

SENATE BILL REPORT

2SHB 2670

As of February 17, 2010

Title: An act relating to restoring the school district levy base.

Brief Description: Restoring the school district levy base.

Sponsors: House Committee on Ways & Means (originally sponsored by Representatives Haigh, Ericks, Quall, Sullivan, Kenney, Maxwell, Simpson, Priest, Dammeier and Kagi).

Brief History: Passed House: 2/13/10, 93-3.

Committee Activity: Early Learning & K-12 Education: 2/17/10.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Staff: Alicia Kinne (786-7784)

Background: Beginning in 2001, portions of state property tax and state lottery revenues were dedicated to the Student Achievement Fund, per Initiative 728 (I-728). Initiative 728 directed that, beginning in 2004, school districts receive Student Achievement Fund allocations in the amount of \$450 per full-time equivalent (FTE) student, with the amount to increase by designated amounts in proceeding years. The 2003 Legislature revised the per pupil payments to a lower amount, to increase in subsequent years. In 2009-11, payments were again reduced – from planned per-pupil allocations of \$458.10 and \$463.58 in school years 2009-10 and 2010-11, respectively, to \$131.20 and \$99.32.

Passed by voters in November 2000, Initiative 732 (I-732) required the state to provide annual cost-of-living increases for Washington's public school employees. In 2003, and again in 2009-11, lawmakers suspended the inflation increases in I-732.

Summary of Bill: School districts' levy bases will continue to include amounts districts would have received if I-728 and I-732 were and continue to be fully funded. The expiration date for this inclusion is extended to December 2017.

In addition, if the K-4 enhancement dollars are eliminated by the Legislature, the lost funds are included in the base in the same manner as I-728/I-732.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The bill creates definitions of the I-728 and I-732 levy base, and specifies the calculation of the I-728 levy base use the allocation rate, rather than total allocation amount, that a district would have received per student.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: This bill ensures that school districts do not suffer a cut on top of a cut. Please take action on this bill so that districts have certainty about levies already approved by voters. The Superintendent is supportive of this bill. This is the last year to enact this without harming school district's ability to collect levy resources. This bill increases the levy base for all districts which run levies in an equitable manner. This makes good public policy sense, and helps districts at a time when their levies play an important role in local funding of our schools.

Persons Testifying: PRO: Representative Haigh, prime sponsor; Simone Sangster, Bellevue School District; Jennifer Priddy, OSPI; Mitch Denning, Alliance of Education Associations.