

# Initiative Measure No. 157

## BALLOT TITLE

**AN ACT** relating to Social Security and Unemployment Compensation; creating a Washington State Social Security Board and establishing a Washington State Social Security System; extending unemployment compensation benefits to include war veterans and certain governmental employees; enlarging, generally, the scope of unemployment benefits; liberalizing grants to the blind and senior citizens; directing a survey of cost and availability of medical care; prescribing duties of certain officers; defining certain terms; making an appropriation; repealing acts and parts of acts in conflict therewith and establishing effective dates.

**AN ACT** relating to social security; establishing Washington State Social Security Board; co-ordinating state and federal social security programs; authorizing compacts between state and local governments and federal government for payment of social security benefits; fixing rates of unemployment compensation weekly benefits and dependents' allowances; providing unemployment compensation weekly benefits and dependents' allowances and additional benefits to service personnel; providing maternity benefits; directing payment of unemployment compensation benefits to state and county employees and authorizing other agencies of state government to elect to pay unemployment compensation and other social security benefits; providing employer contribution rates and defining terms applicable to all laws relating to unemployment compensation; providing senior citizen and blind grants of not less than \$50 per month; fixing need at not less than \$75 per month; raising grants when additional federal matching funds available; requiring surveys of living costs and a survey of availability of medical care and need for state medical school; providing fair hearings, medical care, funeral expenses and other care for all recipients of public assistance; permitting suspension of operation upon adoption of

comparable federal social security program; making appropriation; repealing acts and parts of acts in conflict and establishing effective dates.

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

SECTION 1. *Title.* This act shall be known, and may be cited, as the "Washington State Social Security Act of 1944."

SEC. 2. *Declaration of Intent.* With the forces of the United Nations on the offensive, all our efforts and endeavors must be devoted to the achieving of Victory over Fascism in the shortest possible time. As part of the Victory effort it is the responsibility of the American people to make immediate provision for returning servicemen, and to guarantee for them, and for those who work and fight on the home front, adequate economic opportunity and security in the post war world. In order to accomplish these purposes, the people of the State of Washington declare:

(a) Their full support of the principles of the Wagner-Murray Dingell Bill, S. 1161, establishing a national system of employment offices, insuring the fullest utilization of the nation's man-power to win the war and secure economic stability after the war, providing social security, and insuring the worker, the farmer, the merchant seaman, the small businessman, the professional, and the returning serviceman against unem-

## Initiative Measure No. 157

ployment, sickness, disability, maternity, old age and death.

(b) Their intention of establishing a social security system for the State of Washington fully coordinating state and Federal social security programs, and by state action providing:

- (i) Increased unemployment compensation and dependents' allowances,
- (ii) Unemployment compensation to state and county employees and opportunity for employees of other subdivisions of state government to voluntarily join.
- (iii) Increased unemployment compensation for returning Washington servicemen and a program of rehabilitation and training for veterans.
- (iv) Maternity grants for women workers.
- (v) Increased Grants for Senior Citizens and the Blind.
- (vi) Medical and dental care for all public assistance groups.
- (vii) A survey of the medical needs of the people of Washington and of the possibility of establishing a system of pre-paid medical care and of creating a state medical school.

It is the intent of the people, in order to accomplish these purposes, that this act shall be liberally construed to secure to the people of Washington maximum benefits of social security under this act and to secure the fullest co-operation between state and federal agencies.

**SEC. 3. Establishment of the Washington State Social Security System.** There is hereby established the Washington State Social Security System, which shall consist of the following:

(a) A system of state-federal co-operation and co-ordination of social security, established under sections 4, 5 and 21 of this act, for the purpose of bringing to the people of the state the maximum benefits obtainable under the provisions of existing federal social security legislation and such legislation as may be enacted from time to time by Congress.

(b) A system of unemployment compensation under sections 6, 7, 8, 9, 12, 13, 14, 15 and 16 of this act to provide unemployment compensation benefits for men and women engaged in public and private employment and for men and women from this state who are in the armed services of the nation.

(c) A system of rehabilitation and training for men and women from this state who are, or have been in the armed services, under section 10 of this act.

(d) A system of maternity benefits under section 11 of this act to provide benefits for expectant mothers in public or private employment.

(e) A system of Senior Citizen Grants and Blind Grants, hospital, medical, burial, and other benefits for senior citizens, dependent children, the blind and other persons eligible to receive public and general assistance under sections 17, 18, 19, 20 of this act.

(f) A survey of the cost and availability of medical care to the people of our state under section 22.

**SEC. 4. Administration.** The general administration of this act is hereby vested in the Washington State Social Security Board, hereinafter referred to as the "State Board," which shall consist of the Governor, the Attorney General, and the State Treasurer. The Commissioner of Unemployment Compensation and Placement, the Director of Social Security, and the Director of Health shall be members of the Board, without vote and in an advisory capacity only.

