## HOUSE BILL 1540

Sta	te	of	Washington	60th	Legislature	2007	Regular	Session
Ву	Rep	ores	sentative Miloscia					

Read first time 01/22/2007. Referred to Committee on Education.

AN ACT Relating to equalizing school district salary allocations; amending RCW 84.52.0531 and 84.52.0531; adding a new section to chapter 28A.150 RCW; providing an effective date; and providing an expiration date.

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

6 <u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 28A.150 7 RCW to read as follows:

8 (1) Beginning with the 2007-08 school year, the legislature intends 9 to begin a six-year process to equalize the salary allocations to 10 school districts for state-funded staff pursuant to state basic 11 education appropriation sections of the biennial budget. By the 2012-12 13 school year, the salary allocation amounts received by school 13 districts for certificated instructional staff, classified staff, and 14 certificated administrative staff shall be the same.

15 (2) To fulfill the obligation in this section, the salary 16 allocations to school districts shall be adjusted on the schedule in 17 this subsection.

(a) In the 2007-08 school year, each school district that in the
 2006-07 school year is receiving a base salary allocation for

certificated instructional staff that is below the highest base salary allocation for certificated instructional staff according to LEAP Document 12E referenced in the biennial budget shall receive an additional allocation sufficient to make up one-half the difference between that districts' level and the highest level.

6 (b) In the 2008-09 school year and each school year thereafter, 7 each school district that in the 2006-07 school year is receiving a 8 base salary allocation for certificated instructional staff that is 9 below the highest base salary allocation for certificated instructional 10 staff according to LEAP Document 12E referenced in the biennial budget 11 shall receive an additional allocation sufficient to make up the entire 12 difference between that districts' level and the highest level.

(c) In the 2009-10 school year, each school district that in the 2006-07 school year is receiving a salary allocation for classified staff that is below the highest salary allocation for classified staff according to LEAP Document 12E referenced in the biennial budget shall receive an additional allocation sufficient to make up one-half the difference between that districts' level and the highest level.

(d) In the 2010-11 school year and each school year thereafter, 19 each school district that in the 2006-07 school year is receiving a 20 21 salary allocation for classified staff that is below the highest salary 22 allocation for classified staff according to LEAP Document 12E referenced in the biennial budget shall receive an 23 additional 24 allocation sufficient to make up the entire difference between that 25 districts' level and the highest level.

(e) In the 2011-12 school year, each school district that in the 2006-07 school year is receiving a salary allocation for certificated administrative staff that is below the highest salary allocation for certificated administrative staff according to LEAP Document 12E referenced in the biennial budget shall receive an additional allocation sufficient to make up one-half the difference between that districts' level and the highest level.

(f) In the 2012-13 school year and each school year thereafter, each school district that in the 2006-07 school year is receiving a salary allocation for certificated administrative staff that is below the highest salary allocation for certificated administrative staff according to LEAP Document 12E referenced in the biennial budget shall

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receive an additional allocation sufficient to make up the entire
 difference between that districts' level and the highest level.

3 Sec. 2. RCW 84.52.0531 and 2006 c 119 s 2 are each amended to read 4 as follows:

5 The maximum dollar amount which may be levied by or for any school 6 district for maintenance and operation support under the provisions of 7 RCW 84.52.053 shall be determined as follows:

8 (1) For excess levies for collection in calendar year 1997, the 9 maximum dollar amount shall be calculated pursuant to the laws and 10 rules in effect in November 1996.

11 (2) For excess levies for collection in calendar year 1998 and 12 thereafter, the maximum dollar amount shall be the sum of (a) plus or 13 minus (b) and (c) of this subsection minus (d) of this subsection:

(a) The district's levy base as defined in subsections (3) ((and)),
(4), and (5) of this section multiplied by the district's maximum levy
percentage as defined in subsection (((5))) (6) of this section;

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

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

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

31 (ii) The serving district's maximum levy percentage determined 32 under subsection (((5))) (6) of this section; increased by:

33 (iii) The percent increase per full-time equivalent student as 34 stated in the state basic education appropriation section of the 35 biennial budget between the prior school year and the current school 36 year divided by fifty-five percent;

