
SENATE BILL 5734

State of Washington

55th Legislature

1997 Regular Session

By Senators Finkbeiner, Wood, Brown, McAuliffe, Spanel, Wojahn,
McDonald, Goings, Kline, Winsley and Kohl

Read first time 02/10/97. Referred to Committee on Education.

1 AN ACT Relating to school district levies; amending RCW 84.52.0531
2 and 28A.500.010; and repealing RCW 28A.320.150.

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

4 **Sec. 1.** RCW 84.52.0531 and 1995 1st sp.s. c 11 s 1 are each
5 amended to 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~~
13 ~~allocation shall be determined pursuant to RCW 28A.150.250,~~
14 ~~28A.150.260, and 28A.150.350: PROVIDED, That when determining the~~
15 ~~basic education allocation under subsection (4) of this section,~~
16 ~~nonresident full time equivalent pupils who are participating in a~~
17 ~~program provided for in chapter 28A.545 RCW or in any other program~~
18 ~~pursuant to an interdistrict agreement shall be included in the~~

1 enrollment of the resident district and excluded from the enrollment of
2 the serving district.

3 ~~(3))~~ For excess levies for collection in calendar year 1993 and
4 thereafter, the maximum dollar amount shall be the sum of (a) ~~((and))~~
5 plus or minus (b) and (c) of this subsection minus ~~((+e))~~ (d) of this
6 subsection:

7 (a) The district's levy base as defined in subsection ~~((+4))~~ (3)
8 of this section multiplied by the district's maximum levy percentage as
9 defined in subsection ~~((+5))~~ (4) of this section;

10 (b) ~~((In the case of nonhigh school districts only, an amount equal~~
11 ~~to the total estimated amount due by the nonhigh school district to~~
12 ~~high school districts pursuant to chapter 28A.545 RCW for the school~~
13 ~~year during which collection of the levy is to commence, less the~~
14 ~~increase in the nonhigh school district's basic education allocation as~~
15 ~~computed pursuant to subsection (1) of this section due to the~~
16 ~~inclusion of pupils participating in a program provided for in chapter~~
17 ~~28A.545 RCW in such computation))~~ For districts in a high/nonhigh
18 relationship, the high school district's maximum levy amount shall be
19 reduced and the nonhigh school district's maximum levy amount shall be
20 increased by an amount equal to the estimated amount of the nonhigh
21 payment due to the high school district under RCW 28A.545.030(3) and
22 28A.545.050 for the school year commencing the year of the levy;

23 (c) For school districts in an interdistrict cooperative agreement,
24 the nonresident school district's maximum levy amount shall be reduced
25 and the resident school district's maximum levy amount shall be
26 increased by an amount equal to the per pupil basic education
27 allocation included in the nonresident school district's levy base
28 under this subsection multiplied by:

29 (i) The number of full-time equivalent students served from the
30 resident school district in the prior school year multiplied by

31 (ii) The serving district's maximum levy percentage determined
32 under subsection (4) of this section multiplied by

33 (iii) The percent increase per full-time equivalent student as
34 stated in the state basic education appropriation section of the
35 biennial budget between the prior school year and the current school
36 year divided by fifty-five percent;

37 (d) The maximum amount of state matching funds for which the school
38 district is eligible under RCW 28A.500.010 ~~((for which the district is~~
39 eligible in that tax collection year)).

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

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

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

16 (i) Pupil transportation;

17 (ii) Handicapped education;

18 (iii) Education of highly capable students;

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

22 (v) Food services; and

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

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

27 (~~(5)~~) (4) For excess levies for collection in calendar year 1993
28 (~~and thereafter~~) through 1999, a district's maximum levy percentage
29 shall be determined as follows:

30 (a) Multiply the district's maximum levy percentage for the prior
31 year by the district's levy base as determined in subsection (~~(4)~~)
32 (3) of this section;

33 (b) Reduce the amount in (a) of this subsection by the total
34 estimated amount of any levy reduction funds as defined in subsection
35 (6) of this section which are to be allocated to the district for the
36 current school year;

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

1 (d) The percentage in (c) of this subsection or twenty percent,
2 whichever is greater, shall be the district's maximum levy percentage
3 for levies collected in that calendar year; and

4 (e) For levies to be collected in calendar years 1994 through 1997,
5 the maximum levy rate shall be the district's maximum levy percentage
6 for 1993 plus four percent reduced by any levy reduction funds. For
7 levies collected in 1998, the prior year shall mean 1993. For levies
8 collected in 1999, the prior year shall mean 1997.

9 (5) For excess levies for collection in calendar year 2000 and
10 thereafter, a district's maximum levy percentage shall be determined as
11 follows:

12 (a) Multiply the district's maximum levy percentage for the prior
13 year by the district's levy base as determined in subsection (3) of
14 this section;

15 (b) Reduce the amount in (a) of this subsection by the total
16 estimated amount of any levy reduction funds as defined in subsection
17 (6) of this section that are to be allocated to the district for the
18 current school year;

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

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

24 (6) "Levy reduction funds" shall mean increases in state funds from
25 the prior school year for programs included under subsection ((+4))
26 (3) of this section: (a) That are not attributable to enrollment
27 changes, compensation increases, or inflationary adjustments; and (b)
28 that are or were specifically identified as levy reduction funds in the
29 appropriations act. If levy reduction funds are dependent on formula
30 factors which would not be finalized until after the start of the
31 current school year, the superintendent of public instruction shall
32 estimate the total amount of levy reduction funds by using prior school
33 year data in place of current school year data. Levy reduction funds
34 shall not include moneys received by school districts from cities or
35 counties.

