

# Referendum Bill No. 2

## BALLOT TITLE

AN ACT providing for the payment of equalized compensation to veterans of the war with the Central Allied Powers who were bona fide residents of the State of Washington at the time of their entry into the service, authorizing the issuance and sale of state bonds to pay such compensation and the levy of a tax to pay said bonds, appropriating the proceeds of the sale of such bonds for the payment of such compensation and expenses incident thereto, and providing penalties for violations of this act.

AN ACT providing for the payment of equalized compensation to veterans of the war with the Central Allied Powers, authorizing the issuance and sale of state bonds and the levy of a tax to pay said bonds, making an appropriation, providing penalties, and providing for the submission of this act to a vote of the people.

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

SECTION 1. There shall be paid to each person who was regularly called, enlisted, drafted, inducted or commissioned and who served on active duty in the Army, Navy or Marine Corps of the United States between the 6th day of April, 1917, and the 11th day of November, 1918; and to each person who, being a citizen of the United States at the time of his entry therein, served on active duty in the naval, military or air forces of any of the governments associated with the United States during the war with the central allied powers between the 6th day of April, 1917, and the 11th day of November, 1918; and who, at the time of his call, enlistment, induction, commission or service, was a bona fide resident of the State of Washington, the sum of fifteen dollars (\$15.00) for each and every month or major fraction thereof of active duty performed subsequent to April 6, 1917, and prior to November 11, 1919: *Provided*, That

if any such person shall have borrowed money from the Veteran's Welfare Commission and shall have failed to repay said money, then the amount thereof shall be deducted from any sums payable to any such person under this act and said loan shall thereupon be cancelled and discharged: *Provided, further*, That persons who have received extra compensation from any other state, or nation other than the United States for such active service shall not be entitled to compensation under this act unless the amount of compensation so received is less than they would be entitled to hereunder, in which event they shall receive the difference between the compensation allowable under this act and the extra compensation already received from such other state or nation: *Provided, further*, That persons who have received greater compensation than the regular pay of the Army, Navy or Marine Corps and commutation for quarters and subsistence, shall not be entitled to receive compensation under this act unless the amount of extra compensation so received is less than they would be entitled to hereunder, in which event they shall receive the difference between the compensation allowable under this act and such extra compensation. In case of the death of any such person while in such service an equal amount shall be paid to his surviving widow, if not remarried at the time compensation is

requested, or in case he left no widow and left children, then to his surviving children, or in the event he left no widow or children, then to his surviving parent or parents if actually dependent upon such deceased person for support. Persons of the female sex, or their surviving children or parents, who are in all other respects within the terms of this act, shall be entitled to compensation thereunder.

SEC. 2. The word "person," as used in section 1 of this act, shall not include persons, who, during the period of their service, refused, on conscientious, political or other grounds, to subject themselves to full military discipline or unqualified service, or who, while in such service, were separated therefrom under circumstances amounting to a dishonorable discharge and who have not subsequently been officially restored to an honorable status, and such person shall not be entitled to the benefits of this act.

SEC. 3. All disbursements required by this act for compensation shall be made upon the presentation of a certificate upon a form to be prescribed by the state auditor, which certificate shall be duly verified by the claimant under oath and shall set forth the name, residence at the time of entry into the service, date of enlistment, induction or commission, date of discharge or release from active service if the claimant is not on active duty, a statement that the claimant during the period for which compensation is allowed did not refuse to subject himself to full military discipline and unqualified service and that he has not been separated from the service under circumstances amounting to a dishonorable discharge, and such further information as the state auditor may require. Such certificate shall be presented to the state auditor or his representative together with an honorable discharge or release from active service, or in case of its loss a properly authenticated record of service, or in the event that the claimant is still in the service a properly authenticated record of all active service performed by the claimant subsequent to April 6, 1917, and prior to November 11, 1919, or if the same be presented by the widow, child or parents of a deceased

veteran, then with proper evidence of death, together with a properly authenticated record of service, and the state auditor shall endorse upon such discharge, release or record of active service, a statement that such discharge, release or record of active service was made the basis of the application, and shall return such discharge or release or record of active service to the claimant and shall forthwith draw his warrant in the name of the claimant upon the Veterans' Compensation Fund for an amount equal to fifteen dollars for each and every month of active service, or major fraction thereof, between the 6th day of April, 1917, and the 11th day of November, 1919, and the state treasurer shall pay such warrants from the Veterans' Compensation Fund. In cases where application for compensation is made by the widow, children or parents of a deceased veteran, such person shall furnish the same information as though the application were made by the deceased veteran, and the state auditor shall prepare an appropriate form of certificate to cover such cases. Compensation allowed to the children of deceased veterans shall be paid to the guardians of such children, which guardians, if appointed by the courts of this state, shall serve without compensation and in the discretion of the court without bond, and it shall be the duty of every attorney in this state to appear in the courts or render any other necessary legal assistance in behalf of such children in so far as the provisions of this act are concerned, without compensation, and no public officer shall collect any fees in any proceedings brought in behalf of such children to secure compensation under this act.

The state auditor is empowered to make such additional reasonable requirements from applicants as are necessary to prevent fraud or the payment of compensation to persons not entitled thereto.

SEC. 4. The state auditor shall furnish free of charge, upon application therefor, the necessary form of certificate to all persons entitled thereto, and may establish at different points within the State of Washington, offices

at which there shall be kept on file for the use of persons covered by this act, a sufficient number of forms of certificate so that there may be no delay in the payment of this compensation. The state auditor may authorize the county auditor or county clerk, or both, of any county of the state to act for him in receiving applications under the provisions of this act, and shall furnish such persons with the proper certificates to enable them to accept such applications. The state auditor is hereby authorized and directed to procure such printing and office supplies and equipment, and to employ such persons as may be necessary in order to properly carry out the provisions of this act, and all expenses incurred by him in the administration of this act shall be paid by warrants drawn upon the Veterans' Compensation Fund.

