

SENATE BILL REPORT

SB 5734

As Reported By Senate Committee On:
Ways & Means, March 10, 1997

Title: An act relating to school district levies.

Brief Description: Changing school levy provisions.

Sponsors: Senators Finkbeiner, Wood, Brown, McAuliffe, Spanel, Wojahn, McDonald, Goings, Kline, Winsley and Kohl.

Brief History:

Committee Activity: Ways & Means: 2/27/97, 3/10/97 [DPS, DNP].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 5734 be substituted therefor, and the substitute bill do pass.

Signed by Senators West, Chair; Deccio, Vice Chair; Strannigan, Vice Chair; Brown, Fraser, Kohl, Long, McDonald, Rossi, Spanel, Thibaudeau and Winsley.

Minority Report: Do not pass.

Signed by Senator Swecker.

Staff: William Freund (786-7441)

Background: Since 1979, there has been a lid on the amount that school districts may levy for maintenance and operations. The Legislature has amended this levy lid numerous times since its inception, and the most recent changes occurred in 1993 and 1995.

The 1993 Legislature enacted a two year temporary levy lid increase, increasing the levy lid from 20 percent to 24 percent, and by 4 percent for districts grandfathered above 20 percent. The 1995 Legislature extended the temporary increase for another two years, and it expires after calendar year 1997.

The 1987 Legislature increased the levy lid from 10 percent to 20 percent and enacted a local effort assistance program to equalize half of the permissible levy. Under this program, the state assists any district requiring a property tax rate for a 10 percent levy which exceeds the state average for a 10 percent levy.

Summary of Substitute Bill: The levy lid is increased 2 percent for calendar year 1998 and 4 percent for calendar year 1999 and thereafter.

Substitute Bill Compared to Original Bill: The levy lid is increased 2 percent for calendar year 1998. The calendar year 1999 increase in levy equalization is deleted.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: School districts have had a temporary 4 percent levy lid increase for four years. Many districts will now have to cut programs which the voters have approved for four years. State funding does not suffice for all the things that districts consider essential. The extra levy funds help fund reduced class sizes, highly capable programs, extracurricular activities and staff development.

Testimony Against: None.

Testified: PRO: Linda Harris, Seattle School Board; John Fotheringham, WASA; Dwayne Slate, WSSDA; Dr. Terry Bergeson, SPI; Karen Davis, WEA; Judy Bushnell, Bellevue School Board; Walt Rulffes, Spokane School District.