
SUBSTITUTE HOUSE BILL 1776

State of Washington 61st Legislature 2009 Regular Session

By House Education Appropriations (originally sponsored by Representatives Ericks, Haigh, Priest, Hunter, Liias, Sullivan, Pedersen, Maxwell, White, and Kenney)

READ FIRST TIME 02/20/09.

1 AN ACT Relating to school district levies; amending RCW 84.52.0531
2 and 84.52.053; adding a new section to chapter 84.52 RCW; repealing
3 2004 c 21 s 3 (uncodified); and repealing 2006 c 119 s 3 (uncodified).

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

5 **Sec. 1.** RCW 84.52.0531 and 2006 c 119 s 2 are each amended to read
6 as follows:

7 The maximum dollar amount which may be levied by or for any school
8 district for maintenance and operation support under the provisions of
9 RCW 84.52.053 shall be determined as follows:

10 (1) For excess levies for collection in calendar year 1997, the
11 maximum dollar amount shall be calculated pursuant to the laws and
12 rules in effect in November 1996.

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

16 (a) The district's levy base as defined in subsection(~~(3)~~) (3)
17 (~~(and (4))~~) of this section multiplied by the district's maximum levy
18 percentage as defined in subsection (~~((+5))~~) (4) of this section;

1 (b) For districts in a high/nonhigh relationship, the high school
2 district's maximum levy amount shall be reduced and the nonhigh school
3 district's maximum levy amount shall be increased by an amount equal to
4 the estimated amount of the nonhigh payment due to the high school
5 district under RCW 28A.545.030(3) and 28A.545.050 for the school year
6 commencing the year of the levy;

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

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

15 (ii) The serving district's maximum levy percentage determined
16 under subsection ~~((+5))~~ (4) of this section; increased by:

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

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

24 (3) For excess levies for collection in calendar year ~~((2005))~~ 2010
25 and thereafter, a district's levy base shall be the sum of allocations
26 in (a) through ~~((+e))~~ (e) of this subsection received by the district
27 for the prior school year and the amounts determined under this
28 subsection ~~((+4) of this section)~~, including allocations for
29 compensation increases, plus the sum of such allocations multiplied by
30 the percent increase per full-time equivalent student as stated in the
31 state basic education appropriation section of the biennial budget
32 between the prior school year and the current school year and divided
33 by fifty-five percent. A district's levy base shall not include local
34 school district property tax levies or other local revenues, or state
35 and federal allocations not identified in (a) through ~~((+e))~~ (e) of
36 this subsection.

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

1 (b) State and federal categorical allocations for the following
2 programs:

3 (i) Pupil transportation;

4 (ii) Special education;

5 (iii) Education of highly capable students;

6 (iv) Compensatory education, including but not limited to learning
7 assistance, migrant education, Indian education, refugee programs, and
8 bilingual education;

9 (v) Food services; and

10 (vi) Statewide block grant programs; (~~and~~)

11 (c) Any other federal allocations for elementary and secondary
12 school programs, including direct grants, other than federal impact aid
13 funds and allocations in lieu of taxes(~~(-~~

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

18 ~~(a))~~;

19 (d) The difference between the allocation the district would have
20 received in the current school year (~~had RCW 84.52.068 not been~~
21 ~~amended by chapter 19, Laws of 2003 1st sp. sess.)~~) using the
22 Initiative 728 base and the allocation the district received in the
23 current school year pursuant to RCW 84.52.068(~~(-~~~~The office of the~~
24 ~~superintendent of public instruction shall offset the amount added to~~
25 ~~a district's levy base pursuant to this subsection (4)(a) by any~~
26 ~~additional per student allocations included in a district's levy base~~
27 ~~pursuant to the enactment of an initiative to the people subsequent to~~
28 ~~June 10, 2004))~~; and

29 ~~((b))~~ (e) The difference between the allocations the district
30 would have received the prior school year (~~had RCW 28A.400.205 not~~
31 ~~been amended by chapter 20, Laws of 2003 1st sp. sess.)~~) using the
32 Initiative 732 base and the allocations the district actually received
33 the prior school year pursuant to RCW 28A.400.205. (~~The office of the~~
34 ~~superintendent of public instruction shall offset the amount added to~~
35 ~~a district's levy base pursuant to this subsection (4)(b) by any~~
36 ~~additional salary increase allocations included in a district's levy~~
37 ~~base pursuant to the enactment of an initiative to the people~~
38 ~~subsequent to June 10, 2004.~~

1 ~~(5))~~ (4) A district's maximum levy percentage shall be twenty-two
2 percent in 1998 and twenty-four percent in 1999 and every year
3 thereafter; plus, for qualifying districts, the grandfathered
4 percentage determined as follows:

