

SHB 1776 - S COMM AMD
By Committee on Ways & Means

ADOPTED 04/16/2009

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 84.52.0531 and 2009 c 4 s 908 are each amended to
4 read as follows:

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

8 (1) For excess levies for collection in calendar year 1997, the
9 maximum dollar amount shall be calculated pursuant to the laws and
10 rules in effect in November 1996.

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

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

17 (b) For districts in a high/nonhigh relationship, the high school
18 district's maximum levy amount shall be reduced and the nonhigh school
19 district's maximum levy amount shall be increased by an amount equal to
20 the estimated amount of the nonhigh payment due to the high school
21 district under RCW 28A.545.030(3) and 28A.545.050 for the school year
22 commencing the year of the levy;

23 (c) For districts in an interdistrict cooperative agreement, the
24 nonresident school district's maximum levy amount shall be reduced and
25 the resident school district's maximum levy amount shall be increased
26 by an amount equal to the per pupil basic education allocation included
27 in the nonresident district's levy base under subsection (3) of this
28 section multiplied by:

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

1 (ii) The serving district's maximum levy percentage determined
2 under subsection (5) of this section; increased by:

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

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

10 (3) For excess levies for collection in calendar year 2005 and
11 thereafter, a district's levy base shall be the sum of allocations in
12 (a) through (c) of this subsection received by the district for the
13 prior school year and the amounts determined under subsection (4) of
14 this section, including allocations for compensation increases, plus
15 the sum of such allocations multiplied by the percent increase per full
16 time equivalent student as stated in the state basic education
17 appropriation section of the biennial budget between the prior school
18 year and the current school year and divided by fifty-five percent. A
19 district's levy base shall not include local school district property
20 tax levies or other local revenues, or state and federal allocations
21 not identified in (a) through (c) of this subsection.

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

24 (b) State and federal categorical allocations for the following
25 programs:

26 (i) Pupil transportation;

27 (ii) Special education;

28 (iii) Education of highly capable students;

29 (iv) Compensatory education, including but not limited to learning
30 assistance, migrant education, Indian education, refugee programs, and
31 bilingual education;

32 (v) Food services; and

33 (vi) Statewide block grant programs; and

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

37 (4) For levy collections in calendar years 2005 through ((2011))

1 2014, in addition to the allocations included under subsection (3)(a)
2 through (c) of this section, a district's levy base shall also include
3 the following:

4 (a) The difference between the allocation the district would have
5 received in the current school year (~~((had RCW 84.52.068 not been
6 amended by chapter 19, Laws of 2003 1st sp. sess.))~~) using the
7 Initiative 728 base and the allocation the district received in the
8 current school year pursuant to RCW 84.52.068(~~(. The office of the
9 superintendent of public instruction shall offset the amount added to
10 a district's levy base pursuant to this subsection (4)(a) by any
11 additional per student allocations included in a district's levy base
12 pursuant to the enactment of an initiative to the people subsequent to
13 June 10, 2004))~~); and

14 (b) The difference between the allocations the district would have
15 received the prior school year (~~((had RCW 28A.400.205 not been amended
16 by chapter 20, Laws of 2003 1st sp. sess.))~~) using the Initiative 732
17 base and the allocations the district actually received the prior
18 school year pursuant to RCW 28A.400.205. (~~(The office of the
19 superintendent of public instruction shall offset the amount added to
20 a district's levy base pursuant to this subsection (4)(b) by any
21 additional salary increase allocations included in a district's levy
22 base pursuant to the enactment of an initiative to the people
23 subsequent to June 10, 2004.)~~))

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

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

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

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

34 (ii) Reduce the result of (b)(i) of this subsection by any levy
35 reduction funds as defined in subsection (6) of this section that are
36 to be allocated to the district for the current school year;

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

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

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

15 (7) (~~For the purposes of this section,~~) The definitions in this
16 subsection apply throughout this section unless the context clearly
17 requires otherwise.

