
SENATE BILL 6518

State of Washington

61st Legislature

2010 Regular Session

By Senators Oemig, Gordon, Kohl-Welles, McDermott, Tom, McAuliffe, Hobbs, Kauffman, Marr, Ranker, and Pridemore

Read first time 01/15/10. Referred to Committee on Early Learning & K-12 Education.

1 AN ACT Relating to school levies; amending RCW 84.52.0531,
2 84.52.0531, 84.52.053, and 28A.500.020; amending 2009 c 4 s 909
3 (uncodified); amending 2006 c 119 s 3 (uncodified); reenacting and
4 amending RCW 28A.500.030; creating a new section; providing an
5 effective date; providing an expiration date; and declaring an
6 emergency.

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

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

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

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

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

1 (a) The district's levy base as defined in subsections (3) and (4)
2 of this section multiplied by the district's maximum levy percentage as
3 defined in subsection (5) of this section;

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

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

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

18 (ii) The serving district's maximum levy percentage determined
19 under subsection (5) of this section; increased by:

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

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

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

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

3 (b) State and federal categorical allocations for the following
4 programs:

5 (i) Pupil transportation;

6 (ii) Special education;

7 (iii) Education of highly capable students;

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

11 (v) Food services; and

12 (vi) Statewide block grant programs; and

13 (c) Any other federal allocations for elementary and secondary
14 school programs, including direct grants, other than federal impact aid
15 funds and allocations in lieu of taxes.

16 (4) For levy collections in calendar years 2005 through ~~((2011))~~
17 2017, in addition to the allocations included under subsection (3)(a)
18 through (c) of this section, a district's levy base shall also include
19 the following:

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

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

1 ~~base pursuant to the enactment of an initiative to the people~~
2 ~~subsequent to June 10, 2004.)~~

3 (5)(a) A district's maximum levy percentage shall be ~~((twenty-two))~~
4 twenty-four percent in ~~((1998))~~ 2010 and ~~((twenty-four))~~ twenty-eight
5 percent in ~~((1999))~~ 2011 through 2017 and twenty-four percent every
6 year thereafter; ~~((plus,))~~

7 (b) For qualifying districts, in addition to the percentage in (a)
8 of this subsection the grandfathered percentage determined as follows:

9 ~~((a))~~ (i) For 1997, the difference between the district's 1993
10 maximum levy percentage and twenty percent; and

11 ~~((b))~~ (ii) For ~~((1998 and thereafter))~~ 2011 through 2017, the
12 percentage calculated as follows:

13 ~~((i))~~ (A) Multiply the grandfathered percentage for the prior
14 year times the district's levy base determined under subsection (3) of
15 this section;

16 ~~((ii))~~ (B) Reduce the result of ~~((b)(i))~~ (b)(ii)(A) of this
17 subsection by any levy reduction funds as defined in subsection (6) of
18 this section that are to be allocated to the district for the current
19 school year;

20 ~~((iii))~~ (C) Divide the result of ~~((b)(ii))~~ (b)(ii)(B) of this
21 subsection by the district's levy base; and

22 ~~((iv))~~ (D) Take the greater of zero or the percentage calculated
23 in ~~((b)(iii))~~ (b)(ii)(C) of this subsection.

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

36 ~~((For the purposes of this section,))~~ The definitions in this
37 subsection apply throughout this section unless the context clearly
38 requires otherwise.

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

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

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

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

16 (9) Funds collected from transportation vehicle fund tax levies
17 shall not be subject to the levy limitations in this section.

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

21 (11) For calendar year 2009, the office of the superintendent of
22 public instruction shall recalculate school district levy authority to
23 reflect levy rates certified by school districts for calendar year
24 2009.

