

FINAL BILL REPORT

SSB 6211

C 21 L 04

Synopsis as Enacted

Brief Description: Changing the school district levy base calculation.

Sponsors: Senate Committee on Education (originally sponsored by Senators Carlson, Kohl-Welles, Esser, Swecker, Schmidt, Finkbeiner, Brandland, Pflug, Roach, Rasmussen and Murray).

Senate Committee on Education

House Committee on Education

House Committee on Appropriations

Background: In 1977, when the state assumed additional responsibility for funding schools, the Legislature limited school district maintenance and operation levy authority by enacting the levy lid law. This law determines the maximum amounts school districts can collect through local maintenance and operation levies. The original 1977 law, which took effect in 1979, sought to limit levy revenue to 10 percent of a school district's state basic education allocation. It also contained a grandfather clause which permitted districts that historically relied heavily on excess levies to exceed the 10 percent limit.

Under current law, most districts may raise 24 percent of the district's levy base. There are 91 school districts that are grandfathered at higher percentages that range from 24.01 percent to 33.9 percent.

A district's levy base includes most state and federal revenues received by the district in the prior school year. The levy lid formula increases the base by multiplying the district's state and federal revenues by the percentage change in per student state expenditures between the prior and current school years, divided by 55 percent.

Summary: For excess levies and levy equalization allocations in calendar years 2005 through 2007, each district's levy base is increased by (1) the difference between the amount the district would have received in the current school year under I-728 as originally passed by voters and the amount the district actually receives in the current school year under I-728 as amended in 2003; and (2) the difference between the amount the district would have received in the prior school year under I-732 as originally passed by voters and the amount the district actually received in the prior school year under I-732 as amended in 2003. The amount of the increase in the levy base is offset by amounts from additional salary or per student allocations that are added to the levy base as a result of enactment of an initiative to the people subsequent to the effective date of the bill.

Votes on Final Passage:

Senate 25 24

House 68 25 (House amended)

Senate 35 14 (Senate concurred)

Effective: June 10, 2004