

2 **HB 3011** - H AMD 0582 adopted 3-13-02

3 By Representative

4

5 Strike everything after the enacting clause and insert the
6 following:

7 NEW SECTION. **Sec. 1.** The legislature finds that the purpose of
8 the local effort assistance program is stated in RCW 28A.500.010 as
9 follows: "The purpose of these funds is to mitigate the effect that
10 above average property tax rates might have on the ability of a school
11 district to raise local revenues to supplement the state's basic
12 program of education. These funds serve to equalize the property tax
13 rates that individual taxpayers would pay for such levies and to
14 provide tax relief to taxpayers in high tax rate school districts."

15 The legislature further finds that changes in state and federal
16 funding that have taken place since the local effort assistance program
17 began in 1989 make it necessary to reexamine the local effort
18 assistance funding formula and to determine whether the purpose of the
19 program is being fulfilled.

20 NEW SECTION. **Sec. 2.** (1) The joint task force on local effort
21 assistance is created, to consist of nineteen members:

22 (a) Six members of the house of representatives, three appointed by
23 the speaker of the house of representatives and three appointed by the
24 minority leader;

25 (b) Six members of the senate, three appointed by the majority
26 leader and three appointed by the minority leader;

27 (c) The superintendent of public instruction;

28 (d) A member chosen by the Washington state school directors'
29 association;

30 (e) A member chosen by the Washington association of school
31 administrators;

32 (f) A member chosen by the rural education center;

33 (g) A fiscal officer of an educational service district chosen by
34 the superintendent of public instruction in consultation with the
35 superintendents of the educational service districts; and

1 (h) Two members from school districts with student enrollments
2 greater than twenty thousand, chosen by the office of the
3 superintendent of public instruction.

4 (2) Legislative members of the task force shall be reimbursed for
5 travel expenses as provided in RCW 44.04.120. The staff of the office
6 of superintendent of public instruction, senate committee services, and
7 the office of program research of the house of representatives shall
8 provide support to the task force.

9 (3) The task force shall be cochaired by one senator, chosen by the
10 task force, and one representative, chosen by the task force. The task
11 force shall establish rules of procedure at its first meeting.

12 (4) The task force shall seek input and advice from stakeholders.

13 NEW SECTION. **Sec. 3.** The joint task force on local effort
14 assistance shall:

15 (1) Complete a thorough analysis of the history of the local effort
16 assistance program and its impacts, including a thorough examination of
17 the revenues included in the levy base;

18 (2) Determine whether the purpose of the local effort assistance
19 program, as stated in RCW 28A.500.010, is being met under the current
20 allocation formula; and

21 (3) Present its findings and provide recommendations to the
22 legislature by December 1, 2002.

23 **Sec. 4.** RCW 28A.500.030 and 1999 c 317 s 3 are each amended to
24 read as follows:

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

27 (1) Funds raised by the district through maintenance and operation
28 levies shall be matched with state funds using the following ratio of
29 state funds to levy funds:

30 (a) The difference between the district's twelve percent levy rate
31 and the statewide average twelve percent levy rate; to

32 (b) The statewide average twelve percent levy rate.

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

36 (a) The difference between the district's twelve percent levy rate
37 and the statewide average twelve percent levy rate; divided by

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

2 (3) Calendar year 2003 allocations and maximum eligibility under
3 this chapter shall be multiplied by 0.99.

4 NEW SECTION. Sec. 5. Sections 1 through 3 of this act expire
5 December 31, 2002.

6 NEW SECTION. Sec. 6. This act is necessary for the immediate
7 preservation of the public peace, health, or safety, or support of the
8 state government and its existing public institutions, and takes effect
9 immediately."

10 Correct the title.

EFFECT: Calendar year 2003 levy equalization allocations are reduced by 1 percent. Levy equalization allocations in future years are not frozen at the 2003 level, unlike the original bill.

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