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State of Washington

A PAMPHLET

Containing

**Constitutional Amendment
Initiative Measure No. 151
Referendum Bill No. 6
Referendum Measure No. 22
Referendum Measure No. 23
Referendum Measure No. 24**

To Be Submitted to the Legal Voters
of the State of Washington for Their
Approval or Rejection at the GEN-
ERAL ELECTION To Be Held on

Tuesday, November 3, 1942



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Compiled and Issued by Direction of

THE SECRETARY OF STATE

BELLE REEVES

Ballot Titles Prepared by the Attorney General

SMITH TROY

Attorney General

[Chapter 36, Laws 1917]

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Initiative Measure No. 151

BALLOT TITLE

"AN ACT relating to old age assistance and public assistance; providing payment of \$40.00 minimum monthly grants to eligibles as defined herein; providing medical services, additional care and burial expenses for all recipients of public assistance and dependents, defined herein, and supplemental grants to dependents; providing increase of all public assistance proportionate to increased living costs; providing conformity with future federal requirements; defining terms and establishing procedure; prohibiting assignment or legal process respecting grants; regulating administrative plan and personnel; directing appropriations, beyond total federal matching funds secured; penalizing violators; repealing Chapter 1, Laws of 1941, and conflicting enactments."

Be it enacted by the People of the State of Washington:

SECTION 1. *Title.*

This act shall be known, and may be cited, as the "Senior Citizen Act."

SEC. 2. *Declaration of Intent.*

The passage of Initiative 141 by the overwhelming vote of 358,000 is proof of how strongly the people of the State of Washington are in agreement with the principles set forth in the Declaration of Intent in that measure:

"It is simple justice that our government, which owes its industrial construction, its farms, its factories, its entire capital wealth, in fact, to the labor of its pioneers, should provide as an obligation and not as charity, some measure of security to the pioneers.

"Although a uniform national pension of prosperity proportions, based on the principles embodied in the Townsend and General Welfare Bills, awarded as a matter of right, not need, is the only adequate and just kind of a pension, until such a pension is won it still remains the duty of the State of Washington at least to take full advantage of the maximum in matching funds that the Federal Government is willing to provide under the Federal Social Security Act, for those without resources and income."

Initiative 141 was passed at a time our nation was at peace. This act

is drawn with our nation at war—war against a system of government which wipes out all social security as it wipes out everything else American democracy stands for. An important line of defense in winning the war is a citizenry whose morale is high because it feels its government protects the underprivileged. The building of better citizens, which it is the intent of this initiative to do, is, therefore, an important part of the fight to win the war and end fascist dictatorship forever.

The building of better citizens must include medical and dental care, and it is further the purpose of this measure to extend this care to all persons receiving any grant, assistance, care, aid or benefits under the provisions of any act administered by the Department of Social Security.

It is further declared to be the purpose of this act to maintain grants on a uniform state-wide basis at not less than their present level by adjusting such grants to increases in the cost of living.

SEC. 3. *Definitions.*

(a) "Applicant" shall mean any person applying for a Grant under the provisions of this or any other act of the State of Washington.

(b) "Recipient" shall mean any person receiving a Grant.

(c) "Grant" shall mean an award by the Department to any person, of funds, aid, care, assistance, benefit, health services, or burial ex-

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penses; "Senior Citizen Grant" shall mean a grant paid to a senior citizen.

(d) "Senior Citizen" shall mean a person who has attained the age at which the Federal Government matches State funds for old age assistance, and shall not be construed as limiting eligibility for grants to citizens of the United States.

(e) "Department" shall mean the Department of Social Security or any other agency or department which may hereafter be designated to administer the provisions of this act.

(f) "Director" shall mean the administrative head of the Department, whether an individual or a board.

(g) "Income" shall mean regular or recurrent gains in cash or kind, excepting therefrom:

- (1) The value of the use, occupancy, or ownership of the place of residence of applicant or recipient except to the extent that consideration of such value may be required by the provisions of the Social Security Act for the granting of matching funds, and *Provided*, That in event consideration of the value of the use, occupancy or ownership of the place of residence of applicant or recipient is required, such value shall be directly proportional to the assessed value of such place or residence, less encumbrances, and in no event shall arbitrary evaluation be placed upon the same; and *Provided further*, That in computing the value of the use or occupancy of residence the Department shall deduct from such value an amount sufficient to permit the payment of current or delinquent taxes, assessments, repairs and necessary improvements and other cost of maintenance.
- (2) Foodstuffs, livestock, fuel, light, or water produced by or donated to applicant or applicant's family exclusively for the use of applicant or applicant's family.
- (3) Casual gifts in cash which do not exceed \$100 in any one year.
- (4) Casual gifts in kind which do not exceed \$100 in value in any one year.

(5) The proceeds from the sale of property which is not a resource, provided such proceeds are used for the purchase of property which is not a resource.

(h) The term "Resources" as used in this act shall have the meaning ordinarily given to such term, and the meaning given the word "resources" in the Federal Social Security Act: *Provided, however*, That solely for the purpose of determining the eligibility of a Senior Citizen for a grant the following shall not be considered a resource to the applicant:

- (1) The ability of relatives or friends of the applicant to contribute to the support of the applicant.
- (2) The homestead, home or place of residence of applicant or spouse of applicant.
- (3) Property not readily marketable, and property of the applicant sold under the terms of a conditional sales contract when the vendor's interest in such property does not exceed One Thousand Dollars (\$1,000) in assessed valuation and cannot be sold for at least ninety (90%) per cent of the principal amount due under the terms of the contract.
- (4) Insurance policies the cash surrender value of which does not exceed \$500.
- (5) Intangible property or personal property the cash value of which does not exceed \$200.
- (6) The personal effects of the applicant, including clothing, furniture, household equipment and motor vehicle.
- (7) Foodstuffs, livestock, fuel, light or water produced by the applicant, applicant's spouse or family, exclusively for the use of applicant or applicant's family.
- (i) "Health Services" shall mean any grant, care, assistance, services or benefits provided for in Section 15 of this Act.
- (j) "Burial Expenses" shall mean any grant, aid or sum awarded to any person under the provisions of Section 13 of this Act.
- (k) "Social Security Act" shall mean the "Social Security Act as

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amended, being an act of Congress to provide for the general welfare by establishing a system of Federal old-age benefits, and by enabling the several States to make more adequate provision for aged persons, blind persons, dependent and crippled children, maternal and child welfare, public health, and the administration of their unemployment compensation laws; to establish a Social Security Board; to raise revenue; and for other purposes."

(1) "Social Security Board" shall mean the Social Security Board established under the provisions of the Social Security Act.

(m) A person shall be considered "in need" as defined in this act, if his income and resources are insufficient to provide him adequately with:

- (1) Food, as evaluated by the United States Bureau of Labor Statistics for moderate-income families;
- (2) Housing actually available at current rates.
- (3) Clothing as evaluated by the United States Bureau of Labor Statistics for moderate-income families.
- (4) Light and water sufficient for ordinary uses at standard utility rates.
- (5) Fuel, household replacements and incidentals sufficient to maintain at least the Minimum Standard of Health and Decency as shown by the United States Bureau of Labor Statistics for moderate-income families.
- (6) Health services as provided in Sec. 15 of this Act: *Provided, however,* That each senior citizen whose income is less than Four Hundred Eighty Dollars (\$480) per year, or Forty Dollars (\$40) per month, or whose income is less than the maximum payable as provided under Section 5 (4) of this act and whose income and resources are insufficient to enable him to provide for himself the health and welfare services provided under the terms of this act, is hereby declared to be in need: *Provided,* That nothing herein shall be construed to

prevent the Department from determining that persons whose income is greater than \$40 per month and \$480 per year are in need.

SEC. 4. Eligibility.

Senior Citizen Grants shall be awarded to any person who is without resources and who:

- (1) Is a Senior Citizen.
- (2) Has a yearly income which is less than \$480 and a monthly income which is less than \$40, or whose income is less than the maximum payable as provided under Section 5 (4) of this act: *Provided,* That if Federal contributions to Senior Citizen Grants are made payable in excess of \$20 per month any applicant shall be eligible whose yearly income is less than twenty-four times the maximum monthly Federal contribution, or whose monthly income is less than twice the maximum monthly Federal contribution.
- (3) Has been a resident of the State of Washington for at least five years within the last ten.
- (4) Is not at the time of making application a permanent inmate of a public institution of a custodial, correctional or curative character.
- (5) Has not made a voluntary assignment or transfer of property or cash for the purpose of qualifying for a Senior Citizen Grant.

SEC. 5. How and When Grants Shall Be Paid.

- (1) Grants shall be awarded:
 - (a) To each eligible applicant sixty-five (65) years of age or over in the sum of not less than Forty Dollars (\$40) per month on a uniform state-wide basis, minus the income of applicant from other sources: *Provided,* That in the event Federal matching funds shall be available in excess of twenty dollars (\$20) per month per person, then grants shall be increased to not less than twice that amount, less the income of applicant or recipient from other sources.
 - (b) To each person eligible to receive any funds, aid, care, assistance

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or benefit under the provisions of any act administered by the Department in the amount provided in such act.

