CHAPTER LXVIII.

[H. B. No. 417.]

REGULATING TRANSPORTATION RATES ON RAILROADS AND OTHER COMMON CARRIERS.

An Act regulating common carriers, fixing maximum railroad-freight rates in the State of Washington, prohibiting discrimination by railroad common carriers in the matter of such rates and of facilities for shipment, and providing for the due enforcement and observance of the rates so fixed, and of the regulations and prohibitions before referred to, and providing a method of determining the reasonableness of such rates and regulations, and making an appropriation therefor.

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

Section 1. No railroad company or other common carrier, its agents or employés, doing business within this state shall charge for hauling agricultural products, as defined in this section, in carload lots, from one point within this state to another point within this state, at a rate exceeding $4.25 per ton for a distance of haul of 350 miles or over; and at a rate exceeding 90 per cent. of the rate actually in effect on the Northern Pacific railway, between the same points in the State of Washington, on January 2, 1897, for any distance within this state: Provided, That no charge for hauling freight aforesaid, in carload lots, in this section mentioned shall exceed $4.25 per ton from any point within this state to another point within this state. "Agricultural products" mentioned herein is defined to be corn, grain of all kinds, flour, feed, mill stuffs, flax seed, hay compressed in bales, hops compressed in bales.

Sec. 2. No railroad company or other common carrier, its agents or employés, doing business within the State of Washington, shall charge for hauling, in carload lots, fruit in boxes, barrels or crates; potatoes, onions and vegetables of all kinds in sacks, boxes or barrels; and eggs in boxes, barrels or cases; and butter in boxes, barrels or pails; and cheese, tallow and lard in barrels, kegs or cans; and wool in sacks, from one point within this state to another point within this state, at a rate exceeding 80 per cent. of the rate charged by said railroad or carrier for hauling or car-
ry a like kind of freight on the second day of January 1897, on the basis of the rate charged by the Northern Pacific Railway Company on the second day of January, 1897. The said companies and carriers shall be required to receive and transport any or all the products mentioned in this section in mixed carload lots at the highest rate applicable to any product contained in any such mixed carload.

Sec. 3. Not less than ten tons shall be required to make up a carload lot, as that term is used in this act: Provided, That not less than nine tons of hay or wool shall be required to make a carload.

Sec. 4. Any agent or employé of any railroad company or other common carrier doing business within the State of Washington who shall violate or evade any of the provisions of the foregoing sections of this act shall be deemed guilty of a misdemeanor, and on conviction thereof shall be punished by a fine of not less than five hundred dollars nor more than one thousand dollars, or may be imprisoned in the county jail for a period of not less than six months nor more than one year, or both such fine and imprisonment, and on the trial of any person or persons accused under this section of the offense aforesaid, it shall not be a defense to such charge of the violation of this section for such person or persons to prove that he or they were instructed or ordered to commit the acts charged in the information or indictment, by an officer or agent, or employé of the railroad company or other common carrier for which he or they were employed at the time the violation charged in the information or indictment occurred; and on said trial proof that the person accused in the information or indictment received money or issued freight bills or receipts for the railroad company or other common carrier mentioned in the information or indictment shall be prima facie proof of the agency charged in the information or indictment, and the court shall so instruct the jury in such case.

