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SENATE BILL 6095

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State of Washington                      58th Legislature                      2003 1st Special  
Session

By Senator Johnson

Read first time . Referred to .

1            AN ACT Relating to school district levies; and amending RCW  
2 84.52.0531 and 28A.500.030.

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:

6            The maximum dollar amount which may be levied by or for any school  
7 district for maintenance and operation support under the provisions of  
8 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.

12            (2) For excess levies for collection in calendar year 1998 and  
13 thereafter, the maximum dollar amount shall be the sum of (a) plus or  
14 minus (b) and (c) of this subsection minus (d) of this subsection:

15            (a) The district's levy base as defined in subsection (3) of this  
16 section multiplied by the district's maximum levy percentage as defined  
17 in subsection (4) of this section;

18            (b) For districts in a high/nonhigh relationship, the high school  
19 district's maximum levy amount shall be reduced and the nonhigh school

1 district's maximum levy amount shall be increased by an amount equal to  
2 the estimated amount of the nonhigh payment due to the high school  
3 district under RCW 28A.545.030(3) and 28A.545.050 for the school year  
4 commencing the year of the levy;

5 (c) For districts in an interdistrict cooperative agreement, the  
6 nonresident school district's maximum levy amount shall be reduced and  
7 the resident school district's maximum levy amount shall be increased  
8 by an amount equal to the per pupil basic education allocation included  
9 in the nonresident district's levy base under subsection (3) of this  
10 section multiplied by:

11 (i) The number of full-time equivalent students served from the  
12 resident district in the prior school year; multiplied by:

13 (ii) The serving district's maximum levy percentage determined  
14 under subsection (4) of this section; increased by:

15 (iii) The percent increase per full-time equivalent student as  
16 stated in the state basic education appropriation section of the  
17 biennial budget between the prior school year and the current school  
18 year divided by fifty-five percent;

19 (d) The district's maximum levy amount shall be reduced by the  
20 maximum amount of state matching funds for which the district is  
21 eligible under RCW 28A.500.010.

22 (3) For excess levies for collection in calendar year 1998 and  
23 thereafter, a district's levy base shall be the sum of allocations in  
24 (a) through (c) of this subsection received by the district for the  
25 prior school year, including allocations for compensation increases,  
26 plus the sum of such allocations multiplied by the percent increase per  
27 full time equivalent student as stated in the state basic education  
28 appropriation section of the biennial budget between the prior school  
29 year and the current school year and divided by fifty-five percent.  
30 Except for the 2004 and 2005 calendar years, in which the percent  
31 increase per full-time equivalent student shall be six percent. A  
32 district's levy base shall not include local school district property  
33 tax levies or other local revenues, or state and federal allocations  
34 not identified in (a) through (c) of this subsection.

35 (a) The district's basic education allocation as determined  
36 pursuant to RCW 28A.150.250, 28A.150.260, and 28A.150.350;

37 (b) State and federal categorical allocations for the following  
38 programs:

1 (i) Pupil transportation;  
2 (ii) Special education;  
3 (iii) Education of highly capable students;  
4 (iv) Compensatory education, including but not limited to learning  
5 assistance, migrant education, Indian education, refugee programs, and  
6 bilingual education;  
7 (v) Food services; and  
8 (vi) Statewide block grant programs; and  
9 (c) Any other federal allocations for elementary and secondary  
10 school programs, including direct grants, other than federal impact aid  
11 funds and allocations in lieu of taxes.

12 (4) A district's maximum levy percentage shall be twenty-two  
13 percent in 1998 and twenty-four percent in 1999 and every year  
14 thereafter; plus, for qualifying districts, the grandfathered  
15 percentage determined as follows:

16 (a) For 1997, the difference between the district's 1993 maximum  
17 levy percentage and twenty percent; and  
18 (b) For 1998 and thereafter, the percentage calculated as follows:  
19 (i) Multiply the grandfathered percentage for the prior year times  
20 the district's levy base determined under subsection (3) of this  
21 section;  
22 (ii) Reduce the result of (b)(i) of this subsection by any levy  
23 reduction funds as defined in subsection (5) of this section that are  
24 to be allocated to the district for the current school year;  
25 (iii) Divide the result of (b)(ii) of this subsection by the  
26 district's levy base; and  
27 (iv) Take the greater of zero or the percentage calculated in  
28 (b)(iii) of this subsection.

29 (5) "Levy reduction funds" shall mean increases in state funds from  
30 the prior school year for programs included under subsection (3) of  
31 this section: (a) That are not attributable to enrollment changes,  
32 compensation increases, or inflationary adjustments; and (b) that are  
33 or were specifically identified as levy reduction funds in the  
34 appropriations act. If levy reduction funds are dependent on formula  
35 factors which would not be finalized until after the start of the  
36 current school year, the superintendent of public instruction shall  
37 estimate the total amount of levy reduction funds by using prior school

1 year data in place of current school year data. Levy reduction funds  
2 shall not include moneys received by school districts from cities or  
3 counties.

4 (6) For the purposes of this section, "prior school year" means the  
5 most recent school year completed prior to the year in which the levies  
6 are to be collected.

7 (7) For the purposes of this section, "current school year" means  
8 the year immediately following the prior school year.

9 (8) Funds collected from transportation vehicle fund tax levies  
10 shall not be subject to the levy limitations in this section.

11 (9) The superintendent of public instruction shall develop rules  
12 and regulations and inform school districts of the pertinent data  
13 necessary to carry out the provisions of this section.

14 **Sec. 2.** RCW 28A.500.030 and 2003 1st sp.s. c ... (ESSB 5404) s 912  
15 are each amended to read as follows:

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

18 (1) Funds raised by the district through maintenance and operation  
19 levies shall be matched with state funds using the following ratio of  
20 state funds to levy funds:

21 (a) The difference between the district's twelve percent levy rate  
22 and the statewide average twelve percent levy rate; to

23 (b) The statewide average twelve percent levy rate.

24 (2) The maximum amount of state matching funds for districts  
25 eligible for local effort assistance shall be the district's twelve  
26 percent levy amount, multiplied by the following percentage:

27 (a) The difference between the district's twelve percent levy rate  
28 and the statewide average twelve percent levy rate; divided by

29 (b) The district's twelve percent levy rate.

30 (3) Calendar year 2003 allocations and maximum eligibility under  
31 this chapter shall be multiplied by 0.99.

32 (4) From January 1, 2004, to June 30, 2005, allocations and maximum  
33 eligibility under this chapter shall be multiplied by (~~0.937~~) 0.896.

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