

HOUSE BILL REPORT

HJR 4203

As Reported by House Committee On:

Education
Capital Budget

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

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

Brief History:

Committee Activity:

Education: 2/12/03, 2/13/03 [DP];
Capital Budget: 2/24/03, 3/5/03 [DP].

Brief Summary of Bill

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

HOUSE COMMITTEE ON EDUCATION

Majority Report: Do pass. Signed by 7 members: Representatives Quall, Chair; McDermott, Vice Chair; Tom, Assistant Ranking Minority Member; Haigh, Hunter, Rockefeller and Santos.

Minority Report: Do not pass. Signed by 4 members: Representatives Talcott, Ranking Minority Member; 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 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."

Excess Property Tax Levies: 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.

Timing and Frequency: 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.

Process for Changing the Requirement: 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 bonds to be approved by a simple majority of voters voting at an election. The amendment would change the current constitutional requirement that school bonds 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: 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 bonds. Building a stadium needed a simple majority of the voters. Building a school requires a supermajority. The 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. 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 and bonds makes good economic sense. The current 60 percent approval requirement for the passage of school bonds is crippling the ability of some communities to pay for much needed school construction and renovation. Most bonds pass eventually, but the delay in providing funding for capital projects balloons the cost of those projects and ends up hurting students.

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 Parent Teacher Association; Marianne Kersten, Volunteers for Issaquah Schools, Issaquah 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.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: Do pass. Signed by 16 members: Representatives Dunshee, Chair; Hunt, Vice Chair; Priest, Assistant Ranking Minority Member; Armstrong, Blake, Chase, Flannigan, Hankins, Kirby, Lantz, McIntire, Morrell, Murray, O'Brien, Simpson and Veloria.

Minority Report: Do not pass. Signed by 7 members: Representatives Alexander, Ranking Minority Member; Benson, Bush, Mastin, Newhouse, Orcutt and Schoesler.

Staff: Charlie Gavigan (786-7340).

Summary of Recommendation of Committee On Capital Budget Compared to Recommendation of Committee On Education:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

Testimony For: Most school bond proposals eventually pass. This bill would save money by eliminating the need for multiple elections. A simple majority is more democratic, as each vote counts the same. Property-poor districts are hurt more under

the current system.

Testimony Against: None.

Testified: Representative Haigh, prime sponsor; Barbara Mertens, Washington Association of School Administrators; Gary King, Washington Education Association; Judy Hollar, League of Women Voters; Bill Panos and Bob Butts, Office of the Superintendent of Public Instruction; Ray Tobiason, Alliance of Education Associations; Jean Carpenter, Simple Majority Coalition of Washington; Jean Strother, Parent Teachers Association; Cindy Sands, Washington State School District Association; and Christie Perkins, Washington State Special Education Coalition.