
SUBSTITUTE HOUSE BILL 2812

State of Washington

59th Legislature

2006 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Hunter, Rodne, Quall, Nixon, P. Sullivan, Jarrett, Clibborn, Tom, Morrell, Fromhold, Roberts, Schual-Berke, Simpson, Anderson and Kagi)

READ FIRST TIME 02/08/06.

1 AN ACT Relating to school district levies; amending RCW 84.52.0531;
2 and amending 2004 c 21 s 3 (uncodified).

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 84.52.0531 and 2004 c 21 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 subsections (3) and (4)
16 of this section multiplied by the district's maximum levy percentage as
17 defined in subsection (5) 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 (5) 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 2005 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 and the amounts determined under subsection (4) of
26 this section, including allocations for compensation increases, plus
27 the sum of such allocations multiplied by the percent increase per full
28 time equivalent student as stated in the state basic education
29 appropriation section of the biennial budget between the prior school
30 year and the current school year and divided by fifty-five percent. A
31 district's levy base shall not include local school district property
32 tax levies or other local revenues, or state and federal allocations
33 not identified in (a) through (c) of this subsection.

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

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

38 (i) Pupil transportation;

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

11 (4) For levy collections in calendar years 2005 through ((2007))
12 2011, in addition to the allocations included under subsection (3)(a)
13 through (c) of this section, a district's levy base shall also include
14 the following:

15 (a) The difference between the allocation the district would have
16 received in the current school year had RCW 84.52.068 not been amended
17 by chapter 19, Laws of 2003 1st sp. sess. and the allocation the
18 district received in the current school year pursuant to RCW 84.52.068.
19 The office of the superintendent of public instruction shall offset the
20 amount added to a district's levy base pursuant to this subsection
21 (4)(a) by any additional per student allocations included in a
22 district's levy base pursuant to the enactment of an initiative to the
23 people subsequent to June 10, 2004; and

24 (b) The difference between the allocations the district would have
25 received the prior school year had RCW 28A.400.205 not been amended by
26 chapter 20, Laws of 2003 1st sp. sess. and the allocations the district
27 actually received the prior school year pursuant to RCW 28A.400.205.
28 The office of the superintendent of public instruction shall offset the
29 amount added to a district's levy base pursuant to this subsection
30 (4)(b) by any additional salary increase allocations included in a
31 district's levy base pursuant to the enactment of an initiative to the
32 people subsequent to June 10, 2004.

33 (5) A district's maximum levy percentage shall be twenty-two
34 percent in 1998 and twenty-four percent in 1999 and every year
35 thereafter; plus, for qualifying districts, the grandfathered
36 percentage determined as follows:

37 (a) For 1997, the difference between the district's 1993 maximum
38 levy percentage and twenty percent; and

1 (b) For 1998 and thereafter, the percentage calculated as follows:

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

5 (ii) Reduce the result of (b)(i) of this subsection by any levy
6 reduction funds as defined in subsection (6) of this section that are
7 to be allocated to the district for the current school year;

8 (iii) Divide the result of (b)(ii) of this subsection by the
9 district's levy base; and

10 (iv) Take the greater of zero or the percentage calculated in
11 (b)(iii) of this subsection.

12 (6) "Levy reduction funds" shall mean increases in state funds from
13 the prior school year for programs included under subsections (3) and
14 (4) of this section: (a) That are not attributable to enrollment
15 changes, compensation increases, or inflationary adjustments; and (b)
16 that are or were specifically identified as levy reduction funds in the
17 appropriations act. If levy reduction funds are dependent on formula
18 factors which would not be finalized until after the start of the
19 current school year, the superintendent of public instruction shall
20 estimate the total amount of levy reduction funds by using prior school
21 year data in place of current school year data. Levy reduction funds
22 shall not include moneys received by school districts from cities or
23 counties.

24 (7) For the purposes of this section, "prior school year" means the
25 most recent school year completed prior to the year in which the levies
26 are to be collected.

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

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

31 (10) The superintendent of public instruction shall develop rules
32 and regulations and inform school districts of the pertinent data
33 necessary to carry out the provisions of this section.

34 **Sec. 2.** 2004 c 21 s 3 (uncodified) is amended to read as follows:
35 This act expires January 1, (~~2008~~) 2012.

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