

---

HOUSE BILL 1776

---

State of Washington                      61st Legislature                      2009 Regular Session

By Representatives Ericks, Haigh, Priest, Hunter, Lias, Sullivan, Pedersen, Maxwell, White, and Kenney

Read first time 01/28/09. Referred to Committee on Education Appropriations.

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 subsections (3) and (4)  
17 of this section multiplied by the district's maximum levy percentage as  
18 defined in subsection (5) 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) 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 and subsection (4) of this section, including allocations  
29 for compensation increases, plus the sum of such allocations multiplied  
30 by the percent increase per full-time equivalent student as stated in  
31 the 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       (4) In addition to the allocations included under subsection (3)(a)  
2 through (e) of this section, a district's levy base shall also include  
3 the difference between the salary allocations received in the prior  
4 school year and the salary allocation amounts that would have been  
5 received if the district had received the highest base salary  
6 allocations for certificated instructional staff, for classified staff,  
7 and for certificated administrative staff according to LEAP Document  
8 12E referenced in the biennial budget in effect in the prior school  
9 year.

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

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

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

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

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

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

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

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

1           (7) (~~For the purposes of this section,~~) The definitions in this  
2 subsection apply throughout this section unless the context clearly  
3 requires otherwise.

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

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

8           (c) "Initiative 728 base" means the allocation to the student  
9 achievement fund for the prior year that would have been made under  
10 chapter 3, Laws of 2001, as approved by the voters, if all annual  
11 adjustments to the initial 2001 allocation had been made in previous  
12 years and in each subsequent year as provided for under chapter 3, Laws  
13 of 2001.

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

19           (~~(9)~~) (8) Funds collected from transportation vehicle fund tax  
20 levies shall not be subject to the levy limitations in this section.

21           (~~(10)~~) (9) The superintendent of public instruction shall develop  
22 rules (~~and regulations~~) and inform school districts of the pertinent  
23 data necessary to carry out the provisions of this section.

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

26           The legislature recognizes that school districts request voter  
27 approval for two-year through four-year levies based on their projected  
28 levy capacities at the time that the levies are submitted to the  
29 voters. It is the intent of the legislature to permit school districts  
30 with voter-approved maintenance and operation levies to seek an  
31 additional approval from the voters, if subsequently enacted  
32 legislation would permit a higher levy.

33           **Sec. 3.** RCW 84.52.053 and 2007 c 129 s 3 are each amended to read  
34 as follows:

35           (1) The limitations imposed by RCW 84.52.050 through 84.52.056, and  
36 84.52.043 shall not prevent the levy of taxes by school districts, when

1 authorized so to do by the voters of such school district in the manner  
2 and for the purposes and number of years allowable under Article VII,  
3 section 2(a) of the Constitution of this state. Elections for such  
4 taxes shall be held in the year in which the levy is made or, in the  
5 case of propositions authorizing two-year through four-year levies for  
6 maintenance and operation support of a school district, authorizing  
7 two-year levies for transportation vehicle funds established in RCW  
8 28A.160.130, or authorizing two-year through six-year levies to support  
9 the construction, modernization, or remodeling of school facilities,  
10 which includes the purposes of RCW 28A.320.330(2)(f), in the year in  
11 which the first annual levy is made.

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

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

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

- 31 (1) 2004 c 21 s 3 (uncodified); and
- 32 (2) 2006 c 119 s 3 (uncodified).

--- END ---