

AN ACT GRANTING A FRANCHISE TO WALTER E. OLSEN TO CONSTRUCT, MAINTAIN, AND OPERATE BY STEAM POWER A TRAMWAY FROM THE TOWN OF PANIQUE, SITUATE ON THE LINE OF THE MANILA AND DAGUP...

Act No. 1448, February 01, 1906

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/18ab9e904fa3/>

By authority of the United States, be it enacted by the Philippine Commission, that:

SECTION 1. Walter E. Olsen, a citizen of the United States, upon the terms and conditions hereinafter set out, is hereby authorized to construct and, for a period of thirty-five years after the passage of this Act, to maintain and operate by steam power a tramway over the public highway, commencing at a point at the station of the Manila and Dagupan Railroad, owned by the Manila Railway Company, Limited, in the jurisdiction of the town of Panique, Province of Tarlac, and running west to and through the poblacion or town proper of Panique, the barrios Salomague, Cabayacasan, Aduas, Batang, Mabilang, Mariui, Matubog, Nibelio, to the town of Cabayacasan, and to construct and maintain such switches, sidetracks, loops, turn-outs, and passing places as may be necessary for the convenient operation of the tramway.

SEC. 2. The tramway shall be a single line, and with necessary switches, sidetracks, loops, turn-outs, and passing places shall be constructed along one side of the public road or highway mentioned in section one so as to leave at least twelve feet of the width of the public road; for its entire length, free and clear of the tracks, roadbeds, switches, sidetracks, loops, turn-outs, and passing places of said tramway, and shall be so constructed as not to unreasonably interfere with traffic on such road. Within the town proper or poblacion of Panique and within the town proper or poblacion of Camiling, and within the populated portions of the barrios mentioned in section one, said tramway, with its switches, sidetracks, loops, turn-outs, and passing places shall be so constructed and located that it shall not unreasonably interfere with traffic over the entire width of the streets or street crossings of said towns and barrios. In case of dispute between the municipal authorities of Panique or Camiling and the grantee as to the location of the track in the said towns or barrios, or as to whether such track when constructed will unreasonably interfere with traffic, the matter shall be referred to the Director of Public Works for decision, whose decision, when approved by the Governor-General, shall be final.

SEC. 3. The tramway shall be of two and one-half feet gauge, which gauge may be increased or diminished by permission of the Director of Public Works, previously obtained: Provided, however, That should the Philippine Commission so require the grantee shall, at any time after the expiration of five years from the granting of this franchise, increase said gauge to one meter or to three feet six inches or four feet eight and one-half inches, as said Commission may determine.

SEC. 4. The grantee shall begin the construction of the tramway within six months after the acceptance in writing of this franchise and shall fully complete the same and put it in operation for the public convenience for its entire length within twelve months from the date of said acceptance, and for failure to begin the work of construction or to complete the tramway and put the same in operation for public convenience within the time and as prescribed, the franchise hereby granted shall be forfeited and the grantee shall be subject to the liabilities hereinafter

prescribed for such failure.

SEC. 5. The materials employed in the construction of the tramway shall be all of good class and quality and suitable for the purpose for which they are to be used or to which they are to be applied.

SEC. 6. The grantee shall construct and maintain and keep in good repair such drains, culverts, or waterways as the tramway or its operation or maintenance may render necessary for the proper drainage of adjacent lands and the road, highway, or street over which it passes, and the construction and maintenance of said drains, culverts, and waterways shall be under the direction and supervision of the Director of Public Works, and his authorized subordinates to the extent necessary for the protection of the public interests.

SEC. 7. All drains, culverts, and bridges constructed by the grantee crossing the road, highway, or street shall be constructed and maintained by the grantee for the full width of the road, highway, or street and in such a manner as not to interfere with the traffic over the road, highway, or street or to prevent convenient use thereof by the public.

