

FINAL BILL REPORT

EHB 3011

C 317 L 02

Synopsis as Enacted

Brief Description: Modifying and studying the local effort assistance program.

Sponsors: By Representatives Fromhold, McIntire and Sommers.

House Committee on Appropriations

Background:

In 1987 the Legislature created the Local Effort Assistance Program, also known as levy equalization, which provides state allocations to eligible school districts to match local maintenance and operation levy revenues.

The levy equalization formula compares the tax rate a district needs in order to raise an amount equal to 12 percent of its state and federal revenues with the statewide average tax rate needed to raise 12 percent of state and federal revenues to all districts. Districts with above average tax rates receive a state match on local levy dollars.

Summary:

The Legislature finds that changes in state and federal funding have taken place since the creation of the Local Effort Assistance Program making it necessary to reexamine whether the purpose of the program is being fulfilled.

The Joint Task Force on Local Effort Assistance is created. Membership on the task force consists of the following 19 members: six members from the House of Representatives, three from each caucus; six members from the Senate, three from each caucus; the Superintendent of Public Instruction; a member chosen by the Washington State School Directors' Association; a member chosen by the Washington Association of School Administrators; a member chosen by the Rural Education Center; a fiscal officer of an educational service district; and two members of school districts with student enrollments greater than 20,000.

By December 1, 2002, the task force is to complete an analysis of the history of the Local Effort Assistance Program and its impacts and determine whether the purpose of the Local Effort Assistance Program is being met under the current allocation formula.

Calendar year 2003 local effort assistance allocations to school districts will be reduced by 1 percent.

Votes on Final Passage:

House 62 35

Senate 35 13

Effective: April 2, 2002