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HOUSE BILL 2625

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State of Washington

55th Legislature

1998 Regular Session

By Representatives Cole, Keiser and Murray; by request of Governor Locke

Read first time 01/16/98. Referred to Committee on Appropriations.

1 AN ACT Relating to local levy equalization; amending RCW  
2 28A.500.010; creating a new section; and providing an effective date.

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

4 NEW SECTION. **Sec. 1.** The legislature finds that the increased  
5 levy authorization enacted in 1997 enabled school districts to enhance  
6 basic education programs provided by the state with local options, but  
7 that districts with higher-than-average property tax rates are  
8 challenged to secure voter approval of levies to take advantage of the  
9 increased authorization. Therefore, it is the intent of the  
10 legislature to increase state assistance for school districts' local  
11 efforts.

12 **Sec. 2.** RCW 28A.500.010 and 1997 c 259 s 4 are each amended to  
13 read as follows:

14 (1) Commencing with taxes assessed in ((1988)) 1998 to be collected  
15 in calendar year ((1989)) 1999 and thereafter, in addition to a school  
16 district's other general fund allocations, each eligible district shall  
17 be provided local effort assistance funds as provided in this section.  
18 Such funds are not part of the district's basic education allocation.

1 (2)(a) "Prior tax collection year" means the year immediately  
2 preceding the year in which the local effort assistance shall be  
3 allocated.

4 (b) The "state-wide average (~~(ten)~~) twelve percent levy rate" means  
5 (~~(ten)~~) twelve percent of the total levy bases as defined in RCW  
6 84.52.0531(3) summed for all school districts, and divided by the total  
7 assessed valuation for excess levy purposes in the prior tax collection  
8 year for all districts as adjusted to one hundred percent by the county  
9 indicated ratio established in RCW 84.48.075.

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

15 (d) The "district's (~~(ten)~~) twelve percent levy amount" means the  
16 school district's maximum levy authority after transfers determined  
17 under RCW 84.52.0531(2) (a) through (c) divided by the district's  
18 maximum levy percentage determined under RCW 84.52.0531(4) multiplied  
19 by (~~(ten)~~) twelve percent.

20 (e) (~~The "district's twelve percent levy amount" means the school~~  
21 ~~district's maximum levy authority after transfers determined under RCW~~  
22 ~~84.52.0531(2) (a) through (c) divided by the district's maximum levy~~  
23 ~~percentage determined under RCW 84.52.0531(4) multiplied by twelve~~  
24 ~~percent.~~

25 (~~(f) "Districts eligible for ten percent equalization")~~) Eligible  
26 districts" means(~~(:~~

27 (~~(i) Before the 1999 calendar year,~~) those districts with a (~~(ten)~~)  
28 twelve percent levy rate which exceeds the state-wide average (~~(ten)~~)  
29 twelve percent levy rate(~~(;~~ and

30 (~~(ii) In the 1999 calendar year and thereafter, those districts with~~  
31 ~~a ten percent levy rate that exceeds the state wide average ten percent~~  
32 ~~levy rate but that is not in the top quartile of all district rates~~  
33 ~~ranked from highest to lowest.~~

34 (~~(g) "Districts eligible for twelve percent equalization" means in~~  
35 ~~the 1999 calendar year and thereafter, those districts with a ten~~  
36 ~~percent levy rate in the top quartile of all district rates ranked from~~  
37 ~~highest to lowest).~~)

1       (~~(h)~~) (f) Unless otherwise stated all rates, percents, and  
2 amounts are for the calendar year for which local effort assistance is  
3 being calculated under this section.

4       (3) Allocation of state matching funds to eligible districts for  
5 local effort assistance shall be determined as follows:

6       (a) Funds raised by the district through maintenance and operation  
7 levies shall be matched with state funds using the following ratio of  
8 state funds to levy funds: (i) The difference between the district's  
9 (~~ten~~) twelve percent levy rate and the state-wide average (~~ten~~)  
10 twelve percent levy rate; to (ii) the state-wide average (~~ten~~) twelve  
11 percent levy rate.

12       (b) The maximum amount of state matching funds for eligible  
13 districts (~~eligible for ten percent equalization~~) shall be the  
14 district's (~~ten~~) twelve percent levy amount, multiplied by the  
15 following percentage: (i) The difference between the district's  
16 (~~ten~~) twelve percent levy rate and the state-wide average (~~ten~~)  
17 twelve percent levy rate; divided by (ii) the district's (~~ten~~) twelve  
18 percent levy rate.

19       (~~(c) In the 1999 calendar year and thereafter, the maximum amount~~  
20 ~~of state matching funds for districts eligible for twelve percent~~  
21 ~~equalization shall be the district's twelve percent levy amount~~  
22 ~~multiplied by the following percentage: (i) The difference between the~~  
23 ~~district's ten percent levy rate and the state wide average ten percent~~  
24 ~~levy rate; divided by (ii) the district's ten percent levy rate.))~~

25       (4) Local effort assistance funds shall be distributed to  
26 qualifying districts as follows:

- 27       (a) Thirty percent in April;
- 28       (b) Twenty-three percent in May;
- 29       (c) Two percent in June;
- 30       (d) Seventeen percent in August;
- 31       (e) Nine percent in October;
- 32       (f) Seventeen percent in November; and
- 33       (g) Two percent in December.

34       NEW SECTION.   **Sec. 3.**   This act takes effect January 1, 1999.

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