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

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

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

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

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

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

18 ~~((6))~~ (5) "Levy reduction funds" shall mean increases in state
19 funds from the prior school year for programs included under
20 subsection ~~((s))~~ (3) ~~((and (4))~~) of this section: (a) That are not
21 attributable to enrollment changes, compensation increases, or
22 inflationary adjustments; and (b) that are or were specifically
23 identified as levy reduction funds in the appropriations act. If levy
24 reduction funds are dependent on formula factors which would not be
25 finalized until after the start of the current school year, the
26 superintendent of public instruction shall estimate the total amount of
27 levy reduction funds by using prior school year data in place of
28 current school year data. Levy reduction funds shall not include
29 moneys received by school districts from cities or counties.

30 ~~((7) For the purposes of this section,)~~ (6) The definitions in
31 this subsection apply throughout this section unless the context
32 clearly requires otherwise.

33 (a) "Prior school year" means the most recent school year completed
34 prior to the year in which the levies are to be collected.

35 ~~((8) For the purposes of this section,)~~ (b) "Current school year"
36 means the year immediately following the prior school year.

37 (c) "Initiative 728 base" means the allocation to the student
38 achievement fund for the prior year that would have been made under

1 chapter 3, Laws of 2001, as approved by the voters, if all annual
2 adjustments to the initial 2001 allocation had been made in previous
3 years and in each subsequent year as provided for under chapter 3, Laws
4 of 2001.

5 (d) "Initiative 732 base" means the prior year's annual salary
6 cost-of-living increases as they would have been calculated under
7 chapter 4, Laws of 2001, as approved by the voters, if each annual
8 cost-of-living increase had been made in previous years and in each
9 subsequent year as provided for under chapter 4, Laws of 2001.

10 ~~((+9))~~ (7) Funds collected from transportation vehicle fund tax
11 levies shall not be subject to the levy limitations in this section.

12 ~~((+10))~~ (8) The superintendent of public instruction shall develop
13 rules ~~((and regulations))~~ and inform school districts of the pertinent
14 data necessary to carry out the provisions of this section.

15 NEW SECTION. Sec. 2. A new section is added to chapter 84.52 RCW
16 to read as follows:

17 The legislature recognizes that school districts request voter
18 approval for two-year through four-year levies based on their projected
19 levy capacities at the time that the levies are submitted to the
20 voters. It is the intent of the legislature to permit school districts
21 with voter-approved maintenance and operation levies to seek an
22 additional approval from the voters, if subsequently enacted
23 legislation would permit a higher levy.

24 Sec. 3. RCW 84.52.053 and 2007 c 129 s 3 are each amended to read
25 as follows:

26 (1) The limitations imposed by RCW 84.52.050 through 84.52.056, and
27 84.52.043 shall not prevent the levy of taxes by school districts, when
28 authorized so to do by the voters of such school district in the manner
29 and for the purposes and number of years allowable under Article VII,
30 section 2(a) of the Constitution of this state. Elections for such
31 taxes shall be held in the year in which the levy is made or, in the
32 case of propositions authorizing two-year through four-year levies for
33 maintenance and operation support of a school district, authorizing
34 two-year levies for transportation vehicle funds established in RCW
35 28A.160.130, or authorizing two-year through six-year levies to support

1 the construction, modernization, or remodeling of school facilities,
2 which includes the purposes of RCW 28A.320.330(2)(f), in the year in
3 which the first annual levy is made.

4 (2) Once additional tax levies have been authorized for maintenance
5 and operation support of a school district for a two-year through four-
6 year period as provided under subsection (1) of this section, no
7 further additional tax levies for maintenance and operation support of
8 the district for that period may be authorized, except for additional
9 levies to provide for subsequently enacted increases affecting the
10 district's levy base or maximum levy percentage. For the purpose of
11 applying the limitation of this subsection, a two-year through six-year
12 levy to support the construction, modernization, or remodeling of
13 school facilities shall not be deemed to be a tax levy for maintenance
14 and operation support of a school district.

15 (3) A special election may be called and the time therefor fixed by
16 the board of school directors, by giving notice thereof by publication
17 in the manner provided by law for giving notices of general elections,
18 at which special election the proposition authorizing such excess levy
19 shall be submitted in such form as to enable the voters favoring the
20 proposition to vote "yes" and those opposed thereto to vote "no".

21 NEW SECTION. **Sec. 4.** The following acts or parts of acts are each
22 repealed:

- 23 (1) 2004 c 21 s 3 (uncodified); and
- 24 (2) 2006 c 119 s 3 (uncodified).

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