

various articles of commerce, is one of the existing and growing evils of the day, preventing fair and honest competition in the various industries in which our people are engaged, and certain to retard the new state in its onward march to commercial greatness, be it therefore resolved that this subject be referred to the appropriate committee with instructions to prepare and submit to this Convention a clause, providing in substance that no incorporated company in the State of Washington shall directly or indirectly combine, or make any contract with any other incorporated company, foreign or domestic through their stockholders, or the trustees, or assignees of such stockholders, or in any manner whatsoever, for the purpose of fixing the price or regulating the production of any article of commerce, and that the Legislature be required to pass laws for the enforcement thereof, by adequate penalties, to the extent, if necessary, for that purpose, of the forfeiture of their property and franchises."

Mr. Henry moved to reply to the Committee on Corporations Other Than Municipal. Mr. P. C. Sullivan raised a point of order, that it took away the prerogative of the President. Overruled.

Mr. Griffiths demanded the ayes and noes and those voting aye were: Allen, Berry, Blalock, Browne, Buchanan, Burk, Clothier, Coey, Cosgrove, Crowley, Dallam, Dickey, Durie, Dyer, Eldridge, Eshelman, Fairweather, Fay, Gray, Hayton, Henry, Hicks, Jamieson, Jeffs, Joy, Lillis, Lindsley, McDonald, McElroy, McReavey, R. S. More, Newton, Power, Schooley, Sohns, Stevenson, Sturdevant, Suksdorf, P. C. Sullivan, Tibbetts, Turner, Van Name, Winsor.

And those no were: Comegys, Dunbar, Godman, Gowey, Griffiths, Hungate, Kinnear, McCroskey, Minor, J. Z. Moore, Neace, Prosser, J. M. Reed, T. M. Reed, Sharpstein, Shoudy, Stiles, E. H. Sullivan, Waltman, Warner, Weisenburger, West and Mr. President. Forty-three voting aye and twenty-three no, the motion carried.

On motion of Mr. Durie (it being 4:30 p.m.) the Convention adjourned to 1:30 p.m., July 10th, 1889.

July 10th, 1889

Convention called to order by the President at 1:30 p.m. Prayer by the Chaplain.

On call of the roll all members except the following gentlemen were present: Mr. Clothier, Mr. Manly, and Mr. Mires on leave.

Minutes read and approved.

Mr. Minor moved that the rules be suspended and the Committee upon State, School and Granted Lands be increased to seventeen members. Agreed to.

Mr. Waltman rose and informed the Convention that Mr. Travis was present and that he desired him to be admitted to the seat occupied by himself; Mr. Griffiths then presented the credentials of Mr. Travis, and the Convention by vote ordered that Mr. Travis be seated, and he came forward and was sworn.

Mr. Dyer moved that Clerk certify his per diem and mileage of this Convention. Carried.

Mr. Stiles moved that Mr. Travis be assigned to the committees made vacant by Mr. Waltman. Agreed to.

Mr. Griffiths presented the following communication from Mr. W. D. Knight relating to printing.

“To the Honorable President and Members of the Constitutional Convention of Washington.

“Gentlemen:

“I have the honor to submit the following proposition for the execution of all printing ordered by your honorable body, believing that you alone have the right to select your own printer, an officer so intimately connected with the expedition of the business of the session, and that you all will be interested in promoting the economy which is quite evident an acceptance of my proposition will secure.

“For printing what is ordinarily designated as “Bill Work”—i.e. set in small pica type and leaded with double small pica reglet, the sum of 30 cents per 1000 ems of composition. If leaded with pica reglet, 40 cents per 1000 ems. Presswork 50 cents per token of 250 sheets. In bill work two pages to constitute a signature, unless the nature of the work requires but a single page. For pamphlet composition 50 cents per 1000 ems. For press work 50 cents per token of 250 sheets. Eight pages to constitute a signature, unless the nature of the work requires a less number of pages.

“Paper at cost, ten per cent added, and binding, if any, at cost. The above proposition is about fifty per centum less than the rates allowed by the department at Washington, and as a large proportion of the expense will doubtless have to be paid out of the territorial treasury, judging by legislative precedent, this proposal, it will be seen, will save to the people of the territory a large sum. I furthermore respectfully beg to inform the Convention that I am prepared to immediately enter upon the duties of the position named, should the contract be awarded to me, and will give ample bonds for the faithful and prompt execution thereof.

“Most respectfully submitted,
W. D. KNIGHT
Publisher, *Daily Chronicle*
Spokane Falls, W.T.”

The President announced the following committees:

No. 25. Engrossment: Shoudy, Berry, Jones, McReavey, Van Name.

No. 26. State Medical and Public Health: Willison, Manly, Blacklock, Minor, Turner.

