

# SENATE BILL REPORT

## SB 6523

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As Reported By Senate Committee On:  
Education, February 6, 1998

**Title:** An act relating to levy equalization for the Colville school district.

**Brief Description:** Appropriating funds for levy equalization for the Colville school district.

**Sponsors:** Senators Morton, Hochstatter and Rasmussen.

**Brief History:**

**Committee Activity:** Education: 2/6/98 [DP-WM].

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### SENATE COMMITTEE ON EDUCATION

**Majority Report:** Do pass and be referred to Committee on Ways & Means.

Signed by Senators Hochstatter, Chair; Finkbeiner, Vice Chair; Johnson and Rasmussen.

**Staff:** William Bridges (786-7424)

**Background:** The levy equalization program is designed to assist school districts that require an above average property tax rate for a 10 percent levy. To receive these funds, school districts must first seek an excess levy. When calculating the levy amount, many districts take into account their anticipated levy equalization payment, which in turn is estimated from the district's assessed property valuations adjusted by the county indicated ratio from the previous year. To assist districts in planning their budgets, the Superintendent of Public Instruction (SPI) provides estimates of anticipated levy equalization payments in late spring. The agency also advises districts on making their own estimates. For the spring estimate, SPI uses the most current data available. Assessed property valuations and county indicated ratios can change unexpectedly from year to year, thus affecting levy equalization payments from year to year.

The Colville School District ran a levy in 1997 for the calendar year 1998. Because of a significant change in assessed property values, the district received an equalization payment lower than expected.

**Summary of Bill:** The sum of \$152,189 is appropriated to SPI for the fiscal year ending June 30, 1998. SPI must disburse the money to the Colville School District for increasing the district's levy equalization funds for the 1998-99 school year.

**Appropriation:** \$152,189 to SPI.

**Fiscal Note:** Requested on January 26, 1998.

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

**Testimony For:** The Colville School District should not suffer for relying on SPI's erroneous estimates.

**Testimony Against:** None.

**Testified:** Richard Cole, Colville School District (pro); Senator Morton (pro).