

for and ordered. The following forty-three members voted aye: Allen, Berry, Bowen, Browne, Burk, Coey, Crowley, Dickey, Dunbar, Durie, Dyer, Eldridge, Eshelman, Gowey, Hayton, Henry, Hicks, Jones, Joy, Kellogg, Kinnear, Lillis, Lindsley, McCroskey, McDonald, McReavey, Mires, Power, Prosser, T. M. Reed, Schooley, Sohns, Stevenson, Stiles, Suksdorf, P. C. Sullivan, Travis, Van Name, Weir. No: Blalock, Buchanan, Clothier, Comegys, Dallam, Fay, Glascock, Godman, Griffiths, Hungate, Jamieson, Jeffs, Manly, McElroy, Minor, J. Z. Moore, R. S. More, Morgans, Neace, Newton, J. M. Reed, Sharpstein, Shoudy, Sturdevant, E. H. Sullivan, Tibbetts, Turner, Warner, Mr. President.

The motion prevailed and the Convention stood adjourned to July 26th, 1889, at 9 a.m.

### July 26th, 1889

Convention called to order by the President at 9 a.m. Prayer by the Rev. Mr. Lee. On a call of the roll all the members were present. Minutes read and approved.

Mr. Cosgrove presented a letter from Robert A. Connell containing suggestions towards a scheme of agricultural education. Read and referred to the Committee on Education and Educational Institutions.

Mr. Berry presented a memorial from the Lewis County Bar relating to probate matters. Read and referred to the Committee on Judicial Department.

Mr. Berry presented numerous petitions in relation to the taxation of church property. Read and referred to the Committee on Revenue and Taxation.

Mr. Joy presented a memorial from the Lewis County Bar relating to probate matters. Read and referred to the Committee on Judicial Department.

Mr. Allen (by request) Invitation to hear Rev. W. F. Crafts on the Sunday rest movement. Read and referred to the Committee on Preamble and Bill of Rights.

Mr. Power presented a petition from the Typographical Union No. 202 relative to the office of Public Printer. Read and referred to the Committee on Printing, Mileage and Contingent Expenses.

Mr. McElroy presented a petition relating to the taxation of church property. Read and referred to the Committee on Revenue and Taxation.

Mr. Turner asked unanimous consent to consider a resolution. Consent was refused. Mr. Turner moved to suspend the rules and consider the following resolution: "Resolved, that the hour of meeting of this Convention be fixed for the future at 9:30 a.m." It was lost.

Mr. Kinnear from the Committee on Corporations Other Than Municipal presented the following report.

In the Convention

Article

Committee on Corporations Other Than Municipal

Mr. President and members of the Convention:

Your Committee on Corporations Other Than Municipal respectfully report the following article designated "Corporations Other Than Municipal," consisting of twenty-four sections, and recommend the adoption thereof by this Convention.

Article

Corporations Other Than Municipal

**Section 1.** Corporations may be formed under general laws, but shall not be created by special acts. All 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.

**Section 2.** All existing charters, franchises, special or exclusive privileges under which an actual and bona fide organization shall not have taken place, and business been commenced in good faith, at the time of the adoption of this Constitution shall thereafter have no validity.

**Section 3.** The Legislature shall not extend any franchise or charter nor remit the forfeiture of any franchise or charter of any corporation now existing, or which shall hereafter exist under the laws of this state.

**Section 4.** All stockholders in all incorporated companies, except corporations organized for banking or insurance purposes,

shall be liable for the debts of the corporation to the amount of their unpaid stock and no more.

**Section 5.** The term corporations, as used in this article, shall be construed to include all associations and joint stock companies having any of the powers or privileges of corporations not possessed by individuals or partnerships, and all corporations shall have the right to sue and shall be subject to be sued in all courts, in like cases as natural persons.

**Section 6.** Corporations shall not issue stock except to bona fide subscribers therefor, or their assignees; nor shall any corporation issue any bond, or other obligation for the payment of money, except for money or property received or labor done. The stock of corporations shall not be increased, except in pursuance of a general law, nor shall any law authorize the increase of stock without the consent of the persons holding the larger amount in value of the stock nor without due notice of the proposed increase having been previously given in such manner as may be prescribed by law. All fictitious increase of stock or indebtedness shall be void.

**Section 7.** No corporation shall engage in any business other than that authorized in its charter, or the law under which it may have been or may hereafter be organized.

**Section 8.** No corporation organized outside the limits of this state shall be allowed to transact business within the state on more favorable conditions than are prescribed by law to similar corporations organized under the laws of this state.

**Section 9.** Every corporation other than religious, educational or benevolent, organized or doing business in this state shall have and maintain an office or place in this state for the transaction of its business, where transfers of stock shall be made, and in which shall be kept for inspection by every person having an interest therein, including creditors and legislative committees books in which shall be recorded the amount of 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 transfers of stock, the amount of its assets and liabilities, and the names and places of residence of its officers.

