IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KING

LEAGUE OF EDUCATION VOTERS, a Washington non-profit corporation; WASHINGTON EDUCATION ASSOCIATION, a Washington non-profit corporation; LAURIE JINKINS, an individual taxpayer and Washington State Representative; DAVID FROCKT, an individual taxpayer and Washington State Representative; JAMIE PEDERSEN, an individual taxpayer and Washington State Representative; ROBERT UTTER, an individual taxpayer and former Chief Justice of the Washington Supreme Court; KIM BIELSKI, an individual taxpayer; ANDY BUNN, an individual taxpayer; REBECCA BUNN, an individual taxpayer; REUVEN CARLYLE, an individual taxpayer and Washington State Representative: JOHN CHESBROUGH, an individual taxpayer; DEB EDDY, an individual taxpayer and Washington State Representative; SAM HUNT, an individual taxpayer and Washington State Representative; AMY MCKENNEY, an individual taxpayer; KURT MILLER, an individual taxpayer and President of the Tacoma Public Schools Board of Directors: JIM MOELLER, an individual taxpayer and Washington State Representative; TIMM ORMSBY, an individual taxpayer and Washington State Representative; RYAN PAINTER, an individual taxpayer; ERIC PETTIGREW, an individual taxpayer and Washington

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No.

COMPLAINT FOR DECLARATORY JUDGMENT AND INJUNCTIVE RELIEF State Representative; CHRIS REYKDAL, an individual taxpayer, Washington State Representative and Tumwater School Board Member; CINDY RYU, an individual taxpayer and Washington State Representative; MIKE SELLS, an individual taxpayer and Washington State Representative; KRISTIN SKANDERUP, an individual taxpayer,

Plaintiffs,

V.

The STATE OF WASHINGTON; CHRISTINE GREGOIRE, in her official capacity as Governor of the State of Washington,

Defendants.

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I. INTRODUCTION

1. The Washington State Constitution is the fundamental plan for the operation of Washington State's government. It establishes the basic framework under which the Washington Legislature and the people of the State of Washington enact laws. The Washington Constitution cannot be amended, revised or altered except by way of amendment as set forth in the Constitution. It cannot be amended, revised or altered by exercise of the initiative or referendum power. The Washington Constitution provides in Article II, § 22 that bills are enacted as law by a vote of a majority of the members elected to each house of the Legislature. RCW 43.135.034, enacted in 2010 by Initiative 1053 ("I-1053" or the "Initiative"), unconstitutionally imposes a two-thirds supermajority vote of the members elected to each house to enact laws that raise taxes. Article II, § 1(b) of the Washington Constitution sets forth the means through which the people's referendum power can be exercised. RCW 43.135.034 unconstitutionally mandates public votes on bills without adhering to the constitutional requirements for public referenda. Article II, §

1 of the Washington Constitution sets forth the Legislature's power to enact bills and Article VII, § 1 sets forth its power to tax. RCW 43.135.034's two-thirds supermajority provisions unconstitutionally infringe on these powers. As a result of these constitutional violations, RCW 43.135.034 impairs our State's ability to fund essential services such as public education, public safety, elder care, and the justice system. Accordingly, RCW 43.135.034 is unconstitutional in its entirety. Plaintiffs seek declaratory and injunctive relief against the State of Washington to prevent continued enforcement of RCW 43.135.034.

II. PARTIES

Plaintiff League of Education Voters ("LEV") is a Washington non-profit corporation that represents the interests of Washington's schoolchildren and its taxpayer members across Washington State. LEV works to create an educational system in which every child in Washington has an equal and adequate opportunity to succeed in college, work, and life. In 2000, Washington voters approved Initiative 728 with an almost 72% "yes" vote. Initiative 728 promised to lower class sizes and provide more learning opportunities such as preschool and all-day kindergarten for students. The writers and sponsors of Initiative 728 went on to found LEV in 2001 to further their efforts. Among other activities, LEV promotes and lobbies for legislation and policy to accomplish its organizational goals and further the interests of its members. LEV has been an advocate for enactment of bills that raise revenue to improve the State's education system. The two-thirds supermajority requirement harms LEV's efforts in this regard, both because legislation it promotes that would raise revenue is not furthered in the legislative process due to the two-thirds supermajority requirement and because successful bills for which LEV has lobbied are then not funded. For example, LEV was the leading proponent of HB 2261, passed in 2009, which sets forth a new, more robust basic education formula.

