

SJR 8204, to weaken constitutional protections and make it easier to raise property taxes

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Key findings

1. **SJR 8204 would weaken constitutional protections and make it easier to increase property taxes and add to public debt.**
2. **SJR 8204 would lower the standard for school officials to impose higher local property taxes from 60 percent to 55 percent.**
3. **The 60-percent protection has been part of the state constitution for 70 years. It protects the poor, the elderly, and working families.**
4. **The safeguard especially protects children and young adults from being burdened with heavy debt in the future.**
5. **The 60 percent protection does not prevent funding for new schools, it only discourages grand, “Taj Mahal” buildings sought by local officials.**
6. **Recently, 64 percent of bond levies met the 60-percent standard and passed, resulting in \$1.9 billion in new school spending.**
7. **The state debt burden is already high. Taxpayers in Washington state are currently paying off \$19.4 billion in school debt.**
8. **The 60-percent safeguard recognizes that many school officials want money today that others will have to pay back later.**

Introduction

Lawmakers are considering a proposal, SJR 8204, to weaken constitutional protections, and make it easier to increase local property taxes and add to public debt. The measure is sponsored by Senator Emily Randall (D-Bremerton).¹

If passed in each house of the legislature by a two-thirds vote, the measure referendum would go to voters on the November of 2021 ballot. If approved by a simple majority of voters, it would change the constitution and become law. The governor’s signature would not be required.

SJR 8204 would weaken taxpayer protection

Senate Joint Resolution 8204 would weaken taxpayer protection by lowering the standard for school district officials to impose higher local property taxes from 60 percent to 55 percent. It would also lower the standard for school officials to add to public debt. The 60-percent protection has been part of the state constitution for 70 years.

Property tax increases to build or improve schools often gain 60-percent support and pass easily. Frequently, however, school officials plan elaborate “Taj Mahal” buildings that are needlessly expensive and are rejected by voters.

For example, officials at the Peninsula School District recently gained 60 percent approval after an earlier voter rejection, when

¹ Senate Joint Resolution 8204, Amending the Constitution to allow 55 percent of voters voting to authorize school district bonds, Washington State Legislature, Introduced January 29, 2021 at <https://app.leg.wa.gov/billsummary?BillNumber=8204&Year=2021&Initiative=false>.

they cut costs and proposed a more respectful and cost-conscious plan.²

The failure of a local school levy does not bar new construction. It simply requires school officials to make a more reasonable and affordable proposal. The 60-percent protection is a reasonable safeguard against heavy local taxation.

State taxpayers are currently paying \$19.4 billion in existing school bond debt.³ The weaker standard under SJR 8204 would add significantly to public debt.

SJR 8204 would burden working families and the poor

The 60-percent safeguard protects working families, the poor, small business owners, and the elderly from being burdened with higher taxes and more debt.

The provision is particularly directed at protecting children, young workers, and young families because financial burdens proposed by school officials today have to be paid by future taxpayers.

Local officials like having more debt because they gain more money today while shifting the cost onto others.

Tax-increase proponents say the 60-percent safeguard is a barrier to spending on schools. State data, however, shows this is not the case. In 2017, for example, 64 percent of proposed bond measures passed, for a total of \$1.9 billion in new school spending.⁴

The high success rate indicates that, when local officials are able to present the public with a convincing need, local school district voters are willing to approve more debt.

The community benefits from taxpayer protection

Some critics say the 60-percent safeguard is undemocratic. This is not true.

Super-majority safeguards are used frequently to protect the people from the burden of years of heavy public debt. The protection is particularly needed when many of those who will be burdened are children, who have no say in the future debt they will have to pay off.

SJR 8204 supporters agree with this principle since their own proposal is itself a super-majority vote requirement.

The 60-percent standard encourages homeownership, private savings, and investment in family needs, especially at a time when the legislature has increased property taxes to provide record-level revenue to school district officials.

Conclusion

The 60-percent standard represents an important safeguard in the state constitution to require a higher level of agreement before school officials are allowed to impose long term debt on the community. The provision is designed to protect children and young people from shouldering a heavy financial burden imposed by debt taken on today.

School construction debt lasts up to 30 years, long enough for school administrators today to impose a long-term tax obligation on their own students.

The 60-percent protection recognizes that many school officials want money today that others will have to pay back in the future, long after officials have left office.

The 60-percent protection is working as intended and should not be changed. It allows new school construction when needed, and at the same time, protects children and young

2 “Peninsula School District to seek \$198 million bond for new schools, upgrades,” by Jake Gregg, *The News Tribune*, November 9, 2018, at <https://www.thenewstribune.com/news/local/community/gateway/article221428590.html>.

3 “Washington State School Districts, Charter and Tribal Schools, All Funds Long-Term Liabilities Per Pupil by Enrollment Groups, Fiscal years 2016-2017 Through 2018-2019,” Office of Superintendent of Public Instruction, at <https://www.k12.wa.us/sites/default/files/public/safs/pub/fin/1819/%2322%20LTD%20by%20enrollment.pdf>.

4 “Table 4, School District Bond Issue Election Results, Election Years 1994-2017,” Office of Superintendent of Public Instruction, at <http://www.k12.wa.us/safs/PUB/LEV/1819/table4.pdf>.

families from being burdened with higher property taxes and excessive debt payments.

The people of Washington have benefitted from this taxpayer protection for over 70 years. The standard is reasonable debt policy and taxpayer protection that serves the public interest.

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Nothing here should be construed as an attempt to aid or hinder the passage of any legislation before any legislative body.

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