**Section 10.** A corporation or association may be sued in the county where the contract is made or is to be performed, or where

the obligation or liability arises, or the breach occurs, or in the county where the principal place of business of such corporation is situated, subject to the power of the court to change the place of trial as in other cases.

**Section 11.** The Legislature shall not pass any laws permitting the leasing or alienation of any franchise, so as to relieve the franchise or property held thereunder from the liabilities of the lessor or grantor, lessee or grantee, contracted or incurred in the operation, use or enjoyment of such franchise or any of its privileges.

**Section 12.** The state shall not in any manner loan its credit, nor shall it subscribe to or be interested in the stock of any company, association or corporation.

**Section 13.** The exercise of the right of eminent domain shall never be so abridged or construed as to prevent the Legislature from taking the property and franchises of incorporated companies and subjecting them to public use the same as the property of individuals.

**Section 14.** The Legislature shall have no power to pass any act granting any charter for banking or insurance purposes, but corporations or associations may be formed for such purposes under general laws. No corporation, association or individual shall issue or put in circulation as money anything but the lawful money of the United States. Each stockholder of any such corporations, or joint stock associations shall be individually and personally liable for such proportion of all its debts and liabilities contracted or incurred during the time he was a stockholder, as the amount of stock or shares owned by him bears to the whole of the subscribed capital stock or shares of the corporation or association.

**Section 15.** It shall be a crime, the nature and punishment of which shall be prescribed by law, for any president, director, manager, cashier or other officer of any banking institution, to receive or assent to the reception of deposits after he shall have knowledge of the fact that such banking institution is insolvent or in failing circumstances, and any such officer, agent or manager shall be individually responsible for such deposits so received.

**Section 16.** All railroad, canal and other transportation companies are declared to be common carriers and subject to legis-

lative control. Any association or corporation organized for the purpose under the laws of this state shall have the right to connect at the state line with railroads of other states. Every railroad company shall have the right with its road whether the same be now constructed or may hereafter be constructed to intersect, cross or connect with any other railroads; and when such railroads are of the same or similar gauge, they shall at all crossings, and at all points where a railroad shall begin or terminate at or near any other railroad, form proper connections so that the cars of any such railroad companies may be speedily transferred from one railroad to another. All railroad companies shall receive and transport each the others' passengers, tonnage and cars without delay or discrimination.

**Section 17.** No railroad company or other common carrier shall combine or make any contract with the owners of any vessel that leaves port or makes port in this state or with any common carrier, by which combination or contract the earnings of one doing the carrying are to be shared by the other not doing the carrying.

**Section 18.** No discrimination in charges or facilities for transportation shall be made by any railroad or other transportation company between places or persons, or in the facilities for the transportation of the same classes of freight or passengers within this state, or coming from or going to any other state. Persons and property transported over any railroad or by any other transportation company or individual shall be delivered at any station, landing or port at charges not exceeding the charges for the transportation of persons and property of the same class, in the same direction, to any more distant station, port or landing. Excursion and commutation tickets may be issued at special rates.

**Section 19.** No railroad corporation shall consolidate its stock, property or franchises with any other railroad corporation owning a competing line.

**Section 20.** The rolling stock and other movable property belonging to any railroad company or corporation in this state shall be considered personal property and shall be liable to execution and sale in the same manner as the personal property of individuals and such property shall not be exempted from execution and sale.

**Section 21.** A Railroad Commission consisting of three members is hereby established. The Railroad Commissioners shall be qualified electors of the state and shall be elected by the state at large at the general state elections, and their term of office shall commence on the Monday following the first day of January next succeeding their election. The Commissioners elected at the election held upon the adoption of this Constitution shall at their first meeting so classify themselves by lots that one shall hold office for the term of three years, one for the term of five years, and one for the term of seven years, and they shall certify the result of such casting of lots to the Secretary of State. After the first election the term of each Commissioner shall be for six years. In the event of a vacancy existing in such Commission, the Governor shall fill the same by appointment, and the person so appointed shall hold office until the next general election and the person elected shall hold for the remainder of the unexpired term. A majority of said Commission shall have power to transact any of its business. It shall be the duty of such Railroad Commissioners to exercise a supervisory control over all railroad, canal and other transportation companies, associations and corporations, and over all other common carriers, and in the absence of legislation upon the subject to regulate fares and freight and prescribe and limit the charges therefor to prevent and correct abuses, discrimination and extortion by such companies, associations or corporations and to perform such other duties as may be prescribed by law. The Legislature shall enact all laws necessary to carry the foregoing provisions into effect and shall more fully define the qualifications, powers, duties, responsibilities and fix the compensation of Railroad Commissioners.