HB 2776, passed in 2010, which LEV also supported, required the Legislature to ramp up funding for the new basic education formula beginning in 2011-2013. Instead, the 2011 Legislature cut funding for teacher salaries by 1.9% and severely cut K-3 class size reduction funding. Further, year after year LEV has advocated for increasing the number of students who earn BA degrees in our state by reducing barriers to participation. However, in order to reduce the impact of cuts to higher education institutions, the 2011 Legislature passed HB 1795, which authorizes annual 16% tuition increases at the University of Washington, Washington State University and Western Washington University, which will make it harder for many students to pursue four-year degrees. These increases came on top of the 2011 Legislature's reduction of work study funding, which many students depend on, by almost 70%. In sum, the Legislature's inability to raise revenue results in budget cuts that directly affect LEV's organizational efforts and members. The Legislature's budget cuts result in funding reductions to school districts, and LEV's members are directly affected by teacher and staff layoffs, furlough days, loss of professional development opportunities, fewer resources in the schools, and more crowded classrooms and schools, which creates a more difficult learning environment. LEV works and has members throughout Washington State. For example, Plaintiff Kristin Skanderup is a taxpayer member of LEV. Kristin has been a supporter of LEV for many years, including by way of regular donations and volunteering. LEV represents Kristin's and its other supporters' desire to create a stronger public education system in Washington through its advocacy and lobbying, including by its participation in this action. LEV's principal place of business is in Seattle, Washington.

3. Plaintiff Washington Education Association ("WEA") is a Washington non-profit corporation that represents the interests of its approximately 82,000 taxpayer members across Washington State. WEA's mission is to advance the professional

interests of its members in order to make public education the best it can be for students, staff, and communities. WEA's goal is to build confidence in public education and increase support for Washington's public school system. WEA does so by a variety of means, including promoting and lobbying for legislation and policy that furthers its organizational goals and the interests of its members. WEA has been an advocate for enactment of bills that raise revenue to improve the State's education system. The twothirds supermajority requirement harms WEA's efforts in this regard, both because legislation it promotes that would raise revenue is not furthered in the legislative process due to the two-thirds supermajority requirement and because laws for which WEA has lobbied are then not funded. For example, WEA has consistently advocated for the full funding of Initiative 728 (as described above) and Initiative 732. Washington's citizens passed Initiative 732 with a 63% "yes" vote in 2000. Initiative 732 provides that public school teachers and other school district employees must receive annual cost of living adjustments. The Legislature has not fully funded either Initiative. Further, the Legislature's inability to raise revenue results in budget cuts that directly affect WEA's organizational efforts and public school teacher and employee members. The Legislature's budget cuts result in funding reductions to school districts, and WEA's members are directly affected by layoffs, furlough days, reduction in salary, revocation of planned salary increases, loss of professional development opportunities, fewer resources with which to do their jobs, and more crowded classrooms and schools, which creates a more difficult teaching and learning environment. WEA works and has members throughout Washington State. For example, Plaintiffs Kim Bielski and Ryan Painter are members of WEA. WEA represents Kim's, Ryan's and its other members' desire to create a stronger public education system in Washington through its advocacy and

lobbying, including by its participation in this action. WEA's principal place of business is in Federal Way, Washington.

- 4. Plaintiff Laurie Jinkins is a resident of Washington State who lives in Tacoma, Washington. She is a taxpayer in Washington State and also a Washington State Representative for the 27th Legislative District.
- Plaintiff David Frockt is a resident of Washington State who lives in Seattle,
 Washington. He is a taxpayer in Washington State and also a Washington State
 Representative for the 46th Legislative District.
- 6. Plaintiff Jamie Pedersen is a resident of Washington State who lives in Seattle, Washington. He is a taxpayer in Washington State and also a Washington State Representative for the 43rd Legislative District.
- 7. Plaintiff Robert Utter is a resident and taxpayer of Washington State who lives in Olympia, Washington. He is a former Justice of the Washington Supreme Court, of which he was Chief Justice. Justice Utter also was a King County Superior Court Judge, Washington State Court of Appeals Judge, and a professor at the University of Puget Sound School of Law.
- 8. Plaintiff Kim Bielski is a resident and taxpayer of Washington State who lives in Bothell, Washington.
- 9. Plaintiff Andy Bunn is a resident and taxpayer of Washington State who lives in Bellingham, Washington.
- 10. Plaintiff Rebecca Bunn is a resident and taxpayer of Washington State who lives in Bellingham, Washington.
- 11. Plaintiff Reuven Carlyle is a resident of Washington State who lives in Seattle, Washington. He is a taxpayer in Washington State and also a Washington State Representative for the 36th Legislative District.