**SEC. 5. Duties of the Washington State Social Security Board.** The Washington State Social Security Board is authorized and directed:

(a) To provide for the general administration of social security in the State of Washington. Such administration shall be consistent with, and shall utilize to the greatest extent possible, the existing administrative facilities and organizations of the state and counties, and the several departments, divisions, and agencies of the state now administering Unem-

## Initiative Measure No. 157

ployment Compensation, Senior Citizen Grants, Aid to Dependent Children, Blind Grants, and Public and General Assistance, shall, under the direction and supervision of the State Board, continue to administer such programs.

(b) To select personnel under a merit system and to provide for the general administration of the provisions of sections 10 and 11 of this act, and of the provisions of any other sections of this act for which other administration is not provided.

(c) To enter into compacts and agreements with the Federal Social Security Board, or any other federal agency which may hereinafter supersede or exercise all or some of the present functions of the Federal Social Security Board, for the purpose of extending old age, survivors, disability or permanent disability benefits, medical or hospital insurance coverage, and unemployment compensation, to the employees of the State of Washington, or any of its subdivisions or agencies, or any municipal corporation, or to any other class or group of employees not otherwise provided for; such compacts may provide:

(i) That benefits, insurance coverage and unemployment compensation shall be provided to employees of the state, its political subdivisions, agencies, municipal corporations, districts and authorities on the same basis as to other employees.

(ii) That the state, its political subdivisions, agencies, municipal corporations, districts and authorities shall pay employers' contributions, and collect employee contributions not to exceed the rate paid by other employers or employees.

(iii) Such other provisions as may be required to effectuate the purposes of this act.

(d) To enter into compacts or agreements, upon such terms as may, in the judgment of the State Board, be necessary or desirable, with any municipal corporation, or any school,

fire, water, irrigation, drainage, port, public utility, housing or other district or authority, to bring the employees of such corporations, districts or authorities, within any of the provisions of this act, and to obtain social security for such employees under any of the systems of social security established under section 3 hereof.

(e) To enter into compacts and agreements with the Federal Social Security Board, or with any other federal agency which may hereinafter supersede or exercise all or some of the present functions of the Federal Social Security Board to receive, under such terms as may be determined to be satisfactory in the discretion of the State Board, federal matching funds to assist the state in carrying out the provisions of sections 17, 18, 19 and 20 of this act.

(f) To prepare, formulate and submit to the Federal Social Security Board, or other appropriate federal agency a state plan for assistance to needy individuals, at any time that a uniform state plan for such assistance may be required for the purpose of obtaining federal matching funds for public assistance programs, including such programs for which matching funds are presently available and such additional public assistance programs for which federal matching funds may be available under any federal law, or rules and regulations of the Federal Social Security Board or other appropriate federal agency. Such state plan shall in all respects meet federal requirements for matching funds. The preparation, formulation and submission of such plan shall include the power and duty to make reasonable and uniform rules and regulations, not inconsistent with the terms of this act, to the end that the administration of public assistance shall be uniform throughout the State of Washington.

(g) To establish uniform rules and regulations not inconsistent with the terms of this act, which shall be made available to the public, and to do any other act or thing neces-

## Initiative Measure No. 157

sary for the administration of this act.

**SEC. 6. Unemployment Compensation.** Any individual who is eligible to receive unemployment compensation benefits under the provisions of this act, or under the terms of any law of the State of Washington shall receive such benefits at the following rates:

(a) To an individual without dependents a "weekly benefit amount" equal to  $1/20$  of his total wages during that quarter of his base year in which such total wages were highest, except that if such amount is more than \$20, the weekly benefit amount shall be deemed to be \$20. *Provided, further,* That if such amount is less than \$10, such amount shall be deemed to be \$10, and *Provided further,* That in event the weekly benefit amount is not a multiple of 50¢ such amount shall be computed to the next higher multiple of 50¢.

(b) To an individual with one or more dependents, a "weekly dependents' allowance" in the sum of \$5 per week for each week in which such individual has one or more dependents and is entitled to receive a "weekly benefit amount."

(c) The maximum total amount of benefits which shall be payable to any eligible individual during any benefit year as a "weekly benefit amount" and a "weekly dependents' allowance" shall not exceed twenty times his weekly benefit amount and weekly dependents' allowance, or four-tenths ( $4/10$ 's) his total yearly wages in his base year, whichever sum is the lesser.

