
SUBSTITUTE SENATE BILL 6518

State of Washington

61st Legislature

2010 Regular Session

By Senate Early Learning & K-12 Education (originally sponsored by Senators Oemig, Gordon, Kohl-Welles, McDermott, Tom, McAuliffe, Hobbs, Kauffman, Marr, Ranker, and Pridemore)

READ FIRST TIME 03/09/10.

1 AN ACT Relating to school levies; amending RCW 84.52.0531,
2 84.52.0531, 84.52.053, and 28A.500.020; amending 2009 c 4 s 909
3 (uncodified); amending 2006 c 119 s 3 (uncodified); reenacting and
4 amending RCW 28A.500.030; creating a new section; providing an
5 effective date; providing an expiration date; and declaring an
6 emergency.

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

8 **Sec. 1.** RCW 84.52.0531 and 2009 c 4 s 908 are each amended to read
9 as follows:

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

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

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

1 (a) The district's levy base as defined in subsections (3) and (4)
2 of this section multiplied by the district's maximum levy percentage as
3 defined in subsection (~~((5))~~) (6) of this section;

4 (b) For districts in a high/nonhigh relationship, the high school
5 district's maximum levy amount shall be reduced and the nonhigh school
6 district's maximum levy amount shall be increased by an amount equal to
7 the estimated amount of the nonhigh payment due to the high school
8 district under RCW 28A.545.030(3) and 28A.545.050 for the school year
9 commencing the year of the levy;

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

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

18 (ii) The serving district's maximum levy percentage determined
19 under subsection (~~((5))~~) (6) of this section; increased by:

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

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

27 (3) For excess levies for collection in calendar year 2005 and
28 thereafter, a district's levy base shall be the sum of allocations in
29 (a) through (c) of this subsection received by the district for the
30 prior school year and the amounts determined under subsection (4) of
31 this section, including allocations for compensation increases, plus
32 the sum of such allocations multiplied by the percent increase per full
33 time equivalent student as stated in the state basic education
34 appropriation section of the biennial budget between the prior school
35 year and the current school year and divided by fifty-five percent. A
36 district's levy base shall not include local school district property
37 tax levies or other local revenues, or state and federal allocations
38 not identified in (a) through (c) of this subsection.

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

3 (b) State and federal categorical allocations for the following
4 programs:

5 (i) Pupil transportation;

6 (ii) Special education;

7 (iii) Education of highly capable students;

8 (iv) Compensatory education, including but not limited to learning
9 assistance, migrant education, Indian education, refugee programs, and
10 bilingual education;

11 (v) Food services; and

12 (vi) Statewide block grant programs; and

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

16 (4) For levy collections in calendar years 2005 through ~~((2011))~~
17 2017, in addition to the allocations included under subsection (3)(a)
18 through (c) of this section, a district's levy base shall also include
19 the following:

20 (a) Beginning in calendar year 2011, the difference between the
21 allocation the district would have received in the ~~((current))~~ prior
22 school year ~~((had RCW 84.52.068 not been amended by chapter 19, Laws of~~
23 ~~2003 1st sp. sess.))~~ using the Initiative 728 base and the allocation
24 the district received in the ~~((current))~~ prior school year ~~((pursuant~~
25 ~~to RCW 84.52.068. The office of the superintendent of public~~
26 ~~instruction shall offset the amount added to a district's levy base~~
27 ~~pursuant to this subsection (4)(a) by any additional per student~~
28 ~~allocations included in a district's levy base pursuant to the~~
29 ~~enactment of an initiative to the people subsequent to June 10, 2004));~~
30 and

31 (b) The difference between the allocations the district would have
32 received the prior school year ~~((had RCW 28A.400.205 not been amended~~
33 ~~by chapter 20, Laws of 2003 1st sp. sess.))~~ using the Initiative 732
34 base and the allocations the district actually received the prior
35 school year pursuant to RCW 28A.400.205. ~~((The office of the~~
36 ~~superintendent of public instruction shall offset the amount added to~~
37 ~~a district's levy base pursuant to this subsection (4)(b) by any~~

1 ~~additional salary increase allocations included in a district's levy~~
2 ~~base pursuant to the enactment of an initiative to the people~~
3 ~~subsequent to June 10, 2004.)~~

4 (5) For levy collections in calendar years 2011 through 2017, in
5 addition to the allocations included under subsections (3)(a) through
6 (c) and (4)(a) of this section, a district's levy base shall also
7 include the difference between an allocation of fifty-three and two-
8 tenths certificated instructional staff units per thousand full-time
9 equivalent students in grades kindergarten through four enrolled in the
10 prior school year and the allocation of certificated instructional
11 staff units per thousand full-time equivalent students in grades
12 kindergarten through four that the district actually received in the
13 prior school year, except that the levy base for a school district
14 whose allocation in the 2009-10 school year was less than fifty-three
15 and two-tenths certificated instructional staff units per thousand
16 full-time equivalent students in grades kindergarten through four shall
17 include the difference between the allocation the district actually
18 received in the 2009-10 school year and the allocation the district
19 actually received in the prior school year.

