
SECOND ENGROSSED SUBSTITUTE HOUSE BILL 1932

State of Washington

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1991 Regular Session

By House Committee on Education (originally sponsored by Representatives Locke, Appelwick, H. Sommers, Wineberry, Anderson, Ferguson, Brough, May, Paris, Mitchell, Phillips, O'Brien, Nelson, Forner and Jacobsen).

Read first time March 6, 1991.

1 AN ACT Relating to excess levies by school districts; and amending
2 RCW 84.52.0531 and 28A.500.010.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 84.52.0531 and 1990 c 33 s 601 are each amended to
5 read as follows:

6 The maximum dollar amount which may be levied by or for any school
7 district for maintenance and operation support under the provisions of
8 RCW 84.52.053 shall be determined as follows:

9 (1) For excess levies for collection in calendar year 1992, the
10 maximum dollar amount shall be calculated pursuant to the laws and
11 rules in effect in November 1991.

12 (2) For the purpose of this section, the basic education allocation
13 shall be determined pursuant to RCW 28A.150.250, 28A.150.260, and
14 28A.150.350: PROVIDED, That when determining the basic education
15 allocation under subsection (4) of this section, nonresident full time

1 equivalent pupils who are participating in a program provided for in
2 chapter 28A.545 RCW or in any other program pursuant to an
3 interdistrict agreement shall be included in the enrollment of the
4 resident district and excluded from the enrollment of the serving
5 district.

6 ~~((2) For the purposes of subsection (5) of this section, a base~~
7 ~~year levy percentage shall be established. The base year levy~~
8 ~~percentage shall be equal to the greater of: (a) The district's actual~~
9 ~~levy percentage for calendar year 1985, (b) the average levy percentage~~
10 ~~for all school district levies in the state in calendar year 1985, or~~
11 ~~(c) the average levy percentage for all school district levies in the~~
12 ~~educational service district of the district in calendar year 1985.)~~

13 (3) For excess levies for collection in calendar year ~~((1988))~~ 1993
14 and thereafter, the maximum dollar amount shall be the ~~((total of))~~ sum
15 of (a) and (b) of this subsection minus (c) of this subsection:

16 (a) The district's levy base as defined in subsection (4) of this
17 section multiplied by the district's maximum levy percentage as defined
18 in subsection~~((s))~~ (5) ~~((and (6)))~~ of this section; ~~((plus))~~

19 (b) In the case of nonhigh school districts only, an amount equal
20 to the total estimated amount due by the nonhigh school district to
21 high school districts pursuant to chapter 28A.545 RCW for the school
22 year during which collection of the levy is to commence, less the
23 increase in the nonhigh school district's basic education allocation as
24 computed pursuant to subsection (1) of this section due to the
25 inclusion of pupils participating in a program provided for in chapter
26 28A.545 RCW in such computation; ~~((less))~~

27 (c) The maximum amount of state matching funds under RCW
28 28A.500.010 for which the district is eligible in that tax collection
29 year.

1 (4) For excess levies for collection in calendar year (~~(1988)~~) 1993
2 and thereafter, a district's levy base shall be the sum of (~~the~~
3 ~~following~~) allocations in (a) through (c) of this subsection received
4 by the district for the prior school year, including allocations for
5 compensation increases, (~~adjusted~~) plus the sum of such allocations
6 multiplied by the percent increase per full time equivalent student as
7 stated in the state basic education appropriation section of the
8 biennial budget between the prior school year and the current school
9 year(~~(+)~~) and divided by fifty-five percent. A district's levy base
10 shall not include local school district property tax levies or other
11 local revenues, or state and federal allocations not identified in (a)
12 through (c) of this subsection.

13 (a) The district's basic education allocation as determined
14 pursuant to RCW 28A.150.250, 28A.150.260, and 28A.150.350;

15 (b) State and federal categorical allocations for the following
16 programs:

17 (i) Pupil transportation;

18 (ii) Handicapped education;

19 (iii) Education of highly capable students;

20 (iv) Compensatory education, including but not limited to learning
21 assistance, migrant education, Indian education, refugee programs, and
22 bilingual education;

23 (v) Food services; and

24 (vi) State-wide block grant programs; and

25 (c) Any other federal allocations for elementary and secondary
26 school programs, including direct grants, other than federal impact aid
27 funds and allocations in lieu of taxes.

28 (5) (~~For levies to be collected in calendar year 1988, a~~
29 ~~district's maximum levy percentage shall be determined as follows:~~

1 ~~(a) Multiply the district's base year levy percentage as defined in~~
2 ~~subsection (2) of this section by the district's levy base as~~
3 ~~determined in subsection (4) of this section;~~

4 ~~(b) Reduce the amount in (a) of this subsection by the total~~
5 ~~estimated amount of any levy reduction funds as defined in subsection~~
6 ~~(7) of this section which are to be allocated to the district for the~~
7 ~~1987-88 school year;~~

8 ~~(c) Divide the amount in (b) of this subsection by the district's~~
9 ~~levy base to compute a new percentage; and~~