- 12. Plaintiff John Chesbrough is a resident and taxpayer of Washington State who lives in Bellingham, Washington.
- 13. Plaintiff Deb Eddy is a resident of Washington State who lives in Bellevue, Washington. She is a taxpayer in Washington State and also a Washington State Representative for the 48th Legislative District.
- 14. Plaintiff Sam Hunt is a resident of Washington State who lives in Olympia, Washington. He is a taxpayer in Washington State and also a Washington State Representative for the 22nd Legislative District.
- 15. Plaintiff Amy McKenney is a resident and taxpayer of Washington State who lives in Bellingham, Washington.
- 16. Plaintiff Kurt Miller is a resident of Washington State who lives in Tacoma, Washington. He is a taxpayer in Washington State and President of the Tacoma Public Schools Board of Directors.
- 17. Plaintiff Jim Moeller is a resident of Washington State who lives in Vancouver, Washington. He is a taxpayer in Washington State and also a Washington State Representative for the 49th Legislative District.
- 18. Plaintiff Timm Ormsby is a resident of Washington State who lives in Spokane, Washington. He is a taxpayer in Washington State and also a Washington State Representative for the 3rd Legislative District.
- 19. Plaintiff Ryan Painter is a resident and taxpayer of Washington State who lives in Arlington, Washington.
- 20. Plaintiff Eric Pettigrew is a resident of Washington State who lives in Seattle, Washington. He is a taxpayer in Washington State and also a Washington State Representative for the 37th Legislative District.

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- 21. Plaintiff Chris Reykdal is a resident of Washington State who lives in Tumwater, Washington. He is a taxpayer in Washington State, a Member of the Tumwater School District Board of Directors, and also a Washington State Representative for the 22nd Legislative District.
- 22. Plaintiff Cindy Ryu is a resident of Washington State who lives in Shoreline, Washington. She is a taxpayer in Washington State and also a Washington State Representative for the 32nd Legislative District.
- 23. Plaintiff Mike Sells is a resident of Washington State who lives in Everett, Washington. He is a taxpayer in Washington State and also a Washington State Representative for the 38th Legislative District.
- 24. Plaintiff Kristin Skanderup is a resident and taxpayer of Washington State who lives in Seattle, Washington.
- 25. Defendants are the State of Washington and Christine Gregoire, the Governor of Washington.

III. JURISDICTION AND VENUE

- 26. This Court has jurisdiction over this matter pursuant to chapter 2.08 RCW, and chapter 7.24 RCW.
- 27. Venue is proper in this Court pursuant to RCW 4.92.010 because the residence or principal place of business of one or more of the plaintiffs is in King County, Washington.

IV. STANDING

28. Plaintiffs include individual Washington taxpayers, elected Representatives, and organizations that represent their own and their members' interests. Plaintiffs have standing to bring this action on multiple alternative grounds.

- 29. On June 17, 2011, plaintiffs made a demand upon Attorney General Rob McKenna to investigate the unconstitutional requirements of RCW 43.135.034 and initiate legal proceedings on behalf of all Washington taxpayers. A copy of this demand is attached as Exhibit 1. Plaintiffs made this demand despite the fact that Attorney General McKenna's prior position on the constitutionality of the statute rendered such a request futile. On June 24, 2011, Attorney General McKenna declined to investigate and initiate legal proceedings. A copy of Attorney General McKenna's letter is attached as Exhibit 2.
- 30. Plaintiffs have standing because this matter is of serious public importance, immediately affects substantial segments of the population and its outcome will have a direct bearing on commerce, finance, labor, industry or agriculture generally.
- 31. Further, the legislative plaintiffs are injured because the two-thirds supermajority requirement prevents legislators from exercising their constitutional right as elected officials to advance bills through the legislative process, and prevents the public from receiving the benefit of such bills. Thus, RCW 43.135.034 unconstitutionally impairs the Legislature's ability to enact legislation, make policy and fund services, and Washington taxpayers' ability to receive the benefit of such legislation, policy and services.
 - a. For example, in 2009 the House of Representatives voted on Second Substitute House Bill 2029 ("SSHB 2029"). The bill would have provided increased public safety by creating an enhanced 911 emergency communication system funded by fees on certain communication devices, including cellular phones. SSHB 2029 received 58 yea votes in the House of Representatives. But because a two-thirds supermajority was required, the bill failed and was not sent to the Senate. In 2010, the Legislature temporarily suspended the two-thirds supermajority requirement. A bill

that was substantively the same as SSHB 2029 passed the House of Representatives with 56 yea votes, two less than the year before, and subsequently became law. *See* Substitute Senate Bill 6846 (2010). The only reason that legislators could not enact, and the public could not benefit from, the bill a year earlier was the two-thirds supermajority requirement.

- b. Another example is Senate Bill 6931 (2008), which would have provided additional emphasis patrols for DUI enforcement and chemical dependency treatment funded by a tax on certain types of liquor. The bill received a majority of yea votes in the Senate, 25, but did not receive the two-thirds supermajority. As a result, the bill failed and was not sent to the House of Representatives.
- c. Finally, as described more fully below, in 2011, Substitute House Bill 2078 would have funded the K-3 class size reductions approved by the voters in Initiative 728 by closing a tax loophole for large banks. The bill received a majority of yea votes for passage in the House of Representatives, but failed to receive the required two-thirds supermajority. The bill failed as a result and was not sent to the Senate.
- 32. In the alternative, the legislative plaintiffs have standing to bring this action in a representative capacity on behalf of their constituents.
- 33. Plaintiffs are also directly and individually harmed by the continued unconstitutional application of RCW 43.135.034. For example:
 - a. Plaintiffs Andy and Rebecca Bunn are parents of children who attend the Bellingham School District's public schools. The Bunns have children entering second and fourth grade at Larabee Elementary School, and a child in preschool. Andy volunteers as a chess coach at Larabee

Elementary School through the school's PTA. Rebecca frequently volunteers in their children's classrooms. The Legislature has been unable to pass legislation that funds I-728's reduction in K-3 class size in part due to the two-thirds approval requirement. The Bunns' children have experienced class sizes resulting in a more difficult teaching environment for teachers, and impacting the children's educational experience.

