
HOUSE BILL 3194

State of Washington 58th Legislature 2004 Regular Session

By Representatives Anderson and Rodne

Read first time 02/09/2004. Referred to Committee on Education.

1 AN ACT Relating to school district levy base calculations; and
2 amending RCW 84.52.0531 and 28A.500.020.

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

4 **Sec. 1.** RCW 84.52.0531 and 1997 c 259 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 1997, the
10 maximum dollar amount shall be calculated pursuant to the laws and
11 rules in effect in November 1996.

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

15 (a) The district's levy base as defined in subsections (3) and (4)
16 of this section multiplied by the district's maximum levy percentage as
17 defined in subsection ~~((+4))~~ (5) of this section;

18 (b) For districts in a high/nonhigh relationship, the high school
19 district's maximum levy amount shall be reduced and the nonhigh school

1 district's maximum levy amount shall be increased by an amount equal to
2 the estimated amount of the nonhigh payment due to the high school
3 district under RCW 28A.545.030(3) and 28A.545.050 for the school year
4 commencing the year of the levy;

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

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

13 (ii) The serving district's maximum levy percentage determined
14 under subsection (~~((4))~~) (5) of this section; increased by:

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

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

22 (3) For excess levies for collection in calendar year 1998 and
23 thereafter, a district's levy base shall be the sum of allocations in
24 (a) through (c) of this subsection received by the district for the
25 prior school year, including allocations for compensation increases,
26 plus the sum of such allocations multiplied by the percent increase per
27 full time equivalent student as stated in the state basic education
28 appropriation section of the biennial budget between the prior school
29 year and the current school year and divided by fifty-five percent. A
30 district's levy base shall not include local school district property
31 tax levies or other local revenues, or state and federal allocations
32 not identified in (a) through (c) of this subsection.

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

35 (b) State and federal categorical allocations for the following
36 programs:

37 (i) Pupil transportation;

38 (ii) Special education;

1 (iii) Education of highly capable students;

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

5 (v) Food services; and

6 (vi) Statewide block grant programs; (~~and~~)

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

10 (d) Beginning with calendar year 2005 calculations, the federal
11 allocations received directly by a district for purposes of this
12 subsection (3) shall be the allocations from the second prior school
13 year. The federal revenues shall be adjusted by inflation as
14 determined by the office of the superintendent of public instruction.
15 For purposes of this subsection, "second prior school year" means the
16 school year completed two years prior to the year in which the levies
17 are to be collected; and

18 (e) Beginning with calendar year 2005 calculations, revenues
19 included in the levy base shall be reduced for revenues received as a
20 fiscal agent. The office of the superintendent of public instruction
21 shall adopt rules defining "revenues received as a fiscal agent."

22 (4) For excess levies for collection in calendar year 2005, for
23 school districts for which the voters have approved levies for
24 collection in calendar year 2005 prior to November 1, 2003, the
25 district's levy base shall be the levy base as determined under
26 subsection (3) of this section plus the levy base as determined under
27 subsection (3) of this section multiplied by an additional per pupil
28 adjustment inflator specified in the state basic education section of
29 the biennial budget divided by fifty-five percent. For calendar year
30 2005, the additional amounts provided by the additional per pupil
31 adjustment factor shall not be used in the calculation of levy base for
32 the purpose of determining local effort assistance allocations under
33 chapter 28A.500 RCW. After this time, the levy base shall be relinked
34 with the local effort assistance allocations under chapter 28A.500 RCW.

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

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

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

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

7 (ii) Reduce the result of (b)(i) of this subsection by any levy
8 reduction funds as defined in subsection ~~((+5))~~ (6) of this section
9 that are to be allocated to the district for the current school year;

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

12 (iv) Take the greater of zero or the percentage calculated in
13 (b)(iii) of this subsection.

14 ~~((+5))~~ (6) "Levy reduction funds" shall mean increases in state
15 funds from the prior school year for programs included under
16 subsections (3) and (4) of this section: (a) That are not attributable
17 to enrollment changes, compensation increases, or inflationary
18 adjustments; and (b) that are or were specifically identified as levy
19 reduction funds in the appropriations act. If levy reduction funds are
20 dependent on formula factors which would not be finalized until after
21 the start of the current school year, the superintendent of public
22 instruction shall estimate the total amount of levy reduction funds by
23 using prior school year data in place of current school year data.
24 Levy reduction funds shall not include moneys received by school
25 districts from cities or counties.

26 ~~((+6))~~ (7) For the purposes of this section, "prior school year"
27 means the most recent school year completed prior to the year in which
28 the levies are to be collected.

29 ~~((+7))~~ (8) For the purposes of this section, "current school year"
30 means the year immediately following the prior school year.

31 ~~((+8))~~ (9) Funds collected from transportation vehicle fund tax
32 levies shall not be subject to the levy limitations in this section.

33 ~~((+9))~~ (10) The superintendent of public instruction shall develop
34 rules and regulations and inform school districts of the pertinent data
35 necessary to carry out the provisions of this section.

36 **Sec. 2.** RCW 28A.500.020 and 1999 c 317 s 2 are each amended to
37 read as follows:

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

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

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

12 (c) The "district's twelve percent levy amount" means the school
13 district's maximum levy authority after transfers determined under RCW
14 84.52.0531(2) (a) through (c) divided by the district's maximum levy
15 percentage determined under RCW 84.52.0531(~~(+4)~~) (5) multiplied by
16 twelve percent.

17 (d) The "district's twelve percent levy rate" means the district's
18 twelve percent levy amount divided by the district's assessed valuation
19 for excess levy purposes for the prior tax collection year as adjusted
20 to one hundred percent by the county indicated ratio.

21 (e) "Districts eligible for local effort assistance" means those
22 districts with a twelve percent levy rate that exceeds the statewide
23 average twelve percent levy rate.

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

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