18 (a) "Prior school year" means the most recent school year completed
19 prior to the year in which the levies are to be collected.

20 (~~(8) For the purposes of this section,~~) (b) "Current school year"
21 means the year immediately following the prior school year.

22 (c) "Initiative 728 base" means the allocation to the student
23 achievement fund for the prior year that would have been made under
24 chapter 3, Laws of 2001, as approved by the voters, if all annual
25 adjustments to the initial 2001 allocation had been made in previous
26 years and in each subsequent year as provided for under chapter 3, Laws
27 of 2001.

28 (d) "Initiative 732 base" means the prior year's annual salary
29 cost-of-living increases as they would have been calculated under
30 chapter 4, Laws of 2001, as approved by the voters, if each annual
31 cost-of-living increase had been made in previous years and in each
32 subsequent year as provided for under chapter 4, Laws of 2001.

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

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

1 (11) For calendar year 2009, the office of the superintendent of
2 public instruction shall recalculate school district levy authority to
3 reflect levy rates certified by school districts for calendar year
4 2009.

5 NEW SECTION. **Sec. 2.** A new section is added to chapter 84.52 RCW
6 to read as follows:

7 The legislature recognizes that school districts request voter
8 approval for two-year through four-year levies based on their projected
9 levy capacities at the time that the levies are submitted to the
10 voters. It is the intent of the legislature to permit school districts
11 with voter-approved maintenance and operation levies to seek an
12 additional approval from the voters, if subsequently enacted
13 legislation would permit a higher levy.

14 **Sec. 3.** RCW 84.52.053 and 2007 c 129 s 3 are each amended to read
15 as follows:

16 (1) The limitations imposed by RCW 84.52.050 through 84.52.056, and
17 84.52.043 shall not prevent the levy of taxes by school districts, when
18 authorized so to do by the voters of such school district in the manner
19 and for the purposes and number of years allowable under Article VII,
20 section 2(a) of the Constitution of this state. Elections for such
21 taxes shall be held in the year in which the levy is made or, in the
22 case of propositions authorizing two-year through four-year levies for
23 maintenance and operation support of a school district, authorizing
24 two-year levies for transportation vehicle funds established in RCW
25 28A.160.130, or authorizing two-year through six-year levies to support
26 the construction, modernization, or remodeling of school facilities,
27 which includes the purposes of RCW 28A.320.330(2)(f), in the year in
28 which the first annual levy is made.

29 (2) Once additional tax levies have been authorized for maintenance
30 and operation support of a school district for a two-year through four-
31 year period as provided under subsection (1) of this section, no
32 further additional tax levies for maintenance and operation support of
33 the district for that period may be authorized, except for additional
34 levies to provide for subsequently enacted increases affecting the
35 district's levy base or maximum levy percentage. For the purpose of
36 applying the limitation of this subsection, a two-year through six-year

1 levy to support the construction, modernization, or remodeling of
2 school facilities shall not be deemed to be a tax levy for maintenance
3 and operation support of a school district.

4 (3) A special election may be called and the time therefor fixed by
5 the board of school directors, by giving notice thereof by publication
6 in the manner provided by law for giving notices of general elections,
7 at which special election the proposition authorizing such excess levy
8 shall be submitted in such form as to enable the voters favoring the
9 proposition to vote "yes" and those opposed thereto to vote "no".

10 **Sec. 4.** 2006 c 119 s 3 (uncodified) is amended to read as follows:
11 This act expires January 1, (~~2012~~) 2015.

12 **Sec. 5.** 2009 c 4 s 909 (uncodified) is amended to read as follows:
13 Section 908 of this act expires January 1, (~~2012~~) 2015."

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14 On page 1, line 1 of the title, after "levies;" strike the
15 remainder of the title and insert "amending RCW 84.52.0531 and
16 84.52.053; amending 2006 c 119 s 3 (uncodified); amending 2009 c 4 s
17 909 (uncodified); adding a new section to chapter 84.52 RCW; and
18 providing expiration dates."

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