
SUBSTITUTE SENATE BILL 5721

State of Washington

61st Legislature

2009 Regular Session

By Senate Ways & Means (originally sponsored by Senators Tom, Hobbs, Oemig, Jarrett, McAuliffe, Pridemore, Shin, and Kohl-Welles)

READ FIRST TIME 03/02/09.

1 AN ACT Relating to school district levies; amending RCW 84.52.0531
2 and 84.52.053; amending 2006 c 119 s 3 (uncodified); amending 2009 c 4
3 s 909 (uncodified); adding a new section to chapter 84.52 RCW; and
4 providing expiration dates.

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

6 **Sec. 1.** RCW 84.52.0531 and 2009 c 4 s 908 are each amended to read
7 as follows:

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

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

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

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

36 (a) The district's basic education allocation as determined
37 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))~~
15 2013, in addition to the allocations included under subsection (3)(a)
16 through (c) of this section, a district's levy base shall also include
17 the following:

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

28 (b) The difference between the allocations the district would have
29 received the prior school year ~~((had RCW 28A.400.205 not been amended
30 by chapter 20, Laws of 2003 1st sp. sess.))~~ using the Initiative 728
31 base and the allocations the district actually received the prior
32 school year pursuant to RCW 28A.400.205. ~~((The office of the
33 superintendent of public instruction shall offset the amount added to
34 a district's levy base pursuant to this subsection (4)(b) by any
35 additional salary increase allocations included in a district's levy
36 base pursuant to the enactment of an initiative to the people
37 subsequent to June 10, 2004.))~~

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

30 (7) ~~((For the purposes of this section,))~~ The definitions in this
31 subsection apply throughout this section unless the context clearly
32 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) Funds collected from transportation vehicle fund tax levies
11 shall not be subject to the levy limitations in this section.

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

15 (11) For calendar year 2009, the office of the superintendent of
16 public instruction shall recalculate school district levy authority to
17 reflect levy rates certified by school districts for calendar year
18 2009.

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

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

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

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

1 maintenance and operation support of a school district, authorizing
2 two-year levies for transportation vehicle funds established in RCW
3 28A.160.130, or authorizing two-year through six-year levies to support
4 the construction, modernization, or remodeling of school facilities,
5 which includes the purposes of RCW 28A.320.330(2)(f), in the year in
6 which the first annual levy is made.

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

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

24 **Sec. 4.** 2006 c 119 s 3 (uncodified) is amended to read as follows:
25 This act expires January 1, (~~2012~~) 2014.

26 **Sec. 5.** 2009 c 4 s 909 (uncodified) is amended to read as follows:
27 Section 908 of this act expires January 1, (~~2012~~) 2014.

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