- b. Plaintiffs John Chesbrough and Amy McKenney are parents of a child who attends the Bellingham School District's public schools. John and Amy have a child who is entering second grade at Parkview Elementary School, and a child in preschool. Amy is active in the Parkview Elementary School PTA. Amy is in charge of fundraising for the PTA and has experienced a heightened pressure to raise funds for programs that have been eliminated or reduced as a result of state budget cuts to the school district. For example, state budget cuts resulted in the loss or reduction of arts programs at Parkview Elementary School. The burden for funding such programs has been shifted onto the PTA and parents at the school to backfill the state budget cuts.
- c. Further, John Chesbrough is also a public high school science teacher in Sedro-Wooley, Washington. John has taught Advanced Placement physics, physics and physical science. The two-thirds approval requirement has forced the State to make budget cuts to his school district. The number of full time equivalent employees has been reduced as a result. Consequently, students are offered fewer choices in available courses. For example, John will no longer be teaching Advanced Placement physics because he would not have a full class of students and there is not enough

staff to teach less than full classes. Students at his high school no longer will be given the opportunity to take this rigorous science course. The loss of such courses contrasts with the State's recent emphasis on quality science and math education as essential to student success. *See, e.g.*, Washington State Board of Education, *2010-2011 Strategic Plan*, available at http://www.sbe.wa.gov/documents/2010.09.22%20Strategic%20Plan %20Final.pdf (stating that one of the State Board of Education's five strategic goals is to "Promote Effective Strategies to Make Washington's Students Nationally and Internationally Competitive in Math and Science").

d. Plaintiff Kurt Miller is President of the Tacoma Public Schools Board of Directors and Director of the REACH Center in Tacoma, Washington. Kurt has served for eight years on the Tacoma Public Schools Board of Directors. As a result of the State's inability to pass legislation that raises revenue (and consequential budget cuts), Kurt is forced to make decisions in his capacity as a Board Member that undercut the quality education Tacoma Public Schools strives to provide its students. For example, the Board of Directors recently closed two elementary schools due to budget cuts. One of those schools, Wainwright Elementary, had been named a "Blue Ribbon School" by the United States Department of Education. Plaintiff Rep. Laurie Jinkins' child attended Wainwright Elementary prior to its closure. In addition, the Board of Directors has had to reduce paraeducator hours, cut professional development for staff, increase class and school size, and, due to the State's most recent 1.9% reduction in funding for teacher salaries, either cut or freeze teacher salaries or cut

general fund spending on other educational services. Further, Kurt is the Director of the nonprofit REACH (Resources for Education and Career Help) Center. The REACH Center provides career, education, and personal development services for young adults, ages 16-24, in the Tacoma/Pierce County area. Kurt has seen and experienced major cuts in safety net funding from the State for nonprofits such as the REACH Center. As a result, his organization is unable to provide essential services to its clients, 60% of whom are high school dropouts. Without these services, many needy young adults disengage from the work force.

Plaintiff Chris Reykdal is a member of the Tumwater School District School Board in addition to being a State Representative. Rep. Reykdal has been a School Board member since 2007. This past year's legislative actions are resulting in additional budget cuts to the Tumwater School District for the third year in a row. Substitute House Bill 2078, which received a constitutional majority of yea votes to pass out of the House of Representatives but failed to receive the required two-thirds supermajority, would have provided the Tumwater School District approximately \$225,000 in Financial Year 2012 ("FY 2012") and approximately \$300,000 for Financial Year 2013 ("FY 2013"). These are significant resources in Tumwater and would have allowed the Tumwater School District to retain three teaching positions in FY 2012 and four positions in FY 2013 in grades K-3. With three and four additional teachers in each of the next two years, the Tumwater School District would have reduced student faculty ratios in K-3 grades by 1.0 student in year one and 1.3 students in year two. At the Tumwater School District's current student to faculty ratio of 22.55

in grades K-3, a one student reduction in each class is equal to approximately 5% additional teacher contact time for every single student in grades K-3 across the entire district. In the alternative, Tumwater School District could have done more with its all-day kindergarten. The Tumwater School District currently has one all-day kindergarten class in each of its six elementary schools. If the above mentioned resources had been forthcoming, the district could have made a choice to leave student faculty ratios untouched and instead made the choice to offer three additional all-day kindergarten classes in the first year and four additional all-day kindergarten classes in the second year. In the Tumwater School District, board members, students and faculty have been, and will continue to be, harmed as a direct result of requiring a two-thirds supermajority to raise taxes or close tax preferences.

