H-0426.1		

HOUSE BILL 1383

State of Washington 61st Legislature 2009 Regular Session

By Representatives Miloscia, Priest, Chase, Orwall, Ormsby, Williams, Sells, Johnson, and Wood

Read first time 01/20/09. Referred to Committee on Ways & Means.

- 1 AN ACT Relating to equalizing school district salary allocations;
- amending RCW 84.52.0531 and 84.52.0531; adding a new section to chapter
- 3 28A.150 RCW; providing an effective date; and providing an expiration
- 4 date.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 28A.150 7 RCW to read as follows:
- 8 (1) Beginning with the 2009-10 school year, the legislature intends
- 9 to begin a six-year process to equalize the salary allocations to
- 10 school districts for state-funded staff pursuant to state basic
- 11 education appropriation sections of the biennial budget. By the 2014-
- 12 15 school year, the salary allocation amounts received by school
- 13 districts for certificated instructional staff, classified staff, and
- 14 certificated administrative staff shall be the same.
- 15 (2) To fulfill the obligation in this section, the salary
- 16 allocations to school districts shall be adjusted on the schedule in
- 17 this subsection.
- 18 (a) In the 2009-10 school year, each school district that in the
- 19 2006-07 school year is receiving a base salary allocation for

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certificated instructional staff that is below the highest base salary allocation for certificated instructional staff according to LEAP Document 12E referenced in the biennial budget shall receive an additional allocation sufficient to make up one-half the difference between that districts' level and the highest level.

- (b) In the 2010-11 school year and each school year thereafter, each school district that in the 2008-09 school year is receiving a base salary allocation for certificated instructional staff that is below the highest base salary allocation for certificated instructional staff according to LEAP Document 12E referenced in the biennial budget shall receive an additional allocation sufficient to make up the entire difference between that districts' level and the highest level.
- (c) In the 2011-12 school year, each school district that in the 2008-09 school year is receiving a salary allocation for classified staff that is below the highest salary allocation for classified staff according to LEAP Document 12E referenced in the biennial budget shall receive an additional allocation sufficient to make up one-half the difference between that districts' level and the highest level.
- (d) In the 2012-13 school year and each school year thereafter, each school district that in the 2008-09 school year is receiving a salary allocation for classified staff that is below the highest salary allocation for classified staff according to LEAP Document 12E referenced in the biennial budget shall receive an additional allocation sufficient to make up the entire difference between that districts' level and the highest level.
- (e) In the 2013-14 school year, each school district that in the 2006-07 school year is receiving a salary allocation for certificated administrative staff that is below the highest salary allocation for certificated administrative staff according to LEAP Document 12E referenced in the biennial budget shall receive an additional allocation sufficient to make up one-half the difference between that districts' level and the highest level.
- (f) In the 2014-15 school year and each school year thereafter, each school district that in the 2008-09 school year is receiving a salary allocation for certificated administrative staff that is below the highest salary allocation for certificated administrative staff according to LEAP Document 12E referenced in the biennial budget shall

receive an additional allocation sufficient to make up the entire difference between that districts' level and the highest level.

Sec. 2. RCW 84.52.0531 and 2006 c 119 s 2 are each amended to read as follows:

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

- (1) For excess levies for collection in calendar year 1997, the maximum dollar amount shall be calculated pursuant to the laws and rules in effect in November 1996.
- (2) For excess levies for collection in calendar year 1998 and thereafter, the maximum dollar amount shall be the sum of (a) plus or minus (b) and (c) of this subsection minus (d) of this subsection:
- (a) The district's levy base as defined in subsections (3) $((and))_{,}$ (4), and (5) of this section multiplied by the district's maximum levy percentage as defined in subsection (((5))) of this section;
- (b) For districts in a high/nonhigh relationship, the high school district's maximum levy amount shall be reduced and the nonhigh school district's maximum levy amount shall be increased by an amount equal to the estimated amount of the nonhigh payment due to the high school district under RCW 28A.545.030(3) and 28A.545.050 for the school year commencing the year of the levy;
- (c) For districts in an interdistrict cooperative agreement, the nonresident school district's maximum levy amount shall be reduced and the resident school district's maximum levy amount shall be increased by an amount equal to the per pupil basic education allocation included in the nonresident district's levy base under subsection (3) of this section multiplied by:
- (i) The number of full-time equivalent students served from the resident district in the prior school year; multiplied by:
- (ii) The serving district's maximum levy percentage determined under subsection (((5))) (6) of this section; increased by:
- (iii) The percent increase per full-time equivalent student as stated in the state basic education appropriation section of the biennial budget between the prior school year and the current school year divided by fifty-five percent;

