clarke bill. This afternoon he gave out MORE THAN GENEROUS IN THEIR GIFTS the following interview:

"Since the State Board of Equalization and Assessment fixed the valuation of the Liberal Donations of Bonds Made to Union Pacific main line mileage at \$50,988 Omaha for the second time swooped down per mile and the supreme court of the upon the legislature to protest against United States in its recent decision justified "In April, 1906, the Union Pacific con \$42.525,948, a raise of \$27,633,045, or 185 per cent, which, if the Union Pacific's return of tangible value was correct, must repre ent the intangible or franchise value of the Union Pacific main line.

"The value of its tangible property re-

turned by the Union Pacific from Omaha

and South Omaha is \$4,157,855; for the balance of its main line, \$10,785,048. Doubtless it is true, and if the Union Pacific orators would have a large distributive value out of Omaha they must admit its truth, that the 185 per cent of value added by the state board as the intangible value applies in like manner to main track, sidetrack, spur track, building or acres of right-of-way wherever found. Adding this 185 per cent of tangible value returned by the company from Omaha and South Omaha as the intangible value of the property in the two towns, we find the value of the property to be \$11.872,755. But Omaha and South Omaha under the unit system of assessment on their 9.66 miles of main line get an assessment of \$878,965 of this amount; hence there is left for distribution over the balance of the mileage only \$10,993,798. I do not admit that this sum ought to be or is all distributed over the main line mileage. I claim that only part of this sum should be distributed over the main

"Outside of Omaha and South Omaha contributions of the tangible value are:

"Of this the main line contributed 66.3 the contributions of the public to the conhoisted themselves upon radiators and of the Omaha and South Omaha terminals, and subsidies. smiled and made eyes at politicians who viz. \$7.574,727. only can be distributed over occupied chairs or seats on the steps to the main line-a distribution of terminals roads has prevailed to a considerable ex-

in and found places somewhere and every- the Union Pacific-am basing my argument or another voted large issues of bonds to where and the big tournament was on. on it-the only road the railroad orators assist in the construction of some one or Hart started it when he introduced a reso- dare to talk about because on it and on another of the lines, the total issue for lution to have the sergeant-at-arms find it only can the railroads show distribution this purpose up interview permit the distribution of all the sult? I find that according to the Union the same as at the beginning. The rate Pacific's own sworn returns, \$18,249,861 of of interest stipulated in the bonds, varies corporated towns and that these towns, with \$18,249.861 worth of Union Pacific property inside their limits, get an assessment under the unit system of \$4,937,811, and that \$13.312.660 worth of Union Pacific property within the limits of incorporated towns never answers any place for city or town

taxes. of this loss \$2.318.252 was lost out of the other incorporated towns on the Union Pacific main line, and this, too, when I am received from all the railroads the sum distributing terminals out of Omaha \$24,000 of \$902.35, and paid on bonds issued in to the mile-\$7,500 per mile more than the facts warrant, and \$9,000 per mile more than the aforesaid orators claim. "How can this be? It is easy.

Grand Island, for instance, has within its town limits 118 acres of Union Pacific right-of-way, worth \$ 89,502 42,144 48,269 assessed

bill is a duplicate of the Clarke bill in the Total reproduction or tangible as sworn to by Add the 185 per cent the state board and supreme court say it has tangible value

> And you have for tangible and intangible value of Union Pacific main line property in Grand Island.\$739,178 Its present assessment under unit "In 1906 the Union Pacific's Grand Isl-

Mrs. Steven Adams was placed on the and considered uniform insurance legisla- Under H. R. 192 it would not have been

"Does the town of Grand Island not "Grand Island's is not an isolated case.

bad light as compared with eastern com- portant towns-Fremont, North Platte, Columbus, Schuyler, Central City, Kear-8. F. 204, which prohibited corporations ney, Lexington, Sidney and Kimball. and stock companies from acting as agents North Platte gets a city tax for 1906 from the B. & M., but this also carried 10 per for insurance companies, suffered a like the Union Pacific under the unit system of The smaller towns would gain in much The next one, S. F. 265, prohibiting the smaller proportion, because they do not have the large amount of railroad property either to protect or tax.

"Now, if this condition prevails on the Union Pacific main line, where there is distribution of terminals, under this basis of of city and town taxes under the unit the railroads respond in city and town as other taxpayers do."

ALBANY, N. Y., Feb. 27.—The senate judiciary committee today postponed antion until next Wednesday in the proceedings for the removal of state superintendent of insurance Kelsey.

Garrett Heads Air Line. NEW YORK, Feb. 27.-W. A. Garrett today was elected president of the Sea-board Air line to succeed Alfred Walter, who died recently at his home in this city.