f. Plaintiff Kim Bielski is an elementary school teacher in the Snohomish School District. Kim has taught four years at Little Cedars Elementary School in kindergarten and fourth grade classrooms. Kim received a Reduction in Force ("RIF") notice in May 2011, informing her that she no longer would be employed with the Snohomish School District. The Snohomish School District was forced to RIF teachers due to the State's inability to raise revenue and the resulting budget cuts. In addition to her job loss, Kim experienced significant stress and emotional impact associated with the RIF. While Snohomish School District was able to rehire Kim, she has been relocated to a new school and her current assignment is for fewer hours than her previous teaching assignment. Unless Kim receives more hours in her job she will be forced to find a

second job to pay her bills. Indeed, the anticipated loss of income has already caused Kim to renegotiate her student loan payments so they are manageable. As a teacher, Kim has experienced many other effects from the State's inability to raise revenue to fund public education. Many of the supports she receives as a teacher that enable her to focus on her primary job of educating students have been cut. For example, education assistant hours have been cut, providing her with less resources and one-on-one time with struggling students. Hours for custodial and secretarial staff have also been cut. Kim has had to spend time outside of her contractual work day cleaning her room and helping with administrative tasks due to budget cuts that affected the custodial and office staff. This has adversely affected her students' educational experience and parents' connection with the school. Plaintiff Ryan Painter is an elementary school teacher. Ryan taught second and fourth grade for three years at Dutch Hill Elementary School in the Snohomish School District. Ryan received a RIF notice in May 2011,

and fourth grade for three years at Dutch Hill Elementary School in the Snohomish School District. Ryan received a RIF notice in May 2011, informing him that he no longer would be employed with the Snohomish School District. The Snohomish School District was forced to RIF teachers due to the State's inability to raise revenue and the resulting budget cuts. In addition to his job loss, Ryan experienced significant stress and emotional impact associated with the RIF. Ryan's first child was born shortly after receiving his RIF notice. The economic uncertainty and job search caused by the RIF has been emotionally taxing on Ryan. While Ryan is hopeful that the Snohomish School District will find a new job for him after retirements in the District, he has no formal teaching contract as of the time of filing this Complaint. As a teacher, Ryan has experienced

many other effects from the State's inability to raise revenue to fund public education. For example, education assistant hours have been cut, providing him with less resources and one-on-one time with struggling students. Further, he does not receive any additional money or support for teaching larger classes. His second grade class in the 2010-2011 school year was 25 students, one over the cap of 24 students. Ryan, however, did not receive extra funding for teaching the larger class as he had previously. State budget cuts have also resulted in Ryan paying significantly more in health care premiums and costs.

34. This Court's grant of declaratory and injunctive relief will directly redress the harms caused to the Plaintiffs by continued application of RCW 43.135.034.

V. FACTS

- 35. I-1053 represents the latest in a series of initiatives that have imposed unconstitutional restrictions on our State's ability to fund essential public services. The first of these measures, Initiative 601, was passed in 1993. Initiative 601 included a provision that "any action or combination of actions by the legislature that raises state revenue or requires revenue-neutral tax shifts may be taken only if approved by a two-thirds vote of each house...." Former RCW 43.135.035(1) (1994) (Laws of 1994, ch. 2, § 4(1)). If such action resulted in "expenditures in excess of the state expenditure limit, then the action of the legislature shall not take effect until approved by a vote of the people at a November general election." *Id.* § 4(2).
- 36. In the years following the passage of Initiative 601, the Legislature reenacted and suspended the two-thirds supermajority requirement on various occasions.
 - 37. In 2007, Initiative 960 was enacted. That measure provided:

[A]ny action or combination of actions by the legislature that

raises taxes may be taken only if approved by a two-thirds vote of each house of the legislature, and then only if state expenditures in any fiscal year, including the new revenue, will not exceed the state expenditure limits established under this chapter. Pursuant to the referendum power set forth in Article II, section 1(b) of the state Constitution, tax increases may be referred to the voters for their approval or rejection at an election.

If the legislative action under subsection (1) of this section will result in expenditures in excess of the state expenditure limit, then the action of the legislature shall not take effect until approved by a vote of the people at a November general election.

Laws of 2008, ch. 1, § 5.

