

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, 1936

CONCISE STATEMENT

A PROPOSAL authorizing the state of Washington to engage in the production and wholesale distribution, only, of electric energy; to assist the development of hydro-electric generating plants; to incur indebtedness by the issuance of bonds; providing for a commission and power districts, but not denying to any municipality, power district or political subdivision of the state the right to control its own utilities nor preventing the state from furnishing electric energy to its institutions and departments.

HOUSE JOINT RESOLUTION NO. 10

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

That, at the general election to be held in this State on the Tuesday next succeeding the first Monday in November, 1936, there shall be submitted to the qualified electors of this State for their adoption and approval or rejection, a proposal to amend the Constitution of the State of Washington by adding thereto a new Article to be known as Article XXVIII to read as follows:

Article XXVIII. Electric Energy.

SECTION 1. The State of Washington is authorized and empowered

1. To produce, control, use, transmit, distribute, purchase, sell and/or dispose of electric energy;

2. To develop, own, maintain and/or operate, separately or in conjunction with the United States, or in conjunction with any political subdivision of this state or duly authorized state

agency, any water power, water power sites, storage rights, water rights, and riparian rights of any and all kinds necessary and/or desirable in the development of a hydroelectric generating plant or plants within the state, and to acquire, own, construct, maintain, and/or operate steam and/or hydroelectric power plants, transmission and distribution lines and systems in connection therewith.

3. To develop, own, maintain and/or operate, separately or in conjunction with the United States, with any state or states, or political subdivisions or duly authorized state agencies thereof, or with any political subdivision of this state, any water power, water power sites, storage rights, water rights and riparian rights of any and all kinds necessary and/or desirable in the development of a hydroelectric generating plant or plants, in any interstate stream and to acquire, construct, own, maintain and/or operate hydroelectric power plants, transmission and distribution lines and systems in connection therewith.

4. To contract with the United States, with any state or states, or

Amendment to the Constitution

political subdivisions thereof, or with any political subdivision of this state, for the purchase or acquisition of water, water power and/or electric energy for use, transmission, distribution, sale and/or disposal thereof;

5. To incur indebtedness through the issuance of general obligation bonds to an amount not exceeding three per cent of the assessed valuation of all of the property in the state and/or to issue utility or revenue bonds in amounts necessary for the purpose of providing funds with which to carry out the provisions of this Article, notwithstanding any limitations elsewhere contained in this Constitution. The revenue derived by the state from the operation of any such electric power system or systems owned by it may be pledged to the payment of such debt under such provisions of law as may hereafter be enacted to carry out the provisions of this Article.

6. To do any and all things necessary or convenient to carry out the provisions of this Article.

SEC. 2. The Legislature shall, and the people may, provide any legislation that may be necessary in addition to existing laws to carry out the provisions of this Article: *Provided*, That any board or commission created or empowered to administer the laws enacted to carry out the purposes of this Article shall consist of three members elected by the people without party affiliation or designation: *Provided, further*, That provision may be made by statute for appointment in the first instance of a board of three

members to hold office until a time not more than sixty days after the first general election following the adoption of this Article.

SEC. 3. It is the primary purpose of this Article to make the state a purchaser, producer, and wholesale distributor only of electric energy, and to empower the state to produce and/or purchase electric energy, and to transmit the same to suitable places for distribution at wholesale, and to sell the same at such prices as will return to the state revenue sufficient to amortize the investment in property devoted to such uses over a reasonable period of time and to provide for the costs of construction, operation, maintenance, and other expenses incident thereto. Nothing in this Article contained shall be construed as denying to any municipality, power district, or political subdivision of the state the right to control fully its own utilities. Nothing in this Article contained shall be construed as preventing the state from furnishing electric energy direct to any state institution, office, plant, department, or building, or to deny the State the right to engage in the development of rural electrification in conformity with broad public policy.

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

Passed the House February 27, 1935.

Passed the Senate February 26, 1935.

STATE OF WASHINGTON—*ss.*

Filed in the office of the Secretary of State, March 1, 1935.

ERNEST N. HUTCHINSON, *Secretary of State.*