25 **Sec. 2.** RCW 84.52.0531 and 1997 c 259 s 2 are each amended to read
26 as follows:

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

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

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

36 (a) The district's levy base as defined in subsection (3) of this

1 section multiplied by the district's maximum levy percentage as defined
2 in subsection (4) of this section;

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

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

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

17 (ii) The serving district's maximum levy percentage determined
18 under subsection (4) of this section; increased by:

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

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

26 (3) For excess levies for collection in calendar year 1998 and
27 thereafter, a district's levy base shall be the sum of allocations in
28 (a) through (c) of this subsection received by the district for the
29 prior school year, including allocations for compensation increases,
30 plus the sum of such allocations multiplied by the percent increase per
31 full time equivalent student as stated in the state basic education
32 appropriation section of the biennial budget between the prior school
33 year and the current school year and divided by fifty-five percent. A
34 district's levy base shall not include local school district property
35 tax levies or other local revenues, or state and federal allocations
36 not identified in (a) through (c) of 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)(a) A district's maximum levy percentage shall be (~~(twenty-two)~~)
15 twenty-four percent in (~~(1998)~~) 2010 and (~~(twenty-four)~~) twenty-eight
16 percent in (~~(1999)~~) 2011 through 2017 and twenty-four percent every
17 year thereafter; (~~plus,~~)

18 (b) For qualifying districts, in addition to the percentage in (a)
19 of this subsection the grandfathered percentage determined as follows:

20 (~~(a)~~) (i) For 1997, the difference between the district's 1993
21 maximum levy percentage and twenty percent; and

22 (~~(b)~~) (ii) For (~~(1998 and thereafter)~~) 2011 through 2017, the
23 percentage calculated as follows:

24 (~~(i)~~) (A) Multiply the grandfathered percentage for the prior
25 year times the district's levy base determined under subsection (3) of
26 this section;

27 (~~(ii)~~) (B) Reduce the result of (~~(b)(i)~~) (b)(ii)(A) of this
28 subsection by any levy reduction funds as defined in subsection (5) of
29 this section that are to be allocated to the district for the current
30 school year;

31 (~~(iii)~~) (C) Divide the result of (~~(b)(ii)~~) (b)(ii)(B) of this
32 subsection by the district's levy base; and

33 (~~(iv)~~) (D) Take the greater of zero or the percentage calculated
34 in (~~(b)(iii)~~) (b)(ii)(C) of this subsection.

35 (iii) For 2018 and thereafter, the percentage shall be calculated
36 as follows:

37 (A) Multiply the grandfathered percentage for the prior year times

1 the district's levy base determined under subsection (3) of this
2 section;

3 (B) Reduce the result of (b)(iii)(A) of this subsection by any levy
4 reduction funds as defined in subsection (5) of this section that are
5 to be allocated to the district for the current school year;

6 (C) Divide the result of (b)(iii)(B) of this subsection by the
7 district's levy base; and

8 (D) Take the greater of zero or the percentage calculated in
9 (b)(iii)(C) of this subsection.

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

22 (6) For the purposes of this section, "prior school year" means the
23 most recent school year completed prior to the year in which the levies
24 are to be collected.

25 (7) For the purposes of this section, "current school year" means
26 the year immediately following the prior school year.

27 (8) Funds collected from transportation vehicle fund tax levies
28 shall not be subject to the levy limitations in this section.

29 (9) The superintendent of public instruction shall develop rules
30 and regulations and inform school districts of the pertinent data
31 necessary to carry out the provisions of this section.

32 **Sec. 3.** RCW 84.52.053 and 2009 c 460 s 2 are each amended to read
33 as follows:

34 (1) The limitations imposed by RCW 84.52.050 through 84.52.056, and
35 84.52.043 shall not prevent the levy of taxes by school districts, when
36 authorized so to do by the voters of such school district in the manner
37 and for the purposes and number of years allowable under Article VII,

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

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

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

27 **Sec. 4.** RCW 28A.500.020 and 2004 c 21 s 1 are each amended to read
28 as follows:

29 (1) Unless the context clearly requires otherwise, the definitions
30 in this section apply throughout this chapter.

31 (a) "Prior tax collection year" means the year immediately
32 preceding the year in which the local effort assistance shall be
33 allocated.

34 (b) "Statewide average (~~twelve~~) fourteen percent levy rate" means
35 (~~twelve~~) fourteen percent of the total levy bases as defined in RCW
36 84.52.0531 (3) and (4) summed for all school districts, and divided by

1 the total assessed valuation for excess levy purposes in the prior tax
2 collection year for all districts as adjusted to one hundred percent by
3 the county indicated ratio established in RCW 84.48.075.

