

# SENATE BILL REPORT

## SB 6502

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As of January 22, 2010

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

**Brief Description:** Restoring the school district levy base.

**Sponsors:** Senators Tom, McAuliffe, Oemig, Hobbs, Gordon, Pridemore, Shin, Rockefeller, Kline and Ranker.

**Brief History:**

**Committee Activity:** Early Learning & K-12 Education: 1/21/10.

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### 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). Beginning in 2004, I-728 directed that the state property tax contribution increase to \$450 per student full time equivalent (FTE). The 2003 Legislature revised the property tax provision to a lower amount set to increase in proceeding years. In 2009-11, payments were suspended.

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 lawmakers suspended the inflation increases in I-732.

**Summary of Bill:** For levy collections through calendar year 2017, a district's levy base must include:

- the difference between the allocation rate the district would have received in the prior school year using the I-728 base and the allocation rate the district received in the prior year from the student achievement fund multiplied by the full-time equivalent student enrollment used to calculate the I-728 allocation used for the prior school year; and
- the difference between the allocation rate the district would have received in the prior school year using the I-732 base and the allocations the district actually received the prior school year for school district employee cost of living increases.

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*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 requirement that the Office of the Superintendent of Public Instruction (OSPI) must offset the amount added to a districts levy base is removed.

A district's levy base must also include the difference between an allocation of 53.2 certificated instructional staff units per 1,000 FTE students in grades kindergarten through four enrolled in the prior school year and the allocation the district actually received in the prior school year. The levy base for a school district whose allocation in the 2009-10 school year was less than 53.2 certified instructional staff units per 100 FTE students in grades kindergarten through four must include the difference between the allocation the district actually received in 2009-10, and the allocation the district actually received in the prior school year.

The expiration date is changed to January 1, 2018.

**Appropriation:** None.

**Fiscal Note:** Requested on January 15, 2010.

**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: Fix to levy base is critically important. Districts need the discretionary levy revenue in order to provide critical services. Many districts are running levy elections in February and this will help. This bill helps to restore and stabilize the levy base with minimal fiscal impacts. OSPI appreciates the narrow focus of this legislation.

OTHER: This bill does not go far enough in doing anything for districts that fall under roll back provisions.

**Persons Testifying:** PRO: Dan Steele, WA School Director's Association; Jake Kuper, School Levy Coalition, Issaquah School District; Jennifer Priddy, OSPI; Dr. Chip Kimball, Lake Washington School District and School Levy Coalition; George Scarola, League of Education Voters; Doug Nelson, PSE/SEIU; Jim Kainber, Stand for Children; Kim Howard, WA PTA; Chad Magendanz, Olympian Coalition.

OTHER: Randy Parr, Washington Education Association.