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- 1 (d) The district's maximum levy amount shall be reduced by the 2 maximum amount of state matching funds for which the district is 3 eligible under RCW 28A.500.010.
- 4 (3) For excess levies for collection in calendar year 2005 and thereafter, a district's levy base shall be the sum of allocations in 5 (a) through (c) of this subsection received by the district for the 6 7 prior school year and the amounts determined under subsection (4) of 8 this section, including allocations for compensation increases, plus the sum of such allocations multiplied by the percent increase per full 9 10 time equivalent student as stated in the state basic education appropriation section of the biennial budget between the prior school 11 12 year and the current school year and divided by fifty-five percent. A 13 district's levy base shall not include local school district property tax levies or other local revenues, or state and federal allocations 14 not identified in (a) through (c) of this subsection. 15
- 16 (a) The district's basic education allocation as determined 17 pursuant to RCW 28A.150.250, 28A.150.260, and 28A.150.350;
 - (b) State and federal categorical allocations for the following programs:
 - (i) Pupil transportation;
 - (ii) Special education;

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- (iii) Education of highly capable students;
- (iv) Compensatory education, including but not limited to learning assistance, migrant education, Indian education, refugee programs, and bilingual education;
 - (v) Food services; and
- 27 (vi) Statewide block grant programs; and
 - (c) Any other federal allocations for elementary and secondary school programs, including direct grants, other than federal impact aid funds and allocations in lieu of taxes.
- 31 (4) For levy collections in calendar years 2005 through 2011, in 32 addition to the allocations included under subsection (3)(a) through 33 (c) of this section, a district's levy base shall also include the 34 following:
- 35 (a) The difference between the allocation the district would have 36 received in the current school year had RCW 84.52.068 not been amended 37 by chapter 19, Laws of 2003 1st sp. sess. and the allocation the 38 district received in the current school year pursuant to RCW 84.52.068.

The office of the superintendent of public instruction shall offset the amount added to a district's levy base pursuant to this subsection (4)(a) by any additional per student allocations included in a district's levy base pursuant to the enactment of an initiative to the people subsequent to June 10, 2004; and

- (b) The difference between the allocations the district would have received the prior school year had RCW 28A.400.205 not been amended by chapter 20, Laws of 2003 1st sp. sess. and the allocations the district actually received the prior school year pursuant to RCW 28A.400.205. The office of the superintendent of public instruction shall offset the amount added to a district's levy base pursuant to this subsection (4)(b) by any additional salary increase allocations included in a district's levy base pursuant to the enactment of an initiative to the people subsequent to June 10, 2004.
- (5) For levy collections in calendar years 2010 through 2015, in addition to the allocations included under subsections (3)(a) through (c) and (4) of this section, a district's levy base shall also include the difference between the salary allocations received in the prior school year and salary allocation amounts that would have been received if the provisions of section 1 of this act had been in effect for each respective school year, reduced by the additional allocations actually received pursuant to section 1 of this act.
- (6) A district's maximum levy percentage shall be twenty-two percent in 1998 and twenty-four percent in 1999 and every year thereafter; plus, for qualifying districts, the grandfathered percentage determined as follows:
- (a) For 1997, the difference between the district's 1993 maximum levy percentage and twenty percent; and
 - (b) For 1998 and thereafter, the percentage calculated as follows:
- (i) Multiply the grandfathered percentage for the prior year times the district's levy base determined under subsection (3) of this section;
- (ii) Reduce the result of (b)(i) of this subsection by any levy reduction funds as defined in subsection ((+6))) (7) of this section that are to be allocated to the district for the current school year;
- 36 (iii) Divide the result of (b)(ii) of this subsection by the 37 district's levy base; and

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

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

 $((\frac{7}{}))$ (8) For the purposes of this section, "prior school year" means the most recent school year completed prior to the year in which the levies are to be collected.

 $((\frac{8}{8}))$ (9) For the purposes of this section, "current school year" means the year immediately following the prior school year.

((+9))) (10) Funds collected from transportation vehicle fund tax levies shall not be subject to the levy limitations in this section.

 $((\frac{10}{10}))$ <u>(11)</u> The superintendent of public instruction shall develop rules and regulations and inform school districts of the pertinent data necessary to carry out the provisions of this section.