(d) If an eligible individual is available for work less than a full week, he shall be paid one-sixth of his weekly benefit amount for each day he is available, but if he is unavailable for three days or more of a week, he shall be considered unavailable for the entire week: *Provided, however,* That if an individual who has one or more dependents shall receive a weekly benefit amount in any sum with respect to a week in which he is available for work for less than a full week, he shall receive the full amount of the "weekly

dependents' allowance" provided in subsection (b) of this section.

**SEC. 7. Unemployment Compensation for Employees of the State and its Subdivisions.** The State of Washington, and its departments, agencies, subdivisions and institutions, and the several counties of the state, and their agencies, subdivisions and institutions, shall be deemed employers as that term is used in the laws of the State of Washington relating to unemployment compensation, and employees of the State of Washington, its agencies, departments, subdivisions and institutions and employees of the several counties of the state and their agencies, departments, subdivisions and institutions, excepting elected public officials and heads of departments appointed by the Governor, shall be deemed employees as that term is used in the laws of the State of Washington relating to unemployment compensation;

*Provided, however,* That any municipal corporation, school, fire, water, irrigation, port, drainage, public utility, housing or other district or authority, which may under the provisions of section 8 of this act elect to become an employer and elect that its employees may be considered employees with respect to the laws of the State of Washington relating to unemployment compensation, shall not be considered an employer, and its employees shall not be considered employees, until such time as such municipal corporation, district, or authority shall exercise the election provided in section 8 of this act.

**SEC. 8. Provision for Other Subdivisions of State Government to Elect to Be Covered.** Any municipal corporation, or any school, fire, water, irrigation, drainage, port, public utility, housing or other district or authority is hereby authorized by resolution, act or ordinance of the appropriate body or by initiative to elect:

(a) To be considered an employer under the terms of the laws of the State of Washington relating to unemployment compensation. Upon ex-

ercise of such election, such municipal corporation, district or authority shall file with the State Board written notice that all of the services of its employees (excepting elected officials or department heads, as defined in such resolution, act, ordinance or initiative) shall be deemed to be employment under the laws of Washington relating to unemployment compensation.

(b) To enter into compacts or agreements with the Federal Social Security Board, or any other appropriate federal agency or the State Board for the purpose of extending old age, survivors, disability or permanent disability benefits, medical and hospital insurance, and unemployment compensation, to the employees of such municipal corporation, district, or authority, or to any other class or group of employees not otherwise provided for; such compacts may provide:

- (i) That benefits, insurance, or unemployment compensation shall be provided to such employees on the same basis as to other employees.
- (ii) That such municipal corporations, districts or authorities shall pay employers' contributions, and collect employees' contributions, such contributions not to exceed the rates paid by other employers and employees.
- (iii) Such other provisions as may be required to effectuate the purposes of this act.

**SEC. 9. Unemployment Compensation and Dependents' Allowances for Veterans.** Any person who by reason of service in the armed forces of the United States is entitled under the provisions of any law of the State of Washington to receive unemployment compensation shall receive such compensation and dependents' allowances at the rates established under section 6 of this act; *Provided, however,* That notwithstanding the provisions of any acts to the contrary, any person eligible under this section shall receive unemployment compensation benefits on the basis of one hundred and thirty three

and a third dollars (\$133 $\frac{1}{3}$ ) wage credit for each completed calendar month of service in the armed forces to a total amount of \$1200, to be credited by the Commissioner of Unemployment Compensation and Placement to the same extent as if such person had earned such credits in "employment" as that term is defined in the laws of the State of Washington relating to unemployment compensation.

**SEC. 10. Rehabilitation and Training for Veterans.** It shall be the duty of the State of Washington to provide for the rehabilitation and training for gainful employment of any person who, by reason of service in the armed forces of the United States, is entitled under the provisions of the laws of Washington to receive unemployment compensation, or who has been honorably discharged or has been relieved from service with a certificate of satisfactory completion, or equivalent evidence thereof, and who shall have resided within the State of Washington for a period of one year immediately prior to his entry into the armed forces. To the end that the provisions of this section shall be carried out:

(a) The State of Washington shall provide to such returned servicemen free tuition at any educational institution maintained by public funds within the state.

(b) When any such returning serviceman applies for employment at any employment office maintained by the State of Washington, or by the United States Employment Service, it shall be the duty of the State Board (1) to advise such person that he or she is entitled to receive free tuition as provided in subsection (a) of this section; (2) to ascertain whether such person at the time of, or immediately prior to his or her induction into the Armed Services was pursuing any regular course of training at any school or educational institution in preparation or training for any trade, business, profession or other employment and whether such course of training was interrupted by his or her entry into the **Armed**

## Initiative Measure No. 157

Services; (3) to ascertain whether such person desires to receive training for any trade, business, profession or other employment.