- (2) If the Federal government lowers the age limit at which matching funds will be granted for old age grants, then and in that event the state shall award grants to Senior Citizens of at least twice the maximum Federal funds available per person per month to all eligible above the age as established by the Federal Government, such grants to be awarded on the terms and conditions as provided for in Section 5, subsection (1) (a)
- (3) Upon approval of an application, the grant shall be paid as of date of application.
- (4) If the cost of living, as shown by the United States Bureau of Labor Statistics, cost-of-living index for moderate-income families, increases after January 1st, 1942, by five per cent or more, grants shall be increased proportionately with each such 5% increase.
- (5) The Department shall not establish arbitrary values or a budgetary guide used to measure deductions from the grants of all applicants and recipients alike regardless their circumstances.
- (6) Combined living shall not be considered a resource. Supplemental grants shall be given to any person, any part of whose subsistence is furnished by a recipient, and who lives in a household one or more members of which receive a grant under any act administered by the Department. The amount of such grant shall be the same as if the person were living alone.
- (7) Recipients may receive their grant in any part of the state of Washington, and recipients who are Senior Citizens may upon notification in the form and manner prescribed by the Department receive grants while temporarily outside of the State of Washington for a period not to exceed ninety days.
- (8) If the need of an applicant or

recipient of a Senior Citizen Grant exceeds either \$40 or the maximum which the state is paying, no deduction shall be made from the grant of such applicant or recipient by reason of income received from any source except in the amount to which such income together with his grant shall exceed his need.

SEC. 6. *Applications.*

Applications for Grants shall be made to the Department, or an authorized agency of the Department. An applicant may apply in person or the application may be made by another in his behalf. Such application may be made in writing or reduced to writing upon standard forms prescribed and furnished by the Department and a copy of his application shall be furnished to each applicant at the time of application.

An inmate of an institution of curative, correctional, or custodial character may make application while in such institution and if found otherwise eligible shall be given one month's grant immediately preceding his departure from such institution.

SEC. 7. *Investigation.*

Whenever the Department or an authorized agency thereof receives an application for a grant an investigation and record shall be promptly made of the facts supporting the application. The Department shall be required to approve or deny the application within thirty (30) days after the filing thereof and shall immediately notify the applicant in writing of its decision. The failure of the Department to notify the applicant of its decision within thirty (30) days after the date of filing the application may, at the option of the applicant, be deemed a denial of said application.

SEC. 8. *Fair Hearing on Grievances.*

(a) Any applicant feeling himself aggrieved by the decision of the Department or an authorized agency of the Department shall have the right to a fair hearing to be conducted by the Director of the Department or by an examiner appointed by the Director for such purpose. The hearing

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shall be conducted in the county in which the appellant resides, and a transcript of the testimony shall be made and included in the record, the costs of which shall be borne by the Department. A copy of this transcript shall be given appellant within thirty days after the fair hearing.

Each monthly grant paid to the recipient shall for the purposes of this act be deemed a decision of the Department that said recipient is entitled to a grant in the amount actually received by such recipient.

Any appellant who desires a fair hearing shall file with the Director a notice of appeal from the decision. It shall be the duty of the Department upon receipt of such notice to set a date for the fair hearing, such date to be not more than thirty (30) days after receipt of notice. The Department shall notify the appellant of the time and place of said hearing at least fifteen (15) days prior to the date thereof either by registered mail or by personal service upon said appellant.

At any time after the filing of the notice of appeal with the Director, any appellant or attorney, or authorized agents of the appellant shall have the right of access to, and can examine any files and records in the possession of the Department pertaining to appellant or to the case on appeal.

It shall be the duty of the Department within thirty (30) days after the date of the hearing to serve upon the appellant by registered mail or personal service notification of the decision of the Director and the failure to so notify the appellant may at the option of the appellant be deemed an affirmation of the decision of the Department.

In the event that the decision of the Director on the fair hearing is in favor of the appellant, an attorney's fee of not less than \$10 shall be allowed to his legal representative.

(b) The provisions of this act relative to fair hearings and to the right of appeal to the Superior Court and to the Supreme Court shall be applicable to all persons applying for or receiving any funds, aid, assistance or benefits or health service under

the provisions of any act administered by the Department.

SEC. 9. Court Appeals.

In the event the applicant feels himself aggrieved by the decision rendered in the hearing provided for in the foregoing section, he shall have the right to appeal to the Superior Court of the county of his legal residence, which appeal shall be taken by a notice filed with the clerk of the court and served upon the director either by registered mail or by personal service within ninety (90) days after the decision of the Department has been served upon appellant as provided in the foregoing section. Upon receipt of the notice of appeal the Clerk of the Superior Court shall docket the case for trial.

Within ten (10) days after being served with a notice of appeal, the Director of the Social Security Department shall file with the clerk of the court the record of the case on appeal, and no further pleadings shall be necessary to bring the appeal to issue.

The applicant and the Director shall have the right to present any additional evidence which the court shall deem competent, relevant, or material to the case. The Superior Court shall decide the case on the record, and on any evidence introduced before it and may affirm, modify or reverse the decision of the Director. Either party may appeal from the decision of the Superior Court to the Supreme Court of the State, which appeal shall be taken and conducted in the manner provided by law or by the rules of court applicable to civil appeals: *Provided, however,* That no bond shall be required on any appeal under this act, and, *Provided further,* That no fees shall be collected of the appellant in the Superior Court or the Supreme Court. In the event that either the Superior Court or the Supreme Court renders a decision in favor of the applicant, said applicant shall be entitled to reasonable attorney's fees and costs. If a decision of the Director or of the Court is made in favor of an applicant who has ap-

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pealed, assistance shall be paid from the date of application.

Sec. 10. Rules and Regulations.

The Department is hereby authorized to make rules and regulations consistent with the provisions of this act to the end that Senior Citizen Grants may be administered uniformly throughout the State, and that the spirit and purpose of this act may be complied with. Such rules and regulations shall be filed with the Secretary of State thirty (30) days before their effective date, and copies shall be available to the public upon request: *Provided*, That the Department, or duly authorized agency thereof, shall make funds for the administration of all the provisions of this act available as needed from quarter to quarter; and in no case shall the Department or other agency allocate or apportion such funds in a manner to obstruct or delay any applicant in receiving the grants, aid, care, assistance, benefits and health services provided for herein.

Sec. 11. Age and Length of Residence Verification.

Proof of age and length of residence in state of any applicant may be established as provided by the rules and regulations of the Department: *Provided*, That if an applicant is unable to establish proof of age or length of residence in state by any other method he may make a statement under oath of his age on the date of application or of the length of his residence in the state, before any judge of the Superior Court or any Justice of the Supreme Court or any Justice of the Peace or any officer authorized by law to administer oaths in the State of Washington, and such statement shall constitute sufficient proof of age of applicant or of the length of residence in the state: *Provided, however*, That any applicant who shall wilfully make a false statement as to his age or length of residence in the state under oath as provided above shall be guilty of a felony.

Sec. 12. Liens on Property Prohibited.

Grants given to an applicant shall not be recoverable as a debt due the

state, except where such funds have been received by the applicant contrary to the provisions of this act, or by fraud or deceit. Any claims which have accrued or which shall in the future accrue under the provisions of Chapters 25 and 216 of the Laws of 1939 are hereby renounced and declared to be null and void.

Sec. 13. Burial Expenses.

Upon the death of any recipient under this act, funeral expenses in the sum of One Hundred Dollars shall be paid by the Department to the Funeral Director or to the person who has paid such expenses. In addition to said payment, the friends or relatives of the deceased may make contributions toward his burial expenses.

Sec. 14. Copy of Law to Be Distributed.

A copy of all laws relating to the application and granting of Senior Citizen Grants shall be given to each applicant upon application.

Sec. 15. Additional Care.

(a) The Department shall provide for each person eligible to receive a senior citizen grant, blind aid grant, child welfare grant, public or general assistance grant, or any other form of public aid or assistance administered by or under the supervision of the Department, and to each person dependent upon such grant, aid or assistance, whether as a recipient of such grant, aid or assistance, or as a dependent of a recipient, or otherwise, medical, dental, and other services and care necessary for health.

(b) The services and care provided for in this section shall include:

- (1) Medical care by a doctor of applicant's choice.
- (2) Dental care and appliances by a dentist of applicant's choice.
- (3) Optical care of applicant's choice, nursing care in the applicant's home, hospitalization and ambulance service.
- (4) Provision for medicine, drugs, medical and pharmaceutical supplies, artificial limbs, hearing aids, and other needed appliances, without cost to applicant.

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- (5) Provision for special or supplemental diets as prescribed by applicant's doctor.
- (6) Such additional care and services as may be necessary to maintain or restore applicant's physical and mental health.

(c) The care and services provided for in this section shall in addition to, and not in lieu of, any grant, aid or other assistance to which applicant is entitled, and in no case shall deduction be made from any grant, aid or other assistance to which applicant is otherwise entitled by reason of any grant, services or care provided for in this section.

SEC. 16. *Grants Not Assignable Nor Subject to Execution.*

Grants awarded under this act shall not be transferable or assignable, at law or in equity, and none of the money paid or payable under this act shall be subject to execution, levy, attachment, garnishment, or other legal process, or to the operation of any bankruptcy or insolvency law.

SEC. 17. *Violation or Attempted Violation a Felony.*

Any violation, or attempted violation or evasion of the provisions of this act by any official or employe of the Department or of its agencies shall constitute a felony and shall disqualify such official or employe from further employment in the Department or any of its agencies.

SEC. 18. *Appropriations.*

The legislature shall levy such taxes and appropriate from the general fund such sums as may be necessary to pay the grants provided under this act.

SEC. 19. *Administration.*

Sufficient administration staff shall be hired to carry out in an efficient manner, and under the merit system, the provisions of this act. All employes, including home visitors, shall be state employes, and as such shall be covered by the State minimum wage law: *Provided*, That there shall be established a system whereby annual evaluations of job performances on an individual basis shall be made

in writing by the immediate superiors of each and every employe, for the purpose of retaining and promoting those persons who have demonstrated their abilities to perform their duties satisfactorily, and of dismissing those persons who are not performing their duties satisfactorily.

