
SENATE BILL 5958

State of Washington

56th Legislature

1999 Regular Session

By Senators Brown, Eide and Rasmussen

Read first time 02/18/1999. Referred to Committee on Education.

1 AN ACT Relating to enhancing local effort assistance; amending RCW
2 28A.500.010; adding new sections to chapter 28A.500 RCW; and providing
3 an effective date.

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

5 **Sec. 1.** RCW 28A.500.010 and 1997 c 259 s 4 are each amended to
6 read as follows:

7 ((~~1~~)) Commencing with (~~taxes assessed in 1988 to be collected~~
8 ~~in~~) calendar year (~~1989 and thereafter~~) 2000, in addition to a
9 school district's other general fund allocations, each eligible
10 district shall be provided local effort assistance funds (~~as provided~~
11 ~~in this section~~). The purpose of these funds is to mitigate the
12 effect that above average property tax rates might have on the ability
13 of a school district to raise local revenues to supplement the state's
14 basic program of education. These funds serve to equalize the property
15 tax rates that individual taxpayers would pay for such levies, to
16 provide tax relief to taxpayers in high tax rate school districts, and
17 to provide state assistance to a school district where a majority of
18 the voters voting on a levy proposition supported the proposition, but

1 the levy failed to pass. Such funds are not part of the district's
2 basic education allocation.

3 ~~((2)(a) "Prior tax collection year" means the year immediately~~
4 ~~preceding the year in which the local effort assistance shall be~~
5 ~~allocated.~~

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

12 ~~(c) The "district's ten percent levy rate" means the district's ten~~
13 ~~percent levy amount divided by the district's assessed valuation for~~
14 ~~excess levy purposes for the prior tax collection year as adjusted to~~
15 ~~one hundred percent by the county indicated ratio.~~

16 ~~(d) The "district's ten percent levy amount" means the school~~
17 ~~district's maximum levy authority after transfers determined under RCW~~
18 ~~84.52.0531(2) (a) through (c) divided by the district's maximum levy~~
19 ~~percentage determined under RCW 84.52.0531(4) multiplied by ten~~
20 ~~percent.~~

21 ~~(e) The "district's twelve percent levy amount" means the school~~
22 ~~district's maximum levy authority after transfers determined under RCW~~
23 ~~84.52.0531(2) (a) through (c) divided by the district's maximum levy~~
24 ~~percentage determined under RCW 84.52.0531(4) multiplied by twelve~~
25 ~~percent.~~

26 ~~(f) "Districts eligible for ten percent equalization" means:~~

27 ~~(i) Before the 1999 calendar year, those districts with a ten~~
28 ~~percent levy rate which exceeds the state wide average ten percent levy~~
29 ~~rate; and~~

30 ~~(ii) In the 1999 calendar year and thereafter, those districts with~~
31 ~~a ten percent levy rate that exceeds the state wide average ten percent~~
32 ~~levy rate but that is not in the top quartile of all district rates~~
33 ~~ranked from highest to lowest.~~

34 ~~(g) "Districts eligible for twelve percent equalization" means in~~
35 ~~the 1999 calendar year and thereafter, those districts with a ten~~
36 ~~percent levy rate in the top quartile of all district rates ranked from~~
37 ~~highest to lowest.~~

1 ~~(h) Unless otherwise stated all rates, percents, and amounts are~~
2 ~~for the calendar year for which local effort assistance is being~~
3 ~~calculated under this section.~~

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

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

11 ~~(b) The maximum amount of state matching funds for districts~~
12 ~~eligible for ten percent equalization shall be the district's ten~~
13 ~~percent levy amount, multiplied by the following percentage:—(i) The~~
14 ~~difference between the district's ten percent levy rate and the state-~~
15 ~~wide average ten percent levy rate; divided by (ii) the district's ten~~
16 ~~percent levy rate.~~

17 ~~(c) In the 1999 calendar year and thereafter, the maximum amount of~~
18 ~~state matching funds for districts eligible for twelve percent~~
19 ~~equalization shall be the district's twelve percent levy amount~~
20 ~~multiplied by the following percentage:—(i) The difference between the~~
21 ~~district's ten percent levy rate and the state wide average ten percent~~
22 ~~levy rate; divided by (ii) the district's ten percent levy rate.~~

23 ~~(4) Local effort assistance funds shall be distributed to~~
24 ~~qualifying districts as follows:~~

25 ~~(a) Thirty percent in April;~~

26 ~~(b) Twenty three percent in May;~~

27 ~~(c) Two percent in June;~~

28 ~~(d) Seventeen percent in August;~~

29 ~~(e) Nine percent in October;~~

30 ~~(f) Seventeen percent in November; and~~

31 ~~(g) Two percent in December.))~~

32 NEW SECTION. **Sec. 2.** A new section is added to chapter 28A.500
33 RCW to read as follows:

34 (1) Unless the context clearly requires otherwise, the definitions
35 in this section apply throughout this chapter.

36 (a) "Prior tax collection year" means the year immediately
37 preceding the year in which the local effort assistance shall be
38 allocated.

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

7 (c) The "district's twelve percent levy amount" means the school
8 district's maximum levy authority after transfers determined under RCW
9 84.52.0531(2) (a) through (c) divided by the district's maximum levy
10 percentage determined under RCW 84.52.0531(4) multiplied by twelve
11 percent.

12 (d) The "district's twelve percent levy rate" means the district's
13 twelve percent levy amount divided by the district's assessed valuation
14 for excess levy purposes for the prior tax collection year as adjusted
15 to one hundred percent by the county indicated ratio.

16 (e) "Districts eligible for local effort assistance" means those
17 districts with a twelve percent levy rate that exceeds the state-wide
18 average twelve percent levy rate, and those districts where a majority
19 of the voters voting on a levy proposition supported the proposition
20 but the levy failed to pass.

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

24 NEW SECTION. **Sec. 3.** A new section is added to chapter 28A.500
25 RCW to read as follows:

26 Allocation of state matching funds to eligible districts for local
27 effort assistance shall be determined as follows:

28 (1) Districts eligible for local effort assistance, in accordance
29 with section 2(1)(e) of this act shall be provided state funds using
30 the following ratio:

31 (a) The difference between the district's twelve percent levy rate
32 and the state-wide average twelve percent levy rate; to

33 (b) The state-wide average twelve percent levy rate.

34 (2) The maximum amount of state funds for districts eligible for
35 local effort assistance shall be the district's twelve percent levy
36 amount, multiplied by the following percentage:

37 (a) The difference between the district's twelve percent levy rate
38 and the state-wide average twelve percent levy rate; divided by

1 (b) The district's twelve percent levy rate.

2 NEW SECTION. **Sec. 4.** A new section is added to chapter 28A.500
3 RCW to read as follows:

4 Local effort assistance funds shall be distributed to qualifying
5 districts as follows:

6 (1) Thirty percent in April;

7 (2) Twenty-three percent in May;

8 (3) Two percent in June;

9 (4) Seventeen percent in August;

10 (5) Nine percent in October;

11 (6) Seventeen percent in November; and

12 (7) Two percent in December.

13 NEW SECTION. **Sec. 5.** This act takes effect January 1, 2000.

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