**Section 22.** The Legislature shall have power to pass laws establishing reasonable maximum rates of charges for the transportation of passengers and freight and to correct abuses and prevent discrimination and extortion in the rates of freight and passenger tariffs on the different railroads and other common carriers in the state, and shall enforce such laws by adequate penalties.

**Section 23.** Any association or corporation or the lessees or managers thereof, organized for the purpose, or any individual, shall have the right to construct and maintain lines of telegraph and telephone within this state, and to connect the same with other

lines of the same character, and all such companies are hereby declared to be common carriers. The Legislature shall, by general law of uniform operation, provide reasonable regulations to give full effect to this section.

**Section 24.** Monopolies and trusts are contrary to the best interests of free governments, and shall never be allowed in this state, and no incorporated company, co-partnership, or association of persons in this state 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 with any co-partnership or association of persons, or in any manner whatever for the purpose of fixing the price or regulating the production or transportation of any product or commodity. The Legislature shall pass laws for the enforcement of this section by adequate penalties and in the case of incorporated companies, if necessary, for that purpose may declare a forfeiture of their property and franchises.

We have duly considered the several propositions of Messrs. Buchanan, Godman, Browne, Dyer and Lillis, and the memorial of the Board of Trade of the City of Olympia referred to us from time to time and in the preparation of this article have incorporated therein such portions thereof as we deemed suitable and proper, and we herewith return the originals with this report.

Respectfully submitted,

JOHN R. KINNEAR,  
*Chairman*

J. J. WEISENBURGER,  
*Secretary*

FRANCIS HENRY

LEWIS NEACE

J. P. T. McCROSKEY

B. L. SHARPSTEIN

Except Section 9.

CHAS. T. COEY

JOHN A. SHOUDY

I concur in the above except Section 21 and recommend the following in its stead.

**Section 21.** The Legislature shall pass laws establishing reasonable maximum rates of charges for the transportation of passengers and freight and to correct abuses and prevent discrimination and extortion in the rates of freight and passenger tariffs on the different railroads and other common carriers in this state and shall enforce such laws by adequate penalties. A Railroad Commission may be established and its powers and duties fully defined by law.

I do not concur in Section 9.

P. C. SULLIVAN

Received, read first time, ordered to lie over one day and be printed.

Mr. Weir moved that the Convention resolve itself into a committee of the whole for the consideration of the report of the Committee on Executive Department and Pardoning Power. Carried.

At 9:40 a.m., Mr. Reed was called to the chair and the Convention went into committee of the whole to further consider the report. At 11:45 a.m., the Convention rose and the President resumed the chair.

The committee reported that they had had under consideration the report of the Committee on Executive Department and Pardoning Power, and had made progress, but came to no resolution thereon and asked leave to sit again. Granted.

Mr. Prosser moved to take a recess until 2 p.m. Agreed to.

Convention called to order at 2 p.m. by the President. All the members present.

Mr. President presented the following telegram.

Tacoma, W. T.

To the President of the Constitutional Convention

The Tacoma Chamber of Commerce earnestly urges the adoption of sections embodied in memorial of Olympia Board of Trade, but recommends rejection of clause of Section 4 relating to bonds, and an additional section providing that banks shall not issue notes or other paper as money.

S. A. WHEELWRIGHT, *Secretary*  
*Per Order Executive Committee*



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

Mr. Durie gave notice that he would on tomorrow move to have the following rule adopted: "When a question is under consideration by the Convention or committee of the whole, no member shall speak to such question longer than five minutes without permission of the Convention or of such committee. Granted by the votes of two-thirds of the members voting on the question of such permission."

Mr. Turner gave notice that he would [on tomorrow] \* move to have the hour of meeting changed from 9 a.m. to 9:30 a.m. and would call the same up tomorrow at the proper time.

At 2:30, on motion of Mr. J. Z. Moore, the Convention resolved itself into a committee of the whole for the consideration of the report of the Committee on Executive Department and Pardoning Power with Mr. Reed in the chair. At 6 p.m. the committee rose and the President resumed the chair.

The committee reported that they had had under consideration the report from the Committee on Executive Department and Pardoning Power, and had made sundry amendments thereto, and recommend the adoption of the amendments, and when the amendments are concurred in that it be adopted.

Mr. Minor asks indefinite leave of absence for Mr. Morgans. Granted.

At 6 p.m. Mr. Warner moved to adjourn. Agreed to and the Convention stood adjourned until July 27th, 1889, at the hour of 9 a.m.

### July 27th, 1889

Convention called to order by the President at 9 a.m. Prayer by the Rev. Mr. Lee.

On roll call all the members were present except Messrs. Clothier, Glascock and Morgan on leave. Mr. Prosser asked that Mr. Glascock be excused for the day. Granted.

Mr. Lindsley presented a resolution from Columbia Council, Patrons of Husbandry, Clark County, relating to various subjects.

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\* Stricken in journal.