SEC. 20. *Records Confidential.*

All applications and income records concerning any applicant shall be confidential and shall be open to inspection only by persons duly authorized by the state or the United States in connection with their official duties: *Provided*, That this shall not be construed as interfering with the right of applicant, or his attorney or authorized agent from examining such records when applicant's case is on appeal, as provided above.

SEC. 21. *Unconstitutionality of One Section Shall Not Affect Others.*

If any portion, section or clause of this act shall for any reason be declared unconstitutional, invalid or not in accordance with the provisions of the Federal Social Security Act, such determination shall not affect the remainder of the act.

SEC. 22. *Repealing Acts in Conflict.*

Chapter 1 of the Laws of 1941 and all acts or parts of acts in conflict herewith are hereby repealed: *Provided, however*, That any rights which have accrued or exist under the provisions of Chapter 1 of the Laws of 1941 shall be saved to the applicants or recipients and this section shall not be construed to bar any proceeding, action or appeal which may have been instituted thereunder before the Department or in any court.

SEC. 23. *Plan of Administration.*

- (1) For the purpose of securing the maximum in matching funds which the Federal government will provide under the terms of the Social Security Act, it shall be the duty of the Department to prepare and submit to the Social Security Board a plan of administration of the provisions

Initiative Measure No. 151

- of this act, and other applicable provisions of the law of this state.
- (2) In the event that the Federal Social Security Board shall determine that any portion of the plan of administration referred to in this section is not in conformity with the provisions of the Social Security Act, the State Department shall obtain from the Social Security Board the specific basis for such determination, and shall bring such plan of administration into conformity with the Social Security Act in such manner as to secure the most liberal allowance of Federal matching funds possible to the State of Washington.
- (3) The Attorney General or any applicant, recipient or other interested person may institute appropriate proceedings in the Su-

perior Court to secure compliance with the terms of this section.

SEC. 24.

It is hereby declared to be the intention of this act that the state shall provide such additional funds as are necessary to carry out this act over and above the maximum in Federal matching funds that are secured.

SEC. 25.

This Act shall be liberally construed to the end that the purposes declared herein may be effectuated.

SEC. 26.

This Act is necessary for the preservation of the public peace, health, and safety, and the support of the state government and its existing institutions.

ARGUMENT FOR INITIATIVE MEASURE NO. 151

"Re-Enacting 141, the Present \$40 a Month Old Age Pension Act."

Two years ago the voters of our state passed Initiative 141, the present \$40 a month pension act, with 358,000 votes.

Despite deductions the state administration is making from the \$40, great gains have nevertheless been won for Washington's Senior Citizens—and, directly or indirectly, for all other groups in our state. The average grant has risen from \$22 a month to \$33; the number receiving grants has been increased from under 40,000 to 65,000; choice of doctor and dentist, plus glasses, medicines, hearing aids, and other appliances as needed have been provided free to the pensioners. The vicious claim on the pensioner's home has been wiped out.

As a direct result of these gains Washington's Senior Citizens are today far more physically fit and their morale is far higher than before "141's" passage—in every way the elderly of our state are more able to participate in the main job of all Americans—HELPING TO DEFEAT THE AXIS AND WIN THE WAR.

Many other groups in our state, and especially communities that are not large defense centers, have greatly benefited through the additional purchasing power "141" has brought.

BUT—under our state constitution an Initiative measure may, at the end of two years, if not re-enacted, be amended or repealed outright by any regular or special session of the legislature. "141" must be re-enacted through "151" if we are to "take out insurance" on the gains made under "141."

Further, Initiative 151 contains additional Victory proposals designed to release far more fully the energies and devotion of the Senior Citizens for the war effort:

(1) "151" wipes out deductions for "combined living"; today the state administration penalizes \$6 each two or more pensioners who move together to make room for defense workers. "151" also modifies other deductions.

(2) "151" provides that pensioners may earn as much as they need over the \$40—thus permitting them to more fully aid in harvesting, and in doing other important community jobs, without losing or jeopardizing their grants.

(3) "151" extends the medical and dental care to widowed mothers and their children, to the blind, the crippled and the unemployed. Only the physically fit can work and fight.

It is charged that "151" will "bankrupt the state." This same ridiculous charge was leveled against 141—yet as this is written there is a \$35,000,000 balance in our state treasury, and the balance is growing! **No additional taxes will have to be levied to pay 151 in full!** Under the cost of living clause in 151 whenever the U. S. Bureau of Labor Statistics shows an increase of 5% in the cost of living grants must be increased proportionately. But when retail prices increase, then the sales tax and other business taxes automatically bring in more than enough to take care of the increased pension checks.

"151" has been endorsed by numberless labor, farm, pension, community, religious, school, public ownership, political and fraternal groups. Over three times as many people signed "151" as are necessary to get it on the ballot!

Vote for 151 and for Victory!

WASHINGTON OLD AGE
PENSION UNION

Sen. N. P. Atkinson, President
Rep. Wm. J. Pennock, Executive
Secretary.

Co-sponsored in Eastern Washington by

SPOKANE OLD AGE PENSION LEAGUE
Mel Butler, President.

STATE OF WASHINGTON—ss.

Filed in the office of the Secretary of State, July 13, 1942, by William J. Pennock, Executive Secretary, Washington Old Age Pension Union, 469 Lyor Building, Seattle, Washington.

BELLE REEVES,
Secretary of State.

ARGUMENT AGAINST INITIATIVE NO. 151

To the Voters of Our State:

This fall there will be on the ballot the so-called Old Age Pension Initiative No. 151. Each of you must decide whether you will vote for or against it. Most of you want to do the best you can for the old folks. Most of you have children to support and educate and dentist and doctor bills to pay. Many of you are going to war, leaving your families behind. What is going to happen in the next few years, you don't know. At the best, there is a big job to do, and it is going to take a lot of money, effort and sacrifice to do it.

What is our state doing now for the aged? We are spending about thirty million dollars a year for them, of which Federal taxes provide something less than half. Our state is about the most liberal of all the states. The Federal Government will not match under Initiative 151. That means either a much larger sales tax or much smaller payments to the aged. In fact, Initiative 151 provides so much for so many people who are not old, that it threatens everything already gained for the aged.

You will find some people urging you to vote for Initiative No. 151 who are not interested in pensions for themselves, but who do expect to profit by its passage. They may claim great concern for the old people but actually their interest is in their own profit. You might ask of such people, "What are you getting out of this?"

Then do you realize that No. 151 makes it possible for an alien to own his own home, drive a car, have payments coming in on a contract for a thousand dollars, have all his food-stuffs, livestock and fuel, and some insurance, and then have the state pay his doctor, dentist, nurse and hospital bills, buy his glasses and medicine and then pay him forty dollars a month or more, with as much more for his wife? In addition he can earn some money by working.

It is claimed that No. 151 must pass to save for the old people what they are getting now. That is not true. The present set-up will remain

unless No. 151 should pass. That, of course, would destroy it. After 141 passed, the legislature voted money to finance it and the present administration worked hard and succeeded in getting the Federal Government to match funds. After nearly two years of litigation and uncertainty, everybody knows where they now stand on old age pensions. There will be no change unless Initiative 151 wrecks the present state plan.

Further, Initiative 151 is a whole new scheme in many ways, adding so much expense for those not old that the whole program may break down from the over-load.

It is claimed that our state has a vast sum that can be spent meeting the provisions of Initiative 151. This is not true, either. The thirty-five million dollars referred to is largely made up of special funds such as teachers' retirement funds, which must be preserved. If you want the truth about state funds, write to Olympia and find out.

The promoters of Initiative No. 151 completely ignore our schools. Actually, the schools are receiving now only about one-half what is being spent for our old age program. If No. 151 were to pass, one can only expect the schools to suffer, because a dollar spent in one direction cannot be spent in another.

Well, you'll each have to make up your own mind about how to vote on this. You each have many hard problems to meet, providing for your family, buying defense bonds and trying to hold things together until this war is over. Many of you are not going to be able to keep things going even as well as they are now. It seems like a poor time to upset what the old folks have and leave them to guess about the future.

Yours very sincerely,

FREDERICK BENZ,
GEORGE McCROSKEY.

STATE OF WASHINGTON--ss.

Filed in the office of the Secretary of State, July 23, 1942, by Frederick Benz and George McCroskey, Seattle, Washington.

BELLE REEVES,
Secretary of State.

Referendum Measure No. 22

BALLOT TITLE

AN ACT relating to industrial insurance; increasing certain benefit rights of injured workmen and their dependents; raising the age of minor dependents entitled to compensation from sixteen to eighteen years; extending the time for applying for the readjustment of certain claims; requiring the written consent of nonresident beneficiaries before monthly payments may be converted into lump-sum payments; and amending section 7679 and section 7681 of Remington's Revised Statutes.

SENATE BILL NO. 172

AN ACT relating to extra-hazardous employments and to the compensation and remedies of workmen injured therein, and of their dependents, invalid children and beneficiaries in case of death; and amending sections 5 and 7 of chapter 74, Laws of 1911, as last amended by sections 2 and 3 of chapter 132, Laws of 1929 (sections 7679 and 7681, Remington's Revised Statutes; sections 3472 and 3475, Pierce's Code).

Be it enacted by the Legislature of the State of Washington:

SECTION 1. Section 5 of chapter 74, Laws of 1911, as last amended by section 2 of chapter 132, Laws of 1929 (section 7679, Remington's Revised Statutes; section 3472, Pierce's Code), is hereby amended to read as follows:

Section 7679. Each workman who shall be injured in the course of his employment, or his family or dependents in case of death of the workman, shall receive out of the accident fund compensation in accordance with the following schedule, and, except as in this act otherwise provided, such payment shall be in lieu of any and all rights of action whatsoever against any person whomsoever.