SEC. 8. The grantee shall be under a continuing obligation to keep in good repair the roadbed of said tramway and the surface of the road, highway, or street between the rails and between the tracks of the tramway and for eighteen inches on each side of said tracks for the entire length of the tramway. Within the towns proper or poblaciones of the municipalities of Panique and Camiling, and within the populated portions of the barrios mentioned in section one, the space between the rails and tracks of the tramway and for eighteen inches on each side of said tracks shall be filled flush with the top of the rails by the grantee with the same material as that used in the construction of the road, highway, or street and as may be prescribed by ordinance of the municipalities of Camiling or Panique, or by ordinance of the municipality having jurisdiction of said barrios, as the case may be: Provided, however, That in case of dispute between any municipality through which the tramway passes and the grantee, the work shall be done with the material and in the manner prescribed by the Director of Public Works: And provided further, That if any municipality through which said tramway passes shall order a change in the kind of material after the same has once been laid by the grantee, the material necessary to make the change shall be furnished by the municipality ordering the change and the work of laying such material and putting the same in place shall be done by the grantee at his own proper cost and expense.

SEC. 9. Before commencing the work on the tramway and within thirty days after the passage of this Act the grantee shall file, in duplicate, with the Director of Public Works, a map or plan showing the location, direction, and general course of said tramway, together with the estimated distances between changes of course, and an explanatory statement as to the route of the tramway and its relation to the road, highway, or streets over which it passes. Should the Director of Public Works refuse to approve said map or plan, the grantee shall make such changes therein as may be prescribed by said Director of Public Works. One copy of the map or plan, when finally approved, shall be filed by the Director of Public Works in his office and one copy shall be returned by him with his approval to the grantee. The failure or refusal of the grantee to file the map required by this section within the time prescribed or to change within a reasonable time the said map or plan when so directed by the said Director of Public Works shall render null and void the franchise granted by this Act.

SEC. 10. Within thirty days after the map or plan of the tramway furnished by the grantee is returned to him by the Director of Public Works finally approved, the grantee shall file with the Governor-General his acceptance in writing of the franchise granted by this Act and at the same time shall deposit in the provincial treasury of Tarlac the sum of two thousand pesos, or negotiable bonds of the United States or other securities of equal value, approved by the Governor-General. Said deposit of two thousand pesos shall be made as an earnest of good faith of the acceptance of the franchise and as a guaranty that within six months from the date of said acceptance the

sum of nine thousand pesos, or negotiable bonds of the United States or other securities of equal value approved by the Governor-General, shall be deposited with the provincial treasurer of said province. The whole deposit of eleven thousand pesos thus made shall be retained in the provincial treasury as security for the completion of the work and operation of the tramway for its entire length within twelve months from the date of acceptance. In case said deposit of nine thousand pesos is not made as herein set out or the grantee fails to commence the work within six months after the acceptance of the franchise, the deposit of two thousand pesos made on the acceptance of the franchise shall be forfeited and shall be paid by the provincial treasurer of Tarlac to the Province of Tarlac and to the municipalities of Panique and Gamiling, one-third to each. In case the tramway shall not be completed and put in operation for the public convenience within twelve months from the date of acceptance, the whole deposit shall be forfeited as liquidated damages for breach of the contract created by the acceptance of this franchise, and such deposit shall be divided equally between said municipalities of Panique and Camiling and the Province of Tarlac: Provided, however, That any moneys deposited with the provincial treasurer may, with the approval of the Governor-General, be paid by the provincial treasurer to the grantee monthly or quarterly in the proportion which the work done bears to the whole work to be done, such proportion to be certified by the Director of Public Works or his duly authorized subordinate. If the deposits required by this section to be made by the grantee, or either of them, are in interest-bearing bonds or other interest-bearing securities, the interest shall be collected by the provincial treasurer of Tarlac and shall be turned over to the grantee as it is collected, unless the grantee shall fail to perform the obligations required of him by this franchise, in which case the accruing interest shall be withheld by the said provincial treasurer and shall constitute a part of the deposit to be divided equally between the Province of Tarlac and the municipalities of Panique and Camiling as liquidated damages resulting from the default of the grantee.

SEC. 11. This franchise is granted with the understanding and on the condition that it shall be subject to amendment, modification, alteration, or repeal by the Congress of the United States, and that all lands or rights of use or occupation of lands secured by any corporation by virtue of this franchise and all lands or rights of use or occupation of lands granted by this franchise on the public domain or public lands shall revert, upon the termination of this franchise and concession or upon the revocation, repeal, forfeiture, or lapse thereof, to the Insular, provincial, or municipal government which owned said lands or enjoyed said rights at the time of the grant of said franchise or concession.

