

CERTIFICATION OF ENROLLMENT  
**SECOND ENGROSSED SENATE BILL 5529**

Chapter 11, Laws of 1995

54th Legislature  
1995 First Special Session

SCHOOL DISTRICT LEVIES

EFFECTIVE DATE: 8/22/95

Passed by the Senate May 23, 1995  
YEAS 44 NAYS 2

JOEL PRITCHARD

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**President of the Senate**

Passed by the House May 23, 1995  
YEAS 83 NAYS 14

CLYDE BALLARD

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**Speaker of the  
House of Representatives**

Approved June 14, 1995

MIKE LOWRY

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**Governor of the State of Washington**

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SECOND ENGROSSED SENATE BILL 5529** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

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**Secretary**

FILED

June 14, 1995 - 10:20 a.m.

**Secretary of State  
State of Washington**

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SECOND ENGROSSED SENATE BILL 5529

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Passed Legislature - 1995 First Special Session

State of Washington                      54th Legislature                      1995 Regular Session

By Senators McAuliffe, Rinehart, Moyer, McDonald, Wojahn and Winsley;  
by request of Office of Financial Management

Read first time 01/26/95. Referred to Committee on Ways & Means.

1            AN ACT Relating to school district levies; amending RCW 84.52.0531;  
2 and adding a new section to chapter 28A.320 RCW.

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

4            **Sec. 1.** RCW 84.52.0531 and 1994 c 116 s 2 are each amended to read  
5 as follows:

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

9            (1) For excess levies for collection in calendar year 1992, the  
10 maximum dollar amount shall be calculated pursuant to the laws and  
11 rules in effect in November 1991.

12            (2) For the purpose of this section, the basic education allocation  
13 shall be determined pursuant to RCW 28A.150.250, 28A.150.260, and  
14 28A.150.350: PROVIDED, That when determining the basic education  
15 allocation under subsection (4) of this section, nonresident full time  
16 equivalent pupils who are participating in a program provided for in  
17 chapter 28A.545 RCW or in any other program pursuant to an  
18 interdistrict agreement shall be included in the enrollment of the

1 resident district and excluded from the enrollment of the serving  
2 district.

3 (3) For excess levies for collection in calendar year 1993 and  
4 thereafter, the maximum dollar amount shall be the sum of (a) and (b)  
5 of this subsection minus (c) of this subsection:

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

9 (b) In the case of nonhigh school districts only, an amount equal  
10 to the total estimated amount due by the nonhigh school district to  
11 high school districts pursuant to chapter 28A.545 RCW for the school  
12 year during which collection of the levy is to commence, less the  
13 increase in the nonhigh school district's basic education allocation as  
14 computed pursuant to subsection (1) of this section due to the  
15 inclusion of pupils participating in a program provided for in chapter  
16 28A.545 RCW in such computation;

17 (c) The maximum amount of state matching funds under RCW  
18 28A.500.010 for which the district is eligible in that tax collection  
19 year.

20 (4) For excess levies for collection in calendar year 1993 and  
21 thereafter, a district's levy base shall be the sum of allocations in  
22 (a) through (c) of this subsection received by the district for the  
23 prior school year, including allocations for compensation increases,  
24 plus the sum of such allocations multiplied by the percent increase per  
25 full time equivalent student as stated in the state basic education  
26 appropriation section of the biennial budget between the prior school  
27 year and the current school year and divided by fifty-five percent. A  
28 district's levy base shall not include local school district property  
29 tax levies or other local revenues, or state and federal allocations  
30 not identified in (a) through (c) of this subsection.

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

33 (b) State and federal categorical allocations for the following  
34 programs:

35 (i) Pupil transportation;

36 (ii) Handicapped education;

37 (iii) Education of highly capable students;

1 (iv) Compensatory education, including but not limited to learning  
2 assistance, migrant education, Indian education, refugee programs, and  
3 bilingual education;

4 (v) Food services; and

5 (vi) State-wide block grant programs; and

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

9 (5) For excess levies for collection in calendar year 1993 and  
10 thereafter, a district's maximum levy percentage shall be determined as  
11 follows:

12 (a) Multiply the district's maximum levy percentage for the prior  
13 year by the district's levy base as determined in subsection (4) of  
14 this section;

15 (b) Reduce the amount in (a) of this subsection by the total  
16 estimated amount of any levy reduction funds as defined in subsection  
17 (6) of this section which are to be allocated to the district for the  
18 current school year;

19 (c) Divide the amount in (b) of this subsection by the district's  
20 levy base to compute a new percentage;

21 (d) The percentage in (c) of this subsection or twenty percent,  
22 whichever is greater, shall be the district's maximum levy percentage  
23 for levies collected in that calendar year; and

24 (e) For levies to be collected in calendar years 1994 (~~and 1995~~)  
25 through 1997, the maximum levy rate shall be the district's maximum  
26 levy percentage for 1993 plus four percent reduced by any levy  
27 reduction funds. For levies collected in (~~1996~~) 1998, the prior year  
28 shall mean 1993.

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

1 shall not include moneys received by school districts from cities or  
2 counties.

3 (7) For the purposes of this section, "prior school year" shall  
4 mean the most recent school year completed prior to the year in which  
5 the levies are to be collected.

6 (8) For the purposes of this section, "current school year" shall  
7 mean the year immediately following the prior school year.

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

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

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 28A.320  
14 RCW to read as follows:

15 In seeking voter approval for levies that assume any portion of the  
16 revenues will be collected in calendar year 1998 and thereafter, the  
17 boards of directors of each school district shall only request voter  
18 approval for an amount consistent with levy limits in existing law at  
19 the time the levy approval is requested from the voters and reflecting  
20 in such calculations the 1993 rate for any amounts collected in  
21 calendar year 1998 and thereafter.

Passed the Senate May 23, 1995.

Passed the House May 23, 1995.

Approved by the Governor June 14, 1995.

Filed in Office of Secretary of State June 14, 1995.