20 (6)(a) A district's maximum levy percentage shall be (~~twenty-two~~)
21 twenty-four percent in (~~1998~~) 2010 and (~~twenty-four~~) twenty-eight
22 percent in (~~1999~~) 2011 through 2017 and twenty-four percent every
23 year thereafter; (~~plus,~~)

24 (b) For qualifying districts, in addition to the percentage in (a)
25 of this subsection the grandfathered percentage determined as follows:

26 (~~(a)~~) (i) For 1997, the difference between the district's 1993
27 maximum levy percentage and twenty percent; and

28 (~~(b)~~) (ii) For (~~1998 and thereafter~~) 2011 through 2017, the
29 percentage calculated as follows:

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

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

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

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

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

15 ~~((7) For the purposes of this section,)~~ (8) The definitions in
16 this subsection apply throughout this section unless the context
17 clearly 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 under chapter 3, Laws of
27 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 **Sec. 2.** RCW 84.52.0531 and 1997 c 259 s 2 are each amended to read
6 as follows:

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

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

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

16 (a) The district's levy base as defined in subsection (3) of this
17 section multiplied by the district's maximum levy percentage as defined
18 in subsection (4) of this section;

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

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

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

33 (ii) The serving district's maximum levy percentage determined
34 under subsection (4) of this section; increased by:

35 (iii) The percent increase per full-time equivalent student as
36 stated in the state basic education appropriation section of the

1 biennial budget between the prior school year and the current school
2 year divided by fifty-five percent;

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

6 (3) For excess levies for collection in calendar year 1998 and
7 thereafter, a district's levy base shall be the sum of allocations in
8 (a) through (c) of this subsection received by the district for the
9 prior school year, including allocations for compensation increases,
10 plus the sum of such allocations multiplied by the percent increase per
11 full time equivalent student as stated in the state basic education
12 appropriation section of the biennial budget between the prior school
13 year and the current school year and divided by fifty-five percent. A
14 district's levy base shall not include local school district property
15 tax levies or other local revenues, or state and federal allocations
16 not identified in (a) through (c) of this subsection.

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

19 (b) State and federal categorical allocations for the following
20 programs:

21 (i) Pupil transportation;

22 (ii) Special education;

23 (iii) Education of highly capable students;

24 (iv) Compensatory education, including but not limited to learning
25 assistance, migrant education, Indian education, refugee programs, and
26 bilingual education;

27 (v) Food services; and

28 (vi) Statewide block grant programs; and

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

32 (4)(a) A district's maximum levy percentage shall be (~~((twenty-two))~~)
33 twenty-four percent in (~~((1998))~~) 2010 and (~~((twenty-four))~~) twenty-eight
34 percent in (~~((1999))~~) 2011 through 2017 and twenty-four percent every
35 year thereafter; (~~((plus,))~~)

36 (b) For qualifying districts, in addition to the percentage in (a)
37 of this subsection the grandfathered percentage determined as follows:

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

3 ~~((b))~~ (ii) For ~~((1998 and thereafter))~~ 2011 through 2017, the
4 percentage calculated as follows:

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

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

12 ~~((iii))~~ (C) Divide the result of ~~((b)(ii))~~ (b)(ii)(B) of this
13 subsection by the district's levy base; and

14 ~~((iv))~~ (D) Take the greater of zero or the percentage calculated
15 in ~~((b)(iii))~~ (b)(ii)(C) of this subsection.

16 (iii) For 2018 and thereafter, the percentage shall be calculated
17 as follows:

18 (A) Multiply the grandfathered percentage for the prior year times
19 the district's levy base determined under subsection (3) of this
20 section;

21 (B) Reduce the result of (b)(iii)(A) of this subsection by any levy
22 reduction funds as defined in subsection (5) of this section that are
23 to be allocated to the district for the current school year;

24 (C) Divide the result of (b)(iii)(B) of this subsection by the
25 district's levy base; and

26 (D) Take the greater of zero or the percentage calculated in
27 (b)(iii)(C) of this subsection.

28 (5) "Levy reduction funds" shall mean increases in state funds from
29 the prior school year for programs included under subsection (3) of
30 this section: (a) That are not attributable to enrollment changes,
31 compensation increases, or inflationary adjustments; and (b) that are
32 or were specifically identified as levy reduction funds in the
33 appropriations act. If levy reduction funds are dependent on formula
34 factors which would not be finalized until after the start of the
35 current school year, the superintendent of public instruction shall
36 estimate the total amount of levy reduction funds by using prior school
37 year data in place of current school year data. Levy reduction funds

1 shall not include moneys received by school districts from cities or
2 counties.

