
Education Committee

HB 2441

Brief Description: Providing for a simple majority of voters voting to authorize school district levies and bonds.

Sponsors: Representatives Haigh, Reykdal, S. Hunt, Orwall, Appleton, Pollet, Fitzgibbon, Dunshee, Ormsby, Ryu, Sells, Tarleton, Roberts, Bergquist, Goodman, Gregerson, Cody, Kagi, Santos and Freeman.

Brief Summary of Bill

- Authorizes school districts to issue general obligation bonds, make payments on those bonds through the levy of taxes, and exceed the statutory debt limit with approval by a simple majority of the voters, rather than approval by 60 percent of the voters at an election where the total number of voters is at least 40 percent of the total at the last preceding general election.
- Provides that the bill is void unless a Constitutional amendment to this effect is approved at the next general election.

Hearing Date: 2/13/14

Staff: Barbara McLain (786-7383).

Background:

The Washington State Constitution authorizes school districts to collect property tax revenues in excess of 1 percent of the assessed value of property in the district for capital or operating purposes and to assume excess debt when voters approve a levy or bond issue by certain margins.

In order to issue general obligation bonds for capital purposes and make payments on those bonds through the levy of taxes, a school district must receive approval by 60 percent of the voters at an election where the total number of voters is at least 40 percent of the total at the last preceding general election.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Constitution also requires a 60 percent voter approval for a school district to incur debt exceeding 1.5 percent of the assessed value of property in the district. State statute imposes a lower threshold of .38 percent indebtedness for school districts and requires 60 percent voter approval to exceed that threshold.

A joint resolution to change the Constitution must be approved by a two-thirds majority of both houses of the Legislature, followed by approval by a majority of the voters in the next general election.

In 2007 the voters approved a Constitutional amendment allowing school districts to collect excess levies for purposes other than for general obligation bonds by a simple majority of the voters voting at an election for that purpose.

Summary of Bill:

If the voters at the next general election approve an amendment to the state Constitution, school districts may issue general obligation bonds for capital purposes and make payments on those bonds through the levy of taxes with approval by a simple majority of the voters voting at an election for that purpose. Additionally, school districts may exceed the statutory debt limit with approval by a simple majority of the voters voting at the election. Changes are made to state statutes to conform to these provisions. If the Constitutional amendment is not approved, the bill is void.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed. However, the bill is void unless a Constitutional amendment providing for a simple majority of voters to authorize school district levies and bonds is approved at the next general election.