A memorial was presented in favor of women voting, same read and referred to Committee on Elections and Elective Rights.

A petition asking that a clause be put into the constitution prohibiting the manufacture and sale of alcoholic liquors in the State of Washington, referred to Committee on Miscellaneous Subjects.

A petition was presented by Mr. Power from citizens of Yakima on the same subject and referred to the Committee on Miscellaneous Subjects, Schedule and Future Amendments.

Mr. J. M. Reed presented petition in favor of women's suffrage, referred to Committee on Elections.

Mr. Turner from Judiciary presents the following request from the Judiciary Committee and moved that the same be granted, which was done.

To the Honorable President of the Convention:

Your committee on Judicial Department respectfully request the Convention to allow them to engage the services of Miss May Sylvester as Committee Clerk.

Respectfully submitted. July 10th, 1889.

GEORGE TURNER

Chairman

THOMAS C. GRIFFITTS

Secretary

Permission granted.

Mr. Kinnear from the Committee on Corporations Other Than Municipal presents the following majority report of said Committee, ordered received and filed.

Majority Report

Mr. President:

Your Committee on Corporations Other Than Municipal to whom was referred the resolution on trusts and combinations created for the purpose of fixing the price and regulating the production of the various articles of commerce reports that it has considered and acted upon said resolution, and the majority of said committee recommends its adoption by the Convention, and that it be referred to the appropriate committee.

J. R. KINNEAR, *Chairman*

LEWIS NEACE

B. L. SHARPSTEIN

J. J. WEISENBURGER

J. P. T. McCROSKEY

CHAS. T. COEY

FRANCIS HENRY

Mr. P. C. Sullivan from the same Committee presents a minority report of the same Committee.

The undersigned members of the Committee on Corporations Other Than Municipal, hereby submit to the Convention for its consideration the following minority report.

That the resolution in relation to trusts should be adopted as the sense of this Convention upon the subject, but that the clause instructing the committee to report any clause to be em-

bodied in the Constitution in substance the same as that of the resolution be not adopted. We deem the instruction a violation of the spirit of the rules of the Convention, and its adoption will have a tendency to cause all members to make propositions in the form of resolutions and instructions instead of submitting simple propositions for consideration by the committees.

JOHN A. SHOUDY

P. C. SULLIVAN

Mr. Warner moved that the minority report of the Committee be adopted; carried.

Mr. Gowey presented the following resolution and moved its adoption. "Resolved, that the privileges of the floor of the Convention be tendered to the Governor, Secretary, and other executive officers of the Territory, during sessions." Carried.

Mr. Crowley presents the following request and moves its adoption.

To the President of the Convention: We, your Committee on Appointment and Representation, request permission of the Convention to employ O. C. Pratt as clerk of the Committee.

D. J. CROWLEY,

Chairman

P. C. SULLIVAN,

Secretary

July 10th, 1889.

Carried. Permission Granted.

Mr. Stiles presented the following petition [from the] Tacoma Typographical Union No. 170 relative to elections, taxation and other matters which was read, and the Clerk instructed to refer to the various committees which was done as follows: The first, second, third and fourth paragraphs to the Committee on Elections and Elective Rights.

The fifth paragraph to the Committee on County, City and Township Organization.

The sixth paragraph to the Committee on Revenue and Taxation.

The seventh paragraph to the Committee on State, School and Granted Lands.

Paragraphs eight, nine, ten and eleven to the Committee on Miscellaneous Subjects, Schedule and Future Amendments.

The officers of the Tacoma Typographical Union No. 170 presented a petition by order of the said body representing seventy-five members demanding "that the following provisions be made in the Constitution which you are to frame and submit to the people."

- 1st Provision for an absolute secret ballot, so that our citizens can vote as their conscience dictates.
- 2nd The selection of all servants by the people by the elective method. No appointing power to be vested in any of our state or municipal officers.
- 3rd Majority representation.
- 4th That when one third of the members of the Legislature shall demand the submission of a law to a proper vote, it shall be so submitted.
- 5th Enabling municipal governments to own and control such industries and public conveniences as the people may choose to own and control.
- 6th Taxation of land held from use as high as land used.
- 7th The reservation of our tidelands, school lands and all lands ceded to the state by the United States forever. The same to be treated so as to insure the highest possible perpetual income to the schools.
- 8th Prohibiting the operation of all private detective agencies. No arrest to be made or law enforced by other than constitutionally qualified officers.
- 9th A clause providing that the rights of the people to peacefully assemble to discuss measures for their mutual benefit, to ask for a redress of grievances shall not be infringed upon or curtailed.
- 10th Providing for annual sessions of the Legislature and no restrictions to be placed on length of session.
- 11th An expeditious method of amending the organic law so as to make it conform to changing conditions.