3 (6) For the purposes of this section, "prior school year" means the
4 most recent school year completed prior to the year in which the levies
5 are to be collected.

6 (7) For the purposes of this section, "current school year" means
7 the year immediately following the prior school year.

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

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

13 **Sec. 3.** RCW 84.52.053 and 2009 c 460 s 2 are each amended to read
14 as follows:

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

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

1 school facilities shall not be deemed to be a tax levy for maintenance
2 and operation support of a school district.

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

9 **Sec. 4.** RCW 28A.500.020 and 2004 c 21 s 1 are each amended to read
10 as follows:

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

13 (a) "Prior tax collection year" means the year immediately
14 preceding the year in which the local effort assistance shall be
15 allocated.

16 (b) "Statewide average (~~((twelve))~~) fourteen percent levy rate" means
17 (~~((twelve))~~) fourteen percent of the total levy bases as defined in RCW
18 84.52.0531 (3) and (4) summed for all school districts, and divided by
19 the total assessed valuation for excess levy purposes in the prior tax
20 collection year for all districts as adjusted to one hundred percent by
21 the county indicated ratio established in RCW 84.48.075.

22 (c) The "district's (~~((twelve))~~) fourteen percent levy amount" means
23 the school district's maximum levy authority after transfers determined
24 under RCW 84.52.0531(2) (a) through (c) divided by the district's
25 maximum levy percentage determined under RCW 84.52.0531(~~((+5+))~~) (6)
26 multiplied by (~~((twelve))~~) fourteen percent.

27 (d) The "district's (~~((twelve))~~) fourteen percent levy rate" means
28 the district's (~~((twelve))~~) fourteen percent levy amount divided by the
29 district's assessed valuation for excess levy purposes for the prior
30 tax collection year as adjusted to one hundred percent by the county
31 indicated ratio.

32 (e) "Districts eligible for local effort assistance" means those
33 districts with a (~~((twelve))~~) fourteen percent levy rate that exceeds the
34 statewide average (~~((twelve))~~) fourteen percent levy rate.

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

1 **Sec. 5.** RCW 28A.500.030 and 2006 c 372 s 904 and 2006 c 119 s 1
2 are each reenacted and amended to read as follows:

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

5 (1) Funds raised by the district through maintenance and operation
6 levies shall be matched with state funds using the following ratio of
7 state funds to levy funds:

8 (a) The difference between the district's (~~twelve~~) fourteen
9 percent levy rate and the statewide average (~~twelve~~) fourteen percent
10 levy rate; to

11 (b) The statewide average (~~twelve~~) fourteen percent levy rate.

12 (2) The maximum amount of state matching funds for districts
13 eligible for local effort assistance shall be the district's (~~twelve~~)
14 fourteen percent levy amount, multiplied by the following percentage:

15 (a) The difference between the district's (~~twelve~~) fourteen
16 percent levy rate and the statewide average (~~twelve~~) fourteen percent
17 levy rate; divided by

18 (b) The district's (~~twelve~~) fourteen percent levy rate.

19 (3) (~~Calendar year 2003 allocations and maximum eligibility under~~
20 ~~this chapter shall be multiplied by 0.99.~~

21 (4) ~~From January 1, 2004, to December 31, 2005, allocations and~~
22 ~~maximum eligibility under this chapter shall be multiplied by 0.937.~~

23 (5) ~~From January 1, 2006, to December 31, 2006, allocations and~~
24 ~~maximum eligibility under this chapter shall be multiplied by 0.9563.)~~

25 Beginning with calendar year 2007, allocations and maximum eligibility
26 under this chapter shall be fully funded at one hundred percent and
27 shall not be reduced.

28 NEW SECTION. **Sec. 6.** The legislature recognizes that school
29 districts request voter approval for two-year through four-year levies
30 based on their projected levy capacities at the time that the levies
31 are submitted to the voters. It is the intent of the legislature to
32 permit school districts with voter-approved maintenance and operation
33 levies to seek an additional approval from the voters, if subsequently
34 enacted legislation would permit a higher levy.

35 **Sec. 7.** 2009 c 4 s 909 (uncodified) is amended to read as follows:
36 Section 908 of this act expires January 1, (~~2012~~) 2018.

1 **Sec. 8.** 2006 c 119 s 3 (uncodified) is amended to read as follows:
2 This act expires January 1, (~~2012~~) 2018.

3 NEW SECTION. **Sec. 9.** Sections 1, 4, and 5 of this act expire
4 January 1, 2018.

5 NEW SECTION. **Sec. 10.** Section 2 of this act takes effect January
6 1, 2018.

7 NEW SECTION. **Sec. 11.** Sections 1 and 3 through 9 of this act are
8 necessary for the immediate preservation of the public peace, health,
9 or safety, or support of the state government and its existing public
10 institutions, and take effect immediately.

--- END ---