- 38. In the November 2010 general election, the voters approved I-1053. I-1053 was written to re-enact the requirements of Initiative 960. A true and correct copy of I-1053 is attached as Exhibit 3.
- 39. Both RCW I-1053 and 43.135.035 (the codification of Initiative 960) contained the same relevant language, including the requirement of a two-thirds supermajority for the Legislature to pass any bill that "raises taxes" and a public vote on such bills in some circumstances.
- 40. I-1053 included two versions of the same statutory language, one of which amended RCW 43.135.035, and one of which purported to repeal RCW 43.135.035 and replace it with a new section that was identical to the amended language. Which section took effect was contingent on whether the Legislature amended or repealed RCW 43.135.035 in the 2010 legislative session.
- 41. The Legislature amended RCW 43.135.035 in the 2010 legislative session to suspend its requirements until after July 1, 2011. *See* Engrossed Substitute Senate Bill 6130, Ch. 4 Laws 2010. As a consequence, when I-1053 was approved, it added a new

section to the Revised Code of Washington, which is codified at RCW 43.135.034. RCW 43.135.034 took effect on January 1, 2011. Laws of 2011, ch. 1.

- 42. RCW 43.135.034(1) requires that "any action or combination of actions by the Legislature that 'raises taxes' may be taken only if approved by at least two-thirds legislative approval in both the house of representatives and the senate."
- 43. RCW 43.135.034(6) defines "raises taxes" as "any action or combination of actions by the legislature that increases state tax revenue deposited in any fund, budget, or account, regardless of whether the revenues are deposited into the general fund."
- 44. RCW 43.135.034(2)(a) requires that if a bill that raises taxes "will result in expenditures in excess of the state expenditure limit, then the action of the legislature shall not take effect until approved by a vote of the people at a November general election."
- 45. On May 24, 2011, the House of Representatives voted on Substitute House Bill 2078. Consistent with the Legislature's paramount duty to provide for education under Article IX, § 1 of the Washington Constitution, SHB 2078 would have funded the reductions in kindergarten through third grade class size approved by the voters in Initiative 728. A true and correct copy of SHB 2078 is attached and incorporated as Exhibit 4. Funding for these class size reductions would have come from narrowing a tax deduction for large banks and other financial institutions.
- 46. Prior to the House vote on SHB 2078, several legislators raised points of order with Speaker of the House Frank Chopp. Speaker Chopp stated that SHB 2078 would "raise taxes" and therefore was subject to the two-thirds supermajority approval requirement of RCW 43.135.034. Speaker Chopp also noted that only the courts can resolve the question of whether RCW 43.135.034 is constitutional. A true and correct transcript of these points of parliamentary inquiry and the ensuring debate on SHB 2078 on the House floor is attached and incorporated as Exhibit 5.

- 47. SHB 2078 received a constitutional majority of 52 out of 98 votes to pass out of the House and advance in the legislative process. A true and correct copy of the legislative history of SHB 2078 is attached and incorporated as Exhibit 6. Absent a specific constitutional provision requiring a higher voting threshold, bills that receive a constitutional majority are sent from the House to the Senate. SHB 2078 did not, however, receive the two-thirds supermajority required by RCW 43.135.034. Thus, Speaker Chopp declared that SHB 2078 failed, and the bill did not advance to the Senate.
- 48. In 2011, six new initiatives were submitted that contained the same relevant language as I-601, I-960 and I-1053, including the requirement of a two-thirds supermajority for the Legislature to pass any bill that "raises taxes" and a public vote on such bills in some circumstances. Initiatives 1111, 1131, 1133, 1136, 1151, and 1181 were submitted for potential inclusion on the November 2011 ballot by the same three individuals, some of whom were also sponsors of I-601, I-960, and I-1053.

VI. CONSTITUTIONAL VIOLATIONS

- 49. Plaintiffs repeat and re-allege each of the foregoing allegations as though fully set forth herein.
- 50. Plaintiffs' Complaint challenges the constitutionality of RCW 43.135.034, the relevant statute currently in effect. Plaintiffs also challenge, however, the identical requirements of RCW 43.135.035 if and when that statute is given effect. Notwithstanding that challenge, citations in this Complaint are to the statute currently in effect: RCW 43.135.034.
 - 51. Plaintiffs bring both facial and as-applied challenges to RCW 43.135.034.

A. ARTICLE II, § 22 OF THE WASHINGTON CONSTITUTION

52. Plaintiffs repeat and re-allege each of the foregoing allegations as though fully set forth herein.

53. Article II, § 22 of the Washington Constitution provides that bills require only a majority vote in both houses of the Legislature to become law:

No bill shall become a law unless on its final passage the vote be taken by yeas and nays, the names of the members voting for and against the same be entered on the journal of each house, and a majority of the members elected to each house be recorded thereon as voting in its favor.

- 54. RCW 43.135.034(1)'s requirement that any bill that "raises taxes" must receive a two-thirds supermajority approval in both houses of the Legislature to become law violates Article II, § 22's requirement that bills need only a simple majority to pass.
- 55. For example, SHB 2078 should have passed out of the House and been sent to the Senate because it received a constitutional majority. But the bill failed to advance to the Senate solely because it did not receive the statutory two-thirds supermajority imposed by RCW 43.135.034(1).
- 56. Constitutional requirements may not be amended by statute or initiative.

