

# SENATE BILL REPORT

## SB 6542

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As Reported By Senate Committee On:  
Education, January 31, 2002

**Title:** An act relating to the maximum allowable percentage for maintenance and operation school levies.

**Brief Description:** Changing the maximum allowable percentage for maintenance and operation school levies.

**Sponsors:** Senators McAuliffe, McDonald, Fairley, Finkbeiner, Kohl-Welles, Horn, Eide, Regala, Kastama, Prentice, Poulsen, Rossi, Keiser, Thibaudeau, Costa, Shin and Jacobsen.

**Brief History:**

**Committee Activity:** Education: 1/30/02, 1/31/02 [DP-WM, DNP].

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### SENATE COMMITTEE ON EDUCATION

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

Signed by Senators McAuliffe, Chair; Eide, Vice Chair; Finkbeiner, Kastama, Kohl-Welles, Prentice, Rasmussen and Regala.

**Minority Report:** Do not pass.

Signed by Senators Carlson, Hewitt, Hochstatter, Johnson and Zarelli.

**Staff:** Kelly Simpson (786-7403)

**Background:** Current law limits the amount of money school districts can collect through local maintenance and operation levies (commonly referred to as the "levy lid"). For most districts this limit is set at 24 percent of the total state and federal funds received by the district. There are 91 school districts that are grandfathered in at higher amounts.

**Summary of Bill:** The levy lid is increased by 4 percent to 28 percent of the total state and federal funds received by each district. The levy lid increase applies to levy collections during the 2003 calendar year and every year thereafter. The levy lid applicable to the grandfathered school districts is also increased by 4 percent.

**Appropriation:** None.

**Fiscal Note:** Requested on January 25, 2002.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** School districts have many immediate needs and local maintenance and operation levies are a crucial funding source to help districts provide a strong education. A number of school districts have either exceeded the allowable amount under the current levy

lid or are within 1 percent of the lid. These districts and others would benefit greatly from an increase in the allowable levy capacity by permitting local voters to provide additional support for their schools. Additionally, local levy dollars help to recruit and retain quality educators, especially through supporting professional development services and helping to allay the high housing costs in certain parts of the state.

**Testimony Against:** Without a corresponding increase in local effort assistance (LEA) funds from the state, the funding disparity between school districts is exacerbated. Additionally, property taxes support too many programs already. Non-property owners and temporary residents end up penalizing those who do own property and who have to ultimately pay the tax.

**Testified:** PRO: Charles Hasse, Karen Davis, WA Education Assn; John Dunn, Andrea Wasik, Seattle School District; Mike Riley, Bellevue School District; Debby Nissen, Bellevue Education Assn.; Dan Wilson, Edmonds Education Assn.; Doug Nelson, PSE; Mary Lindquist; Ken Kanikeburg, OSPI; Roy Maier, Vancouver Education Assn.; CON: Cris Shardelman; Barbara Mertens, WA Assn. of School Administrators; Dan Steele, WA State School Directors's Assn.; Representative Neal Kirby.