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SENATE BILL 5896

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State of Washington                      52nd Legislature                      1991 Regular Session

By Senator Rinehart; by request of Superintendent of Public Instruction.

Read first time March 1, 1991. Referred to Committee on Education.

1            AN ACT Relating to school levies; amending RCW 84.52.0531 and  
2 28A.500.010; and providing an effective date.

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

4            **Sec. 1.** RCW 84.52.0531 and 1990 c 33 s 601 are each amended to  
5 read as follows:

6            Except as provided for in subsection (10) of this section, the  
7 maximum dollar amount which may be levied by or for any school district  
8 for maintenance and operation support under the provisions of RCW  
9 84.52.053 shall be determined as follows:

10            (1) For the purpose of this section, the basic education allocation  
11 shall be determined pursuant to RCW 28A.150.250, 28A.150.260, and  
12 28A.150.350: PROVIDED, That when determining the basic education  
13 allocation under subsection (4) of this section, nonresident full time  
14 equivalent pupils who are participating in a program provided for in  
15 chapter 28A.545 RCW or in any other program pursuant to an

1 interdistrict agreement shall be included in the enrollment of the  
2 resident district and excluded from the enrollment of the serving  
3 district.

4 (2) For the purposes of subsection (5) of this section, a base year  
5 levy percentage shall be established. The base year levy percentage  
6 shall be equal to the greater of: (a) The district's actual levy  
7 percentage for calendar year 1985, (b) the average levy percentage for  
8 all school district levies in the state in calendar year 1985, or (c)  
9 the average levy percentage for all school district levies in the  
10 educational service district of the district in calendar year 1985.

11 (3) For excess levies for collection in calendar year 1988 and  
12 thereafter, the maximum dollar amount shall be the total of:

13 (a) The district's levy base as defined in subsection (4) of this  
14 section multiplied by the district's maximum levy percentage as defined  
15 in subsections (5) and (6) of this section; plus

16 (b) In the case of nonhigh school districts only, an amount equal  
17 to the total estimated amount due by the nonhigh school district to  
18 high school districts pursuant to chapter 28A.545 RCW for the school  
19 year during which collection of the levy is to commence, less the  
20 increase in the nonhigh school district's basic education allocation as  
21 computed pursuant to subsection (1) of this section due to the  
22 inclusion of pupils participating in a program provided for in chapter  
23 28A.545 RCW in such computation; less

24 (c) The maximum amount of state matching funds under RCW  
25 28A.500.010 for which the district is eligible in that tax collection  
26 year.

27 (4) For excess levies for collection in calendar year 1988 and  
28 thereafter, a district's levy base shall be the sum of the following  
29 allocations received by the district for the prior school year,  
30 including allocations for compensation increases, adjusted by the

1 percent increase per full time equivalent student in the state basic  
2 education appropriation between the prior school year and the current  
3 school year:

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

6 (b) State and federal categorical allocations for the following  
7 programs:

8 (i) Pupil transportation;

9 (ii) Handicapped education;

10 (iii) Education of highly capable students;

11 (iv) Compensatory education, including but not limited to learning  
12 assistance, migrant education, Indian education, refugee programs, and  
13 bilingual education;

14 (v) Food services; and

15 (vi) State-wide block grant programs; and

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

19 (5) For levies to be collected in calendar year 1988, a district's  
20 maximum levy percentage shall be determined as follows:

21 (a) Multiply the district's base year levy percentage as defined in  
22 subsection (2) of this section by the district's levy base as  
23 determined in subsection (4) of this section;

24 (b) Reduce the amount in (a) of this subsection by the total  
25 estimated amount of any levy reduction funds as defined in subsection  
26 (7) of this section which are to be allocated to the district for the  
27 1987-88 school year;

28 (c) Divide the amount in (b) of this subsection by the district's  
29 levy base to compute a new percentage; and

1 (d) The percentage in (c) of this subsection or twenty percent,  
2 whichever is greater, shall be the district's maximum levy percentage  
3 for levies collected in calendar year 1988.

4 (6) For excess levies for collection in calendar year 1989 and  
5 thereafter, a district's maximum levy percentage shall be determined as  
6 follows:

7 (a) Multiply the district's maximum levy percentage for the prior  
8 year or thirty percent, whichever is less, by the district's levy base  
9 as determined in subsection (4) of this section;

10 (b) Reduce the amount in (a) of this subsection by the total  
11 estimated amount of any levy reduction funds as defined in subsection  
12 (7) of this section which are to be allocated to the district for the  
13 current school year;

14 (c) Divide the amount in (b) of this subsection by the district's  
15 levy base to compute a new percentage; and

16 (d) The percentage in (c) of this subsection or twenty percent,  
17 whichever is greater, shall be the district's maximum levy percentage  
18 for levies collected in that calendar year.