COMPENSATION SCHEDULE

(a) Where death results from the injury the expenses of burial not to exceed one hundred fifty dollars (\$150.00) shall be paid to the undertaker conducting the funeral: *Provided*, That no sum shall be paid an undertaker for the burial expenses where the deceased left a widow or an orphan child or children unless

the undertaker shall make and file with the department an affidavit that no part of the burial expenses have been either directly or indirectly paid by or charged to the widow or orphan child or children.

(1) If the workman leaves a widow or invalid widower, a monthly payment of fifty dollars (\$50.00) shall be made throughout the life of the surviving spouse, to cease at the end of the month in which remarriage shall occur, and the surviving spouse shall also receive per month for each child of the deceased under the age of eighteen years at the time any monthly payment is due the following payments: For the youngest or only child fifteen dollars (\$15.00), for the next or second youngest child ten dollars (\$10.00), and for each additional child seven dollars and fifty cents (\$7.50): *Provided*, That in addition to the monthly payments above provided for, a surviving widow of any such deceased workman shall be forthwith paid the sum of two hundred and fifty dollars (\$250.00).

Upon the remarriage of a widow she shall receive once and for all a lump sum of one thousand dollars (\$1,000.00), but the monthly payments for the child or children shall continue as before.

(2) If the workman leaves no wife or husband, but an orphan child or children under the age of eighteen years, a monthly payment of twenty-five dollars (\$25.00) shall be made to each such child until such child shall reach the age of eighteen years, but the total monthly payment shall not exceed one hundred dollars (\$100.00) and any deficit shall be deducted proportionately among the beneficiaries.

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(3) If the workman leaves no widow, widower, or child under the age of eighteen years, but leaves a dependent or dependents, a monthly payment shall be made to each dependent equal to fifty per cent of the average monthly support actually received by such dependent from the workman during the twelve months next preceding the occurrence of the injury, but the total payment to all dependents in any case shall not exceed fifty dollars (\$50.00) per month. If any dependent is under the age eighteen years at the time of the occurrence of the injury, the payment to such dependent shall cease when such dependent shall reach the age of eighteen years. The payment to any dependent shall cease if and when, under the same circumstances, the necessity creating the dependency would have ceased if the injury had not happened.

If the workman is under the age of twenty-one years and unmarried at the time of his death, the parents or parent of the workman shall receive twenty-five dollars (\$25.00) per month for each month after his death until the time at which he would have arrived at the age of twenty-one years.

(4) In the event a surviving spouse receiving monthly payments shall die, leaving a child or children under the age of eighteen years, such child or children shall receive each the sum of twenty-five dollars (\$25.00) per month until arriving at the age of eighteen years, but the total monthly payment shall not exceed one hundred dollars (\$100.00) and any deficit shall be deducted proportionately among the beneficiaries.

(b) Permanent total disability means loss of both legs, or arms, of one leg and one arm, total loss of eyesight, paralysis or other condition permanently incapacitating the workman from performing any work at any gainful occupation.

When permanent total disability results from the injury, the workman shall receive monthly during the period of such disability: (1) If unmarried at the time of the injury, the sum of fifty dollars (\$50.00).

(2) If the workman have a wife

or invalid husband, but no child under the age of eighteen years, the sum of sixty dollars (\$60.00).

If the husband is not an invalid the monthly payment of sixty dollars (\$60.00) shall be reduced to twenty-five dollars (\$25.00) as long as they are living together as husband and wife.

(3) If the workman have a wife or husband and a child or children under the age of eighteen years, or being a widow or widower, having any such child or children, the monthly payment in the preceding paragraph shall be increased by fifteen dollars (\$15.00) for the youngest or only child, ten dollars (\$10.00) for the next or second youngest child, and seven dollars and fifty cents (\$7.50) for each additional child under the age of eighteen years.

(4) In case of total permanent disability, if the character of the injury is such as to render the workman so physically helpless as to require the services of an attendant, the monthly payment to such workman shall be increased thirty-five dollars (\$35.00) per month as long as such requirement shall continue, but such increases shall not obtain or be operative while the workman is receiving care under or pursuant to any of the provisions of sections 7712 to 7725, inclusive, of this code.

(c) If the injured workman die, during the period of permanent total disability, whatever the cause of death, leaving a widow, invalid widower or child under the age eighteen years, the surviving widow or invalid widower shall receive fifty dollars (\$50.00) per month until death or remarriage, to be increased per month for each child of the deceased under the age of eighteen years at the time any monthly payment is due, as follows: For the youngest or only child fifteen dollars (\$15.00), for the next or second youngest child ten dollars (\$10.00), and for each additional child seven dollars and fifty cents (\$7.50); but if such child is or shall be without father or mother, such child shall receive twenty-five dollars (\$25.00) per month until arriving at the age of eighteen years. Upon remarriage the

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payments on account of the child or children shall continue as before to such child or children.

An invalid child while being supported and cared for in a state institution shall not receive compensation under this act. If an injured workman, or the surviving spouse of an injured workman shall not have the custody of a minor child for, or on account of, whom payments are required to be made under this section, such payment or payments shall be made to the person having the lawful custody of such minor child.

(d) (1) When the total disability is only temporary, the schedule of payments contained in paragraphs (1), (2) and (3) of the foregoing subdivision (b) shall apply, so long as the total disability shall continue.

(2) but if the injured workman have a wife or husband and have no child or have a wife or husband, or being a widow or widower, with one or more children under the age of eighteen years, the compensation for the case during the first six months or such lesser period of time as the total temporary disability shall continue, shall be per month as follows, to-wit: Injured workman whose husband is not an invalid, twenty-two dollars and fifty cents (\$22.50) and seven dollars and fifty cents (\$7.50) for each child; injured workman with wife or invalid husband and no child, fifty dollars (\$50.00); injured workman with wife or invalid husband and one child, or being a widow or widower and having one child, sixty-five dollars (\$65.00); injured workman with a wife or invalid husband and two children, or being a widow or widower and having two children, seventy-five dollars (\$75.00), and seven dollars and fifty cents (\$7.50) for each additional child.

Should a workman suffer a temporary total disability, and should his employer, at the time of his injury, continue to pay him the wages which he was earning at the time of such injury, such injured workman shall not receive any payment provided in paragraph (d) sub-division (1) from the accident fund during the period his employer shall so pay such wages.

(3) If such temporary total dis-

ability shall endure longer than said six months' period, the schedule of compensation contained in paragraphs (1), (2) and (3) of the foregoing subdivision (b) shall at the end of said six months' period again obtain.

(4) As soon as recovery is so complete that the present earning power of the workman, at any kind of work, is restored to that existing at the time of the occurrence of the injury, the payments shall cease. If and so long as the present earning power is only partially restored, the payments shall continue in the proportion which the new earning power shall bear to the old. No compensation shall be payable out of the accident fund unless the loss of earning power shall exceed five per cent.

No payment shall be made to or for a natural child of a deceased workman, and at the same time, as the step-child of a deceased workman.

(e) There is hereby created in the office of the state treasurer a fund to be known and designated as the reserve fund out of which shall be made the payments specified in this section for all cases of death or permanent total disability including future payments to be made for the cases of that character which have heretofore arisen. Into the reserve fund there shall be forthwith placed all unexpended funds, in cash or invested, heretofore set aside for cases requiring a reserve. For every case resulting in death or permanent total disability hereafter arising it shall be the duty of the department to make transfer on their books from the accident fund of the proper class to the reserve fund a sum of money for that case equal to the estimated present cash value of the monthly payments provided for it, to be calculated upon the basis of an annuity covering the payments in this section provided to be made for the case. Such annuities shall be based upon tables to be prepared for that purpose by the state insurance commissioner and by him furnished to the state treasurer, calculated upon standard mortality tables with an interest assumption of three (3) per cent per annum.

The department shall notify the state treasurer from time to time of

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such transfers as a whole and the state treasurer shall invest the reserve in either state capitol building bonds issued to take up capitol building warrants now outstanding, or in the class of securities provided by law for the investment of the permanent school fund, and the interest or other earnings of the reserve fund shall become part of the reserve fund itself. The department shall on October 1st of each year, apportion the interest or other earnings of the reserve fund as certified to it by the state treasurer, to the various class reserve funds according to the average class balance for the preceding year. As soon as possible after October 1st of each year, beginning in the year 1927, the state insurance commissioner shall expert the reserve fund of each class to ascertain its standing as of October 1st of that year, and the relation of its outstanding annuities at their then value to the cash on hand or at interest belonging to that fund. He shall promptly report the result of his examination to the department and to the state treasurer in writing not later than December 31st, following. If the report shows that there was on said October 1st, in the reserve fund of any class in cash or at interest a greater sum than the then annuity value of the outstanding pension obligations of that class, the surplus shall be forthwith turned over to the accident fund of that class, but if the report shows the contrary condition of any class reserve, the deficiency shall be forthwith made good out of the accident fund of that class. The state treasurer shall keep accurate accounts of the reserve fund and the investment and earnings thereof, to the end that the total reserve funds shall at all times, as near as may be, be properly and fully invested, and to meet current demands for pension or lump sum payments may, if necessary, make temporary loans to the reserve fund out of the accident fund for that class, repaying same from the earnings of that reserve fund or from collections of its investments, or, if necessary, sales of the same.

