
SENATE BILL 6071

State of Washington 55th Legislature 1997 Regular Session

By Senators West and Spanel; by request of Governor Locke

Read first time 03/13/97. Referred to Committee on Ways & Means.

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

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

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

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

14 (2) As used in this section:

15 (a) (~~"Prior tax collection year" shall mean the year immediately~~
16 ~~preceding the year in which the local effort assistance shall be~~
17 ~~allocated.~~) "X percent" means ten percent for the 1996 and 1997
18 calendar years, eleven percent for the 1998 calendar year, and twelve
19 percent for the 1999 calendar year and thereafter.

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

7 (c) The "X percent levy amount" of a district means the district's
8 maximum levy authority after transfers determined pursuant to RCW
9 84.52.0531(2) (a) through (c) divided by the district's maximum levy
10 percentage determined pursuant to RCW 84.52.0531(4) times X percent.

11 (d) The "~~(ten)~~ X percent levy rate" of a district (~~(shall)~~) means
12 the district's X percent levy amount divided by(~~(+~~

13 ~~(i) Ten percent of the district's levy base as defined in RCW~~
14 ~~84.52.0531(4), plus one half of any amount computed under RCW~~
15 ~~84.52.0531(3)(b) in the case of nonhigh school districts; divided by~~

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

19 (~~(d)~~) (e) "Eligible districts" (~~(shall)~~) means those districts
20 with (~~(a ten)~~) an X percent levy rate which exceeds the state-wide
21 average (~~(ten)~~) X percent levy rate.

22 (f) Unless otherwise stated all rates, percents, and amounts are
23 for the calendar year for which local effort assistance is being
24 calculated under this section.

25 (g) "Prior tax collection year" means the year immediately
26 preceding the calendar year for which local effort assistance is being
27 calculated under this section.

28 (h) "Prior school year" means the most recent school year completed
29 before the year for which local effort assistance is being calculated
30 under this section.

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

33 (a) Funds raised by the district through maintenance and operation
34 levies (~~(during that tax collection year)~~) shall be matched with state
35 funds using the following ratio of state funds to levy funds: (i) The
36 difference between the district's (~~(ten)~~) X percent levy rate and the
37 state-wide average (~~(ten)~~) X percent levy rate; to (ii) the state-wide
38 average (~~(ten)~~) X percent levy rate.

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

8 (4)(~~((a) Through tax collection year 1992, fifty-five percent of~~
9 ~~local effort assistance funds shall be distributed to qualifying~~
10 ~~districts during the applicable tax collection year on or before June~~
11 ~~30 and forty-five percent shall be distributed on or before December 31~~
12 ~~of any year.~~

13 (~~In tax collection year 1993 and thereafter,~~) Local effort
14 assistance funds shall be distributed to qualifying districts as
15 follows:

- 16 (~~((i))~~) (a) Thirty percent in April;
17 (~~((ii))~~) (b) Twenty-three percent in May;
18 (~~((iii))~~) (c) Two percent in June;
19 (~~((iv))~~) (d) Seventeen percent in August;
20 (~~((v))~~) (e) Nine percent in October;
21 (~~((vi))~~) (f) Seventeen percent in November; and
22 (~~((vii))~~) (g) Two percent in December.

23 **Sec. 2.** RCW 84.52.0531 and 1995 1st sp.s. c 11 s 1 are each
24 amended to read as follows:

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

28 (1) For excess levies for collection in calendar year (~~((1992))~~)
29 1997, the maximum dollar amount shall be calculated pursuant to the
30 laws and rules in effect in November (~~((1991))~~) 1996.

31 (2) (~~For the purpose of this section, the basic education~~
32 ~~allocation shall be determined pursuant to RCW 28A.150.250,~~
33 ~~28A.150.260, and 28A.150.350: PROVIDED, That when determining the~~
34 ~~basic education allocation under subsection (4) of this section,~~
35 ~~nonresident full time equivalent pupils who are participating in a~~
36 ~~program provided for in chapter 28A.545 RCW or in any other program~~
37 ~~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))~~
4 1998 and thereafter, the maximum dollar amount shall be the sum of (a)
5 ~~((and))~~ plus or minus (b) and (c) of this subsection minus ~~((e))~~ (d)
6 of this 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 districts in an interdistrict cooperative agreement, the
24 nonresident school district's maximum levy amount shall be reduced and
25 the resident school district's maximum levy amount shall be increased
26 by an amount equal to the per pupil basic education allocation included
27 in the nonresident district's levy base under subsection (3) of this
28 section multiplied by:

29 (i) The number of full-time equivalent students served from the
30 resident 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 district's maximum levy amount shall be reduced by the
38 maximum amount of state matching funds for which the district is

1 eligible under RCW 28A.500.010 (~~for which the district is eligible in~~
2 ~~that tax collection year~~)).