 RCW 43.135.034(1)'s additional vote requirements for certain bills violate Article II, §

 22.

B. ARTICLE II, § 1 OF THE WASHINGTON CONSTITUTION

- 57. Plaintiffs repeat and re-allege each of the foregoing allegations as though fully set forth herein.
- 58. Article II, § 1 of the Washington Constitution vests legislative authority in the Legislature and allows the people to enact or reject laws only in certain circumstances:

The legislative authority of the state of Washington shall be vested in the legislature, consisting of a senate and house of representatives, which shall be called the legislature of the state of Washington, but the people reserve to themselves the power to propose bills, laws, and to enact or reject the same at the polls, independent of the legislature, and also reserve power, at their own option, to approve or reject at the polls any act, item, section, or part of any bill, act, or law passed by the legislature.

- (b) Referendum. The second power reserved by the people is the referendum, and it may be ordered on any act, bill, law, or any part thereof passed by the legislature, except such laws as may be necessary for the immediate preservation of the public peace, health or safety, support of the state government and its existing public institutions, either by petition signed by the required percentage of the legal voters, or by the legislature as other bills are enacted: Provided, That the legislature may not order a referendum on any initiative measure enacted by the legislature under the foregoing subsection (a). The number of valid signatures of registered voters required on a petition for referendum of an act of the legislature or any part thereof, shall be equal to or exceeding four percent of the votes cast for the office of governor at the last gubernatorial election preceding the filing of the text of the referendum measure with the secretary of state.
- 59. The Legislature's power to enact legislation is plenary.
- 60. No bill, whether enacted by the Legislature or by initiative, may bind a future Legislature or otherwise limit its power to act.¹
- 61. RCW 43.135.034(1)'s requirement that any bill that "raises taxes" must receive a two-thirds supermajority vote in both houses of the Legislature to become law is an unconstitutional impairment of the Legislature's plenary power to pass laws. Thus, the two-thirds supermajority approval requirement violates Article II, § 1.
- 62. Further, RCW 43.135.034(2)(a)'s requirement that if a bill that raises taxes "will result in expenditures in excess of the state expenditure limit, then the action of the legislature shall not take effect until approved by a vote of the people at a November general election" violates Article II, § 1 because it constrains the ability of future Legislatures to govern. Specifically, RCW 43.135.034(2)(a) conditions a state law solely on voter approval and requires future legislatures to submit a class of legislation for a public vote.
- 63. RCW 43.135.034(2)(a)'s vote requirement for every bill that would result in expenditures in excess of the state expenditure limit also violates Article II, § 1(b), which

An exception to this rule is that the Legislature only may amend a law enacted by initiative by a two-thirds vote for the two year period after its passage. Article II, § 1(c).

specifies the conditions under which a bill may be subject to referendum. A bill may be referred only if a petition is circulated and signed by the required percentage of legal voters or if the Legislature votes to refer the bill. "[L]aws as may be necessary for the immediate preservation of the public peace, health or safety, support of the state government and its existing public institutions" are also exempt from referendum. RCW 43.135.034(2)(a) disregards the Constitutional requirements of Article II, § 1(b).

64. Further, RCW 43.135.034(2)(a)'s referendum requirement removes the Governor's traditional role in approving or vetoing revenue legislation in a manner other than that constitutionally allowed under Article II, § 1. *See* Article III, § 12.

C. ARTICLE VII, § 1 OF THE WASHINGTON CONSTITUTION

- 65. Plaintiffs repeat and re-allege each of the foregoing allegations as though fully set forth herein.
- 66. Article VII, § 1 of the Washington Constitution provides in relevant part that: "The power of taxation shall never be suspended, surrendered or contracted away."
- 67. The State's power to tax is plenary and subject only to constitutional limitation.
- 68. RCW 43.135.034's limitations on the power of the Legislature to pass any bill that "raises taxes" violate Article VII, § 1 by effectively suspending and surrendering the power of taxation.

D. ARTICLE XXIII OF THE WASHINGTON CONSTITUTION

- 69. Plaintiffs repeat and re-allege each of the foregoing allegations as though fully set forth herein.
- 70. Article XXIII of the Washington Constitution provides a specific procedure through which the Constitution may be amended:

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Any amendment or amendments to this Constitution may be proposed in either branch of the legislature; and if the same shall be agreed to by twothirds of the members elected to each of the two houses, such proposed amendment or amendments shall be entered on their journals, with the ayes and noes thereon, and be submitted to the qualified electors of the state for their approval, at the next general election; and if the people approve and ratify such amendment or amendments, by a majority of the electors voting thereon, the same shall become part of this Constitution, and proclamation thereof shall be made by the governor: Provided, That if more than one amendment be submitted, they shall be submitted in such a manner that the people may vote for or against such amendments separately. The legislature shall also cause notice of the amendments that are to be submitted to the people to be published at least four times during the four weeks next preceding the election in every legal newspaper in the state: Provided, That failure of any newspaper to publish this notice shall not be interpreted as affecting the outcome of the election.