The petitioners further prayed that the members would continually bear in mind that a republic can only be based on the equality of its citizens and that the great producing classes have a right to be protected against the nonproducers and drones of society.

Petition signed by Geo. W. Alexander, President and C. E. Crittenden, Secretary.

The following propositions were then submitted in the order following.

Proposition No. 1

By Thomas C. Griffitts

Third District

No land owned by the State of Washington, either by grant or otherwise at the time it becomes a state, except lands granted to said state for the establishment and maintenance of a scientific school, normal schools, public buildings and state charitable, educational, penal and reformatory institutions, shall ever be sold or in any manner transferred but the title thereof shall remain forever in the state.

Was read first and second time and referred to the Committee on State, School and Granted Lands.

Proposition No. 2

By Thomas C. Griffitts

Third District

The ownership of lands by aliens is detrimental to the best interests of a state and is therefor prohibited in this state except where acquired by inheritance and all conveyances of lands hereafter made to any alien shall be void.

Was read a first and second time and referred to the Committee on State, School and Granted Lands.

Proposition No. 3

By Thomas C. Griffitts

Third District

No county, city or other municipal corporation shall give any subsidy or loan its credit in any way whatever for any purpose to any corporation, company, association or person.

Was read first and second time and referred to the Committee on State, County and Municipal Corporations.

Proposition No. 4
By Thomas C. Griffiths
Third District

There shall be established in the office of the Secretary of State a Bureau of Labor Statistics and the Legislature shall enact appropriate legislation to establish and maintain the same.

Read first and second times and referred to the Committee on Legislative Department.

Proposition No. 5
By Mr. Prosser
Article—On Water Rights

Riparian proprietors shall have all the rights in the flow and use of the waters of this state which pertain to riparian proprietors at common law, provided, however, that in the districts of this state wherein irrigation is necessary the Legislature may provide for the mode and manner of appropriating the waters flowing and being in such district or districts to public use, and also provide for the mode and manner of ascertaining and determining the compensation to be rendered to any party or parties (if at all) "on account of such appropriation" to public use.

Read first and second time and referred to Committee on Water and Water Rights.

Proposition No. 6
Tidelands
By Mr. Prosser

The tidelands within the limits of the State of Washington lying between the meander line of the United States Government survey and deep water are the property of the state by right of eminent domain, and such lands shall not be sold or donated to any person or corporation for any purpose whatever, but shall remain the property of the state forever. But such lands may be leased upon such terms as the Legislature may prescribe and for any length of time not exceeding twenty-one years.

Was read a first and second time and referred to Committee on State, School and Granted Lands.

Proposition No. 7
Corporations
By Mr. Sharpstein

Article—

I

Corporations may be formed under general laws but shall not be created by special laws except for municipal purposes. All general or special laws relating to corporations may be altered, amended or repealed by the Legislature at any time; and all corporations doing business in this state may as to such business be regulated, limited or restrained by law.

II

The credit of the state shall never be loaned or given to, or in aid of, any corporation, company, association or person whatever.

III

No county, city, school district or other municipal corporation shall incur or create any indebtedness exceeding four per centum of its taxable property as shown at the time by the last assessment roll thereof.

IV

No county, city or other municipal corporation shall give any subsidy or loan its credit in any way whatever to any corporation, company, association or person, except upon a vote of two-thirds of the taxpayers thereof in favor of such subsidy or loan, to be ascertained at an election held therein, at such time and in such manner as may be provided by law.

V

Monopolies and trusts are contrary to the best interests of free government and shall never be allowed in this state, and combinations for controlling the price of transportation of commodities are prohibited.

Read first and second time and referred to the Committee on Corporations Other Than Municipal.

Proposition No. 8
Confirming Title to Tidelands
By Mr. Power

Propositions confirming patent titles to settlers and purchasers of tide marsh lands under the land laws of the United States.

Section—All patents and grants of lands made by the United States to settlers and purchasers of tide marsh lands under the land laws of the United States shall be ratified and confirmed by this state.

Read first and second time and referred to the Committee on State, School and Granted Lands.

Letter on Limiting Municipal Indebtedness
By N. W. Harris, banker, Chicago, Ill.

Chicago, July 3rd, 1889

Honorable Chairman of State Constitutional Convention,
Olympia, Washington Territory.

Dear Sir: We take the liberty to address you upon the subject of municipal indebtedness.