(f) Permanent partial disability means the loss of either one foot,

one leg, one hand, one arm, one eye, one or more fingers, one or more toes, any dislocation where ligaments were severed where repair is not complete or any other injury known in surgery to be permanent partial disability. For the permanent partial disabilities here specifically described, the injured workman shall receive compensation as follows:

LOSS BY AMPUTATION

Of one leg so near the hip that an artificial limb cannot be worn	\$3,600.00
Of one leg at or above the knee so that an artificial limb can be worn.....	2,740.00
Of one leg below the knee...	1,870.00
Of great toe with metatarsal bone thereof	580.00
Of great toe at the proximal joint	360.00
Of great toe at the second joint	130.00
Of one other toe other than the great toe with metatarsal bone thereof.....	200.00
Of second toe at proximal joint	90.00
Of third toe at proximal joint	90.00
Of fourth toe at proximal joint	90.00
Of fifth toe at proximal joint	40.00
Of metatarsal bone on toe other than great toe....	100.00
Of one arm so near the shoulder that an artificial arm cannot be worn.....	3,600.00
Of the major arm at or above the elbow	2,740.00
Of forearm at upper third...	2,520.00
Of the major hand at wrist..	2,305.00
Of thumb with metacarpal bone thereof	870.00
Of thumb at proximal joint.	575.00
Of thumb at second joint...	215.00
Of index or first finger at proximal joint	470.00
Of index or first finger at second joint	395.00
Of index or first finger at distal joint	180.00
Of middle or second finger at proximal joint.....	360.00
Of middle or second finger at second joint	300.00

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Of middle or second finger at distal joint.....	\$100.00
Of ring or third finger at proximal joint.....	325.00
Of ring or third finger at second joint.....	250.00
Of ring or third finger at distal joint.....	100.00
Of little or fourth finger at proximal joint.....	125.00
Of little or fourth finger at second joint.....	90.00
Of little or fourth finger at distal joint.....	35.00
Of metacarpal bone in finger except thumb.....	90.00

MISCELLANEOUS

Loss of one eye by enucleation.....	1,725.00
Loss of sight of one eye.....	1,295.00
Complete loss of hearing in both ears.....	2,735.00
Complete loss of hearing in one ear.....	720.00
Complete broken arch in foot.....	720.00

Compensation for any other permanent partial disability shall be in the proportion which the extent of such other disability shall bear to that above specified, which most closely resembles and approximates in degree of disability such other disability, but not in any case to exceed the sum of three thousand six hundred dollars (3,600.00): *Provided*, That for disability to a member not involving amputation, not more than three-fourths ($\frac{3}{4}$) of the foregoing respective specified sums shall be paid: *Provided, further*, That payment for any injury to minor hand or arm or any part thereof, shall not exceed ninety-five (95) per centum of the amount hereinbefore enumerated.

If the injured workman be under the age of twenty-one years and unmarried, the parents or parent shall also receive a lump sum payment equal to ten per cent of the amount awarded to the minor workman.

(g) Should a further accident occur to a workman who has been previously the recipient of a lump sum payment under this act, his future compensation shall be adjudged according to the other provisions of this section and with regard to the com-

bined effect of his injuries and his past receipt of money under this act.

Should a workman receive an injury to a member or part of his body already from whatever cause permanently partially disabled, resulting in the amputation thereof or in an aggravation or increase in such permanent partial disability but not resulting in the permanent total disability of such workman, his compensation for such permanent partial disability shall be adjudged with regard to the previous disability of the injured member or part and the degree or extent of the aggravation or increase of disability thereof.

Should any further accident result in the permanent total disability of such injured workman, he shall receive the pension to which he would be entitled notwithstanding the payment of a lump sum for his prior injury.

(h) If aggravation, diminution, or termination of disability takes place or be discovered after the rate of compensation shall have been established or compensation terminated, in any case the director of labor and industries, through and by means of the division of industrial insurance, may, upon the application of the beneficiary, made within five years after the establishment or termination of such compensation, or upon his own motion, readjust for further application the rate of compensation in accordance with the rules in this section provided for the same, or in a proper case terminate the payment: *Provided*, Any such applicant whose compensation has heretofore been established or terminated shall have five (5) years from the taking effect of this act within which to apply for such readjustment.

No act done or ordered to be done by the director of labor and industries, or the department of industrial insurance, prior to the signing and filing in the matter of a written order for such readjustment, shall be ground for such readjustment: *Provided, however*, That if within the time limit for taking an appeal from an order closing a claim, the department shall order the submission of further evidence or the investigation

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of any further fact, the time for appeal from such order closing the claim shall be extended until the applicant shall have been advised in writing of the final order of the department in the matter.

(i) A husband or wife of an injured workman, living in a state of abandonment for more than one year at the time of injury or subsequently, shall not be a beneficiary under this act. A wife who has lived separate and apart from her husband for the period of two years and who has not, during that time, received, or attempted by process of law to collect, funds for her support or maintenance, shall be deemed living in a state of abandonment.

(j) If a beneficiary shall reside or remove out of the State the department may, in its discretion, with the written consent of the beneficiary, convert any monthly payments provided for such cases into a lump sum payment (not in any case to exceed the value of the annuity then remaining, to be fixed and certified by the state insurance commissioner, but in no case to exceed the sum of five thousand dollars (\$5,000.00)).

(k) No workman injured after June 30th, 1923, shall receive or be entitled to receive compensation out of the accident fund for or during the day on which injury was received or the three days following the same.

(l) If it be determined by the department of labor and industries that an injured workman had, at the time of his injury, a pre-existing disease and that such disease delays or prevents complete recovery from such injury the said department shall ascertain, as nearly as possible, the period over which the injury would have caused disability were it not for the diseased condition and/or the extent of permanent partial disability which the injury would have caused were it not for the disease, and award compensation only therefor.

SEC. 2. Section 7 of chapter 74, Laws of 1911, as last amended by section 3 of chapter 132, Laws of 1929 (section 7681 of Remington's Revised Statutes; section 3475, Pierce's Code), is hereby amended to read as follows:

Section 7681. In case of death or permanent total disability the monthly payment provided may be converted, in whole or in part, into a lump sum payment (not in any case to exceed five thousand dollars (\$5,000.00)), equal or proportionate as the case may be to the value of the annuity then remaining, to be fixed and certified by the state insurance commissioner, in which event the monthly payment shall cease in whole or in part accordingly or proportionately. Such conversions may only be made after the happening of the injury and upon the written application of the beneficiary (in case of minor children the application may be by either parent) to the department, and shall rest in the discretion of the department. Within the rule aforesaid the amount and value of the lump sum payment may be agreed upon between the department and the beneficiary. In the event any payment shall be due to an alien residing in a foreign country, the department may settle the same by making a lump sum payment in such amount as may be agreed to by such alien, not to exceed 50% of the value of the annuity then remaining.

Nothing herein contained shall preclude the department from making, and authority is hereby given it to make, on its own motion, lump sum payments equal or proportionate, as the case may be, to the value of the annuity then remaining, in full satisfaction of claims due to dependents.

SEC. 3. A dependent invalid child over the age of eighteen years shall have the same status under this act as a child under the age of eighteen years. Wherever provision is made in this act for payment to or on account of a child under eighteen years, like payment shall be deemed to be provided to or on account of a dependent invalid child over the age of eighteen years during the period of such dependency.

Passed the Senate March 13, 1941.

Passed the House March 12, 1941.

Approved by the Governor March 24, 1941.

ARGUMENT FOR REFERENDUM MEASURE NO. 22

TO THE VOTERS OF THE STATE OF WASHINGTON:

Vote "Yes" on Referendum Measure No. 22.

A vote for this referendum measure is a vote to prevent selfish interests from shifting the burden of their carelessness onto the helpless victims of industrial accidents, constructive industry and the general taxpayers.

These interests hide their identity under the assumed name of "Defenders of Washington Payrolls, Inc." A few lumbermen control that organization.

The Legislature passed Referendum Measure 22 by an Overwhelming Majority.

This Referendum Measure is Senate Bill 172. It grants a moderate increase in the rate of compensation to be paid by industry to workmen injured in extrahazardous employment. The interests that ask you to vote against Referendum Measure 22 urged every possible objection when the measure was being considered by your representatives in the legislature. After a deliberation of nearly two months, during which every argument pro and con was analyzed and weighed carefully, the House of Representatives passed the measure by a vote of 72 to 26, and the Senate passed it by a majority of 32 to 11.

The special interests that are opposing Referendum Measure 22 urged the Governor to veto the bill. Governor Langlie, after a painstaking study, and acting on the advice of many experts, signed and approved the measure.

Small Minority Blocks the Will of the People.

After this bill had passed the legislature and been signed by the Governor, selfish interests filed a referendum petition signed by only 5% of the voters. By this petition the operation of this progressive measure was suspended until the next general election, thereby depriving the injured workmen of its benefits for nearly two years.

Industrial Insurance Costs Are Low.

Sixty thousand workmen are injured in hazardous industry in the State of Washington every year. Ninety per cent of these accidents are preventable. A disproportionately large per cent happen in logging and coal mining. The rate of compensation paid the injured workman and his family is the smallest factor in the Industrial Insurance cost to the employer. Loss occurs only when an accident happens. That loss can be prevented by eliminating the accident.

The opponents of this measure say that some employers pay as high as 64¢ a day in Industrial Insurance premiums. That is the rate for logging, but loggers who are careful are given a much lower rate.

Injured workmen in all industries receive the same schedule of Industrial Insurance Compensation.

The rate for sash and door factories is less than 5¢ per day per man. Why should the loggers have 13 times as many accidents in proportion to the number of men employed? Why should the loggers have 65 times as many accidents in proportion to the number employed as the street railways and the stage and bus lines?

Negligence Admitted.

In the committee hearings during the last legislature the same selfish interests that are opposing Referendum Measure 22 admitted before the legislative committees that accidents in industry could be reduced 80% by proper safeguards and safe practices.

