

Referendum Measure No. 18

BALLOT TITLE

"AN Act authorizing cities and towns to use, sell and dispose of electric energy inside and outside their corporate limits to acquire, construct, own, control, operate and maintain lands, easements, franchises, distribution systems, sub-stations, inter-tie or transmission lines or other connections to enable it to use, purchase, sell and dispose of electric energy, inside or outside its corporate limits, with right to condemn certain classes of private power systems or parts thereof, franchises or other private property, and reserving to such cities and towns all powers under existing laws."

SENATE BILL NO. 129.

AN Act relating to municipal corporations; granting to cities and towns certain powers; authorizing cities and towns to use, purchase, sell and dispose of electric energy inside or outside their corporate limits; to acquire, construct, maintain and operate inter-tie lines, transmission lines and distribution systems; and to exercise the right of eminent domain in aid of the acquisition, construction, repair, operation, extension or betterment of any plant or system for transmitting or distributing electricity.

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

Section 1. Any city or town within the state now or hereafter owning its own electric power and/or light plant, shall have the right to sell and dispose of electric energy to any other city or town, public utility district, governmental agency or municipal corporation, mutual association, or to any person, firm or corporation, inside or outside its corporate limits, and to purchase electric energy therefrom.

Sec. 2. Any such city or town is hereby authorized to acquire, construct, purchase, condemn and purchase, own, operate, control, add to and maintain lands, easements, rights-of-way, franchises, distribution systems, sub-stations, inter-tie or transmission lines, to enable it to use, purchase, sell and dispose of electric energy inside or outside its corporate limits, or to connect its electric plant with any other electric plant or system, or to connect

parts of its own electric system.

Sec. 3. Any such city or town is hereby authorized to exercise the power of eminent domain hereby granted, under the same provisions and procedure as is or shall be provided by law for the condemnation of private property for any of the corporate uses or purposes of such city or town: *Provided, however,* That no city or town shall acquire, by purchase or condemnation, any publicly or privately owned electric power and/or light plant or electric system located in any other city or town, except with the approval of a majority of the qualified electors of the city or town in which the property to be acquired is situated; nor shall any city or town acquire by condemnation the electric power and/or light plant or electric system, or any part thereof, belonging to or owned or operated by any municipal corporation, mutual, non-profit, or cooperative association or organization, or by a public utility district.

Sec. 4. If any part of this act shall be adjudged to be invalid or unconstitutional, such adjudication of invalidity or unconstitutionality shall not affect the validity or constitutionality of the act as a whole, or any part thereof not adjudged invalid or unconstitutional. The provisions of this act shall be cumulative, and nothing herein contained shall abridge or limit the powers of cities or towns under existing laws.

Passed the Senate February 14, 1933.

Passed the House February 20, 1933.

Approved by the Governor March 2, 1933.

ARGUMENT AGAINST POWER BILL

There are only two ways to reduce taxes:

STOP wasting public money.

STOP taking property off tax rolls.

Cities and towns do not pay property tax for the support of state, county or local government on any property owned by them or any power lines or systems whether inside or outside of the city limits and any further extension of city or town power systems takes that much more property off of the tax roll and leaves the shortage to be paid by the tax payers.

The state cannot compel any city or town to extend service or serve any particular locality or group, neither does the state have any control or supervision over rates charged or service rendered, but the city council of such city or town owning such power plants makes all rules and regulations and fixes all rates and there is no appeal to the state because the action of the council of such city or town is final, and any profit, goes to the city owning the power plant without payment of property taxes for support of local government.

The measure not only tends to take home rule from smaller cities, towns and rural communities, but it discriminates in favor of larger cities like Seattle and Tacoma, and requires the taxpayers of the other cities, towns and rural communities to protect the

property of such larger city without such larger city paying any property tax on its property.

Every taxpayer of this state has had to pay more taxes by reason of the fact that cities are operating power systems on a tax free basis and already several million dollars of taxable property has been removed from the tax rolls by reason of being owned and operated by cities and towns. Public opinion and sentiment favor reduction of taxes. There can be no reduction if more property is taken from the tax rolls.

This measure is unfair and unjust in that it will create a monopoly of the power business by the large cities now owning their own power systems and take industries from the smaller cities and towns to such larger cities. It not only sets up machinery for exempting more property from taxes, but also creates a machine of civil service job holders centered in Seattle and controlled by Seattle municipal power politicians. Already Seattle is seeking to extend its power into Eastern Washington and thereby defeat the Coulee Dam and Columbia Basin projects.

The measure should be defeated.
Vote "NO" on Referendum No. 18.

TAXPAYERS RELIEF COMMITTEE,

By JOSEPH H. SMITH, *Secretary.*