28A.03.523(1) (a) and (b), such rules may allow for the selection of individuals whose teaching or administrative duties, or both, may encompass multiple grade level or building assignments, or both.

Sec. 3. Section 7, chapter 147, Laws of 1986 and RCW 28A.03.535 are each amended to read as follows:

Teachers and principals or administrators who have received an award for excellence in education under RCW 28A.03.523 shall be eligible to apply for an educational grant in lieu of receiving a waiver of tuition and fees and a stipend as provided under RCW 28A.03.523(3). The superintendent of public instruction shall award the grant as long as a written grant application is submitted to the superintendent of public instruction within one year after the award was received. The grant application shall identify the educational purpose toward which the grant shall be used.

- Sec. 4. Section 202, chapter 525, Laws of 1987 and RCW 28A.04.122 are each amended to read as follows:
- (1) No person may be admitted to a professional teacher preparation program within Washington state without first demonstrating that he or she is competent in the basic skills required for oral and written communication and computation. This requirement shall be waived for persons who have completed a baccalaureate degree; or graduate degree program; or who have completed two or more years of college level course work, demonstrated competency through college level course work and a written essay, and are over the age of twenty-one.
- (2) After June 30, 1989, no person shall be admitted to a teacher preparation program who has a combined score of less than the state-wide median score for the prior school year scored by all persons taking the Washington precollege test or who has achieved an equivalent standard score on comparable portions of other standardized tests. The state board of education shall develop criteria and adopt rules for exemptions from this subsection.
- (3) The state board of education shall adopt rules to implement this section.

Passed the House March 9, 1988.

Passed the Senate March 9, 1988.

Approved by the Governor March 24, 1988.

Filed in Office of Secretary of State March 24, 1988.

## CHAPTER 252

[Substitute House Bill No. 1915] SCHOOL DISTRICT LEVIES

AN ACT Relating to specification of school district levy bases and levy reduction funds; amending RCW 84.52.0531; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 1, chapter 374, Laws of 1985 as last amended by section 101, chapter 2, Laws of 1987 1st ex. sess. and RCW 84.52.0531 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 the purpose of this section, the basic education allocation shall be determined pursuant to RCW 28A.41.130, 28A.41.140, and 28A.41.145, as now or hereafter amended: PROVIDED, That when determining the basic education allocation under subsection (4) of this section, nonresident full time equivalent pupils who are participating in a program provided for in chapter 28A.44 RCW or in any other program pursuant to an interdistrict agreement shall be included in the enrollment of the resident district and excluded from the enrollment of the serving district.
- (2) For the purposes of subsection (5) of this section, a base year levy percentage shall be established. The base year levy percentage shall be equal to the greater of: (a) The district's actual levy percentage for calendar year 1985, (b) the average levy percentage for all school district levies in the state in calendar year 1985, or (c) the average levy percentage for all school district levies in the educational service district of the district in calendar year 1985.
- (3) For excess levies for collection in calendar year 1988 and thereafter, the maximum dollar amount shall be the total of:
- (a) The district's levy base as defined in subsection (4) of this section multiplied by the district's maximum levy percentage as defined in subsections (5) and (6) of this section; plus
- (b) In the case of nonhigh districts only, an amount equal to the total estimated amount due by the nonhigh school district to high school districts pursuant to chapter 28A.44 RCW for the school year during which collection of the levy is to commence, less the increase in the nonhigh school district's basic education allocation as computed pursuant to subsection (1) of this section due to the inclusion of pupils participating in a program provided for in chapter 28A.44 RCW in such computation; less
- (c) The maximum amount of state matching funds under RCW 28A-.41.155 for which the district is eligible in that tax collection year.
- (4) For excess levies for collection in calendar year 1988 and thereafter, a district's levy base shall be the sum of the following allocations received by the district for the prior school year, including allocations for compensation increases, ((multiplied)) adjusted by the percent increase per full time equivalent student in the state basic education appropriation between the prior school year and the current school year:
- (a) The district's basic education allocation as determined pursuant to RCW 28A.41.130, 28A.41.140, and 28A.41.145;

- (b) State and federal categorical allocations for the following programs:
  - (i) Pupil transportation;
  - (ii) Handicapped education;
  - (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
  - (vi) State-wide 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.
- (5) For levies to be collected in calendar year 1988, a district's maximum levy percentage shall be determined as follows:
- (a) Multiply the district's base year levy percentage as defined in subsection (2) of this section by the district's levy base as determined in subsection (4) of this section;
- (b) Reduce the amount in (a) of this subsection by the total estimated amount of any levy reduction funds as defined in subsection (7) of this section which are to be allocated to the district for the 1987-88 school year;
- (c) Divide the amount in (b) of this subsection by the district's levy base to compute a new percentage; and
- (d) The percentage in (c) of this subsection or twenty percent, whichever is greater, shall be the district's maximum levy percentage for levies collected in calendar year 1988.
- (6) For excess levies for collection in calendar year 1989 and thereafter, a district's maximum levy percentage shall be determined as follows:
- (a) Multiply the district's maximum levy percentage for the prior year or thirty percent, whichever is less, by the district's levy base as determined in subsection (4) of this section;
- (b) Reduce the amount in (a) of this subsection by the total estimated amount of any levy reduction funds as defined in subsection (7) of this section which are to be allocated to the district for the current school year;
- (c) Divide the amount in (b) of this subsection by the district's levy base to compute a new percentage; and
- (d) The percentage in (c) of this subsection or twenty percent, whichever is greater, shall be the district's maximum levy percentage for levies collected in that calendar year.
- (7) "Levy reduction funds" shall mean ((increases in state funds allocated to a district)) enhancements in state funding formulas for programs included under subsection (4) of this section ((that are not attributable to enrollment or workload changes, compensation increases, or inflationary adjustments recognized in state allocation formulas. Any other increases in

state allocations from the district's allocations for the prior school year that are not specifically excluded in this subsection shall be considered levy reduction funds)), as specified in this subsection. In the case of levies for collection in 1989 and thereafter, for each such program, levy reduction funds shall be the difference between:

- (a) The district's state allocation for such program for the current school year calculated using the formula for distributing state funds for the program in the current school year; and
- (b) The state allocation for such program that the district would receive for the program in the current school year if the formula used for distributing state funds for the program in the prior year were adopted in computing such allocation.

In all calculations under this subsection, formula factors shall be adjusted to reflect the salary levels and benefit rates to be used for state funding in the current school year and the allocations for nonemployee-related costs shall reflect adjustments for cost inflation from the prior school year as recognized in the current school year funding formula. 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.

In the case of levies for collection in calendar year 1988, levy reduction funds are those funds defined as levy reduction funds under the rules adopted by the superintendent of public instruction as of March 1, 1988, and do not include state allocations of local education program enhancement funds.

- (8) For the purposes of this section, "prior school year" shall mean the most recent school year completed prior to the year in which the levies are to be collected.
- (9) For the purposes of this section, "current school year" shall mean the year immediately following the prior school year.
- (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.

<u>NEW SECTION</u>. Sec. 2. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the House March 9, 1988.

Passed the Senate March 9, 1988.

Approved by the Governor March 24, 1988.

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