Sec. 5. The maximum freight rates established, fixed and provided by this act shall apply whether the haul be over one line, or over two or more connecting lines of rail-
road or other common carriers; and in cases where two or more connecting lines are employed in the haul and the companies cannot agree as to the proportionate amount of the rate in this act fixed to be retained by each of said companies for its service, then either company may commence an action in the nature of an action in equity in the superior court of the county in which the point of connection of said companies is made, against any company or companies having connecting lines with it, to determine the proportion which each company or other common carrier shall justly and equitably receive. Said action shall be tried by the court without a jury, and from the judgment in said action an appeal shall lie to the supreme court of this state as in other cases; in any such action the court shall by its decree fix the proportion of the rate which each connecting line that is a party to said action is entitled to receive for the transportation over its line of each of the commodities in this act named, and for that purpose the court may receive evidence showing the kind, character, nature and extent of the separate service rendered by each of the parties to the action in the performance of the joint service and of any other fact essential to the determination of the relative value of the services rendered by each, in proportion to the aggregate amount allowed to be charged under this act, and for this purpose the court may take the testimony of experts. The judgment rendered shall apportion to each company or other common carrier a fair proportion of the joint rate fixed by this act; such judgment shall be an adjudication and be binding on all companies or other common carriers who are made parties to said action, their successors and assigns, so long as the essential conditions surrounding traffic on the several roads or transportation lines of the several parties shall remain the same as at the date of said judgment. In such action the proportion which the length of the haul by each company or common carrier bears to the joint charge allowed by this act shall be *prima facie* evidence of the proportion to be awarded each, and until an adjudication to the contrary, each connecting railroad company or other common carrier doing business in this state shall settle with the
other railroad company or other common carrier on the basis of the length of the haul made by each in performing the joint service; in such action no other question than the apportionment of the rate allowed to be charged by this act between the respective parties to said action shall be raised, litigated or determined. The action provided for by this section shall by any and all courts be held and construed to be a special action for the purpose of fixing the apportionment of the rates in this act allowed and prescribed, and for no other purpose whatever.

**Sec. 6.** All railroad companies and other common carriers doing business in the State of Washington, shall, according to their respective power, provide at the point of connection, intersection or bisection in this state, ample facilities for transferring cars or freight from the line or tracks of any other railroad or other common carrier to those of any other railroad or other common carrier, whose line of road or transportation line may connect, intersect or bisect with their own, and for receiving such cars and freight from other connecting, intersecting or bisecting lines, and forwarding the same on to their or its destination, without breaking bulk if possible, and for transferring, receiving and forwarding all freights in less than carload lots intended for continuous shipment, and it shall be the duty of such railroad and other common carrier lines to so transfer, receive and forward the loaded cars of either without breaking bulk if possible, and to receive, transfer and forward carload lots of all freights intended for continuous shipment for its proportion of the joint charge in this act provided for, and to receive, transfer and forward all other freights intended for continuous shipments in less than carload lots for its proportion of the joint charge herein in this act provided for. But any such railroad company or other common carrier receiving cars or freight from a connecting line to be forwarded over its line, shall be entitled, if it so demand, except in the cases hereinafter provided for, to have its proportion of the charge for the joint service to be rendered by it prepaid before accepting such cars or freight, and in such cases the line offering such cars or freight
shall pay the sum demanded, and to enable the latter company or line so to do, it may, except in the cases hereinafter provided, require the prepayment of the amount hereby in this act permitted to be charged for the entire haul or carriage: Provided, That nothing contained in this act shall require any railroad company or common carrier to deliver any freight to a competing line to be hauled to the point of destination when the carrier receiving such freight is able to haul or cause the same to be hauled at the same rate over its own line, or line or lines connecting by traffic agreement.

Sec. 7. Any railroad company or other common carrier, doing business in this state, which shall refuse to receive from a connecting line loaded cars or freight in carload lots, or loaded cars or freight in less than carload lots, intended for transportation as a continuous shipment from one point within this state to another point within this state by means in part of the line of the said railroad company or other common carriers contrary to the provisions of this act, or which shall require the prepayment of a higher proportionate rate than the rates provided in this act on such cars or freight before it will receive the same, shall be liable to any person injured by such wrongful action for all damages thereby inflicted upon the party so injured, recoverable in the superior courts of this state in the county where said refusal to receive cars or freight shall have occurred; and in said action the court shall, upon a recovery in favor of the plaintiff in said action, allow said plaintiff a reasonable attorney's fee in said action, to be taxed as a part of the costs of said action.