10 ~~(d) The percentage in (c) of this subsection or twenty percent,~~
11 ~~whichever is greater, shall be the district's maximum levy percentage~~
12 ~~for levies collected in calendar year 1988.~~

13 ~~(6))~~ For excess levies for collection in calendar year ~~((1989))~~
14 1993 and thereafter, a district's maximum levy percentage shall be
15 determined as follows:

16 (a) Multiply the district's maximum levy percentage for the prior
17 year ~~((or thirty percent, whichever is less,))~~ by the district's levy
18 base as determined in subsection (4) of this section;

19 (b) Reduce the amount in (a) of this subsection by the total
20 estimated amount of any levy reduction funds as defined in subsection
21 ~~((7))~~ (6) of this section which are to be allocated to the district
22 for the current school year;

23 (c) Divide the amount in (b) of this subsection by the district's
24 levy base to compute a new percentage; and

25 (d) The percentage in (c) of this subsection or twenty percent,
26 whichever is greater, shall be the district's maximum levy percentage
27 for levies collected in that calendar year.

28 ~~((7))~~ (6) "Levy reduction funds" shall mean increases in state
29 funds from the prior school year for programs included under subsection
30 (4) of this section: (a) That are not attributable to enrollment

1 changes, compensation increases, or inflationary adjustments; and (b)
2 that are or were specifically identified as levy reduction funds in the
3 appropriations act. If levy reduction funds are dependent on formula
4 factors which would not be finalized until after the start of the
5 current school year, the superintendent of public instruction shall
6 estimate the total amount of levy reduction funds by using prior school
7 year data in place of current school year data. Levy reduction funds
8 shall not include moneys received by school districts from cities or
9 counties.

10 (~~(+8)~~) (7) For the purposes of this section, "prior school year"
11 shall mean the most recent school year completed prior to the year in
12 which the levies are to be collected.

13 (~~(+9)~~) (8) For the purposes of this section, "current school year"
14 shall mean the year immediately following the prior school year.

15 (~~(+10)~~) (9) The superintendent of public instruction shall develop
16 rules and regulations and inform school districts of the pertinent data
17 necessary to carry out the provisions of this section.

18 **Sec. 2.** RCW 28A.500.010 and 1987 1st ex.s. c 2 s 102 are each
19 amended to read as follows:

20 (1) Commencing with taxes assessed in 1988 to be collected in
21 calendar year 1989 and thereafter, in addition to a school district's
22 other general fund allocations, each eligible district shall be
23 provided local effort assistance funds as provided in this section.
24 Such funds are not part of the district's basic education allocation.
25 For the first distribution of local effort assistance funds provided
26 under this section in calendar year 1989, state funds may be prorated
27 according to the formula in this section.

1 (2) (a) "Prior tax collection year" shall mean the year immediately
2 preceding the year in which the local effort assistance shall be
3 allocated.

4 (b) The "state-wide average ten percent levy rate" shall mean ten
5 percent of the total levy bases as defined in RCW 84.52.0531(4) summed
6 for all school districts, and divided by the total assessed valuation
7 for excess levy purposes in the prior tax collection year for all
8 districts as adjusted to one hundred percent by the county indicated
9 ratio established in RCW 84.48.075.

10 (c) The "ten percent levy rate" of a district shall mean:

11 (i) Ten percent of the district's levy base as defined in RCW
12 84.52.0531(4), plus one-half of any amount computed under RCW
13 84.52.0531(3)(b) in the case of nonhigh school districts; divided by

14 (ii) The district's assessed valuation for excess levy purposes for
15 the prior tax collection year as adjusted to one hundred percent by the
16 county indicated ratio.

17 (d) "Eligible districts" shall mean those districts with a ten
18 percent levy rate which exceeds the state-wide average ten percent levy
19 rate.

20 (3) Allocation of state matching funds to eligible districts for
21 local effort assistance shall be determined as follows:

22 (a) Funds raised by the district through maintenance and operation
23 levies during that tax collection year shall be matched with state
24 funds using the following ratio of state funds to levy funds: (i) The
25 difference between the district's ten percent levy rate and the state-
26 wide average ten percent levy rate; to (ii) the state-wide average ten
27 percent levy rate.

28 (b) The maximum amount of state matching funds for which a district
29 may be eligible in any tax collection year shall be ten percent of the
30 district's levy base as defined in RCW 84.52.0531(4), multiplied by the

1 following percentage: (i) The difference between the district's ten
2 percent levy rate and the state-wide average ten percent levy rate;
3 divided by (ii) the district's ten percent levy rate.

4 (4)(a) Through tax collection year 1992, fifty-five percent of
5 local effort assistance funds shall be distributed to qualifying
6 districts during the applicable tax collection year on or before June
7 30 and forty-five percent shall be distributed on or before December 31
8 of any year.

9 (b) In tax collection year 1993 and thereafter, local effort
10 assistance funds shall be distributed to qualifying districts as
11 follows:

12 (i) Thirty percent in April;

13 (ii) Twenty-three percent in May;

14 (iii) Two percent in June;

15 (iv) Twenty-six percent in October;

16 (v) Seventeen percent in November; and

17 (vi) Two percent in December.