(d) The district's maximum levy amount shall be reduced by the 1 2 maximum amount of state matching funds for which the district is eligible under RCW 28A.500.010. 3

(3) For excess levies for collection in calendar year 2005 and 4 thereafter, a district's levy base shall be the sum of allocations in 5 (a) through (c) of this subsection received by the district for the 6 7 prior school year and the amounts determined under subsection (4) of this section, including allocations for compensation increases, plus 8 the sum of such allocations multiplied by the percent increase per full 9 time equivalent student as stated in the state basic education 10 appropriation section of the biennial budget between the prior school 11 12 year and the current school year and divided by fifty-five percent. A 13 district's levy base shall not include local school district property tax levies or other local revenues, or state and federal allocations 14 not identified in (a) through (c) of this subsection. 15

The district's basic education allocation as determined 16 (a) 17 pursuant to RCW 28A.150.250, 28A.150.260, and 28A.150.350;

(b) State and federal categorical allocations for the following 18 19 programs:

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(i) Pupil transportation;

21 (ii) Special education;

22 (iii) Education of highly capable students;

(iv) Compensatory education, including but not limited to learning 23 24 assistance, migrant education, Indian education, refugee programs, and 25 bilingual education;

(v) Food services; and 26

27 (vi) Statewide block grant programs; and

(c) Any other federal allocations for elementary and secondary 28 school programs, including direct grants, other than federal impact aid 29 funds and allocations in lieu of taxes. 30

(4) For levy collections in calendar years 2005 through 2011, in 31 32 addition to the allocations included under subsection (3)(a) through (c) of this section, a district's levy base shall also include the 33 following: 34

(a) The difference between the allocation the district would have 35 received in the current school year had RCW 84.52.068 not been amended 36 37 by chapter 19, Laws of 2003 1st sp. sess. and the allocation the 38 district received in the current school year pursuant to RCW 84.52.068.

1 The office of the superintendent of public instruction shall offset the 2 amount added to a district's levy base pursuant to this subsection 3 (4)(a) by any additional per student allocations included in a 4 district's levy base pursuant to the enactment of an initiative to the 5 people subsequent to June 10, 2004; and

(b) The difference between the allocations the district would have б 7 received the prior school year had RCW 28A.400.205 not been amended by chapter 20, Laws of 2003 1st sp. sess. and the allocations the district 8 actually received the prior school year pursuant to RCW 28A.400.205. 9 10 The office of the superintendent of public instruction shall offset the amount added to a district's levy base pursuant to this subsection 11 (4)(b) by any additional salary increase allocations included in a 12 13 district's levy base pursuant to the enactment of an initiative to the 14 people subsequent to June 10, 2004.

(5) For levy collections in calendar years 2008 through 2013, in 15 addition to the allocations included under subsections (3)(a) through 16 17 (c) and (4) of this section, a district's levy base shall also include the difference between the salary allocations received in the prior 18 school year and salary allocation amounts that would have been received 19 if the provisions of section 1 of this act had been in effect for each 20 21 respective school year, reduced by the additional allocations actually 22 received pursuant to section 1 of this act.

23 (6) A district's maximum levy percentage shall be twenty-two 24 percent in 1998 and twenty-four percent in 1999 and every year 25 thereafter; plus, for qualifying districts, the grandfathered 26 percentage determined as follows:

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

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

30 (i) Multiply the grandfathered percentage for the prior year times 31 the district's levy base determined under subsection (3) of this 32 section;

(ii) Reduce the result of (b)(i) of this subsection by any levy reduction funds as defined in subsection ((<del>(6)</del>)) <u>(7)</u> of this section that are to be allocated to the district for the current school year; (iii) Divide the result of (b)(ii) of this subsection by the district's levy base; and (iv) Take the greater of zero or the percentage calculated in
 (b)(iii) of this subsection.

(((6))) <u>(7)</u> "Levy reduction funds" shall mean increases in state 3 funds from the prior school year for programs included under 4 5 subsections (3) and (4) of this section: (a) That are not attributable to enrollment changes, compensation increases, or 6 inflationary 7 adjustments; and (b) that are or were specifically identified as levy reduction funds in the appropriations act. If levy reduction funds are 8 dependent on formula factors which would not be finalized until after 9 10 the start of the current school year, the superintendent of public instruction shall estimate the total amount of levy reduction funds by 11 using prior school year data in place of current school year data. 12 13 Levy reduction funds shall not include moneys received by school 14 districts from cities or counties.