If (i) the training of any such person was interrupted by his or her entry into the Armed Forces and he or she desires to continue such course of training or (ii) any such person desires to receive training for any trade, business, profession or other employment, and the State Board determines that the opportunity for such person to obtain regular or steady employment would be substantially improved, or his earning capacity substantially increased by the completion of such course of training, it shall certify that such person is available for employment, but that no suitable employment exists for such person until he or she has completed such course of training. Such person shall thereupon be eligible to receive weekly benefit amounts and dependents' allowances during such course of training as for unemployment compensation at the rates as provided in sections 6 and 9 of this act: *Provided*, That if such course of training shall continue for a longer period of time than that for which such person is eligible to receive weekly benefit amounts and dependents' allowances, the State Board, upon determination of that fact, shall provide for additional weekly benefit amounts and dependents' allowances for such person for a period not to exceed twenty (20) additional weeks while he or she is pursuing such course of training. The benefits payable under this section shall be paid whether the course of training pursued by a recipient shall be at a public or private school, or shall be within the State of Washington or elsewhere.

(c) The State Board is directed to report to the session of the legislature convening January, 1945, within ten days of its convening, whether the weekly benefit amounts and dependents' allowances payable under the terms of this section may be paid in whole or in part from the Unemployment Compensation Trust Fund.

**SEC. 11. Maternity Grants.** Every

woman who has worked as an employee in covered employment as those terms are defined in the laws of Washington relating to unemployment compensation, and who is in all other ways eligible for unemployment compensation except that she is not available for work because she has quit or has been required to terminate employment because of pregnancy shall be entitled to receive a weekly benefit amount at the same rate and in the same amount that she would receive unemployment compensation, plus a weekly dependents' allowance, if she has dependents, of \$5, for a period of not more than twelve consecutive weeks, namely, for the six weeks prior to the week in which her confinement is expected and for the six weeks subsequent to her confinement.

**SEC. 12. Employer Contributions.** Each employer shall pay contributions for unemployment compensation in the manner and at the rates provided in the laws of the State of Washington relating to unemployment compensation.

**SEC. 13. "Employer" Defined.** The term "employer" as used in this act, and in all laws of the State of Washington relating to unemployment compensation means any individual or type of organization, including any partnership, association, trust, estate, joint stock company, insurance company or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee or successor of any of the foregoing, or the legal representative of a deceased person which has any person in employment for it or which having become an employer, has not ceased to be an employer.

**SEC. 14. "Employment" Defined.** The term "employment" as used in this act, and in all laws of the State of Washington relating to unemployment compensation shall include:

All services defined as "employment" in the laws of the State of Washington relating to unemploy-

ment compensation, and in addition thereto:

(a) Services performed in handling, packing, packaging, grading, storing or delivering to storage or to market or to a carrier for transportation to market, any agricultural or horticultural commodity.

(b) Services performed in the employ of any hospital, hospital association, foundation or corporation regardless of whether such hospital or hospital association, foundation or corporation is operated for charitable purposes.

(c) Any other services which the legislature may from time to time define as "employment."

SEC. 15. *Disqualification During Labor Disputes.* If any person shall be found by the Commissioner of Unemployment Compensation and Placement to be disqualified for weekly benefit amounts and dependents' allowances by reason of a stoppage of work which exists because of a labor dispute at a factory, establishment or other premises at which he is or was last employed, such disqualification shall continue for three (3) weeks only from the date of the commencement of the work stoppage.

SEC. 16. *"Dependents" Defined.* As used in this act, the term "dependents" shall mean:

(i) The lawful spouse of a claimant living with him or receiving legal support from him who in the week for which an allowance is claimed has not received more than \$10 either in wages or as a weekly benefit amount under the terms of this act.

(ii) An unmarried child under 18 years of age or of any age if incapable of support by reason of mental or physical defect. "Child" shall include its generally accepted meaning and shall also include:

(a) A child legally adopted.

(b) A step-child if a member of the claimant's household.

(c) A child to whom the claimant stands in loco

parentis and has so stood for not less than 12 months prior to the date of claim on basis of such child.

(iii) The parent or parents of claimant if actually dependent upon him.

(iv) Any other relative or person actually dependent upon claimant for major share of his livelihood and who has been so dependent for not less than 12 months prior to the date of claim on basis of such person.

An applicant shall verify the person or persons dependent upon him upon a form to be provided by the Commissioner of Unemployment Compensation and Placement, and such verification shall be accepted by the Department as sufficient proof.

SEC. 17. *Senior Citizen Grants and Blind Grants.* Any person who under any law of the State of Washington is eligible to receive a Senior Citizen Grant or a Blind Grant shall receive such grant in the manner and amount provided in this section, as follows:

(a) The amount of the Senior Citizen Grant and Blind Grant awarded to each eligible applicant shall assist such applicant to meet his living costs as determined in subdivision (d) of this section, and shall not be less than \$50 per month on a uniform state-wide basis, *Provided, However,* That if the applicant shall have income from other sources, he shall be awarded a grant of not less than \$50, unless a grant in a lesser amount, when added to his income from other sources shall equal his living costs.