4 (c) The "district's (~~twelve~~) fourteen percent levy amount" means
5 the school district's maximum levy authority after transfers determined
6 under RCW 84.52.0531(2) (a) through (c) divided by the district's
7 maximum levy percentage determined under RCW 84.52.0531(5) multiplied
8 by (~~twelve~~) fourteen percent.

9 (d) The "district's (~~twelve~~) fourteen percent levy rate" means
10 the district's (~~twelve~~) fourteen percent levy amount divided by the
11 district's assessed valuation for excess levy purposes for the prior
12 tax collection year as adjusted to one hundred percent by the county
13 indicated ratio.

14 (e) "Districts eligible for local effort assistance" means those
15 districts with a (~~twelve~~) fourteen percent levy rate that exceeds the
16 statewide average (~~twelve~~) fourteen percent levy rate.

17 (2) Unless otherwise stated all rates, percents, and amounts are
18 for the calendar year for which local effort assistance is being
19 calculated under this chapter.

20 **Sec. 5.** RCW 28A.500.030 and 2006 c 372 s 904 and 2006 c 119 s 1
21 are each reenacted and amended to read as follows:

22 Allocation of state matching funds to eligible districts for local
23 effort assistance shall be determined as follows:

24 (1) Funds raised by the district through maintenance and operation
25 levies shall be matched with state funds using the following ratio of
26 state funds to levy funds:

27 (a) The difference between the district's (~~twelve~~) fourteen
28 percent levy rate and the statewide average (~~twelve~~) fourteen percent
29 levy rate; to

30 (b) The statewide average (~~twelve~~) fourteen percent levy rate.

31 (2) The maximum amount of state matching funds for districts
32 eligible for local effort assistance shall be the district's (~~twelve~~)
33 fourteen percent levy amount, multiplied by the following percentage:

34 (a) The difference between the district's (~~twelve~~) fourteen
35 percent levy rate and the statewide average (~~twelve~~) fourteen percent
36 levy rate; divided by

37 (b) The district's (~~twelve~~) fourteen percent levy rate.

1 (3) ~~((Calendar year 2003 allocations and maximum eligibility under~~
2 ~~this chapter shall be multiplied by 0.99.~~

3 ~~(4) From January 1, 2004, to December 31, 2005, allocations and~~
4 ~~maximum eligibility under this chapter shall be multiplied by 0.937.~~

5 ~~(5) From January 1, 2006, to December 31, 2006, allocations and~~
6 ~~maximum eligibility under this chapter shall be multiplied by 0.9563.))~~

7 Beginning with calendar year 2007, allocations and maximum eligibility
8 under this chapter shall be fully funded at one hundred percent and
9 shall not be reduced.

10 NEW SECTION. **Sec. 6.** The legislature recognizes that school
11 districts request voter approval for two-year through four-year levies
12 based on their projected levy capacities at the time that the levies
13 are submitted to the voters. It is the intent of the legislature to
14 permit school districts with voter-approved maintenance and operation
15 levies to seek an additional approval from the voters, if subsequently
16 enacted legislation would permit a higher levy.

17 **Sec. 7.** 2009 c 4 s 909 (uncodified) is amended to read as follows:
18 Section 908 of this act expires January 1, ~~((2012))~~ 2018.

19 **Sec. 8.** 2006 c 119 s 3 (uncodified) is amended to read as follows:
20 This act expires January 1, ~~((2012))~~ 2018.

21 NEW SECTION. **Sec. 9.** Sections 1, 4, and 5 of this act expire
22 January 1, 2018.

23 NEW SECTION. **Sec. 10.** Section 2 of this act takes effect January
24 1, 2018.

25 NEW SECTION. **Sec. 11.** Sections 1 and 3 through 9 of this act are
26 necessary for the immediate preservation of the public peace, health,
27 or safety, or support of the state government and its existing public
28 institutions, and take effect immediately.

--- END ---