The grantee of this franchise, his lessees, successors, and assigns are forbidden to issue stock or bonds under this franchise except in exchange for actual cash or for property at a fair valuation equal to the par value of the stock or bonds so issued. Neither shall the grantee, his lessees, successors, or assigns declare any stock or braid dividend. It shall be unlawful for the grantee, his lessees, successors, or assigns to use or employ or contract for the labor of persons claimed or alleged to be held in involuntary servitude, and any person, company, or corporation exercising the rights and privileges conferred by this franchise who shall use, employ, or contract for the labor of persons claimed or alleged to be held in involuntary servitude shall not only forfeit all such rights and privileges and the franchise hereby granted but shall also be deemed guilty of an offense and shall be punished by a fine of not less than ten thousand dollars, United States currency.

SEC. 12. The rates to be charged by the grantee, his lessees, successors, or assigns for the transportation of passengers or freight or for other services shall always be subject to regulation by Act of the Commission or other legislative authority of the Islands.

SEC. 13. The grantee, his lessees, successors, or assigns shall pay into the treasury of the Province of Tarlac in consideration of the granting of this franchise one and one-half per centum of the gross income earned by the tramway or resulting from its operation. One per centum of the gross income so paid into the provincial treasury

shall be paid by the provincial treasurer to the municipalities of Panique and Camiling, one-half to each, for municipal purposes, and the remaining one-half, per centum of said gross income and earnings shall be retained in the provincial treasury for provincial purposes. The percentage of gross income and gross earnings of said tramway required by this section to be paid into the treasury of Tarlac by the grantee, his lessees, successors or assigns, shall be due and payable quarterly after said tramway shall have been put in operation for the whole or any part of its length.

SEC. 14. The grantee may refuse to transport any package or parcel suspected to contain goods of a dangerous nature or whose transportation shall be prohibited by the Government.

SEC. 15. The grantee shall enjoy the following powers, privileges, and exemptions:

- Subject to the approval of the Director of Public Works, to occupy any part of the public domain not occupied for other public purposes, which may be necessary for the purposes of the enjoyment of this franchise. The land to be taken under this power shall be acquired by the grantee in the following manner: The grantee shall file a petition describing the land which he desires to acquire from the public domain, showing that the same belongs to the public domain, is not in use for any other public purposes, and is property necessary for the enjoyment of the franchise to construct and maintain the tramway herein described, and praying that the same may be conveyed to him for the uses and purposes of said franchise. The petition shall be accompanied by a plat and survey of the land described in the petition. The Director of Public Works, after an examination of the petition and the plat and after the taking of evidence, if necessary, shall approve the same if he finds that the land petitioned for is necessary and proper for the enjoyment of the franchise herein granted. The Director of Public Works shall then forward the petition with his approval to the Director of Lands, who shall, after due investigation, determine whether the land sought is public land, and is not in use for any other public purpose, and shall certify his finding to the Governor-General, who, being satisfied of the propriety and legality of granting the petition, shall grant to the owner of the franchise permission to use said land for the purpose of the tramway. The permission to use said land shall lie in writing and shall contain a clause providing for a reversion of the land to the Insular Government whenever it shall have ceased to lie used for the purposes of the franchise.

- No real or personal property of said tramway actually used and necessary for tramway purposes shall be taxed by any province or municipality for five years from the granting of this franchise.

- In case of refusal or failure to pay the lawful charges, costs, and expenses of the transportation and conduction of freight over the whole length or any part of the line, the grantee shall have the right to detain said freight until such time as the amount lawfully due shall be paid. The amount lawfully due shall include all proper charges for storage of goods left in the care of the grantee for over forty-eight hours after reaching their destination.

- If the payment of the rates of transportation on goods carried or transported by the tramway to their destination should not be effected within fifteen days after demand for payment, the grantee may apply to the justice of the peace of the municipality in which such goods are situate for their sale at public auction, and said justice of the peace, after giving notice of the application to the owner or consignee of the goods, shall order the sale at public auction of said goods or so much thereof as may be necessary to cover the expenses and costs of transportation and costs and expenses of sale. Notice of the sale shall be posted for at least five days prior to the sale in three of the most public places in the municipality in which the goods are situate.