We have recently purchased the entire issue of bonds put out by the County of King and by the City of Spokane Falls and contemplate extensive additional purchases from municipalities in the new State of Washington. Above purchases show that we have felt confidence in the growth and prosperity of your commonwealth. In the adoption of a Constitution for the proposed State of Washington, in order to secure the confidence and support of eastern capitalists as well as to insure the economical management of municipalities by local authorities, we would recommend that the new Constitution contain a provision similar to the following, to wit:

No county, city, township, school district or other municipal corporation shall be allowed to become indebted in any manner or for any purpose, to any amount including existing indebtedness in the aggregate

exceeding five per centum of the valuation of the taxable property thereof, to be ascertained by the last assessment for state and county taxes, previous to the incurring of such indebtedness, and all bonds or obligations in excess of such amount given by such corporation shall be void.

The above is similar to the provision of the Constitutions of Illinois, Wisconsin, Indiana, Iowa and Missouri, except that in Indiana the limit is two per cent instead of five per cent. And South Dakota has provided for a similar limit in Section 3 of Article 13 of the Sioux Falls Constitution. Prior to the adoption of the amendment to the Illinois Constitution of the character indicated above many counties and cities of the state became heavily involved in debt, some to the extent of forty per cent of their assessed valuation for taxation, which resulted disastrously to their prosperity. Bonds were voted to the aid of railroads, private manufacturing companies, etc. Similar experiences were had in the other states mentioned above and the adoption of a Constitutional limit has caused the confidence of the investing public in the various municipal bonds of the states named to be materially strengthened, and there is today a large and material difference between the market value of bonds issued in similar cities and counties in Minnesota and in Iowa. Iowa, standing with its Constitutional limit, in much higher credit than Minnesota with no constitutional limit to the debt its municipalities can create. The Constitutional limit of Indiana has undoubtedly prevented the utter bankruptcy of many townships in that state, which would otherwise have been caused by the excessive issue of township warrants.

We shall be pleased to submit any additional facts or information upon the subject that may be desired and would again call attention to the importance to the future prosperity of your state upon the adoption of a provision limiting the amount of the indebtedness as above indicated.

No other subject is of more importance to its prosperity. We trust you will give this matter your consider-

ation and support and in due course refer this letter to the proper committee.

All of which is respectfully submitted.

Your very truly,

N. W. HARRIS

(of *N. W. Harris & Co.*,
Bankers)

Proposition No. 9

Corporations

By Mr. Godman

Resolved, that the following be referred to the proper committee for consideration.

Section—Any railroad corporation or association organized for the purpose, shall have the right with its road to connect with or cross any other railway and all railway companies shall receive and transport each the other's passengers, tonnage and cars loaded or empty without delay or discrimination. The Legislature shall provide adequate penalties for the violation of this section.

Section—Railways heretofore constructed, or that may hereafter be constructed in this state, are public highways; and railway companies are common carriers and as such are, and shall always be, subject to the control and regulation of law. They shall not charge extortionate or excessive rates for transportation nor unjustly discriminate in their charges for the rendering of services against or among persons or places. The Legislature shall enact such laws prohibiting under adequate penalties violations of this section.

Section—No corporation shall issue stock or bonds, except for money paid, labor done, or property actually received and all fictitious increase of stock or indebtedness shall be void. The stock of a corporation shall not be increased except in pursuance of general law, nor without the consent of the persons holding the larger amount in value of the stock, nor without giving sixty days public notice, in such manner as may be provided by law, of the intention to increase the stock, and of the time and place of the meeting when the matter is to be voted upon.

Section—Corporations shall not be formed under special laws,

nor their charters extended or altered nor any rights or power whatever conferred upon them by special laws.

Section—The Legislature shall not remit forfeiture of the charter or franchises of any corporation now existing or which shall hereafter exist under the laws of this state.

Section—The property of corporations shall be subject to be taken in the exercise of the rights of eminent domain on the same terms as that of natural persons.

Section—Every corporation, other than educational, and benevolent, doing business in this state, shall have and maintain an office or place in this state for the transaction of its business, where the transfers of stock shall be made and where shall be kept subject to the inspection of any person having an interest therein, and of legislative committees and other agents authorized by the state, books in which shall be recorded the amount of the capital stock subscribed and by whom, the names of the owners of its stock and the amounts owned by them respectively; the amount of stock paid in and by whom the transfer of stock, the amount of its assets and liabilities and the names and residence of its officers.

Section—No corporation organized outside of this state shall be allowed to transact business within the state on more favorable terms than are allowed by law to similar corporations organized in the state.

Section—No state bank shall hereafter be created nor shall the state own or be liable for any stock in any corporation or joint stock company or association for banking purposes, now created or hereafter to be created.

Mr. Shoudy moved to adjourn and division called for, and the motion prevailed. At 3:15 p.m. the Convention adjourned to 1:30 p.m., July 11th, 1889.

July 11th, 1889

Convention called to order by the President at 1:30 p.m. Prayer by the Chaplain. On a call of the roll all members were present except Messrs. Burk and Fay. Mr. Sullivan asked leave of absence for Mr. Fay who was called home by sickness. Granted.