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

1 (8) For the purposes of this section, "prior school year" shall  
2 mean the most recent school year completed prior to the year in which  
3 the levies are to be collected.

4 (9) For the purposes of this section, "current school year" shall  
5 mean the year immediately following the prior school year.

6 (10) This section shall not apply to or otherwise act to limit  
7 excess tax levies or that portion of an excess tax levy that is levied  
8 by or for any school district under RCW 84.52.053 for the maintenance  
9 and operation of the following particular nonbasic education program  
10 activities:

11 (a) Summer school, extended day, or extended regular academic year  
12 programs;

13 (b) Extracurricular student activities;

14 (c) Community education programs serving children and adults;

15 (d) Preschool and child care activities;

16 (e) Intervention programs that supplement basic education program  
17 activities for children at-risk of school failure;

18 (f) In-service and other training programs for school employees;  
19 and

20 (g) Student transportation programs not recognized for state  
21 reimbursement.

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

25 **Sec. 2.** RCW 28A.500.010 and 1987 1st ex.s. c 2 s 102 are each  
26 amended to read as follows:

27 (1) Commencing with taxes assessed in 1988 to be collected in  
28 calendar year 1989 and thereafter, in addition to a school district's  
29 other general fund allocations, each eligible district shall be

1 provided local effort assistance funds as provided in this section.  
2 Such funds are not part of the district's basic education allocation.  
3 For the first distribution of local effort assistance funds provided  
4 under this section in calendar year 1989, state funds may be prorated  
5 according to the formula in this section.

6 (2) (a) "Prior tax collection year" shall mean the year immediately  
7 preceding the year in which the local effort assistance shall be  
8 allocated.

9 (b) The "state-wide average (~~ten~~) twenty percent levy rate" shall  
10 mean (~~ten~~) twenty percent of the total levy bases as defined in RCW  
11 84.52.0531(4) summed for all school districts, and divided by the total  
12 assessed valuation for excess levy purposes in the prior tax collection  
13 year for all districts as adjusted to one hundred percent by the county  
14 indicated ratio established in RCW 84.48.075.

15 (c) The "~~ten~~) twenty percent levy rate" of a district shall  
16 mean:

17 (i) (~~Ten~~) Twenty percent of the district's levy base as defined  
18 in RCW 84.52.0531(4), plus one-half of any amount computed under RCW  
19 84.52.0531(3)(b) in the case of nonhigh school districts; divided by

20 (ii) The district's assessed valuation for excess levy purposes for  
21 the prior tax collection year as adjusted to one hundred percent by the  
22 county indicated ratio.

23 (d) "Eligible districts" shall mean those districts with a (~~ten~~)  
24 twenty percent levy rate which exceeds the state-wide average (~~ten~~)  
25 twenty percent levy rate.

26 (3) Allocation of state matching funds to eligible districts for  
27 local effort assistance shall be determined as follows:

28 (a) Funds raised by the district through maintenance and operation  
29 levies during that tax collection year shall be matched with state  
30 funds using the following ratio of state funds to levy funds: (i) The

1 difference between the district's (~~ten~~) twenty percent levy rate and  
2 the state-wide average (~~ten~~) twenty percent levy rate; to (ii) the  
3 state-wide average (~~ten~~) twenty percent levy rate.

4 (b) The maximum amount of state matching funds for which a district  
5 may be eligible in any tax collection year shall be (~~ten~~) twenty  
6 percent of the district's levy base as defined in RCW 84.52.0531(4),  
7 multiplied by the following percentage: (i) The difference between the  
8 district's (~~ten~~) twenty percent levy rate and the state-wide average  
9 (~~ten~~) twenty percent levy rate; divided by (ii) the district's  
10 (~~ten~~) twenty percent levy rate.

11 (4) Fifty-five percent of local effort assistance funds shall be  
12 distributed to qualifying districts during the applicable tax  
13 collection year on or before June 30 and forty-five percent shall be  
14 distributed on or before December 31 of any year.

15 NEW SECTION. **Sec. 3.** Section 2 of this act shall take effect  
16 January 1, 1992.