

**SENATE BILL REPORT**

**SB 5669**

**AS OF FEBRUARY 12, 1993**

**Brief Description:** Changing school levies.

**SPONSORS:** Senators Barr, M. Rasmussen, Prince, Loveland, Snyder, Newhouse and Hochstatter

**SENATE COMMITTEE ON EDUCATION**

**Staff:** Leslie Goldstein (786-7424)

**Hearing Dates:**

**BACKGROUND:**

In 1977, the Legislature enacted various K-12 funding reform measures including the Basic Education Act and the Levy Lid Act. The initial Levy Lid Act reduced levies as state funding increased.

Initially, the levy limit was set at 10 percent of state basic education funds received by a district. School districts having levies in excess of 10 percent were grandfathered until 1981. Since 1977, the levy lid law has been amended ten times. The last major change occurred in 1987 at which time the levy lid was raised to 20 percent and a local effort assistance program was created.

The local effort assistance program was a levy equalization program for the first 10 percent of a district's levy. Districts which required a levy rate for a 10 percent levy that exceeded the state average rate for a 10 percent levy were eligible for assistance.

**SUMMARY:**

The levy lid is raised 1 percent. The 10 percent limit for state matching funds for levy effort assistance is increased to 13.3 percent. Districts eligible for local effort assistance who raise at least 6 percent will receive 50 percent of the unclaimed local effort assistance.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** available