H-0534.2			

HOUSE BILL 1508

State of Washington 58th Legislature 2003 Regular Session

By Representatives Anderson and Pflug

Read first time 01/29/2003. Referred to Committee on Education.

- 1 AN ACT Relating to limitations on excess school levies; amending
- 2 RCW 84.52.0531; and creating a new section.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. The legislature finds that the state and 4 5 local communities share responsibility for the support of the public schools. The state is responsible for defining and funding basic 6 7 education. The state also funds enhancements that are not a part of Local communities, through voter-approved special 8 basic education. 9 levies, augment that state funding and provide the enhancements and 10 nonbasic educational services desired by the communities served by each The legislature further finds that statutory limits on the 11 12 amount of money each community may request of its voters pose a barrier 13 to voters who wish to increase the nonbasic educational services provided by their communities. In addition, since ninety school 14 15 districts are permitted to have higher limits than all other districts, 16 the legislature finds that the current levy lids are inequitable.
- The legislature intends to provide voters with the authority to increase the local contribution to community schools by raising the

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- 1 levy lid. The legislature also intends to eliminate the inequity in
- 2 the current levy lid laws by creating the same levy limitation for all
- 3 school districts.

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4 **Sec. 2.** RCW 84.52.0531 and 1997 c 259 s 2 are each amended to read 5 as follows:

The maximum dollar amount which may be levied by or for any school district for maintenance and operation support under the provisions of RCW 84.52.053 shall be determined as follows:

- 9 (1) For excess levies for collection in calendar year 1997, the 10 maximum dollar amount shall be calculated pursuant to the laws and 11 rules in effect in November 1996.
 - (2) For excess levies for collection in calendar year 1998 and thereafter, the maximum dollar amount shall be the sum of (a) plus or minus (b) and (c) of this subsection minus (d) of this subsection:
 - (a) The district's levy base as defined in subsection (3) of this section multiplied by the district's maximum levy percentage as defined in subsection (4) of this section;
 - (b) For districts in a high/nonhigh relationship, the high school district's maximum levy amount shall be reduced and the nonhigh school district's maximum levy amount shall be increased by an amount equal to the estimated amount of the nonhigh payment due to the high school district under RCW 28A.545.030(3) and 28A.545.050 for the school year commencing the year of the levy;
 - (c) For districts in an interdistrict cooperative agreement, the nonresident school district's maximum levy amount shall be reduced and the resident school district's maximum levy amount shall be increased by an amount equal to the per pupil basic education allocation included in the nonresident district's levy base under subsection (3) of this section multiplied by:
 - (i) The number of full-time equivalent students served from the resident district in the prior school year; multiplied by:
 - (ii) The serving district's maximum levy percentage determined under subsection (4) of this section; increased by:
- 34 (iii) The percent increase per full-time equivalent student as 35 stated in the state basic education appropriation section of the 36 biennial budget between the prior school year and the current school 37 year divided by fifty-five percent;

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- (d) The district's maximum levy amount shall be reduced by the maximum amount of state matching funds for which the district is eligible under RCW 28A.500.010.
- (3) For excess levies for collection in calendar year 1998 and 4 thereafter, a district's levy base shall be the sum of allocations in 5 (a) through (c) of this subsection received by the district for the 6 7 prior school year, including allocations for compensation increases, plus the sum of such allocations multiplied by the percent increase per 8 full time equivalent student as stated in the state basic education 9 appropriation section of the biennial budget between the prior school 10 year and the current school year and divided by fifty-five percent. A 11 12 district's levy base shall not include local school district property 13 tax levies or other local revenues, or state and federal allocations 14 not identified in (a) through (c) of this subsection.
- 15 (a) The district's basic education allocation as determined 16 pursuant to RCW 28A.150.250, 28A.150.260, and 28A.150.350;
- 17 (b) State and federal categorical allocations for the following 18 programs:
 - (i) Pupil transportation;
 - (ii) Special education;

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- (iii) Education of highly capable students;
- (iv) Compensatory education, including but not limited to learning assistance, migrant education, Indian education, refugee programs, and bilingual education;
 - (v) Food services; and
 - (vi) Statewide block grant programs; and
 - (c) Any other federal allocations for elementary and secondary school programs, including direct grants, other than federal impact aid funds and allocations in lieu of taxes.
 - (4) A district's maximum levy percentage shall be twenty-two percent in 1998 ((and)), twenty-four percent in 1999, and twenty-seven percent in 2004 and every year thereafter; plus, for qualifying districts, the grandfathered percentage determined as follows:
- 34 (a) For 1997, the difference between the district's 1993 maximum 35 levy percentage and twenty percent; ((and))
- 36 (b) For 1998 and thereafter <u>until the first levy that the district</u> 37 <u>submits to the voters after 2003</u>, the percentage calculated as follows:

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1 (i) Multiply the grandfathered percentage for the prior year times 2 the district's levy base determined under subsection (3) of this 3 section;

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- (ii) Reduce the result of (b)(i) of this subsection by any levy reduction funds as defined in subsection (5) of this section that are to be allocated to the district for the current school year;
- (iii) Divide the result of (b)(ii) of this subsection by the district's levy base; and
- 9 (iv) Take the greater of zero or the percentage calculated in (b)(iii) of this subsection; and
- 11 (c) For any levy submitted to the voters in 2004 and thereafter, 12 the maximum levy percentage shall be twenty-seven percent.
 - (5) "Levy reduction funds" shall mean increases in state funds from the prior school year for programs included under subsection (3) of this section: (a) That are not attributable to enrollment changes, compensation increases, or inflationary adjustments; and (b) that are or were specifically identified as levy reduction funds in the appropriations act. If levy reduction funds are dependent on formula factors which would not be finalized until after the start of the current school year, the superintendent of public instruction shall estimate the total amount of levy reduction funds by using prior school year data in place of current school year data. Levy reduction funds shall not include moneys received by school districts from cities or counties.
- 25 (6) For the purposes of this section, "prior school year" means the 26 most recent school year completed prior to the year in which the levies 27 are to be collected.
 - (7) For the purposes of this section, "current school year" means the year immediately following the prior school year.
- 30 (8) Funds collected from transportation vehicle fund tax levies 31 shall not be subject to the levy limitations in this section.
- 32 (9) The superintendent of public instruction shall develop rules 33 and regulations and inform school districts of the pertinent data 34 necessary to carry out the provisions of this section.

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