15 (((7))) (8) For the purposes of this section, "prior school year" 16 means the most recent school year completed prior to the year in which 17 the levies are to be collected.

18 ((<del>(8)</del>)) <u>(9)</u> For the purposes of this section, "current school year" 19 means the year immediately following the prior school year.

20 ((<del>(9)</del>)) <u>(10)</u> Funds collected from transportation vehicle fund tax
21 levies shall not be subject to the levy limitations in this section.

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

25 **Sec. 3.** RCW 84.52.0531 and 1997 c 259 s 2 are each amended to read 26 as follows:

The maximum dollar amount which may be levied by or for any school district for maintenance and operation support under the provisions of 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

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1 section multiplied by the district's maximum levy percentage as defined 2 in subsection (((4))) (5) 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  $\left(\left(\frac{4}{4}\right)\right)$  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;

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

(3) For excess levies for collection in calendar year 1998 and 26 27 thereafter, a district's levy base shall be the sum of allocations in (a) through (c) of this subsection received by the district for the 28 prior school year, including allocations for compensation increases, 29 plus the sum of such allocations multiplied by the percent increase per 30 full time equivalent student as stated in the state basic education 31 32 appropriation section of the biennial budget between the prior school 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

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

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

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(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

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(vi) Statewide block grant programs; and

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

14 (4) For levy collections in calendar years 2008 through 2013, in addition to the allocations included under subsections (3)(a) through 15 (c) and (4) of this section, a district's levy base shall also include 16 17 the difference between the salary allocations received in the prior school year and salary allocation amounts that would have been received 18 if the provisions of section 1 of this act had been in effect for each 19 respective school year, reduced by the additional allocations actually 20 21 received pursuant to section 1 of this act.

22 (5) A district's maximum levy percentage shall be twenty-two 23 percent in 1998 and twenty-four percent in 1999 and every year 24 thereafter; plus, for qualifying districts, the grandfathered 25 percentage determined as follows:

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

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

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

32 (ii) Reduce the result of (b)(i) of this subsection by any levy 33 reduction funds as defined in subsection ((+5))) <u>(6)</u> of this section 34 that are to be allocated to the district for the current school year;

35 (iii) Divide the result of (b)(ii) of this subsection by the 36 district's levy base; and

37 (iv) Take the greater of zero or the percentage calculated in38 (b)(iii) of this subsection.

(((<del>(5)</del>))) <u>(6)</u> "Levy reduction funds" shall mean increases in state 1 2 funds from the prior school year for programs included under subsection (3) of this section: (a) That are not attributable to enrollment 3 changes, compensation increases, or inflationary adjustments; and (b) 4 that are or were specifically identified as levy reduction funds in the 5 appropriations act. If levy reduction funds are dependent on formula 6 factors which would not be finalized until after the start of the 7 current school year, the superintendent of public instruction shall 8 estimate the total amount of levy reduction funds by using prior school 9 year data in place of current school year data. Levy reduction funds 10 shall not include moneys received by school districts from cities or 11 12 counties.

13 (((+6))) (7) For the purposes of this section, "prior school year" 14 means the most recent school year completed prior to the year in which 15 the levies are to be collected.

16 (((<del>(7)</del>)) <u>(8)</u> For the purposes of this section, "current school year" 17 means the year immediately following the prior school year.

18 ((<del>(8)</del>)) <u>(9)</u> Funds collected from transportation vehicle fund tax 19 levies shall not be subject to the levy limitations in this section.

20 (((+9))) (10) The superintendent of public instruction shall develop 21 rules and regulations and inform school districts of the pertinent data 22 necessary to carry out the provisions of this section.

23 <u>NEW SECTION.</u> Sec. 4. Section 2 of this act expires January 1, 24 2012.

25 <u>NEW SECTION.</u> Sec. 5. Section 3 of this act takes effect January 26 1, 2012.

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