- 71. The Constitution may not be amended by statute or initiative.
- 72. RCW 43.135.034 is unconstitutional because it amends the Constitution by initiative, and contrary to the requirements of Article XXIII.
- 73. Specifically, and as detailed above, RCW 43.135.034 amends Article II, § 22 by imposing a two-thirds supermajority vote on certain legislation instead of the constitutional majority.
- 74. Further, and as detailed above, RCW 43.135.034's referendum requirement changes the plenary power granted to the Legislature in Article II, § 1 and the referendum process established in Article II, § 1(b).
- 75. RCW 43.135.034 attempts to change how funding bills become law. These changes affect the existing constitutional requirements related to the power of the Legislature over legislation and taxation, and the Constitution's requirements for referenda. Thus, RCW 43.135.034 goes beyond the power of legislation by amending the Constitution without regard for the requirements of Article XXIII.

E. ARTICLE II, § 19 OF THE WASHINGTON CONSTITUTION

- 76. Plaintiffs repeat and re-allege each of the foregoing allegations as though fully set forth herein.
- 77. Article II, § 19 of the Washington Constitution provides that: "No bill shall embrace more than one subject, and that shall be expressed in the title."
- 78. Article II, § 19 contains two separate requirements. The first is that every bill (including initiatives) may contain only a single subject. The second is that the single subject of the bill or initiative must be reflected in the bill or ballot title.
- 79. I-1053 and its predecessors (Initiative 601 and Initiative 960) each contained at least two subjects: (1) a two-thirds supermajority vote to pass bills that raise taxes, and (2) a mandatory referendum before a bill that exceeds the state expenditure limit may take effect. These subjects lack rational unity and, therefore, violate the single subject requirement of Article II, § 19.

F. ARTICLE I, § 32 OF THE WASHINGTON CONSTITUTION

- 80. Article I, § 32 of the Washington Constitution provides: "A frequent recurrence to fundamental principles is essential to the security of individual right and the perpetuity of free government." Article I, § 29 of the Washington Constitution adds: "The provisions of this Constitution are mandatory, unless by express words they are declared to be otherwise."
- 81. RCW 43.135.034 is contrary to fundamental principles established by our constitution. The statute attempts to undo the checks and balances carefully put into place by our constitution's framers, and substantially alter the structure of state government in disregard of the constitutional safeguards of representative democracy.
- 82. RCW 43.135.034, therefore, violates Article I, § 32 of the Washington Constitution.

VII. FIRST CAUSE OF ACTION: DECLARATORY JUDGMENT

- 83. Plaintiffs repeat and re-allege each of the foregoing allegations as though fully set forth herein.
- 84. For reasons including but not limited to those stated herein, an actual dispute exists between Plaintiffs and Defendants, which parties have genuine and opposing interests, which interests are direct and substantial, and of which a judicial determination would be final and conclusive.
- 85. Plaintiffs are, therefore, entitled to a declaratory judgment that RCW 43.135.034 is unconstitutional, as well as such other and further relief as may follow from the entry of such a declaratory judgment.

VIII. SECOND CAUSE OF ACTION: INJUNCTIVE RELIEF

- 86. Plaintiffs repeat and re-allege each of the foregoing allegations as though fully set forth herein.
- 87. For reasons including but not limited to those stated herein, Plaintiffs are entitled to prevent and enjoin continued enforcement of RCW 43.135.034.
- 88. Plaintiffs have clear legal rights to prevent and enjoin continued enforcement of RCW 43.135.034 as described herein, which rights are and continue to be invaded by Defendants, resulting in actual and continuing injury. No adequate remedy at law exists to remedy this invasion of Plaintiffs' rights.
- 89. Plaintiffs are, therefore, entitled to an injunction restraining and prohibiting further enforcement of RCW 43.135.034.

IX. PRAYER FOR RELIEF

WHEREFORE, Plaintiffs request the following relief:

- 1. That the Court enter a declaratory judgment that RCW 43.135.034 violates Article II, § 1; Article II, § 22; Article VII, § 1; Article XXIII and Article I § 32 of the Washington Constitution;
- 2. Such other and further relief as may follow from the entry of a declaratory judgment;
- Entry of an injunction prohibiting further enforcement of RCW 3. 43.135.034;
- 4. Reasonable attorney's fees, expenses and costs, to the fullest extent allowed by law and equity; and
 - 5. Any further relief as this Court may deem necessary and proper.

DATED this 25th day of July, 2011.

AND INJUNCTIVE RELIEF- 26

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