

SSB 5875 - S AMD 159
By Senator Carlyle

NOT ADOPTED 03/23/2017

1 On page 10, after line 16, insert the following:

2 "Sec. 5. RCW 84.52.0531 and 2017 c . . . (SSB 5607) s 301 are
3 each amended to read as follows:

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

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

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

14 (a) The district's levy base as defined in subsection (3) of this
15 section multiplied by the district's maximum levy percentage as
16 defined in subsection (4) 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
19 school district's maximum levy amount shall be increased by an amount
20 equal to the estimated amount of the nonhigh payment due to the high
21 school district under RCW 28A.545.030(3) and 28A.545.050 for the
22 school year commencing the year of the levy;

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

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

1 (ii) The serving district's maximum levy percentage determined
2 under subsection (4) 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 levy bases of nonhigh districts participating in an
8 innovation academy cooperative established under RCW 28A.340.080
9 shall be adjusted by the office of the superintendent of public
10 instruction to reflect each district's proportional share of student
11 enrollment in the cooperative;

12 (e) The district's maximum levy amount shall be reduced by the
13 maximum amount of state matching funds for which the district is
14 eligible under RCW 28A.500.010.

15 (3) For excess levies for collection in calendar years 1998 (~~and~~
16 ~~thereafter~~) through 2019, a district's levy base shall be the sum of
17 allocations in (a) through (d) of this subsection received by the
18 district for the prior school year, including allocations for
19 compensation increases, plus the sum of such allocations multiplied
20 by the percent increase per full time equivalent student as stated in
21 the state basic education appropriation section of the biennial
22 budget between the prior school year and the current school year and
23 divided by fifty-five percent. A district's levy base shall not
24 include local school district property tax levies or other local
25 revenues, or state and federal allocations not identified in (a)
26 through (d) of this subsection.

27 (a) The district's basic education allocation as determined
28 pursuant to RCW 28A.150.---(4)(a) (section 102 (4)(a), chapter . . .
29 (SSB 5607), Laws of 2017);

30 (b) State and federal categorical allocations for the following
31 programs:

32 (i) Special education;

33 (ii) Education of highly capable students;

34 (iii) Compensatory education, including but not limited to
35 learning assistance, migrant education, Indian education, refugee
36 programs, and bilingual education;

37 (iv) Food services; and

38 (v) Statewide block grant programs;

1 (c) Any other state allocations under RCW 28A.150.---,
2 28A.400.---, and 28A.405.--- (sections 102, 504, and 506,
3 chapter . . . (SSB 5607), Laws of 2017); and

4 (d) Any other federal allocations for elementary and secondary
5 school programs, including direct grants, other than federal impact
6 aid funds and allocations in lieu of taxes.

7 (~~(A district's maximum levy percentage shall be ten percent)~~)
8 Districts are not subject to the limitations of this section
9 beginning in calendar year ((2020)) 2019 and every year thereafter;
10 however, districts must have their levies approved by the office of
11 the superintendent of public instruction as provided in RCW 84.52.053
12 to ensure that maintenance and operation levies are not used for
13 basic education programs.

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

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

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

21 (8) The superintendent of public instruction shall develop rules
22 and regulations and inform school districts of the pertinent data
23 necessary to carry out the provisions of this section.

24 **Sec. 6.** RCW 84.52.053 and 2017 c ... (SSB 5607) s 303 are each
25 amended to read as follows:

26 (1) The limitations imposed by RCW 84.52.050 through 84.52.056,
27 and 84.52.043 shall not prevent the levy of taxes by school
28 districts, when authorized so to do by the voters of such school
29 district in the manner and for the purposes and number of years
30 allowable under Article VII, section 2(a) of the Constitution of this
31 state. Elections for such taxes shall be held in the year in which
32 the levy is made or, in the case of propositions authorizing two-year
33 through four-year levies for maintenance and operation support of a
34 school district, authorizing two-year levies for transportation
35 vehicle funds established in RCW 28A.160.130, or authorizing two-year
36 through six-year levies to support the construction, modernization,
37 or remodeling of school facilities, which includes the purposes of
38 RCW 28A.320.330(2) (f) and (g), in the year in which the first annual
39 levy is made.

1 (2)(a) Once additional tax levies have been authorized for
2 maintenance and operation support of a school district for a two-year
3 through four-year period as provided under subsection (1) of this
4 section, no further additional tax levies for maintenance and
5 operation support of the district for that period may be authorized,
6 except for additional levies to provide for subsequently enacted
7 increases affecting the district's levy base or maximum levy
8 percentage. (~~School districts may not impose a levy for maintenance
9 and operation support for taxes due and payable in calendar year
10 2019.~~)

11 (b) Notwithstanding (a) of this subsection, any school district
12 that is required to annex or receive territory pursuant to a
13 dissolution of a financially insolvent school district pursuant to
14 RCW 28A.315.225 may call either a replacement or supplemental levy
15 election within the school district, including the territory annexed
16 or transferred, as follows:

17 (i) An election for a proposition authorizing two-year through
18 four-year levies for maintenance and operation support of a school
19 district may be called and held before the effective date of
20 dissolution to replace existing maintenance and operation levies and
21 to provide for increases due to the dissolution.

22 (ii) An election for a proposition authorizing additional tax
23 levies may be called and held before the effective date of
24 dissolution to provide for increases due to the dissolution.

25 (iii) In the event a replacement levy election under (b)(i) of
26 this subsection is held but does not pass, the affected school
27 district may subsequently hold a supplemental levy election pursuant
28 to (b)(ii) of this subsection if the supplemental levy election is
29 held before the effective date of dissolution. In the event a
30 supplemental levy election is held under (b)(ii) of this subsection
31 but does not pass, the affected school district may subsequently hold
32 a replacement levy election pursuant to (b)(i) of this subsection if
33 the replacement levy election is held before the effective date of
34 dissolution. Failure of a replacement levy or supplemental levy
35 election does not affect any previously approved and existing
36 maintenance and operation levy within the affected school district or
37 districts.

38 (c) For the purpose of applying the limitation of this subsection
39 (2), a two-year through six-year levy to support the construction,
40 modernization, or remodeling of school facilities shall not be deemed

1 to be a tax levy for maintenance and operation support of a school
2 district.

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

10 (4) To ensure that maintenance and operation levies are not used
11 for basic education programs, beginning with ballot propositions
12 submitted to the voters in calendar year 2019, districts must provide
13 a report to the office of the superintendent of public instruction
14 detailing the programs and activities to be funded through a proposed
15 levy for maintenance and operation support. The report must be
16 submitted to, and approved by, the office of the superintendent of
17 public instruction prior to the election for the proposition.

18 NEW SECTION. **Sec. 7.** Section 5 of this act takes effect January
19 1, 2019."

20 Renumber the remaining section consecutively and correct any
21 internal references accordingly.

SSB 5875 - S AMD 159
By Senator Carlyle

NOT ADOPTED 03/23/2017

22 On page 1, line 3 of the title, after "84.52.---," strike "and
23 28A.320.---; and" and insert "28A.320.---, 84.52.0531, and
24 84.52.053;" and on line 4 of the title, after "(uncodified)" insert
25 "; and providing an effective date"

EFFECT: Eliminates the one-year termination of all local M&O
levies. Eliminates the levy lid law for school districts beginning in
calendar year 2019. (As provided in the underlying bill, the levies
would be certified by OSPI to ensure M&O proceeds are not used for
basic education programs.)

--- END ---