(b) In the event the Federal Social Security Act is amended to raise the amount of matching funds available to the state, the Senior Citizen Grant and Blind Grant, as determined in subdivision (a) of this section shall in no event be less than twice the maximum sum which the federal government will match.

(c) In event that the Federal Social Security Act is amended to remove entirely the ceiling on match-

## Initiative Measure No. 157

ing funds, the Senior Citizen Grant and Blind Grant, as determined in subdivision (a) of this section shall in no event be less than \$60.00.

(d) The Department shall from time to time, and at least once every six months, make surveys as to the living costs of Senior Citizens and blind persons and shall prepare schedules of items of living costs, including the cost of food, housing (as actually paid), utilities (including gas, water, heat, light and other necessary services), fuel, household operations and replacements and repairs, clothing, transportation, personal and incidental expenses and taking into consideration other needs of persons engaged in employment or part time employment. The living costs of any Senior Citizen or Blind person living alone shall in no event be determined at less than \$75 per month, and living costs shall be determined on a comparable basis for such persons living in a group or family arrangement.

(e) Blind Grants shall be paid to anyone who is otherwise eligible and who is 16 years of age or over.

(f) If, when, as, and to the extent that the federal statutes or the rules and regulations of the Federal Social Security Board permit, earnings or other income of an applicant shall not be deemed income or resources of an applicant.

SEC. 18. *Medical, Dental and Other Benefits for Recipients of Public Assistance.* The Department shall provide for each person eligible to receive a Senior Citizen Grant, Blind Grant, child welfare grant, public or general assistance grant or any other form of public aid or assistance administered by or under the supervision of the Department medical and dental and other services and care necessary for health. The services and care shall include:

- (a) Medical care and optical care by a doctor of applicant's choice.
- (b) Dental care and appliances by a dentist of applicant's choice.
- (c) Nursing care in applicant's home, hospital care, as pre-

scribed by applicant's doctor, and ambulance service.

- (d) Provision for medicine, drugs, optical supplies, medical and pharmaceutical supplies, artificial limbs, hearing aids, x-rays and other needed appliances.
- (e) Provision for special or supplemental diets as prescribed by applicant's doctor.
- (f) Such additional care and services as may be necessary to maintain or restore applicant's health.

SEC. 19. *Fair Hearings.* Any applicant or recipient of any Blind Grant, child welfare grant, public or general assistance grant, or other form of public aid or assistance who feels himself to be aggrieved by any decision of the Department of Social Security or any authorized agency of the Department shall be entitled to a fair hearing with respect to such grievance and a court review of any decision of the Director. In the administration of this section, the same rules, regulations and procedure applying to Senior Citizens under the provisions of sections 8 and 9 of chapter 1 of the Laws of 1941 shall be extended to, and shall include all persons entitled to such fair hearing and court review under this section.

SEC. 20. *Burial Expenses.* Upon the death of any recipient of any Senior Citizen Grant, Blind Grant, Aid to Dependent Children or of Public or General Assistance, funeral expenses in the amount of \$100 shall be paid by the Department of Social Security.

*Provided,* The funeral expenses paid on behalf of any recipient under this section shall not constitute a lien or claim upon the estate of such recipient.

SEC. 21. *Suspension of Operation.* The State Board is authorized and directed to suspend in whole or in part the benefits or allowances provided under any section, sections, or any part of this act, as the same shall relate to any class, or individual eligible to receive benefits under this

act, to the extent that the same or similar benefits or allowances are provided by the federal government. as follows:

(a) In the event the federal government shall provide for the payment of the same or essentially similar benefits, allowances or Grants in the same or greater amount to any person eligible to receive such benefit, allowance, grant or service under the provisions of this act, such allowance, grant, or benefit shall be discontinued for so long as the federal government shall continue to make such provision.

(b) In event the federal government shall provide for payment of the same or essentially similar benefits, allowances or grants in a smaller amount than is provided under the terms of this act, the state shall deduct the amount of the federal grant, benefit, or allowance from the amount payable to any person under the provisions of this act: *Provided, however,* That in determining whether a grant is the same, greater, or smaller, than is provided for in this act, the State Board shall take into consideration only the weekly, monthly or other periodic amount of such grant, benefit or allowance, by the federal government and shall not consider the duration or potential maximum amount of such grant, benefit or allowance. *Provided,* That in event the federal government makes matching funds available for the payments of any benefits, allowances or grants, provided for in this act, the amount of payments by the state shall not be reduced by reason of the availability of such matching funds, except as otherwise provided.