Sec. 8. It shall be unlawful for any railroad company or other common carrier doing business in this state, having traffic arrangement with another company or common carrier whereby charges for a continuous haul or carriage is collected at the point of destination and accounted for by the railroad company or other common carrier collecting the same, with intent to annoy and harass the shipper or the other company or common carrier, or to obstruct the operation of this act, to refuse to receive cars loaded with valuable articles, or to refuse to receive valuable freight in
less than carload lots without prepayment, with intent to annoy and harass the shipper or the other company or common carrier, or, with like intent, to require prepayment from the shipper of such articles. Any railroad company or other common carrier doing business in this state violating any of the provisions of this section shall for each such violation forfeit unto the State of Washington the sum of $1,000, to be recovered in the superior court of the county in which the violation occurred, and in such action proof that either of the companies or other common carriers has within three months prior to such violation collected and accounted to the other company or common carrier for freight carried by the joint service of both companies or common carriers shall be prima facie evidence of the traffic arrangement in this act designated. The several prosecuting attorneys of the several counties of this state are empowered and it shall be their duty to bring an action in the name of and in behalf of the State of Washington, and against any railroad company or other common carrier violating any of the provisions of this section, to recover the penalty herein forfeited to the State of Washington.

Sec. 9. It shall be unlawful for any railroad company or other common carrier doing business in this state, its agents or employés, to charge or receive any greater compensation for the transportation of like kind or class or quantity of freight for a shorter than for a longer distance over the same line, the shorter being included in the longer distance; but this shall not be construed as authorizing such railroad company or other common carrier, its agents or employés, to charge or receive any rates greater than those allowed and fixed by the provisions of sections 1 and 2 of this act.

Sec. 10. It shall be unlawful for any railroad company or other common carrier doing business in this state, its agents or employés, on business wholly within this state, to make or give any unequal or unreasonable preference or advantage to any particular person or persons or company or corporation or copartnership or locality, or to any particular description of traffic in any respect whatever, or to subject any person or persons or corporation or com-
pany or copartnership or locality, or any particular description of traffic to any unequal or unreasonable prejudices or disadvantages in any respect whatever, and every railroad company or other common carrier doing business in this state, which permits any person or persons or company or corporation or any locality in this state to connect a side track with its track or line of transportation for the accommodation of any mine or warehouse or elevator or mill or manufactory, shall accord the same right on the same terms to every other person or company or corporation or copartnership anywhere on its line in this state soliciting such right or privilege; this right shall be compelled by the courts of this state by the writ of mandate at the suit of any person or persons entitled to such right under this act: Provided, That nothing herein contained shall prevent the classification of freight, as to kind, value and quality and the basing of rates thereon.

Sec. 11. It shall be unlawful for any railroad company or other common carrier doing business within this state, its agents or employés, to require or exact from any person or persons or any company or any corporation or copartnership on freight tendered to it to be carried wholly within this state, any release of any of the penalties provided by this act, or of any of the rights afforded by this act, or to exact or accept or receive any contract waiving any of the penalties or rights fixed and provided by this act, and if any railroad company or other common carrier, its agents or employés, as to such freight aforesaid, shall refuse to receive the same for carriage except such release or contract be executed, such railroad or common carrier, its agents and employés, shall be deemed and held to have refused to have received such freight for carriage within the provisions of this act, and any such release or contract in whatsoever form the same may be or appear shall be wholly null and void and shall not be permitted to be plead or set up by way of defense or in any other manner to any suit or criminal procedure authorized by this act or otherwise.

Sec. 12. Any agent or employé of any railroad company or other common carrier doing business in this state,
who shall violate any of the provisions of sections 10 or 11 of this act, shall for each and every violation be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than five hundred dollars nor more than one thousand dollars, or may be imprisoned in the county jail for a period of not less than six months nor more than one year, or both such fine and imprisonment. And on the trial of any agent or employé accused under either of said sections for the offense aforesaid, it shall not be a defense to such charge of the violation of this section for such accused person to prove that he was instructed or ordered to commit the violation of said sections, or either of them, charged in the information or indictment filed against him, by an officer or agent or employé of the railroad company or other common carrier for which he was employed at the time the violation aforesaid occurred, and on said trial proof that the person accused received money or issued freight bills or receipts for the railroad company or other common carriers mentioned in the information or indictment, shall be prima facie proof of the agency of the accused as charged in the information or indictment, and the court shall so instruct the jury before whom said accused person shall be tried.

