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ENGROSSED HOUSE BILL 2044

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State of Washington

58th Legislature

2004 Regular Session

By Representatives Hunter, Tom, Jarrett, Clibborn, Fromhold and Ruderman

Read first time 02/20/2003. Referred to Committee on Appropriations.

1 AN ACT Relating to school district levy base calculations; amending  
2 RCW 28A.500.020 and 84.52.0531; and providing an effective date.

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

4 **Sec. 1.** RCW 28A.500.020 and 1999 c 317 s 2 are each amended to  
5 read as follows:

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

8 (a) "Prior tax collection year" means the year immediately  
9 preceding the year in which the local effort assistance shall be  
10 allocated.

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

17 (c) The "district's twelve percent levy amount" means the school  
18 district's maximum levy authority after transfers determined under RCW

1 84.52.0531(2) (a) through (c) divided by the district's maximum levy  
2 percentage determined under RCW 84.52.0531(~~(+4)~~) (5) multiplied by  
3 twelve percent.

4 (d) The "district's twelve percent levy rate" means the district's  
5 twelve percent levy amount divided by the district's assessed valuation  
6 for excess levy purposes for the prior tax collection year as adjusted  
7 to one hundred percent by the county indicated ratio.

8 (e) "Districts eligible for local effort assistance" means those  
9 districts with a twelve percent levy rate that exceeds the statewide  
10 average twelve percent levy rate.

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

14 **Sec. 2.** RCW 84.52.0531 and 1997 c 259 s 2 are each amended to read  
15 as follows:

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

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

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

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

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

34 (c) For districts in an interdistrict cooperative agreement, the  
35 nonresident school district's maximum levy amount shall be reduced and  
36 the resident school district's maximum levy amount shall be increased

1 by an amount equal to the per pupil basic education allocation included  
2 in the nonresident district's levy base under subsection (3) of this  
3 section multiplied by:

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

6 (ii) The serving district's maximum levy percentage determined  
7 under subsection (~~((4))~~) (5) of this section; increased by:

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

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

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

28 (b) State and federal categorical allocations for the following  
29 programs:

30 (i) Pupil transportation;

31 (ii) Special education;

32 (iii) Education of highly capable students;

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

36 (v) Food services; and

37 (vi) Statewide block grant programs; and

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

4 (4) For excess levies for collection in calendar years 2005 through  
5 2008, in addition to the allocations included under subsection (3)(a)  
6 through (c) of this section, a district's levy base shall also include  
7 the difference between the state allocations under subsection (3)(a)  
8 and (b) of this section and the allocations the district would have  
9 received if: (a) The district's base salary for certificated  
10 instructional staff for purposes of determining state basic education  
11 allocations had been the same as the highest base salary for that  
12 school year on the supporting LEAP salary document referenced in the  
13 omnibus appropriations act; and (b) the district's salaries for  
14 certificated administrators and classified staff for purposes of  
15 determining state basic education allocations had been the same as the  
16 highest certificated administrator and classified staff salaries for  
17 that school year on the supporting LEAP salary document referenced in  
18 the omnibus appropriations act. For calendar year 2005, the additional  
19 amounts provided under this subsection shall not be used in the  
20 calculation of levy base for the purpose of determining local effort  
21 assistance allocations under chapter 28A.500 RCW.

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

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

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

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

32 (ii) Reduce the result of (b)(i) of this subsection by any levy  
33 reduction funds as defined in subsection ~~((+5))~~ (6) of this section  
34 that are to be allocated to the district for the current school year;

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

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

1        ~~((+5))~~ (6) "Levy reduction funds" shall mean increases in state  
2 funds from the prior school year for programs included under  
3 subsections (3) and (4) of this section: (a) That are not attributable  
4 to enrollment changes, compensation increases, or inflationary  
5 adjustments; and (b) that are or were specifically identified as levy  
6 reduction funds in the appropriations act. If levy reduction funds are  
7 dependent on formula factors which would not be finalized until after  
8 the start of the current school year, the superintendent of public  
9 instruction shall estimate the total amount of levy reduction funds by  
10 using prior school year data in place of current school year data.  
11 Levy reduction funds shall not include moneys received by school  
12 districts from cities or counties.

13        ~~((+6))~~ (7) For the purposes of this section, "prior school year"  
14 means the most recent school year completed prior to the year in which  
15 the levies are to be collected.

16        ~~((+7))~~ (8) For the purposes of this section, "current school year"  
17 means the year immediately following the prior school year.

18        ~~((+8))~~ (9) Funds collected from transportation vehicle fund tax  
19 levies shall not be subject to the levy limitations in this section.

20        ~~((+9))~~ (10) The superintendent of public instruction shall develop  
21 rules and regulations and inform school districts of the pertinent data  
22 necessary to carry out the provisions of this section.

23        NEW SECTION.    **Sec. 3.** Section 1 of this act takes effect January  
24 1, 2006.

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