HOUSE BILL 1714

State of Washington 58th Legislature 2003 Regular Session

By Representatives Jarrett, Clibborn, Tom, Ruderman, Hunter and Moeller

Read first time 02/05/2003. Referred to Committee on Education.

- 1 AN ACT Relating to school district levy lids; and amending RCW
- 2 84.52.0531.

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- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** 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:
 - (1) For excess levies for collection in calendar year 1997, the maximum dollar amount shall be calculated pursuant to the laws and 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;
- 18 (b) For districts in a high/nonhigh relationship, the high school district's maximum levy amount shall be reduced and the nonhigh school

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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:
- (iii) The percent increase per full-time equivalent student as stated in the state basic education appropriation section of the biennial budget between the prior school year and the current school year divided by fifty-five percent;
- (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 thereafter, a district's levy base shall be the sum of allocations in (a) through (c) of this subsection received by the district for the prior school year, including allocations for compensation increases, plus the sum of such allocations multiplied by the percent increase per full time equivalent student as stated in the state basic education appropriation section of the biennial budget between the prior school year and the current school year and divided by fifty-five percent. A district's levy base shall not include local school district property tax levies or other local revenues, or state and federal allocations not identified in (a) through (c) of this subsection.
- (a) The district's basic education allocation as determined pursuant to RCW 28A.150.250, 28A.150.260, and 28A.150.350;
- 35 (b) State and federal categorical allocations for the following 36 programs:
 - (i) Pupil transportation;
 - (ii) Special education;

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- (iii) Education of highly capable students;
- 2 (iv) Compensatory education, including but not limited to learning 3 assistance, migrant education, Indian education, refugee programs, and 4 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 every year thereafter until the first levy that the district submits to the voters after 2003; plus, for qualifying districts, the grandfathered percentage determined as follows:
- (a) For 1997, the difference between the district's 1993 maximum levy percentage and twenty percent; ((and))
- (b) For 1998 and thereafter <u>until the first levy that the district</u> <u>submits to the voters after 2003</u>, the percentage calculated as follows:
- (i) Multiply the grandfathered percentage for the prior year times the district's levy base determined under subsection (3) of this section;
- (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
- 27 (iv) Take the greater of zero or the percentage calculated in (b)(iii) of this subsection; and
 - (c) For any levy submitted to the voters in 2004 and thereafter, a district's maximum levy percentage shall be the highest levy percentage permitted in 2003 to any school district located in the submitting district's educational service district.
 - (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

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- 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.
 - (6) For the purposes of this section, "prior school year" means the most recent school year completed prior to the year in which the levies are to be collected.
- 10 (7) For the purposes of this section, "current school year" means 11 the year immediately following the prior school year.

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- 12 (8) Funds collected from transportation vehicle fund tax levies 13 shall not be subject to the levy limitations in this section.
- 14 (9) The superintendent of public instruction shall develop rules 15 and regulations and inform school districts of the pertinent data 16 necessary to carry out the provisions of this section.

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