**Sec. 22. Survey of Cost and Availability of Medical Care.** The State Board is directed to report to the Session of the Legislature, convening in January, 1945, at least 30 days before the adjournment of such session on the cost and availability of medical care in the State of Washington. Such report shall include:

(a) A survey and analysis of:

(1) The distribution and availability of trained medical personnel, including doctors,

dentists, nurses, technicians and other personnel; and the number of persons per capita of doctors, dentists and other personnel in urban and rural areas, and particularly in war production centers.

- (ii) The distribution and availability of public and private hospitals, the equipment of such hospitals, and the number of persons per hospital bed in urban and rural areas, and particularly in war production centers; the number of applications for care at public hospitals, and the number of applicants treated.
- (iii) The availability and distribution of public pre-natal, infant and child welfare clinics.
- (iv) Existing pre-paid medical plans, including private and industrial clinics, medical service bureaus and other plans sponsored by medical associations, and co-operative clinics, estimates of the average cost per member for such care, and the extent of medical and hospital care available to members under each such plan.
- (v) The treatment of venereal disease, and the cost and availability of such treatment.
- (vi) A digest of the findings of the "Cost of Medical Care" survey conducted by the U. S. Public Health Service.
- (vii) Such other matters, as may in the judgment of the Board enable the legislature to determine the cost and availability of medical care to persons of moderate and low income.

(b) A statement of the estimated cost of the establishment and maintenance of a medical school at the University of Washington.

**Sec. 23. Appropriations.** (a) There is hereby appropriated the sum of \$100,000 from any unappropriated sums in the General Fund of the State of Washington for the operation and administration of this act from its

Initiative Measure No. 157

effective date until the legislature convening in January, 1945, shall make additional appropriations, at which time any unexpended portion of the \$100,000 shall revert to the general fund.

(b) The legislature shall appropriate sufficient sums to carry out the purposes of this act, and such additional sums as may be required for the full and complete administration of this act.

SEC. 24. *Invalidating of One Section Shall Not Affect Others.* If any portion, section or clause of this act shall for any reason be declared by any court of competent jurisdiction or by the Federal Social Security Board to be unconstitutional, invalid, or not in conformity with the provisions of the Federal Social Security Act, or any other Federal laws, rules or regulations, such declaration shall not affect the remainder of the act.

SEC. 25. *Repealing Conflicting Acts.* All acts or parts of acts in conflict herewith are hereby repealed.

SEC. 26. *Effective Date.* This act shall be in full force and effect on Dec. 7, 1944, as provided in the Constitution of the State of Washington, *Provided, however:*

(a) Payment of unemployment compensation weekly benefit

amounts and weekly dependents allowances under the terms of sections 6 and 9 of this act shall be payable commencing January 1, 1945.

(b) Payment of unemployment compensation weekly benefit amounts and weekly dependents' allowances to employees of the State of Washington, its departments, agencies and institutions as provided in section 7 of this act shall be payable commencing July 1st, 1945.

(c) Payment of unemployment compensation weekly benefit amounts and weekly dependents' allowances to the employees of subdivisions of the State of Washington which elect under the terms of section 8 of this act shall be payable the first day of the third calendar quarter after the effective date on which employer contributions shall commence.

(d) Payments to service personnel other than weekly benefit amounts and dependents' allowances provided in section 9 of this act shall commence March 15, 1945.

(e) Payment of maternity benefits provided in section 11 of this act shall be payable March 15, 1945.

(f) Payment of Senior Citizens and Blind Grants, provided in section 17, shall be effective January 1, 1945.

STATE OF WASHINGTON—ss.

Filed in the office of the Secretary of State March 3, 1944.

BELLE REEVES,  
Secretary of State.

## ARGUMENT FOR INITIATIVE NO. 157

### What is Initiative 157?

157 is a social security measure for ALL the people of Washington:

1. It helps returning servicemen. 157 supplements the national "G. I. Bill of Rights," by providing free tuition for servicemen and women at state schools and colleges, up to \$25 per week of state aid for 40 weeks while attending school. 157 also provides liberalized unemployment compensation to veterans unable to find immediate employment.

2. It helps Senior Citizens and the Blind: 157 sets \$75 per month as the minimum standard of need. The state will pay at least \$50 toward this \$75 minimum standard. The Senior Citizen or Blind person may receive at least \$25 per month from any other source (part-time employment, rent, federal or other insurance) without any deduction by the state from the \$50 paid. \$50 per month is the absolute minimum income on which any person can live in decency at the present high cost of living.

