

SENATE BILL REPORT

SB 6099

As of February 3, 2012

Title: An act relating to school district levy elections.

Brief Description: Regarding school district levy elections.

Sponsors: Senators Rolfes, Nelson, Chase and Conway; by request of Office of Financial Management.

Brief History:

Committee Activity: Early Learning & K-12 Education: 1/25/12.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Staff: Ingrid Mungia (786-7423)

Background: In 1977 when the state assumed additional responsibility for funding schools, school district maintenance and operation levy authority was limited by enactment of the levy lid law.

This law determines the maximum amounts school districts may collect through local maintenance and operation levies. The original 1977 law, which took effect in 1979, sought to limit levy revenue to 10 percent of a school district's state basic education allocation. It also contained a grandfather clause which permitted districts that historically relied heavily on excess levies to exceed the 10 percent limit.

Under current law, the levy lid is 28 percent of the levy base for all districts. There are 90 school districts that are grandfathered at higher percentages that range from 28 percent to 37 percent.

A district's levy base includes most state and federal revenues received by the district in the prior school year. When voters pass a levy for support of a school district, no further tax levies for maintenance and operation may be authorized for the levy period, except for additional levies to provide for subsequently enacted increases affecting the district's levy base or maximum levy percentage. A two-year through six-year levy to support the construction, modernization, or remodeling of school facilities is not considered a tax levy for maintenance and operation support of a school district.

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.

Summary of Bill: The circumstances for when a school district may return to voters in the middle of a levy cycle is expanded. A district may request additional tax levies for maintenance and operation support of the district for that period when there is a decrease in the distributions provided by the federal impact aid law or decreases in local effort assistance allocations.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony: PRO: We would not support this bill if it would take the place of basic education funding. Our ability to raise local taxes is limited. This bill could really help districts like Central Kitsap because we lost out on heavy federal funding aid. This bill does not address the levy lid. This will help districts not anticipating a loss of federal funding impact aid or state funding. This bill will not hold districts harmless.

Persons Testifying: PRO: Greg Lynch, Central Kitsap School District; Jim Crawford, Office of Financial Management.