When these same few employers protested against an increase in the compensation paid the injured workman and his family, they were properly told by the legislature to clean house in their industry. They were advised to effect their savings by eliminating unnecessary accidents, not at the expense of the injured workman.

Inadequate Industrial Insurance Compensation Throws Burden on Taxpayers.

All Workmen's Compensation Acts are predicated upon the proposition

Argument For Referendum Measure No. 22

that the loss caused by industrial accidents is a part of the cost of production that should be borne by industry.

Under the Washington law the cost of administering the Industrial Insurance Act is paid out of general taxes. In return the taxpayers are supposed to be protected from the burden of having to support the casualties of industry.

The injured man still bears the greater part of the loss. His body suffers the injury. His earning capacity is stopped. His right to sue the employer for damages is taken away. The compensation awarded is pitifully inadequate. Many workmen injured in industry are now being supported on relief by the general taxpayers.

Every farmer, every taxpayer, every employer, engaged in a permanent industry should vote for Initiative Referendum Measure 22. They should insure that the large logging interests, many owned by non-residents, do not leave the State with a permanent heritage of stumps, dependent cripples, widows and orphans.

Workmen's Compensation Payments Very Small.

The selfish interests who urge you to vote against Referendum Measure 22 say that the Industrial Insurance Compensation in Washington is adequate. We ask you to judge for yourself. A totally crippled workman is paid \$35.00 a month. If he has a wife he is expected to support her on \$5 a month additional. He is expected to feed, clothe and educate his children on \$12.50 a month for the first child, \$7.50 a month for the second, and \$5 a month for each additional child. Is that an American standard of living?

If a workman's right hand is cut off he is paid \$1,920 as soon as the stump is healed. For the rest of his life he must be cared for by the public. The award for the loss of an eye is \$1,080; for a leg amputated below the knee it is \$1,560. In your opinion are those adequate awards? As a taxpayer should you be expected to

assume industry's burden of supporting such crippled men?

Referendum Measure No. 22 provides that an injured workman shall receive \$50 a month if he is totally disabled. If married, he is allowed \$10 a month for the support of his wife, \$15 a month for the first child, \$10 a month for the second, and \$7.50 a month for additional children.

Awards now paid for amputated limbs are increased 20%. Is there anything unreasonable in those payments? From the above it will easily be seen that the opponents of Referendum Measure 22 grossly exaggerate the cost to the employer of the increases provided in the bill. To employers who use proper care to reduce accidents there will be no additional cost. The rates of compensation provided in Referendum Measure 22 to injured workmen and their dependents are still small. They are certainly not excessive.

No Increase in Pension Reserve Fund.

The opponents of Referendum Measure 22 argue that the reserves heretofore set up for pension cases total \$13,000,000 and that the Referendum Measure will require an additional \$3,500,000 at once. This is false. The pension reserve fund has been built up over a period of 30 years, since the Industrial Insurance Act was enacted in 1911. No additional reserves are required for past cases. The Referendum Measure specifically provides that it relates only to future accidents. The Attorney General of the State of Washington has rendered an opinion that the measure is not retroactive.

Vote for Referendum Measure No. 22.

WASHINGTON STATE FEDERATION OF LABOR,

By JAMES A. TAYLOR,
President.

STATE OF WASHINGTON—ss.

Filed in the office of the Secretary of State July 1, 1941, by James A. Taylor, President, Washington State Federation of Labor.
BELLE REEVES,
Secretary of State.

ARGUMENT AGAINST REFERENDUM MEASURE NO. 22

TO THE VOTERS OF THE STATE
OF WASHINGTON:

You should vote "Against" Referendum Measure No. 22!

Referendum Measure No. 22 is arbitrary and unsound.

Industrial Insurance is highly technical. The employer who pays the bill, the injured workman who receives the benefit, and the public, should be considered. A Thurston County Grand Jury, composed of representatives of labor, industry, farmers and the public, in a report filed January 12, 1940, after several months of investigation of the Department of Labor and Industries, reported that the Industrial Insurance Act needed study, but stated that that was impossible during the time available in a legislative session, and recommended that the Legislature authorize the Governor to appoint a committee to study and make an impartial report. The Legislature disregarded this recommendation and, instead, passed Referendum Measure No. 22 in the rush of the last days of the legislative session.

According to the 1940 report of the United States Bureau of Labor, our present Industrial Insurance Law is one of the most comprehensive and liberal of any state in the Union. There is no limit on the length of time compensation is paid.

The Industrial Insurance Law was enacted to give immediate relief to injured workmen, even though the workman was to blame for his injury.

We do not desire less benefits paid to beneficiaries under Industrial Insurance. We have as much interest in preserving the integrity and well-being of the workman and his family as any other group in the state.

Referendum Measure No. 22 was drawn entirely for a special interest group. Employers were not consulted, although they were ready and willing to meet with employees and the public to discuss industrial insurance questions, and are still willing to consider and recommend adjustment of any inequalities under the present law. All offers to compromise were

rejected as were all proposals that the entire matter be studied by a non-partisan committee.

Referendum Measure No. 22 raises the basic rate cost of industrial insurance 58.65%. The employee pays no part of the cost of industrial insurance.

Industrial insurance in 1940 cost employers of the State of Washington \$4,269,102.89. Referendum Measure No. 22 will increase that cost to nearly \$7,000,000.00 annually. In 1937, general Social Security legislation became effective and payroll taxes for Federal Old Age Annuities and Unemployment Compensation went into effect, which meant that \$18,330,000.00 was paid in 1940 by the payroll makers of this state in addition to the \$4,269,000.00 paid for industrial insurance. Further, employers are facing ever increasing tax burdens to meet the present national crisis and carry on a successful defense program.

Under the present industrial insurance law there is a cash reserve fund of \$13,427,399.00 to guarantee payment of fixed pensions and awards. Referendum Measure No. 22 will require an immediate cash increase in that fund of at least \$3,500,000.00.

Referendum Measure No. 22 not only discriminates against existing business enterprises, but is a detriment against securing new industries and might be the deciding factor which would cause a new industry to locate out of the State of Washington. The fact remains, that industry carrying ever increasing payroll and defense taxes, cannot absorb additional loads and still continue to operate.

Referendum No. 22 will increase the cost of Washington manufactured products, thereby raising the price farmers will have to pay for these products.

Referendum Measure No. 22 does not cure any defect of the present law, eliminate delays, or guarantee payments to injured workmen.

Referendum Measure No. 22 endangers the entire structure of State Industrial Insurance. Many small businesses, today, are paying as much

Argument Against Referendum Measure No. 22

as 64¢ per day, for each employee, for industrial insurance. Referendum Measure No. 22 will increase this cost for such concerns to \$1.00 or more per day, per employee.

The United States Department of Labor finds that the problem of Industrial Insurance is to devise a system that will actually protect the greatest possible number of workers, at a cost that small employers and even poor employers can bear.

The State of Washington is dependent on both labor and industry. In all problems affecting them, both should be considered.

We would welcome the appointment of a committee composed of representatives of labor, industry and the public to make a study and impartial report of industrial insurance

problems. We are willing to submit to the finds and abide by the recommendation of such a committee. This is the democratic method or procedure.

Make possible a fair and impartial study of Industrial Insurance problems.

VOTE - "AGAINST" REFERENDUM MEASURE NO. 22!

DEFENDERS OF WASHINGTON
PAYROLLS, INC.,

By JACK PERINE,
Secretary-Treasurer.

STATE OF WASHINGTON—ss.

Filed in the office of the Secretary of State, June 20, 1941, by Jack Perine, Secretary-Treasurer, Defenders of Washington Payrolls, Inc. BELLE REEVES,
Secretary of State.

Referendum Measure No. 23

BALLOT TITLE

AN ACT relating to grand juries; providing for the appointment of an attorney, independent of the prosecuting attorney to assist and advise the grand jury; and amending section 2032 of Remington's Revised Statutes.

HOUSE BILL NO. 320

AN ACT relating to prosecution for public offenses, and amending section 14 of chapter 28 of the Laws of 1891 (section 2032 of Remington's Revised Statutes).

Be it enacted by the Legislature of the State of Washington:

SECTION 1. That section 14 of chapter 28 of the Laws of 1891 (section 2032 of Remington's Revised Statutes) be amended to read as follows:

Section 14. The Superior Court in each county shall appoint an attorney to attend on the grand jury for the

purpose of examining witnesses and giving it such advice as it may ask. The Court shall provide a reasonable attorney's fee for such services to be paid from the county current expense fund. Such attorney shall not be subject in any way to the authority of the Prosecuting Attorney and in cases where such an attorney is appointed, the Prosecuting Attorney shall have no power to act or intervene.

Passed the House February 24, 1941.

Passed the Senate March 12, 1941.

Approved by the Governor March 21, 1941.

ARGUMENT FOR REFERENDUM MEASURE NO. 23

Referendum No. 23 provides for appointment of an attorney by the Superior Court, to examine witnesses and give advice to grand juries. This examining and advisory power is vested in a disinterested, competent, special attorney appointed by the Court for grand juries, leaving to the prosecutor the right to appear before the grand jury and advise it in cases where he had initiated the proceedings.

Arguments for Referendum 23:

1. Provides an investigation of corruption in government, free from the influence of any political office holder.

2. The Superior Court, which is non-partisan and elected by the people, will appoint the attorney to assist and advise the grand jury.

3. The purpose of this measure is to support and secure honesty in public office. In actual operation it will also give moral and practical support to the prosecuting attorney.