Freight, goods, or luggage transported to destination by the grantee and not called for by the owner or consignee for a period of two months after arrival may be sold at public auction after the making of the application, the securing of the order, and the giving of the notice of sale prescribed by the first paragraph of this subsection.

In case of the refusal or failure to pay proper charges for the transportation of goods or freight of a perishable nature or in case the owner or consignee should refuse to receive such goods or can not be found or is unknown, application for their sale may be made to i 110 justice of the peace for the municipality in which they are situate, and after satisfying himself that said goods are perishable and likely to deteriorate if held by the grantee he may order their sale within such time and after giving such notice as to him may seem proper.

The proceeds of sales made in accordance with the first paragraph of this subsection shall be applied first to the payment of the cost and expenses of said sales, and second, to the payment of freight and charges of the grantee on said goods. After payment of costs and expenses of sale and the freight and charges of the grantee, the balance, if any there be, shall be deposited to the credit of the owner or consignee of the goods with the provincial treasurer of the .Province of Tarlac.

- To sell, lease, give, grant, convey, or assign this franchise: and all property and rights acquired thereunder to any person, company, or corporation competent to conduct the business of the said tramway, but no title to this franchise or to the property or rights acquired thereunder shall pass by sale, lease, gift, grant, conveyance, transfer, or assignment to the vendee, donee, transferee, lessee, or assignee, or be enjoyed by him until he shall have filed in the office of the Executive Secretary an agreement in writing agreeing to comply with all the terms and conditions imposed on the grantee by the franchise and accepting the said franchise subject to all its existing terms and conditions.

SEC. 16. The grantee, his lessees, successors, and assigns shall agree to carry the mails upon such terms and conditions and at such rates as may be agreed upon between the Director of Posts and the grantee. In case the Director of Posts and the grantee can not agree on terms, conditions, or as to rates of transportation of the mails, the Governor-General, after giving the grantee opportunity to be heard, shall fix the rates of transportation and the terms and conditions under which the mails shall be carried by the said tramway. If the Government of the Islands should require, in addition to the ordinary mail service, the transportation of mail on urgent orders, at other hours or at a higher speed than may be prescribed by the ordinary tram-train schedule, or should the Government require the transportation of troops, ammunition, bullion, freight, or war supplies the grantee shall provide, day or night, .special conveyance for same and be allowed such extra compensation therefor as may be reasonable.

SEC. 17. The tramway for which a franchise is conceded by this ; Act may be crossed by lines of railroad, other tramways, or by roads or highways on such terms and conditions and under such rules and regulations as may be prescribed by the Philippine Commission.

SEC. 18. The legal domicile of the owner of this franchise shall be in Panique where there shall also he a duly authorized representative of said owner with full power lo perform the duties enjoined and maintain the rights conferred by this franchise.

SEC. 19. The granting of this charier shall he subject in all respects to the limitations upon corporations and the granting of franchises contained in the Act of Congress approved July first, nineteen hundred and two, entitled "An Act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes."

SEC. 20. The hooks of the grantee, his lessees, successors, or assigns maintaining or operating said tramway, shall be always open to the inspection of the Insular Auditor, the provincial treasurer, or of a deputy designated by either for the purpose, and once said tramway is put in operation for the whole or any part of its length it shall be the duty of the grantee of the franchise, his lessees, successors, or assigns operating under the same, to submit to the provincial treasurer quarterly reports, in duplicate, showing the gross earnings, gross income, and all expenses and expenditures of said tramway, as well as such other data as may be required by the Insular Auditor or

provincial treasurer for a complete understanding of the general condition of the business of said tramway. One of the duplicate reports required by this section to be furnished to the provincial treasurer shall be retained by him and the other forwarded by him to the Insular Auditor, who shall keep the same on file.

SEC. 21. At any time after five years from the granting and during the life of this franchise the Government of the Philippine Islands may, by legislative enactment, upon such terms and conditions as to it may seem proper, require the grantee, his lessees, successors, or assigns to operate said tramway by electric or other power instead of by steam power. Should said grantee, his lessees, successors, or assigns decline, fail, or refuse to operate said tramway by the power required by the Government and in the manner and as directed by said Government, then the franchise granted by this Act shall be forfeited and all rights, privileges, and concessions granted by it shall end and terminate.