Sec. 13. Any person or persons, or firm or company, or corporation or copartnership, whose property is withheld by any railroad company or other common carrier doing business in this state for the purpose of compelling the payment of a larger sum for the transportation of the same than is established or fixed by this act, or any other unlawful purpose as defined in this act, upon tendering (which tender must be kept good) unto such railroad or other common carrier the proper sum as fixed by this act for such transportation, may maintain an action in the superior courts of this state, in the nature of an action in replevin for the recovery of the possession of such property; the proceedings, pleadings and practice in said action shall be in all respects, so far as possible, like actions of replevin or claim and delivery in this state; the conditions of the bond given in such case shall, in addition to the conditions contained in bonds in actions of replevin or
claim and delivery, contain the condition that the plaintiff will pay whatsoever sum may be due to defendant for freight charges on account of the transportation of such property. A writ shall issue as in cases of replevin or claim and delivery in this state, and the officer executing the writ provided in this section shall seize the property wherever found within his county, and for that purpose, if it shall be concealed or enclosed in any depot, warehouse or other building, or in any railroad car, he shall have the right, and it shall be his duty whenever necessary, to break and open any seal, lock or door in order to take possession of the property in conformity with the directions of the writ. In such action the defendant shall not have the right to give a re-delivery bond or another bond and have the property returned to it, nor shall said defendant have the right to have or take other process and have such property returned to it. In any such action the court shall tax as a part of the costs of the case, if the plaintiff is successful, a reasonable attorney's fee.

SEC. 14. In all actions between private parties and railroad companies or other common carriers doing business in this state, brought under this act, the rates prescribed and fixed by this act shall be held conclusive and deemed reasonable and accepted to be fair, reasonable and just, and in such respects shall not be controverted therein, until finally found otherwise in a direct action brought for that purpose in the manner in this act hereinafter prescribed and fixed.

SEC. 15. If any railroad company or other common carrier mentioned in this act shall be dissatisfied with the rates fixed by this act, or with the other provisions of this act whereby rates may be determined, and shall claim that the same are unreasonable, such dissatisfied company or common carrier may file a complaint in the nature of a bill in equity setting forth the causes of objection to said schedule of rates or other provisions concerning rates, in the superior court of Thurston county, State of Washington, naming itself as plaintiff and the State of Washington as defendant; and for the purpose of such suit in such court and for the purpose of the other suits mentioned in this act and not otherwise, the State of Washington con-
Procedure.

Complaint to contain.

Cost of construction.

Mortgaged debt.

Capital stock.

Gross and net earnings.

Operating expenses.

Government or state aid.

Total tonnage for each of last five years.