The adjutant general shall advise with and assist the state auditor in the performance of the duties of the auditor under this act, and when so called upon the adjutant general may employ such persons and incur such expenses as may be necessary, such expenses to be paid by warrants drawn upon the Veterans' Compensation Fund.

The auditor and the adjutant general may require persons employed by them under this act to furnish good and sufficient surety bonds to the State of Washington for the faithful performance of their duties and the premiums upon said bonds shall be payable from the Veterans' Compensation Fund.

SEC. 5. The state auditor may in his discretion issue warrants under the provisions of this act in anticipation of the sale of the bonds herein authorized.

SEC. 6. For the purpose of providing means for the payment of compensation hereunder and for paying the expenses of administration, there shall be issued and sold bonds of the State of Washington in the sum of eleven million dollars (\$11,000,000.00): *Provided*, That if the proceeds of the sale of such bonds be insufficient to pay the compensation herein allowed, then sufficient additional bonds to pay such compensation shall be issued and sold. The issuance, sale and retire-

ment of said bonds shall be under the general supervision and control of the State Board of Finance. The State Board of Finance may, in its discretion, provide for the issuance of coupon or registered bonds to be dated, issued, and sold from time to time and in such amounts as may be necessary to make the payments provided for by this act. Each of such bonds shall be made payable at any time not exceeding twenty years from the date of its issuance, with such reserved rights of prior redemption as the State Board of Finance may prescribe, to be specified therein. The bonds shall be signed by the governor and the state auditor under the seal of the state; and any coupons attached to such bonds shall be signed by the same officers, whose signatures thereon may be in facsimile; and such bonds shall bear interest at a rate not to exceed six per cent per annum, which bonds shall be sold for not less than par. Any bonds may be registered in the name of the holder on presentation to the state treasurer or at the fiscal agency of the State of Washington in New York, as to principal alone or as to both principal and interest, under such regulations as the state treasurer may prescribe. Said bonds shall be in a form embodying an absolute promise of the State of Washington to pay both principal and interest in gold coin of the United States of present standard of value, at such place or places as the State Board of Finance may provide, and shall be in such denominations as may be prescribed by said Board. All bonds issued under the provisions of this act may be sold in such manner and in such amounts and at such times and on such terms and conditions as the State Board of Finance may prescribe: *Provided*, That if said bonds are sold to any persons other than the State of Washington, they shall be sold at public sale, and it shall be the duty of the State Board of Finance to cause such sale to be advertised in such manner as it shall deem sufficient.

Bonds issued under the provisions of this act shall be a legal investment for any of the funds of the state, including the permanent school fund, any higher educational funds, and accident fund of the industrial insurance department.

SEC. 7. The money arising from the sale of each issue of bonds shall be deposited in the state treasury to the credit of a special fund to be known as the "Veterans' Compensation Fund," which shall be used for payment of the compensation provided in this act and for paying the expenses of the administration thereof. For the purpose of carrying out the provisions of this act there is hereby appropriated from the Veterans' Compensation Fund the sum of eleven million dollars (\$11,000,000.00).

SEC. 8. For the purpose of creating a retirement fund for the retirement of such bonds upon maturity and the payment of interest thereon as it falls due, the proper state and county officers shall levy and collect a tax of one mill upon each dollar of the taxable property in the state for the year 1921 and for each year thereafter: *Provided*, That if said tax be insufficient then the proper state and county officers are authorized and directed to levy and collect such additional taxes as may be necessary for the payment of interest upon said bonds and the retirement of the principal thereof upon maturity. All moneys derived from such tax shall be paid into the state treasury and credited to a fund to be known as the "Veterans' Compensation Bond Retirement Fund."

SEC. 9. No charge made by any agent, notary public or attorney for any service in connection with obtaining the allowance as provided for by this act shall be recognized by the state and any person who, for a consideration, discounts or attempts to discount, or for a consideration advances money upon any certificate or certificates issued pursuant to the terms of this act, shall be guilty of a gross misdemeanor.

SEC. 10. Any person who, with in-

tent to defraud, subscribes to any false oath or makes any false representation, either in the execution of the certificates provided for by this act, or who, with intent to defraud, presents to the state auditor, or to any other officer of the state, any certificate for the purpose of obtaining funds provided by this act which do not in fact belong to such person, or makes any false representations in connection with obtaining any funds under the terms of this act, shall be guilty of a felony.

SEC. 11. The legislature may provide additional means for raising moneys for the payment of the interest and principal of said bonds and this act shall not be deemed to provide an exclusive method for such payment.

SEC. 12. If any section, subdivision, sentence or clause of this act is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this act.

SEC. 13. This act shall be submitted to the people for their ratification at the next general election in accordance with the provisions of section 3, of article VIII of the State Constitution; and in accordance with the provisions of section 1 of article II of the State Constitution as amended at the general election held in November, 1912, and the laws adopted to facilitate the operation thereof.

Passed the House March 22, 1920.—  
Fred A. Adams, Speaker.

Passed the Senate March 23, 1920.—  
P. H. Carlyon, President.

Approved by the Governor March 25, 1920.—Louis F. Hart, Acting Governor.

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STATE OF WASHINGTON—ss.

Filed in the office of Secretary of State March 25, 1920, at 4:40 P. M.

I. M. HOWELL, Secretary of State.