

examiner, to the Interstate Commerce Commission. On page 89 of the document there appears the following:

Questions regarding the grants of land made by the Federal Government in aid of railway construction were introduced on several occasions during the hearings, and requests were made by motor-vehicle interests that the railroads produce figures relative to this matter. Responsive to these requests, the railroads presented evidence on this subject.

Public lands were granted in aid of railway construction in 26 States over a period extending from September 20, 1850, to March 3, 1871. The area so patented or certified totaled 132,173,224 acres as of June 30, 1930. After deductions on account of acreage contained in grants for Muscle Shoals River improvement, Des Moines River grant, the Osage Reservoir, and Des Moines Valley River improvement grant, and for land reconveyed to the Government, the railways received title to approximately 128,000,000 acres of land.

The railroads contend that the grants were not gifts, but that in nearly all cases there was a quid pro quo; that conditions attached to the grants require a reduced rate from the railroads receiving the grants of land on mail, Government materials, and troops.

Originally land grants applied to about 21,500 miles of railroad, but this figure was reduced by inability of some railroads to comply with the conditions imposed.

The difference between the commercial rate and the 80-percent Government land-grant rate on mail for the 5-year period 1924-28, covering 13,255 miles of railroad for which data could be procured, out of a total of 14,410 miles on which the 80 percent applied, aggregated \$10,250,000, or an average of \$2,050,000 per year.

For the year 1928 the difference between the commercial rate and the 80-percent Government land-grant rate amounted to \$2,150,000.

Figures given by the railroads for the 5-year period 1924-28 show that the benefit accruing to the Government through rates lower than commercial rates on account of land grants, in connection with the transportation of mail, Government materials, and troops, amounted to \$21,328,940, or \$4,265,788 per year. In 1928 the aggregate saving to the Government from these sources was \$4,350,560.39.

The railroads were able to secure figures representing the savings to the Government from land-grant rates on materials and troops for the 5-year period of 1924-28, covering 228,830 miles of line out of the total for class I railroads, 240,429 miles. Approximately 11,600 miles of line did not report. These figures represent not only the savings from the mileage to which the land grants directly apply but also the saving from land-grant equalization rates. The amounts reported cover all reductions to the Government, whether or not the billing road or some connecting line absorbed a reduction. The difference between commercial rates and lower rates accorded to the Government on account of land grants for the 5-year period 1924-28 amounted to \$8,533,738.70 on freight carried and \$2,544,201.67 for troops carried, or a total of \$11,078,940.37, an average of \$2,215,788.07 per year.

Sales of public land for cash in the States in which lands were granted in aid of railway construction over a period extending from July 1, 1850, to July 30, 1871, showed receipts of about 94 cents per acre. Upon this basis the value of the total acreage patented to the railways up to 1930 would have equaled \$120,320,000.

The CHAIRMAN. I will state to you right now that I know a great deal more about that than the gentleman who wrote that document.

Mr. RODGERS. Judge, did Texas give that land in the form of a land grant? They gave the land, but it was not specified as a land grant, was it?

The CHAIRMAN. There were 19 sections. They also included in that their side tracks and spur tracks. And when Mr. Hall was county chairman before he became Governor he had those canceled on the ground that they were conveyed in the original act.

Mr. RODGERS. The reason that I raised that question, Mr. Chairman, was that when we refer to land grants we generally refer to land grants that were provided by the Federal Government between the years of 1850 and 1871. I believe that the last one was made in March of 1871. I believe that it is those that Mr. Flynn's report refers to.