sents that it may sue and be sued. Process in said action shall consist of a summons in the usual form and a certified copy of the complaint and shall be served upon the attorney general of the state. Said action shall have precedence over all other cases of different nature, and shall be tried and determined as other equitable causes in said court. The attorney general shall appear and answer, or otherwise plead to said complaint, within twenty days after service of process upon him. The complaint shall set forth the present value, or what the railroad could be built and equipped for at the time of suit, respective cost of the construction and equipment of the line of plaintiff's railroad or other common carrier; the present condition of the line and its equipments; the estimated cost of duplicating such line and equipments in their present condition at the present time; the extent of its mortgaged debt, if any, with the rate of interest thereon; how and when and for what purpose such indebtedness was contracted; the amount of its capital stock, and whether fully or partially, or at all, paid up, and if so, how and whether at par, or otherwise, and if otherwise, at what rate, and whether such stock is common or preferred, and if so, how much of each, and the terms upon which it was issued, and what, if anything, was paid therefor; its gross and net earnings for ten years last past, if it has been in operation for that length of time, and if not, for such length of time as it has been in operation; the items which constitute and which have constituted its operating expenses, and particularly the salaries paid to its officers and employés, giving the salaries of all its superior officers in detail; whether said line has received state or government aid, and if so, to what extent, and how fully it has profited by the same, and whether any portion of the grant yet remains to it, and the value of the same, and of what it consists; the extent to which it has gone into debt for terminal facilities at different points on its line or connections, and to what extent such facilities have enhanced the value of its properties; to what extent its present indebtedness is for betterments to the enhancement of the value of the property thereof; the total tonnage of merchandise transported by it for each year during the last five years; the
rate per ton per mile which it has received for transporting freight on the entire line of its road for each year during the last five years; the portion of its gross and net earnings during each of said years derived from the transportation of persons and property from points in the State of Washington to other points in the State of Washington; the number of passengers carried by it for each year of the last five years over its whole line, and at what rate per mile the same have been carried, and the number carried by it for each year of the last five years over its whole line, and at what rate per mile the same have been carried, and the number carried by it for each of such years wholly within the State of Washington, and at what rate per mile the same have been carried; the nature of the engineering difficulties encountered in building its road; the extent of its grades, and all other conditions tending to make operation lucrative or the reverse. And if it be a line of transportation extending beyond the limits of this state said complaint shall contain a fair statement of the difficulties of construction and operation on its several parts, so that the business of operating the line in this state may be compared with its operation of its line outside the state. And the said complaint shall state fully and in detail all the facts relied on as establishing the unreasonableness of rates fixed by this act. And said complaint shall also state what is a reasonable rate to be charged for hauling or carrying the several kinds of freight mentioned in this act for the several distances mentioned in this act, which is alleged in said complaint to be unreasonable, unfair or unjust; that the statement of the facts required in such complaint shall be by schedule as far as possible, for convenience of reference. In addition to such complaint such railroad company or other common carrier shall, at the time of filing said complaint, file therewith a bill of particulars, itemizing as near as may be the several amounts and facts and aggregate of figures given in the complaint, and contain a reference to any and all books of the company, and to any and all vouchers or papers of the company from which the same appear, and contain also a statement as to what officer or officers have possession of said books, vouchers and
papers, and in what place the same then are, and also a statement as to what officer or officers, and each and every one of them, has knowledge of the facts stated therein and in the complaint, and from whom the same was derived for the purpose of drawing such complaint and bill of particulars. The answer of the attorney general shall be in the usual form of answers in an equitable action in this state, and shall contain either an admission or an express denial or a denial on information and belief, as required by the code of this state, of each and every one of the matters and things in the complaint alleged, and may, in addition thereto, set up any further or affirmative defense which by the code of this state and the rules of practice and pleading applicable to such action it may be essential to plead affirmatively in order to make proof of. And the plaintiff shall have the right to reply to such affirmative matter as in other like cases. On the trial of said cause the court shall take judicial notice of all reports published by authority of any state or any government concerning the regulation of any railroad freight rates or other common carrier, and of all recognized works dealing with railroad construction, management or operation, and the facts stated in such reports and statistical works shall, for the purpose of said trial, be taken to be prima facie correct. The judge of the superior court of Thurston county shall sit in the trial of said cause, and it shall be his duty to invite not more than eight of the superior judges of the other counties in this state to sit with him and assist in the determination of said cause, and it shall be the duty of the judges so invited to so sit, and the decision of the cause and of the several questions which may arise in the trial of the cause shall be determined by a majority vote of the members of the said court, and, in case of a tie, the determining vote shall be cast by the superior judge of Thurston county then presiding in the equity department. If any of the judges so invited should be unable to come, or for any reason should not be present, the cause shall proceed before the remainder of the judges constituting said court. The court shall determine and decree whether the rates fixed by this act
are reasonable or unreasonable in whole or in part, having due regard to the principles of law for the determination of such issue, and if such rates be found to be unreasonable in whole or in part, shall so pronounce and render judgment accordingly, which judgment shall bind the state and all litigants in its courts attempting to take advantage of the provisions of this act. If the court should determine that the rates so fixed are reasonable, they shall so determine and adjudge, which judgment shall be binding upon all litigants in all courts, in all litigation arising under the provisions of this act, until the same shall be reversed or set aside. Either party may appeal to the supreme court of the state in the same manner and by the same procedure that other actions in equity are appealed thereto under the laws of this state. All the evidence and proceedings before the superior court shall be certified in the record to the supreme court, and that court shall hear and decide the cause de novo both upon the law and upon the facts, and said action so appealed shall have precedence in said court of all cases of a different character pending therein, and shall be there speedily heard under such direction as to the filing of briefs therein as the court may make. In all trials under this section the burden of proof shall rest upon the plaintiff, who must show and prove by clear and satisfactory evidence that the rates or provisions concerning rates complained of are unreasonable and unjust to it or them.

