HOUSE BILL REPORT HJR 4204

As Passed House:

January 19, 2004

Brief Description: Amending the Constitution to provide for a simple majority of voters voting to authorize a school levy.

Sponsors: By Representatives Haigh, Armstrong, Hunter, Hunt, Tom, McDermott, Wallace, Rockefeller, Fromhold, Eickmeyer, Miloscia, Talcott, Lantz, Schual-Berke, Ruderman, Pettigrew, Wood, Upthegrove, Hudgins, Morrell, Simpson, Darneille and Chase.

Brief History:

Committee Activity:

Education: 2/12/03, 2/13/03 [DP].

Floor Activity:

Passed House: 3/17/03, 73-25; Passed House: 1/19/04, 68-29.

Brief Summary of Bill

• The Legislature will submit to the voters a proposed amendment to the Constitution that would allow school levies to be approved by a simple majority of voters voting at an election.

HOUSE COMMITTEE ON EDUCATION

Majority Report: Do pass. Signed by 8 members: Representatives Quall, Chair; McDermott, Vice Chair; Talcott, Ranking Minority Member; Tom, Assistant Ranking Minority Member; Haigh, Hunter, Rockefeller and Santos.

Minority Report: Do not pass. Signed by 3 members: Representatives Anderson, Cox and McMahan.

Staff: Susan Morrissey (786-7111).

Background:

School Levies and Bonds - Statutory and Constitutional Approval Requirements

The Washington State Constitution (Constitution) gives school districts the authority to collect property tax revenues in excess of 1 percent of the assessed value of county property for capital or operating purposes, and to assume excess debt when voters approve a levy or

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bond issue by certain margins. The Constitution also specifies the timing and frequency of such "excess" levies and bond elections.

General Obligation Bonds and Debt: A school district is authorized to issue general obligation bonds or to assume debt for capital purposes in excess of set limits only when the number of voters voting on the proposition is not less than 40 percent of district voters who participated in the last preceding general election. Additionally, at least 60 percent of those voting on the proposition must vote "yes."

<u>Excess Property Tax Levies:</u> There are two methods for authorizing a school district excess levy. The first method results in approval if 60 percent vote "yes" so long as the number of voters voting on the proposition equals or exceeds 40 percent of district voters who participated in the last preceding general election.

The second method can result in approval where voters turn out in fewer numbers than the requisite 40 percent. In this case, the "yes" count threshold is higher for levy approval. The number of "yes" votes must equal or exceed 60 percent of a number that represents 40 percent of district voters who participated in the last preceding general election.

<u>Timing and Frequency:</u> School excess levies or bond issues may be submitted at a special or regular election, but not more than twice in a 12 month period. Levy propositions may not be submitted more than 12 months prior to the effective date.

<u>Process for Changing the Requirement:</u> Any amendment to change the Constitution must be approved by a two-thirds majority of both houses of the Legislature. In addition, four laws must be changed to implement the constitutional amendment.

Summary of Bill:

The Legislature will submit to the voters a proposed amendment to the Constitution that would allow school levies to be approved by a simple majority of voters voting in an election. The amendment would change the current constitutional requirement that school levies be approved by 60 percent of the voters.

It would also change the current validation requirement that either the number of people voting must equal or exceed 40 percent of those voting at the last general election, or if fewer than 40 percent of the voters turn out for the election, the number of "yes" votes must equal or exceed 60 percent of a number that represents 40 percent of district voters who participated in the last preceding general election.

Appropriation: None.

Fiscal Note: Preliminary fiscal note available.

Testimony For: This legislation asks the people how they want to fund their schools and whether they want to change the voting requirements for school levies. Winning an election by 58 or 59 percent is a landslide for legislators; for a school levy the same percentage is a crushing defeat. The supermajority requirement was put into the Constitution during the depression, a time that people were losing their homes. Fewer people owned homes then and people were concerned that renters and others who didn't own property could vote to raise property taxes for everyone else. That pattern is no longer true. In addition, other safeguards are now in place. For example, the widespread use of absentee ballots provides protection for those that fear stealth elections. In school levy or bond elections, the minority, including people who choose not to vote, have a greater say in the outcome than the majority of voters, which is undemocratic. The people of Washington have shown through recent initiatives that they value their schools and want to improve the funding levels provided for the children those schools educate. Voters don't have the power to change the requirements by initiative, they need legislative help to put the question on the ballot. Good schools help keep a community economically vibrant so making it simpler to pass levies makes good economic sense. When levy elections fail, property values decline, employee morale suffers, teachers leave, and educational quality suffers.

Testimony Against: School levy and bond elections should take place during the general election. Any tax increase should require a 60 percent "yes" vote. In order for a levy to pass, current law requires that the number of people who vote "yes" in a levy or bond election must equal 24 percent of the people who voted "yes" in the last election. This allows 8 percent of the people to raise taxes for everyone else.

Testified: (In support) Representative Haigh, prime sponsor; Gary King, Washington Education Association; Lisa Bonds, Washington State Parent Teacher Association; Barbara Mertens, Washington Association of School Administrators; Bob Butts, Office of Superintendent of Public Instruction; Kim Cook, Service Employees International Union, Local 925; Christine Perkins, Washington State Special Education Coalition; Dan Steele, Washington State School Directors Association; Connie Fletcher, Issaquah School District Board; Kurt Kingman, Mary M. Knight School Board; Al Brotche, Mason County Auditor; Vern Spatz, Grays Harbor County Auditor; Ken Crawford, Bainbridge Island School District; Linda Hanson, Washington State Parent Teacher Association; Jean Strother, Kent Patent Teacher Association; Marianne Kersten, Volunteers for Issaguah Schools, Issaguah Parent Teacher Association Council; Kelly Munn, Volunteers for Issaquah Schools, Issaquah Parent Teacher Association Council; Rainer Houser, Association of Washington School Principals; Phyllis Byers, Highline School District; Jim Cooper, Clover Park School District; Ray Miller, Clover Park School District; Dane Anderson, National Association of Student Councils, Washington Association of Student Councils; Ivonne Pena, Mexican Group; Lisa Macfarlane, League of Education Voters; Betty Ringlee, Peninsula School District Board; Kim Peery, Public School Employees of Washington; Jim Richardson, School Bus Driver; Charlie Brown, King County School Coalition; John Knutsen, Kent School District, Washington Association of School Business Officials; Matthew Benuska, Washington Association of School Business Officials; Kim Howard, Peter D. Smith Parent Teacher Association; Nancy Jander, American Association of University Women; Kate Monahan, League of Women

Voters; Alan Tylea, Alliance of Education Associations; Carl Larson, Alliance of Education Associations, Washington Association of Maintenance and Operations Administrators; John Mutch, Washington Association of Maintenance and Operations Administrators; Kelly Gregg, Alliance of Education Associations, Washington Association of Maintenance and Operations Administrators; Loren Wright, Lakes High Parent Teacher Association; Patty Martin, State Board of Education; Randy Martin, Maintenance Supervisor for Griffin School District, Washington Association of Maintenance and Operations Administrators; and Wayne Sealock, Alliance of Education Associations, Washington Association of Maintenance and Operations Administrators.

(Opposed) Merton Cooper, Citizen; and Myrtle Cooper, Citizen.