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HOUSE BILL 2378

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State of Washington

61st Legislature

2009 Regular Session

By Representatives Haigh, Hunt, and Conway; by request of Governor Gregoire

Read first time 04/16/09. Referred to Committee on Ways & Means.

1 AN ACT Relating to changing the maximum levy percentage for school  
2 districts that have a levy approved by the voters prior to May 1, 2009;  
3 amending RCW 84.52.0531; providing an expiration date; and declaring an  
4 emergency.

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

6 **Sec. 1.** RCW 84.52.0531 and 2009 c 4 s 908 are each amended to read  
7 as follows:

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

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

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

17 (a) The district's levy base as defined in subsections (3) and (4)  
18 of this section multiplied by the district's maximum levy percentage as  
19 defined in subsection (5) of this section;

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

7 (c) For districts in an interdistrict cooperative agreement, the  
8 nonresident school district's maximum levy amount shall be reduced and  
9 the resident school district's maximum levy amount shall be increased  
10 by an amount equal to the per pupil basic education allocation included  
11 in the nonresident district's levy base under subsection (3) of this  
12 section multiplied by:

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

15 (ii) The serving district's maximum levy percentage determined  
16 under subsection (5) of this section; increased by:

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

21 (d) The district's maximum levy amount shall be reduced by the  
22 maximum amount of state matching funds for which the district is  
23 eligible under RCW 28A.500.010.

24 (3) For excess levies for collection in calendar year 2005 and  
25 thereafter, a district's levy base shall be the sum of allocations in  
26 (a) through (c) of this subsection received by the district for the  
27 prior school year and the amounts determined under subsection (4) of  
28 this section, including allocations for compensation increases, plus  
29 the sum of such allocations multiplied by the percent increase per full  
30 time equivalent student as stated in the state basic education  
31 appropriation section of the biennial budget between the prior school  
32 year and the current school year and divided by fifty-five percent. A  
33 district's levy base shall not include local school district property  
34 tax levies or other local revenues, or state and federal allocations  
35 not identified in (a) through (c) of this subsection.

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

1 (b) State and federal categorical allocations for the following  
2 programs:

3 (i) Pupil transportation;

4 (ii) Special education;

5 (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;

9 (v) Food services; and

10 (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.

14 (4) For levy collections in calendar years 2005 through 2011, in  
15 addition to the allocations included under subsection (3)(a) through  
16 (c) of this section, a district's levy base shall also include the  
17 following:

18 (a) The difference between the allocation the district would have  
19 received in the current school year had RCW 84.52.068 not been amended  
20 by chapter 19, Laws of 2003 1st sp. sess. and the allocation the  
21 district received in the current school year pursuant to RCW 84.52.068.  
22 The office of the superintendent of public instruction shall offset the  
23 amount added to a district's levy base pursuant to this subsection  
24 (4)(a) by any additional per student allocations included in a  
25 district's levy base pursuant to the enactment of an initiative to the  
26 people subsequent to June 10, 2004; and

27 (b) The difference between the allocations the district would have  
28 received the prior school year had RCW 28A.400.205 not been amended by  
29 chapter 20, Laws of 2003 1st sp. sess. and the allocations the district  
30 actually received the prior school year pursuant to RCW 28A.400.205.  
31 The office of the superintendent of public instruction shall offset the  
32 amount added to a district's levy base pursuant to this subsection  
33 (4)(b) by any additional salary increase allocations included in a  
34 district's levy base pursuant to the enactment of an initiative to the  
35 people subsequent to June 10, 2004.

36 (5) A district's maximum levy percentage shall be twenty-two  
37 percent in 1998 and twenty-four percent in 1999 and every year

1 thereafter, except as provided in subsection (6) of this section; plus,  
2 for qualifying districts, the grandfathered percentage determined as  
3 follows:

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

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

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

10 (ii) Reduce the result of (b)(i) of this subsection by any levy  
11 reduction funds as defined in subsection ~~((+6))~~ (7) of this section  
12 that are to be allocated to the district for the current school year;

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

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

17 (6) For 2010, the maximum levy percentages provided in subsection  
18 (5) of this section shall be increased by four percentage points for  
19 districts with a levy approved by the voters prior to May 1, 2009, for  
20 collection in calendar year 2010. For 2011, the maximum levy  
21 percentages provided in subsection (5) of this section shall be  
22 increased by four percentage points for districts with a levy approved  
23 by the voters prior to May 1, 2009, for collection in calendar year  
24 2011.

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

37 ~~((+7))~~ (8) For the purposes of this section, "prior school year"

1 means the most recent school year completed prior to the year in which  
2 the levies are to be collected.

3 ~~((+8))~~ (9) For the purposes of this section, "current school year"  
4 means the year immediately following the prior school year.

5 ~~((+9))~~ (10) Funds collected from transportation vehicle fund tax  
6 levies shall not be subject to the levy limitations in this section.

7 ~~((+10))~~ (11) The superintendent of public instruction shall  
8 develop rules ~~((and regulations))~~ and inform school districts of the  
9 pertinent data necessary to carry out the provisions of this section.

10 ~~((+11))~~ (12) For calendar year 2009, the office of the  
11 superintendent of public instruction shall recalculate school district  
12 levy authority to reflect levy rates certified by school districts for  
13 calendar year 2009.

14 NEW SECTION. **Sec. 2.** Section 1 of this act expires January 1,  
15 2012.

16 NEW SECTION. **Sec. 3.** This act is necessary for the immediate  
17 preservation of the public peace, health, or safety, or support of the  
18 state government and its existing public institutions, and takes effect  
19 immediately.

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