

SENATE BILL REPORT

SB 5531

AS REPORTED BY COMMITTEE ON EDUCATION, FEBRUARY 15, 1993

Brief Description: Changing local effort assistance distribution.

SPONSORS: Senators Pelz, Jesernig, M. Rasmussen, Winsley, Owen, Oke, Bauer and Sheldon

SENATE COMMITTEE ON EDUCATION

Majority Report: That Substitute Senate Bill No. 5531 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Pelz, Chairman; McAuliffe, Vice Chairman; Gaspard, Hochstatter, McDonald, Moyer, Nelson, M. Rasmussen, Rinehart, Skratek, A. Smith, and Winsley.

Staff: Leslie Goldstein (786-7424)

Hearing Dates: February 10, 1993; February 15, 1993

BACKGROUND:

In 1992, the Legislature changed the levy statutes, increasing the levy base and changing the state payment schedule for state levy equalization funds to match the receipt of school district property taxes. An unanticipated effect of the change in the payment schedule shifted 17 percent of the state levy equalization payments from one school year to another.

SUMMARY:

The state payment schedule for levy equalization amounts is modified shifting 17 percent of the October payment to August.

EFFECT OF PROPOSED SUBSTITUTE:

An emergency clause is added and provides for the act to take effect July 1, 1993.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR:

Districts will never recapture the lost revenue. For example, the shift of funds from one school year to the next is equivalent to the amount of block grant dollars in the Central

Kitsap School District. Due to the loss of funds, districts will have to reduce services already approved by the voters.

TESTIMONY AGAINST: None

TESTIFIED: PRO: Terry Bergeson, Gary Powell, Central Kitsap School District; Terry Eade, South Kitsap School District; Karen Davis, Washington Education Assn.