4. The laws of our state provide that the prosecuting attorney shall be the official legal advisor of the other county officials. When a grand jury desires to investigate these other officials, it is often embarrassing to the prosecutor to advise the grand jury in connection with the investigation of these officials whom he has been advising and representing. In all such cases the grand jury and the public would be better served by an independent attorney who has no connection with the officials under investigation.

5. It provides a means to investigate the prosecuting attorney's office, which is impractical under the present laws.

6. The prosecuting attorney, under a separate measure (Referendum 24), retains his power and right to appear and advise the grand jury when he initiates the call for one.

7. When local government becomes extravagant or corrupt, many thousands, even hundreds of thousands of dollars of the taxpayers' money are

wasted. The compensation to the special attorney which the Court is authorized to allow, is trivial in comparison with the large savings to the taxpayer involved in the elimination of such waste by an independent grand jury.

This measure, passed by the 1941 Legislature and now referred to the voters for confirmation, creates a non-partisan and independent grand jury system. Grand juries are usually called to uncover governmental corruption. In the past they have often been ineffective because of the disinclination for one reason or another, of the prosecuting attorney, advisor of the grand jury, to expose corrupt officials with whom he is necessarily closely connected because of his official duties. This measure provides for a disinterested attorney to assist the grand jury. Being appointed by the Court, a non-partisan, elective body, he will be solely responsible to the Court and the People.

This measure provides a necessary means by which our citizens can effectively investigate their government and not be blocked by any political officeholder. It is, therefore, most democratic.

An independent investigation of public office is a wholesome thing. It tends to inspire in the people a respect for their honest officials, and in the officials a respect for the rights of the people. This measure aids the making of impartial investigations.

If the grand jury brings an indictment, the prosecuting attorney is to carry on the prosecution. There is no change in the law in this respect. Stenographic reports of the grand jury hearings will provide the prosecuting attorney the necessary information to prosecute.

This measure affords the People an effective device for governmental reform and restoration of honesty in public office. Every good citizen should vote for it.

JOHN M. CUSTER, Sponsor,
Representative, 36th District;
EDWARD J. REILLY, Speaker,
House of Representatives;
W. R. ORNDORFF, Senator,
Spokane County;
GEORGE C. KINNEAR,
Representative, King County;

CHARLES H. TODD, Representative,
44th District;
MRS. THOMAS E. KEHOE,
Representative, 3rd District;
JOHN R. JONES, Representative,
Oganogan-Douglas Counties;
JOSEPH E. HURLEY, Representative,
Spokane County.

STATE OF WASHINGTON--ss.

Filed in the office of the Secretary of State, June 21, 1941, by John M. Custer, State Representative, 36th District.

BELLE REEVES, Secretary of State.

ARGUMENT AGAINST REFERENDUM MEASURE NO. 23

Chapter 158, Session Laws of the State of Washington (Referendum No. 23) requires the Superior Court of each County to appoint a special attorney at grand jury sessions and provides a reasonable attorney fee for his services. Also, said special attorney shall not be subject in any way to the authority of the Prosecuting Attorney and said Prosecuting Attorney shall have no power to act or intervene.

The law should be repealed for the following reasons: A. It is completely antagonistic to the principles of the constitution of the State of Washington and of the United States, in that it violates the important fundamental Democratic principle that there shall be a complete segregation of the three branches of government, namely the legislative, executive and the judicial. By requiring the Superior Court of each county to appoint a special attorney at grand jury sessions the law merges the executive or administrative duties of the Prosecuting Attorneys into the judicial, because the appointment by the Court, of a "Special Attorney" permits the court complete control over the activities of said attorney in presenting evidence to the Grand Jury, and permits the Court through such attorney, to have a hand in preparing the prosecuting evidence.

The Court thereby becomes the prosecutor in preparation of the case for the prosecution and thereafter sits as judge to consider the evidence in cases prepared by himself or under his directions to the "Special Attorney." Thus the administrative duties of the Prosecuting Attorney are merged with the judicial duties of the Court. Such Courts under such conditions are bound to be prejudiced, therein defeating the democratic principle of segregation of the three branches of government.

B. The law imposes additional unnecessary expense to taxpayers. It provides for reasonable attorney's

fees for the "Special Attorney." The duly elected Prosecuting Attorney in each county is paid from tax funds. "Special Attorneys" appointed by the Court **must be paid in addition, under the law, thereby increasing expenses to taxpayers.**

C. The law, by stripping the Prosecuting Attorney of all power or authority over the "Special Attorney," deprives the Prosecuting Attorney from carrying out one of the fundamental duties of his office. The Prosecuting Attorney in each county is elected by the people, and is therefore responsible to the people. In addition to prosecuting offenders, the Prosecuting Attorney of a county has a second fundamental duty of protecting the rights of the innocent in such county.

How can the duly elected Prosecuting Attorney charged with protecting the rights and property of the citizens of a county do so when he "shall have no power to act or intervene" and when the "Special Attorney" shall "not be subject in any way to the authority of the Prosecuting Attorney"? Nothing could be more ridiculous than the faultily constructed Chapter No. 158, Session Laws, which was imposed upon the citizens of this state for the purpose of trying to control grand jury procedure, the reasons for which are known only to the sponsors of said law.

Chapter 158, Session Laws of the State of Washington should be **repealed**. Citizens of this state should vote **against** retaining the law on the statute books.

WASHINGTON STATE REFERENDUM
COMMITTEE,
By Tom Mulholland.

STATE OF WASHINGTON—ss.

Filed in the office of the Secretary of State, June 21, 1941, by Tom Mulholland, Washington State Referendum Committee.
BELLE REEVES,
Secretary of State.

Referendum Measure No. 24

BALLOT TITLE

AN ACT relating to the duties of prosecuting attorneys; providing that they shall no longer attend and appear before or give advice to grand juries except in cases where the calling of the grand jury has been initiated by the prosecuting attorney; and amending section 4136 of Remington's Revised Statutes.

HOUSE BILL NO. 329

AN ACT relating to Prosecuting Attorneys, defining their duties and fixing their compensation, and amending section 18, pages 63 and 64, of the Laws of 1886 (section 4136 of Remington's Revised Statutes).

Be it enacted by the Legislature of the State of Washington:

SECTION 1. That section 18, pages 63 and 64, of the Laws of 1886 (section 4136 of Remington's Revised Statutes) be amended to read as follows:

Section 18. The Prosecuting Attorney when not in attendance upon the Superior Court shall institute and prosecute proceedings before magistrates for the arrest of persons charged with or reasonably suspected of, a felony when he has information that any such offense has been committed, and shall for that purpose attend when required by them. The Prosecuting Attorney shall draw all indictments when required by the grand jury. The Prosecuting Attorney shall not attend or appear before

or give advice to the grand jury when cases are presented to it for its consideration except in cases where the calling of the grand jury has been initiated by the Prosecuting Attorney. It shall be the duty of the Prosecuting Attorneys elected under this act to carefully tax all cost bills in criminal cases arising in their respective counties, and they shall take care that no useless witness fees are taxed as part of such costs, and that the officers, authorized to execute process, tax no other or greater fees than the fees allowed by law: *Provided*, That if they are not present at the trial of any criminal case, before any Justice of the Peace, and the cost bill in such last case is lodged with the County Commissioners for such payment the said Prosecuting Attorney shall have the right to receive and retax the same, and it is made his duty so to do, if the Board of County Commissioners deem the bill exorbitant or improperly taxed.

Passed the House February 24, 1941.

Passed the Senate March 12, 1941.

Approved by the Governor March 24, 1941.

ARGUMENT FOR REFERENDUM MEASURE NO. 24

Referendum Measure No. 24, the companion measure of Referendum No. 23, preserves to the prosecuting attorney the power and right to attend upon and advise the grand jury in cases where he has himself initiated the call for it, but provides that in other cases he shall not attend, appear before, or advise the grand jury. These companion measures, Numbers 23 and 24, provide for a grand jury system that is impartial and independent. In those cases where the prosecuting attorney needs a grand jury for any purpose and initiates the call for one, he may act. In other cases, where a citizen or group of citizens initiates the call for a grand jury, believing that there is need for an independent investigation, the prosecuting attorney may not take part in the grand jury proceedings.

This measure should be supported for the same reasons advanced in support of Referendum No. 23.

JOHN M. CUSTER, Sponsor,
Representative, 36th District;

EDWARD J. REILLY,
Speaker, House of Representatives;

W. R. ORNDORFF,
Senator, Spokane County;

GEORGE C. KINNEAR,
Representative, King County;

CHARLES H. TODD,
Representative, 44th District;

MRS. THOMAS E. KEHOE,
Representative, 3rd District;

JOHN R. JONES,
Representative, Okanogan-Douglas Counties;

JOSEPH E. HURLEY,
Representative, Spokane County.

STATE OF WASHINGTON—ss.

Filed in the office of the Secretary of State, June 21, 1941, by John M. Custer, State Representative, 36th District.

BELLE REEVES,
Secretary of State.

ARGUMENT AGAINST REFERENDUM MEASURE NO. 24

Chapter 191, Session Laws of the State of Washington (Referendum No. 24), provides that the Prosecuting Attorney shall not attend or appear before or give advice to the grand jury when cases are presented to it for its consideration, except in cases where the calling of the grand jury has been initiated by the Prosecuting Attorney.

Chapter 191 should be repealed for the reasons given in paragraph "C" of the Argument against Chapter 158, on page 25.

It relieves the Prosecuting Attorney of responsibility as advisor to grand juries in certain instances and permits a special attorney to act in his stead. The special attorney would not function in the prosecution of any person before the Court. The Prosecuting Attorney is required to prosecute criminal actions that he had no part in investigating or instigating. No responsibility exists on the grand jury or "special attorney" in the prosecution of an offender and yet their power of instigating criminal actions is unlimited.