BONUSES AND RAILROAD TA

How Cit zens Have Contributed to Eupport of Railroads.

Various Companies. INTEREST PAID EXCEEDS THE TAXES

Many Towns Pay Annual Tribute Greater

Than Tax Collections.

STARTLING FIGURES FROM THE RECORDS Millions Given in Past to Aid in Building

New Lines.

RUINOUS INTEREST PAID ON ISSUES

Answer to Charge that Nebraskans Have Derived All the Benefit and Furnished None of the Cost of State Development.

Some Examples of Bonus. Bonuses Interest Taxes
Given Pald on Collected
the Bonuses from Given

Pavid City... 7,000
*Clay Center. 12,000
*Estimate.
**Issue matures 1907.

(From a Staff Correspondent.) LINCOLN, Feb. 27 .- (Special.) - Opponents of the proposal to tax railroad terminals for local purposes and apologists for the line, and that part of it the per cent the railroads never tire of pointing out what main line contributes to the total value of great benefits have come to Nebraska communitles through the existence of the roads. The fact that the railroads hve been to some extent benefited seems to have es-

of building, equipping and maintaining the

per cent and I claim that that per cent struction of the lines in the way of bonuses The habit of voting bonds to ald railtent in Nebraska, and for a long time. "But you will notice I am talking about Forty-five of the counties have at one time amount of \$2,779,400 are outst average of something over \$61,000 for each terest charge at present is \$201,981, or about

What the Records Show.

The tabulation of the bond issues printed in connection with this article affords a considerable amount of interesting information. Assuming that its figures are accurate, and they are copied from the state records at Lincoln, though there may be minor discrepancies, they show that in a "Omaha and South Omaha lost \$10,983,798 number of cases the roads receive more in of this amount. It follows therefore that interest payments on bonds than the local taxes against them amounts to.

For example, the city of Beatrice in 1900 favor of the Kansas City & Beatrice railroad interest to the amount of \$7,000. The citizens of Beatrice further shared in a total interest payment for railroad bonuse voted by Gage county to the amount of

Property owners of Lincoln also have the doubtful privilege of paying the railroad taxes levied in the city, and a little more. In 1906 the total of railroad taxes levied in Lincoln was \$6,246.63, while the total interest charges on bonds voted as bonuses was \$10,500. This for the city of Lincoln alone; of course the city had to bear its share of the county interest payment on bonuses, which is very heavy. As a matter of fact, Lancaster county went in for voting bonds to railroads to a much greater extent than any of the other counties, and has paid a larger price for so doing.

Lancaster County's Experience. In the beginning, Lancaster county voted \$120,000 at 10 per cent to aid the Atchison & Northern, and paid in principal and interest \$360,000. To the Midland Pacific \$250,* 000 of twenty-year bonds at 10 per cent were voted, and on these the county paid The first bill to suffer was 8. F. 33, which the privileges and advantages afforded by ords at the state house to be correct, \$652,terest charges since 1833, the date of maturity of the original bonds, is \$127,000. Both these lines were gobbled up by the B & M. after a long drawn out contest in the courts, during the progress of which surplus funds and would place them in a The same condition exists in all the im- the constitution of Nebraska was twisted out of shape in order that the Burlington might gobble "a parallel and competing line," A bonus of but \$50,000 was voted to cent and run for twenty years, making the \$857. It would get under H. R. 192 23,500. total payment in interest and principal on the issue \$150,000. Thus Lancaster county contributed as bonus to the B. & M. 11,-289,000, and is still paying interest on \$98,-000, which will some day have to be redeemed. The city of Lincoln contributes each year in interest alone on bonuses as follows: To the Missouri Pacific, \$3,500; to the Lincoln & Northern (a piece of the B. & M under another name), \$2,000; to the Fremont, Eikhorn & Missouri Valley (the Northwestern), \$2,500; to the Chicago, Rock Island & Pacific, \$2,500.

Other Towns Contribute In Fairbury the same rule holds good.

Property owners of the county seat of Jefferson county in 1906 paid the railroad taxes on their property in cities and towns | taxes and almost \$1,000 besides through interest on bonuses. The taxes levied against the Rock Island for 1906 in Fairbury were 869.72, and the St. Joe & Grand Island paid \$158.86. The city of Fairbury paid \$1.500 in interest on bonds voted to aid in the construction of railroads.

Plattsmouth almost plays even with the railroads, but not quite; it takes a pretty wideawake community to get much the better of the tax argument with a modern railroad. In Plattsmouth for the year 1900 the railroads were taxed \$3,193.62, what