### How else does 157 help the people of the State of Washington?

157 helps war workers and other workers:

1. 157 increases Unemployment Compensation payments to a maximum of \$20 per week for 20 weeks to single workers and \$25 per week for 20 weeks to workers with dependents. The present inadequate unemployment compensation payment is \$15 maximum for 16 weeks.

2. 157 extends unemployment compensation to cover hospital workers, certain agriculture workers, state and county employees, and gives optional unemployment compensation to other public employees.

Washington is among the leading states in war production. If we are to speed victory and maintain our new industries after reconversion to peace time production, we must take steps to halt migration of workers away from this area. 157 will encourage war workers and others to remain here by providing additional security during the reconversion pe-

riod when there is bound to be some temporary unemployment.

3. 157 gives medical, hospital and dental care to the Blind, to dependent children and their mothers, and to unemployable persons such as the crippled and the incapacitated, on the same basis as to Senior Citizens. All have free choice of doctors, dentists, etc.

4. 157 provides a complete all-over social security program for Washington fully in line with federal legislation. It permits the state to take immediate advantage of any liberalization of Federal Social Security laws so that state, county, municipal employees, the self-employed, professional workers, and farmers may get the benefit of health and medical insurance immediately upon the passage of such legislation by Congress.

5. 157 will help working mothers by providing maternity grants up to \$25 per week for 6 weeks before and 6 weeks after confinement.

### How much will 157 cost, and how will it be financed?

The increased cost of pension provisions (senior citizen and blind grants) will not be more than \$20,000,000 a year of which a considerable part will be paid by the Federal government—nearly half if pending legislation passes Congress. The cost of all other provisions of the act (excepting unemployment compensation) will not exceed \$3,000,000 of which the Federal government, as in the case of education for veterans, will pay a large part. There is now over \$34,000,000 surplus in the state general fund, not earmarked for any purpose, which will more than cover cost of these provisions to the state, and still leave many millions for increased school appropriations and other vital services.

The increased Unemployment Compensation payments can easily be met from the present state Unemployment Compensation Fund, which is today over \$100,000,000, and is increasing at the rate of more than \$3,000,000 a month. The increased

*Argument for Initiative Measure No. 157*

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Unemployment Compensation can be paid without any **additional** contribution from the employer, and none at all from workers. **157 WILL NOT REQUIRE ONE SINGLE CENT OF ADDITIONAL TAXES.**

**Who is sponsoring 157?**

**157** is sponsored by the Washington State Social Security Council composed of A. F. of L., CIO and Railway Brotherhood locals and labor councils, Granges, Democratic and Republican party groups and leaders, Veterans' organization, Public Power

League, the Washington Pension Union, and other pension and blind organizations.

**WASHINGTON STATE SOCIAL SECURITY COUNCIL,**

**LEE McCARTHY** (*A. F. of L. Boiler Makers, Tacoma, Wash.*), *President*; **ROY ATKINSON**, **NORA MCCOY**, *Vice Presidents*, **REP. WILLIAM J. PENNOCK**, *Secretary*, **WARD COLEY**, *Executive Secretary*, 1905½ Third Ave., Seattle 1.

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**STATE OF WASHINGTON—ss.**

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**BELLE REEVES,**  
*Secretary of State.*

## ARGUMENT AGAINST INITIATIVE NO. 157

This argument is presented in the interest of truth, in the interest of those who purportedly would benefit by the adoption of this measure, and in the interest of the workers in industry and agriculture upon whom would fall the burden of taxation necessary to meet the costs thereof.

To those in the above categories the Scripture "Be not deceived, Truth (God) is not mocked; for whatsoever a man soweth, that shall he also reap" may well apply. For, by your vote for this measure, you will sow the seed for the greatly increased taxation necessary to meet its cost and you will most certainly reap the obligation of having to pay it.

Consider, therefore, the cost for carrying out the main purposes of this initiative: The proponents place the increased amount necessary at \$23,000,000 (excepting unemployment compensation). An analysis of the facts shows that in all probability the increase will exceed more than twice that amount because of the reason that under this initiative every person in the state, either blind or past 65 years of age, whose income is now under \$75 monthly, would be eligible for a grant of the difference between his or her present income and the specified \$75 monthly minimum. It is practically impossible to estimate what the maximum benefit or assistance grant would be under a liberal interpretation of this initiative, but it might readily be considerably in excess of \$100 per month, as, under its terms, the amount of their grants would be increased (as the proponents state in their argument) to "75 per month as the minimum standard of need." This minimum would require new measures of taxation to raise \$40,000,000 or more annually. Remember that this is only at the MINIMUM STANDARD OF NEED according to the proponents of the initiative.

