

SENATE BILL REPORT

SB 6095

As of June 9, 2003

Title: An act relating to school district levies.

Brief Description: Concerning school district levies.

Sponsors: Senator Johnson.

Brief History:

Staff: Bryon Moore (786-7726)

Background: In 1977, when the state assumed additional responsibility for funding schools, the Legislature limited school district maintenance and operation levy authority by enacting the levy lid law. This law determines the maximum amounts school districts can collect through local maintenance and operation levies. The original 1977 law, which took effect in 1979, sought to limit levy revenue to 10 percent of a school district's state basic education allocation. It also contained a grandfather clause which permitted districts that historically relied heavily on excess levies to exceed the 10 percent limit.

Under current law, most districts may raise 24 percent of the district's levy base. There are 91 school districts that are grandfathered at higher percentages that range from 24.01 percent to 33.9 percent.

A district's levy base includes most state and federal revenues received by the district in the prior school year. The levy lid formula increases the base by multiplying the district's state and federal revenues by the percentage change in per student state expenditures between the prior and current school years, divided by 55 percent. Statute provides that this percentage change in per student state expenditures is specified in the omnibus appropriations act.

Summary of Bill: For calendar years 2004 and 2005, the percentage change in per student state expenditures is specified at 6 percent. Allocations for the local effort assistance program will be reduced by 10.4 percent.

Appropriation: None.

Fiscal Note: Not requested.

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