36 (7) For the purposes of this section, "prior school year" shall
37 mean the most recent school year completed prior to the year in which
38 the levies are to be collected.

1 (8) For the purposes of this section, "current school year" shall
2 mean the year immediately following the prior school year.

3 (9) Funds collected from transportation vehicle fund tax levies
4 shall not be subject to the levy limitations in this section.

5 (10) The superintendent of public instruction shall develop rules
6 and regulations and inform school districts of the pertinent data
7 necessary to carry out the provisions of this section.

8 **Sec. 2.** RCW 28A.500.010 and 1993 c 410 s 1 are each amended to
9 read as follows:

10 (1) Commencing with taxes assessed in 1988 to be collected in
11 calendar year 1989 and thereafter, in addition to a school district's
12 other general fund allocations, each eligible district shall be
13 provided local effort assistance funds as provided in this section.
14 Such funds are not part of the district's basic education allocation.
15 (~~For the first distribution of local effort assistance funds provided~~
16 ~~under this section in calendar year 1989, state funds may be prorated~~
17 ~~according to the formula in this section.))~~

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

21 (b) The "state-wide average ten percent levy rate" shall mean ten
22 percent of the total levy bases as defined in RCW 84.52.0531(~~((+4))~~) (3)
23 summed for all school districts, and divided by the total assessed
24 valuation for excess levy purposes in the prior tax collection year for
25 all districts as adjusted to one hundred percent by the county
26 indicated ratio established in RCW 84.48.075.

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

28 (i) Ten percent of the district's levy base as defined in RCW
29 84.52.0531(~~((+4))~~) (3), plus one-half of any amount computed under RCW
30 84.52.0531(~~((+3)(b))~~) (2)(b) in the case of nonhigh school districts;
31 divided by

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

35 (d) "Eligible districts" shall mean those districts with a ten
36 percent levy rate which exceeds the state-wide average ten percent levy
37 rate.

1 (3) Allocation of state matching funds for collection years before
2 1999 to eligible districts for local effort assistance shall be
3 determined as follows:

4 (a) Funds raised by the district through maintenance and operation
5 levies during that tax collection year shall be matched with state
6 funds using the following ratio of state funds to levy funds: (i) The
7 difference between the district's ten percent levy rate and the state-
8 wide average ten percent levy rate; to (ii) the state-wide average ten
9 percent levy rate.

10 (b) The maximum amount of state matching funds for which a district
11 may be eligible in any tax collection year shall be ten percent of the
12 district's levy base as defined in RCW 84.52.0531(~~(+4)~~) (3),
13 multiplied by the following percentage: (i) The difference between the
14 district's ten percent levy rate and the state-wide average ten percent
15 levy rate; divided by (ii) the district's ten percent levy rate.

16 (4) Effective for collection year 1999 and thereafter:

17 (a) "Prior tax collection year" shall mean the year immediately
18 preceding the year in which the local effort assistance shall be
19 allocated.

20 (b) The "state-wide average twelve percent levy rate" shall mean
21 twelve percent of the total levy bases as defined in RCW 84.52.0531(3)
22 summed for all school districts, and divided by the total assessed
23 valuation for excess levy purposes in the prior tax collection year for
24 all districts as adjusted to one hundred percent by the county
25 indicated ratio established in RCW 84.48.075.

26 (c) The "twelve percent levy rate" of a district shall mean:

27 (i) Twelve percent of the district's levy base as defined in RCW
28 84.52.0531(3), plus one-half of any amount computed under RCW
29 84.52.0531(2)(b) in the case of nonhigh school districts; divided by

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

33 (d) "Eligible districts" shall mean those districts with a twelve
34 percent levy rate which exceeds the state-wide average twelve percent
35 levy rate.

36 (5) Allocation of state matching funds for collection years
37 beginning 1999 to eligible districts for local effort assistance shall
38 be determined as follows:

1 (a) Funds raised by the district through maintenance and operation
2 levies during that tax collection year shall be matched with state
3 funds using the following ratio of state funds to levy funds: (i) The
4 difference between the district's twelve percent levy rate and the
5 state-wide average twelve percent levy rate; to (ii) the state-wide
6 average twelve percent levy rate.

7 (b) The maximum amount of state matching funds for which a district
8 may be eligible in any tax collection year shall be twelve percent of
9 the district's levy base as defined in RCW 84.52.0531(4), multiplied by
10 the following percentage: (i) The difference between the district's
11 twelve percent levy rate and the state-wide average twelve percent levy
12 rate; divided by (ii) the district's twelve percent levy rate.

13 (6)(a) Through tax collection year 1992, fifty-five percent of
14 local effort assistance funds shall be distributed to qualifying
15 districts during the applicable tax collection year on or before June
16 30 and forty-five percent shall be distributed on or before December 31
17 of any year.

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

- 21 (i) Thirty percent in April;
- 22 (ii) Twenty-three percent in May;
- 23 (iii) Two percent in June;
- 24 (iv) Seventeen percent in August;
- 25 (v) Nine percent in October;
- 26 (vi) Seventeen percent in November; and
- 27 (vii) Two percent in December.

28 NEW SECTION. Sec. 3. RCW 28A.320.150 and 1995 1st sp.s. c 11 s 2
29 are each repealed.

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