3 (~~(4)~~) (3) For excess levies for collection in calendar year
4 (~~1993~~) 1998 and thereafter, a district's levy base shall be the sum
5 of allocations in (a) through (c) of this subsection received by the
6 district for the prior school year, including allocations for
7 compensation increases, plus the sum of such allocations multiplied by
8 the percent increase per full time equivalent student as stated in the
9 state basic education appropriation section of the biennial budget
10 between the prior school year and the current school year and divided
11 by fifty-five percent. A district's levy base shall not include local
12 school district property tax levies or other local revenues, or state
13 and federal allocations not identified in (a) through (c) of this
14 subsection.

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

17 (b) State and federal categorical allocations for the following
18 programs:

19 (i) Pupil transportation;

20 (ii) (~~Handicapped~~) Special education;

21 (iii) Education of highly capable students;

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

25 (v) Food services; and

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

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

30 (~~(5) For excess levies for collection in calendar year 1993 and~~
31 ~~thereafter, a district's maximum levy percentage shall be determined as~~
32 ~~follows:~~

33 (~~(a) Multiply the district's maximum levy percentage for the prior~~
34 ~~year by the district's levy base as determined in subsection (4) of~~
35 ~~this section;~~

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

1 ~~(c) Divide the amount in (b) of this subsection by the district's~~
2 ~~levy base to compute a new percentage;~~
3 ~~(d) The percentage in (c) of this subsection or twenty percent,~~
4 ~~whichever is greater, shall be the district's maximum levy percentage~~
5 ~~for levies collected in that calendar year; and~~
6 ~~(e) For levies to be collected in calendar years 1994 through 1997,~~
7 ~~the maximum levy rate shall be the district's maximum levy percentage~~
8 ~~for 1993 plus four percent reduced by any levy reduction funds.~~
9 ~~For levies collected in 1998, the prior year shall mean 1993.~~
10 ~~(6)) (4) A district's maximum levy percentage shall be twenty-two~~
11 ~~percent in 1998 and twenty-four percent in 1999 and every year~~
12 ~~thereafter; plus, for qualifying districts, the grandfathered~~
13 ~~percentage determined as follows:~~
14 ~~(a) For 1997, the difference between the district's 1993 maximum~~
15 ~~levy percentage and twenty percent; and~~
16 ~~(b) For 1998 and thereafter, the percentage calculated as follows:~~
17 ~~(i) Multiply the grandfathered percentage for the prior year times~~
18 ~~the district's levy base determined under subsection (3) of this~~
19 ~~section;~~
20 ~~(ii) Reduce the result of (b)(i) of this subsection by any levy~~
21 ~~reduction funds as defined in subsection (5) of this section that are~~
22 ~~to be allocated to the district for the current school year;~~
23 ~~(iii) Divide the result of (b)(ii) of this subsection by the~~
24 ~~district's levy base; and~~
25 ~~(iv) Take the greater of zero or the percentage calculated in~~
26 ~~(b)(iii) of this subsection.~~
27 ~~(5) "Levy reduction funds" shall mean increases in state funds from~~
28 ~~the prior school year for programs included under subsection ((+4))~~
29 ~~(3) of this section: (a) That are not attributable to enrollment~~
30 ~~changes, compensation increases, or inflationary adjustments; and (b)~~
31 ~~that are or were specifically identified as levy reduction funds in the~~
32 ~~appropriations act. If levy reduction funds are dependent on formula~~
33 ~~factors which would not be finalized until after the start of the~~
34 ~~current school year, the superintendent of public instruction shall~~
35 ~~estimate the total amount of levy reduction funds by using prior school~~
36 ~~year data in place of current school year data. Levy reduction funds~~
37 ~~shall not include moneys received by school districts from cities or~~
38 ~~counties.~~

1 ~~((7))~~ (6) For the purposes of this section, "prior school year"
2 ~~((shall))~~ means the most recent school year completed prior to the year
3 in which the levies are to be collected.

4 ~~((8))~~ (7) For the purposes of this section, "current school year"
5 ~~((shall))~~ means the year immediately following the prior school year.

6 ~~((9))~~ (8) Funds collected from transportation vehicle fund tax
7 levies shall not be subject to the levy limitations in this section.

8 ~~((10))~~ (9) The superintendent of public instruction shall develop
9 rules and regulations and inform school districts of the pertinent data
10 necessary to carry out the provisions of this section.

11 **Sec. 3.** RCW 28A.320.150 and 1995 1st sp.s. c 11 s 2 are each
12 amended to read as follows:

13 In seeking voter approval for levies ~~((that assume any portion of
14 the revenues will))~~ to be collected in calendar year 1998 and
15 thereafter, the boards of directors of each school district shall
16 ~~((only))~~ request voter approval for an amount ~~((consistent with))~~ not
17 greater than the estimated levy limit ~~((s in existing law at the time
18 the levy approval is requested from the voters and reflecting in such
19 calculations the 1993 rate for any amounts collected in calendar year
20 1998 and thereafter))~~ calculated under RCW 84.52.0531 for the calendar
21 year in which the levy will be collected. In estimating the levy limit
22 the school district shall employ reasonable assumptions for enrollment,
23 revenues, and other factors affecting the limit.

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