SEC. 22. Once said tramway has been put into operation for its entire length, the grantee, his lessees, successors, or assigns shall furnish such rolling stock and run such trains and make such number of trips over the entire length of said line as the public service and the demands of traffic may reasonably require. The failure by the grantee, his lessees, successors, or assigns to operate said tramway for its entire length, unless prevented by the act of God, the public enemy, or force majeure, shall constitute an abandonment of the franchise hereby granted, and the Province of Tarlac, with the approval of the Governor-General, may either declare said franchise forfeited or require the grantee, his lessees, successors, or assigns to remove the lines or tracks of said tramway for the whole or any part of the length of said tramway, or may itself cause such lines or tracks of said tramway to be removed at the expense of the grantee, his lessees, successors, or assigns.

SEC. 23. Upon such terms and conditions as may be agreed upon, and at any time during the existence of this franchise, the grantee, his lessees, successors, or assigns may construct, maintain, and operate such additional sidetracks, double tracks, loops, switches, and passing places as may be deemed useful for the convenient and advantageous operation of said tramway, the consent of the municipalities concerned and of the provincial board of Tarlac having been first obtained: Provided, however, That the construction of such additions to the original tramway shall not be entered upon until the grantee shall have filed with the "Director of Public Works, in duplicate, a map or plan of such proposed addition, accompanied by the explanatory statement, and shall have had returned to him a copy of said map with the approval of the said Director of Public Works. All such additions, when completed, shall become a part of the said tramway, and shall be held, maintained, and operated upon the same conditions as those which govern and control the rest of said tramway.

SEC. 24. The provincial board of Tarlac Province, after hearing the grantee, shall have the power, with the approval of the Governor-General, to declare the forfeiture of this franchise and concession for failure to comply with any of the terms and conditions required of him to be performed by the franchise, unless such failure shall have been directly and primarily caused by the act of God, the public enemy, or force majeure.

SEC. 25. Against such declaration of forfeiture of the franchise, the grantee, his lessees, successors, or assigns, may apply to any court of competent jurisdiction for such relief as to him or them may seem proper, but if no such application is made within a period of two months after the forfeiture has been declared by such province and approved by the Governor-General, the right to apply to the courts for relief shall be considered waived and the forfeiture shall become final. The forfeiture of the concession implies the loss of the deposit.

SEC. 26. When the forfeiture of the franchise shall have become final, either by failure to apply to the proper court within the time prescribed or by a final decision of the courts confirming the forfeiture, the Province of Tarlac shall take possession of the tramway and all property necessary for its proper operation and management, and shall sell the same at public auction for cash to the highest bidder therefor, after giving notice of such sale by

posting an announcement thereof in Spanish and English for sixty days prior to the sale at the provincial building, at the municipal buildings of Panique and Camiling, and at the principal office of the tramway, and by publishing a notice of such sale for sixty days prior to the sale in at least one paper published in English and one published in Spanish in the city of Manila. The notice shall set forth the fact of the forfeiture of the franchise, a general description of the property to be sold, and the date, hour, and place of sale. The proceeds of the sale shall be paid to the grantee, his successors or assigns, less the costs and expenses of the sale.

SEC. 27. This Act shall be subject to all the requirements and limitations of Act Numbered Ninety-eight, and the amendments thereto heretofore or hereafter made, and a failure to comply with the provisions of said Act Numbered Ninety-eight shall be punishable as provided for the violation of said Act Numbered Ninety-eight.

SEC. 28. The grantee shall have the right to acquire by purchase and to hold all such land as may be necessary for the proper construction and operation of his tramway, including the maintenance of necessary stations, turn-outs, and sidetracks, and if such land can not be secured by purchase he shall have the right to acquire the same by expropriation in the manner provided by law.

SEC. 29. The public good requiring the speedy enactment of this bill, the passage of the same is hereby expedited in accordance with section two of "An Act prescribing the order of procedure by the Commission in the enactment of laws," passed September twenty-sixth, nineteen hundred.

SEC. 30. This Act shall take effect on its passage.

Enacted, February 1, 1906.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.