Sec. 16. Two or more railroad companies or other common carriers may join as parties plaintiff in the action provided for in section 17 [15] of this act, and in any such action the State of Washington shall be the sole party defendant. After any such action shall be commenced by any railroad company or other common carrier as provided in said section 17 [15] any other railroad company or common carrier interested may come in and join as co-plaintiff with such company or companies or common carrier or common carriers. In every case where two or more railroad companies or other common carriers join as plaintiffs originally, or where one or more railroad companies or other common carriers shall there-
after come in as co-plaintiff, each railroad company or other common carrier shall file its separate complaint as hereinbefore in this act provided, and the rights of each railroad company or other common carrier shall be separately considered and adjudicated in such proceeding: Provided, however, That under no circumstances shall there be any other person or persons, firm, company, copartnership or corporation joined as co-defendant with the State of Washington, but in all proceedings or suits under said section 17 [15] the State of Washington shall be the sole defendant.

SEC. 17. Whenever any action shall be brought by any railroad company or other common carrier against the State of Washington under the provisions of and for any of the purposes mentioned in section 17 [15] of this act, the attorney general of the State of Washington, if he shall deem it necessary, shall employ in behalf of and at the expense of this state special counsel to assist in defending said action or actions, and all such litigation shall be under the control and management of said attorney general and said special counsel, and for the purpose of paying said special counsel there is hereby appropriated of the moneys in the state treasury of the State of Washington not otherwise appropriated the sum of five thousand dollars, to be used in the payment of the said special counsel, or so much thereof as may be necessary. And the further sum of three thousand dollars, or so much thereof as shall be necessary, is hereby appropriated to pay for necessary witness fees of witnesses required by the state in the defense of any such actions. All bills for which appropriations are made in this act shall be audited by the state auditor, who shall draw warrants therefor: Provided, That the clerk of the court shall first certify to said auditor as to all witness fees.

SEC. 18. No decisions of any court declaring any section or portion of this act invalid, shall have the effect of invalidating the entire act or law; it being the purpose and intent, now and here expressed, that no provision is vital to the purposes of this act, but that this act shall be administered at all times and by all courts as far as it can
and ought, according to the true intent and meaning of each and all its parts.

**SEC. 19.** All penalties recovered by the state under the provisions of this act shall be paid into the general school fund. Nothing in this act shall apply to any railroad within this state which does not exceed 150 miles in length, or to any extension or branches of such railroads, or new railroads hereafter constructed; and the building of extensions or branches of any such railroad shall not have the effect of bringing any such railroads within the provisions of this act, but this shall not be construed to exempt any railroad from the provisions of this act, as to any shipment consigned to any point in this state, beyond the line of such short road; any railroad or part of a railroad, which on the first day of March, 1897, would have been subject to the provisions of this act, shall be and continue to be subject to the same, notwithstanding any change in the operation, ownership or management thereof.

Passed the House February 23, 1897.
Passed the Senate March 8, 1897.
Approved by the Governor March 13, 1897.

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**CHAPTER LXIX.**

[H. B. No. 113.]

**RELATING TO MUNICIPAL CORPORATIONS OF THE THIRD AND FOURTH CLASSES.**

An Act providing for the dissolution of municipal corporations of the third and fourth classes, and declaring an emergency.

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

**SECTION 1.** Cities of the third and fourth class, having a population of less than four thousand inhabitants, and incorporated towns in the State of Washington, may be disincorporated in the manner following:

**SEC. 2.** Whenever a petition signed by a majority of the lawful registered voters of a city of the third and