H-4491.3		

HOUSE BILL 3011

State of Washington 57th Legislature 2002 Regular Session

By Representatives Fromhold, McIntire and Sommers
Read first time . Referred to Committee on .

- 1 AN ACT Relating to local effort assistance; amending RCW
- 2 28A.500.030; creating new sections; and providing an expiration date.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 Sec. 1. The legislature finds that the purpose of NEW SECTION. 5 the local effort assistance program is stated in RCW 28A.500.010 as 6 "The purpose of these funds is to mitigate the effect that above average property tax rates might have on the ability of a school 8 district to raise local revenues to supplement the state's basic program of education. These funds serve to equalize the property tax 9 10 rates that individual taxpayers would pay for such levies and to provide tax relief to taxpayers in high tax rate school districts." 11
- The legislature further finds that changes in state and federal funding that have taken place since the local effort assistance program
- 14 began in 1989 make it necessary to reexamine the local effort
- 15 assistance funding formula and to determine whether the purpose of the
- 16 program is being fulfilled. It is the intent of the legislature to
- 17 freeze total local effort assistance funding at the calendar year 2003
- 18 level until the recommendations of the task force created in section 2
- 19 of this act are considered by the legislature.

p. 1 HB 3011

- NEW SECTION. Sec. 2. (1) The joint task force on local effort assistance is created, to consist of nineteen members:
- 3 (a) Six members of the house of representatives, three appointed by 4 the speaker of the house of representatives and three appointed by the 5 minority leader;
- 6 (b) Six members of the senate, three appointed by the majority 7 leader and three appointed by the minority leader;
 - (c) The superintendent of public instruction;

8

- 9 (d) A member chosen by the Washington state school directors' 10 association;
- 11 (e) A member chosen by the Washington association of school 12 administrators;
- 13 (f) A member chosen by the rural education center;
- 14 (g) A fiscal officer of an educational service district chosen by 15 the superintendent of public instruction in consultation with the 16 superintendents of the educational service districts; and
- 17 (h) Two members from school districts with student enrollments 18 greater than twenty thousand, chosen by the office of the 19 superintendent of public instruction.
- (2) Legislative members of the task force shall be reimbursed for travel expenses as provided in RCW 44.04.120. The staff of the office of superintendent of public instruction, senate committee services, and the office of program research of the house of representatives shall provide support to the task force.
- 25 (3) The task force shall be cochaired by one senator, chosen by the 26 task force, and one representative, chosen by the task force. The task 27 force shall establish rules of procedure at its first meeting.
- 28 (4) The task force shall seek input and advice from stakeholders.
- 29 <u>NEW SECTION.</u> **Sec. 3.** The joint task force on local effort 30 assistance shall:
- 31 (1) Complete a thorough analysis of the history of the local effort 32 assistance program and its impacts, including a thorough examination of 33 the revenues included in the levy base;
- 34 (2) Determine whether the purpose of the local effort assistance 35 program, as stated in RCW 28A.500.010, is being met under the current 36 allocation formula; and
- 37 (3) Present its findings and provide recommendations to the 38 legislature by December 1, 2002.

HB 3011 p. 2

1 **Sec. 4.** RCW 28A.500.030 and 1999 c 317 s 3 are each amended to 2 read as follows:

Allocation of state matching funds to eligible districts for local 4 effort assistance shall be determined as follows:

- 5 (1) Funds raised by the district through maintenance and operation 6 levies shall be matched with state funds using the following ratio of 7 state funds to levy funds:
- 8 (a) The difference between the district's twelve percent levy rate 9 and the statewide average twelve percent levy rate; to
- 10 (b) The statewide average twelve percent levy rate.
- 11 (2) The maximum amount of state matching funds for districts 12 eligible for local effort assistance shall be the district's twelve 13 percent levy amount, multiplied by the following percentage:
- 14 (a) The difference between the district's twelve percent levy rate 15 and the statewide average twelve percent levy rate; divided by
- 16 (b) The district's twelve percent levy rate.
- (3) Allocations and maximum eligibility under this chapter shall be multiplied by the percentage stated in the apportionment section of the omnibus appropriations act. Beginning with calendar year 2004 local effort assistance allocations, the percentage adjustment shall be such that total allocations under this chapter shall not exceed total allocations under this chapter in calendar year 2003.
- NEW SECTION. Sec. 5. Sections 1 through 3 of this act expire 24 December 31, 2002.

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p. 3 HB 3011