The citizens of each county of the State of Washington elect their Prosecuting Attorney, who is under oath and bond and answerable to the citizens who elected him to office to

conduct that office according to law and in a fair-minded, conscientious and sincere manner. If he fails, he can be removed at the next election or by recall. This is the democratic way.

The whole question is whether the Prosecuting Attorney shall or shall not be permitted to guard the rights and property of the citizens of their respective counties by whom and for which purpose they are elected to office, and whether a "Special Attorney" not responsible to the citizens of each county shall, with the assistance of the Superior Courts usurp the functions of the duly elected Prosecuting Attorneys.

Chapter 191, like Chapter 158, should be repealed.

Citizens of this state should vote **against** retaining the law on the statute books.

WASHINGTON STATE REFERENDUM
COMMITTEE,

By Tom Mulholland.

STATE OF WASHINGTON—ss.

Filed in the office of the Secretary of State, June 21, 1941, by Tom Mulholland, Washington State Referendum Committee.
BELLE REEVES,
Secretary of State.

Referendum Bill No. 6

BALLOT TITLE

AN ACT relating to taxation; limiting the aggregate annual rate of levy on real and personal property for state, county, city or town, school district and road district purposes to forty mills; limiting the levy for the state to two mills to be used exclusively for the support of the University of Washington, Washington State College and the State Colleges of Education; limiting the levy by counties, cities and towns, school districts and road districts to certain designated maximums; excepting port or power districts from the operation of the act; and providing that additional levies may be authorized as in the act provided.

HOUSE BILL NO. 557

AN ACT relating to the taxation of real and personal property and limiting the aggregate annual rate of levy thereon for all purposes to forty mills, and submitting this act to the people for their approval or rejection at the general election in November, 1942.

Be it enacted by the Legislature of the State of Washington:

SECTION 1. Except as hereinafter provided, the aggregate of all tax levies upon real and personal property by the state, municipal corporations, taxing districts and governmental agencies, now existing or hereafter created, shall not in any year exceed forty mills on the dollar of assessed valuation, which assessed valuation shall be fifty per centum (50%) of the true and fair value of such property in money; and within and subject to the aforesaid limitation the levy by the state shall not exceed two (2) mills to be used exclusively for the support of the University of Washington, Washington State College and the State Colleges of Education; the levy by any county shall not exceed ten (10) mills including any levy for the county school fund required by law, the levy by or for any school district shall not exceed ten (10) mills, the levy for any road district shall not exceed three (3) mills, and the levy by any city or town shall not exceed fifteen (15) mills: *Provided*, That nothing herein shall prevent levies at the rates provided by existing law by or for any port or power district: *Provided*,

further, That the limitations imposed by this section shall not prevent the levy of additional taxes, not in excess of five (5) mills per annum and without anticipation of delinquencies in payment of taxes, in an amount equal to the interest and principal payable in the next succeeding year on general obligation bonds, outstanding on December 6, 1934, issued by or through the agency of the state, or any county, city, town, or school district, nor the levy of additional taxes to pay interest on or toward the reduction, at the rate provided by statute, of the principal of county, city, town, or school district warrants outstanding on December 6, 1932; but the millage limitation of this proviso with respect to general obligation bonds shall not apply to any taxing district in which a larger levy is necessary in order to prevent the impairment of the obligation of contracts: *Provided, further*, That any county, school district, city or town shall have the power to levy taxes at a rate in excess of the rate specified in this act, when authorized so to do by the electors of such county, school district, city or town by a three-fifths majority of those voting on the proposition at a special election, to be held in the year in which the levy is made, and not oftener than once in such year, in the manner provided by law for holding general elections, at such time as may be fixed by the body authorized to call the same, which special election may be called by the Board of County Commissioners, Board of School Directors, or Council or other governing body of

Referendum Bill No. 6

any city or town, by giving notice thereof for two (2) successive weeks by publication and posting in the manner provided by law for giving notices of general elections, at which special election the proposition of authorizing such excess levy shall be submitted in such form as to enable the voters favoring the proposition to vote "YES," and those opposed thereto to vote "NO": *Provided*, That the total number of persons voting at such special election shall constitute not less than forty per cent (40%) of the voters in said taxing district who voted at the last preceding general state election: *Provided, further*, That any municipal corporation otherwise authorized by law to issue general obligation bonds for capital purposes may, at an election duly held after giving notice thereof as required by law, authorize the issuance of general obligation bonds for capital purposes only, which shall not include the replacement of equipment, and provide for the payment of the principal and interest of such bonds by annual levies in excess of the tax limitation contained herein: *Provided*, That such election shall not be held oftener than once a year, and that the proposition to issue such

bonds and to exceed said tax limitation shall receive the affirmative vote of a three-fifths majority of those voting on the proposition and that the total number of persons voting at such election shall constitute not less than forty per cent (40%) of the voters in said municipal corporation who voted at the last preceding general state election: *Provided, further*, That any taxing district shall have the right by vote of its governing body to refund any general obligation bonds of said district issued for capital purposes only, and to provide for the interest thereon and amortization thereof by annual levies in excess of the tax limitation provided for herein.

Sec. 2. This act shall be referred and submitted to the people for their approval and ratification or rejection at the general election to be held in this state on the Tuesday next succeeding the first Monday in November, 1942, by the officers and in the manner provided by section 5416 of Remington's Revised Statutes.

Passed the House March 12, 1941.

Passed the Senate March 11, 1941.

Approved by the Governor March 21, 1941.

ARGUMENT FOR REFERENDUM BILL NO. 6

Since 1932 property tax limitation has been a complete success in the State of Washington.

It has been approved by substantial majorities at five general elections and in 1940 received a favorable vote of about three to one, carrying in every county in the state.

The tax limitation measure now submitted deserves the united support of the people of Washington for the following definite and indisputable reasons:

1. **It has prevented** the confiscation of land by excessive tax levies.
2. **It has produced** from property a fair and stable income for the support of government.
3. **The operation of this tax limitation law has resulted in**
 - A. Reduction of 46% in debts of counties.
 - B. Reduction of 34% in debts of common schools.
 - C. Reduction of 25% in debts of the state.
 - D. Increase in common school income from \$24,182,644 in 1932 to \$31,494,966 in 1940.
4. **It has been the deciding factor** in influencing industrial establishments to locate in this state.
5. **It has reduced taxes on homes and farms** by more than 40 per cent.
6. **It has reduced tax delinquency** from \$47,994,536 in 1933 to \$15,964,539 in 1940.
7. **It has made home ownership safe and desirable** and taken the crushing tax load off those who own farms.
8. **It has made** Washington the outstanding state in progressive tax legislation and contributed substantially to the present excellent financial condition of our state, our counties, our cities and our schools.
9. **It has been accepted nationally** as a sound fiscal policy and other states have followed and more will follow the lead of Washing-

ton in the protection of property ownership.

10. **It has been indorsed** and supported locally by the Forty Mill Tax Limit Committee; the Washington State Farm Bureau; the Washington Association of Real Estate Boards; the Washington State Taxpayers Association; the Washington Wheat Growers League; the Savings and Loan League of Washington; the Washington Titlemen's Association; the Association of County Commissioners; Chambers of Commerce; Commercial Clubs and numerous other Civic organizations; and the general movement for property tax limitation is supported nationally by the National Grange, the National Real Estate Board and other sponsors of the National Council of Property Tax Payers.

You are compelled to vote on this measure every two years until your legislators submit a constitutional amendment which will embody property tax limitation in our constitution.

We ask you to support personally this measure and actively campaign for its passage in your district in 1942 in order that the savings accomplished and the protection you have enjoyed for the past ten years may be continued.

The measure is fair, it is for the protection of homes and farms and in the best interest of all the people of Washington.

THE FORTY MILL TAX LIMIT COMMITTEE,

By **H. F. SYFORD**, *Chairman*,
L. S. BOOTH,
J. W. WHEELER,
A. A. OLES, *Secretary*.

STATE OF WASHINGTON—ss.
Filed in the office of the Secretary of State, September 10, 1941, by The Forty Mill Tax Limit Committee.
BELLE REEVES,
Secretary of State.

An Amendment to the State Constitution

To Be Submitted to the Qualified Electors of the State for Their Approval or
Rejection at the

GENERAL ELECTION

TO BE HELD ON

Tuesday, November 3, 1942

CONCISE STATEMENT

A PROPOSAL to amend Article VII of the Constitution by adding a new section, section 2, providing that income shall not be construed as property for the purpose of taxation, and empowering the legislature to enact graduated net income taxes, and to provide exemptions, offsets and deductions.

HOUSE JOINT RESOLUTION NO. 4

Be It Resolved, by the Senate and House of Representatives of the State of Washington, in Legislative Session Assembled:

That at the next general election to be held in this state there shall be submitted to the qualified electors of this state for their approval and ratification or rejection an amendment to Article VII of the Constitution of the State of Washington, by adding thereto a new section to be designated Section 2 of Article VII which shall read as follows:

SECTION 2. For the purpose of taxation income shall not be construed as property and the legislature shall have the power to lay and collect graduated net income taxes from whatever source derived, and to pro-

vide exemptions, offsets and deductions.

And Be It Further Resolved, That the Secretary of State shall cause the foregoing constitutional amendment to be published at least three months preceding the election in a weekly newspaper in every county where a newspaper is published throughout the state.

Passed the House March 12, 1941

EDWARD J. REILLY,
Speaker of the House.

Passed the Senate March 11, 1941.

VICTOR A. MEYERS,
President of the Senate.

STATE OF WASHINGTON—ss.

Filed in the office of the Secretary of State, March 17, 1941.

BELLE REEVES,
Secretary of State.