Sec. 3. RCW 84.52.0531 and 1997 c 259 s 2 are each amended to read as follows:

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

- (1) For excess levies for collection in calendar year 1997, the maximum dollar amount shall be calculated pursuant to the laws and rules in effect in November 1996.
- (2) For excess levies for collection in calendar year 1998 and thereafter, the maximum dollar amount shall be the sum of (a) plus or minus (b) and (c) of this subsection minus (d) of this subsection:
- 36 (a) The district's levy base as defined in subsection (3) of this

section multiplied by the district's maximum levy percentage as defined in subsection $((\frac{4}{1}))$ (5) of this section;

- (b) For districts in a high/nonhigh relationship, the high school district's maximum levy amount shall be reduced and the nonhigh school district's maximum levy amount shall be increased by an amount equal to the estimated amount of the nonhigh payment due to the high school district under RCW 28A.545.030(3) and 28A.545.050 for the school year commencing the year of the levy;
- (c) For districts in an interdistrict cooperative agreement, the nonresident school district's maximum levy amount shall be reduced and the resident school district's maximum levy amount shall be increased by an amount equal to the per pupil basic education allocation included in the nonresident district's levy base under subsection (3) of this section multiplied by:
- (i) The number of full-time equivalent students served from the resident district in the prior school year; multiplied by:
- (ii) The serving district's maximum levy percentage determined under subsection ((4)) of this section; increased by:
- (iii) The percent increase per full-time equivalent student as stated in the state basic education appropriation section of the biennial budget between the prior school year and the current school year divided by fifty-five percent;
- (d) The district's maximum levy amount shall be reduced by the maximum amount of state matching funds for which the district is eligible under RCW 28A.500.010.
- (3) For excess levies for collection in calendar year 1998 and thereafter, a district's levy base shall be the sum of allocations in (a) through (c) of this subsection received by the district for the prior school year, including allocations for compensation increases, plus the sum of such allocations multiplied by the percent increase per full time equivalent student as stated in the state basic education appropriation section of the biennial budget between the prior school year and the current school year and divided by fifty-five percent. A district's levy base shall not include local school district property tax levies or other local revenues, or state and federal allocations not identified in (a) through (c) of this subsection.
- 37 (a) The district's basic education allocation as determined pursuant to RCW 28A.150.250, 28A.150.260, and 28A.150.350;

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- 1 (b) State and federal categorical allocations for the following 2 programs:
 - (i) Pupil transportation;
 - (ii) Special education;

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- (iii) Education of highly capable students;
- 6 (iv) Compensatory education, including but not limited to learning 7 assistance, migrant education, Indian education, refugee programs, and 8 bilingual education;
 - (v) Food services; and
 - (vi) Statewide block grant programs; and
- 11 (c) Any other federal allocations for elementary and secondary 12 school programs, including direct grants, other than federal impact aid 13 funds and allocations in lieu of taxes.
 - (4) For levy collections in calendar years 2010 through 2015, in addition to the allocations included under subsections (3)(a) through (c) and (4) of this section, a district's levy base shall also include the difference between the salary allocations received in the prior school year and salary allocation amounts that would have been received if the provisions of section 1 of this act had been in effect for each respective school year, reduced by the additional allocations actually received pursuant to section 1 of this act.
 - (5) A district's maximum levy percentage shall be twenty-two percent in 1998 and twenty-four percent in 1999 and every year thereafter; plus, for qualifying districts, the grandfathered percentage determined as follows:
 - (a) For 1997, the difference between the district's 1993 maximum levy percentage and twenty percent; and
 - (b) For 1998 and thereafter, the percentage calculated as follows:
- (i) Multiply the grandfathered percentage for the prior year times the district's levy base determined under subsection (3) of this section;
- (ii) Reduce the result of (b)(i) of this subsection by any levy reduction funds as defined in subsection (((5))) of this section 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 (b)(iii) of this subsection.

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

 $((\frac{(6)}{(6)}))$ for the purposes of this section, "prior school year" means the most recent school year completed prior to the year in which the levies are to be collected.

 $((\frac{7}{}))$ (8) For the purposes of this section, "current school year" 17 means the year immediately following the prior school year.

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

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

NEW SECTION. Sec. 4. Section 2 of this act expires January 1, 24 2012.

NEW SECTION. Sec. 5. Section 3 of this act takes effect January 1, 2012.

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