From these facts it becomes evident that the "not less than \$50" monthly grants mentioned in Section 17 (a) of the initiative, was placed there merely for the purpose of deceiving the general public so that they might vote for it under the quite general impression that, under present conditions, such is the amount needed to maintain decent living conditions and health. Hence, again, "Be not deceived" by this misleading statement in the initiative.

Unless you, the workers in industry and agriculture, are willing to assume the burden of an increase of the retail sales tax to double (and later probably triple) the present tax or some other direct tax upon your earnings such as a 3% withholding tax on all wages and salaries; and, unless you, who assumedly would benefit by this initiative, realize that by voting for or advocating its adoption, you would be selfishly foisting a much heavier burden of taxation upon the workers, you will, in the interests of the general welfare

### VOTE AGAINST INITIATIVE 157.

This argument comes from a recipient of the present old age assistance act in the belief that this initiative is primarily an appeal to an innate selfishness upon the part of comparatively few of the aged who would benefit thereby, and greed for public office upon the part of its other sponsors and advocates. It is my further belief that, with the defeat of this initiative, the legislature can be depended upon to enact a measure providing for \$50 monthly grants to the blind and eligible aged.

W. WHITTINGTON CADLE,  
Now in his 80th year.

1520 Muirhead Avenue,  
Olympia, Washington.

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STATE OF WASHINGTON—ss.

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BELLE REEVES,  
Secretary of State

## ARGUMENT AGAINST INITIATIVE NO. 157

The Washington State Taxpayers Association's argument against Initiative No. 157 is based solely on the effect of this measure on the normal income of the State under existing law, and the changes in taxation laws that will be necessary if it is adopted. It should be noted by voters that neither the measure itself nor the argument by its proponents offers any solution to this problem which is the one that chiefly concerns nearly 95% of the voters. (The senior citizens now receiving pensions are 3.5% of the population of the State, and about 3% more would qualify under No. 157.)

Initiative No. 157 increases pensions to senior citizens from \$40.00 per month as now fixed by law, to \$50.00 each per month as a minimum for persons living together, and \$75.00 per month for persons living alone. It fixes a higher standard of living, thus increasing the cost by 25% to 50%. The best estimate we can make on the cost under 157 is as follows, based on 60,000 cases now on the rolls:

|  |               |
|--|---------------|
| Estimated average individual requirement as measured by 157..\$          | 79.00         |
| Average estimated income of recipients...                                | 5.50          |
| Average grant under 157  | 73.50         |
| Cost of 60,000 cases for one month.....                                  | 4,410,000.00  |
| Cost per year.....   | 52,920,000.00 |
| Maximum matching funds from Federal Government .....                     | 14,400,000.00 |
| Amount to be borne by State taxpayers alone                              | 38,520,000.00 |
| Cost to state in 1943 after deducting Federal matching funds.....        | 15,773,851.00 |
| Increased cost to State under 157 based on pensioners now on rolls ..... | 22,746,149.00 |

There are in the State about 145,000 persons over 65 of which it is estimated 80% or more could qualify under the liberal standards of Initiative No. 157. Thus, about 60,000 more

cases might be added when the manpower shortage and high wages terminate, making a total cost of \$105,840,000 per year, of which \$77,040,000 would be paid out of State funds.

Thus if 157 is passed by the voters, the next legislature will be faced with the problem of raising by taxation from \$22,000,000 to \$61,000,000 of new money, depending on how many new pensioners qualify after the war.

In 1940, the sales tax yielded \$16,019,135. In 1943, it more than doubled. It is our opinion that in a normal year it cannot be relied on to produce, at the present rate, more than about \$20,000,000 per year. To finance an increase of revenue of from \$22,000,000 to \$60,000,000, would mean a sales tax of 6% to 9%.

The State of Washington is already one of the most liberal of all the states in caring for the aged. This group—which totals about 3.5% of our population—now costs the taxpayers more than 26% of the total state expenditures for all purposes. In the 1935-37 biennium, our cost was \$8,035,000. In the 1941-43 biennium, it had risen to \$55,750,000, an increase of \$47,715,000, or about 500%.

Our liberality even prior to 1940 evidently exceeded all other attractions of our State combined, for the increase in population from 1930 to 1940 of all ages was 11%, while the increase in persons over 65 was 42%.

Voters should remember when voting on 157 that it cannot be amended or repealed for two years, and that should a sharp reduction occur in business and an increase in pensioners, it could, and probably would, wreck the State's finances in that time.

We earnestly recommend to every voter that before casting his ballot he read Initiative 157 carefully, and unless convinced of its merit, vote against it.

WASHINGTON STATE TAX-  
PAYERS ASSOCIATION  
HORACE C. BROWN, *Manager*.

STATE OF WASHINGTON—ss.

Filed in the office of the Secretary of State July 26, 1944

BELLE REEVES,  
*Secretary of State.*