

Levies, Bonds, and Trust Lands

How Timber Revenue Can Benefit Taxpayers and School Districts

Brought to you by the Washington State School Directors' Association - Trust Lands Advisory Committee

Different Types of Ballot Measures

There are five typical ballot measures local school districts can run. The most common is the *Enrichment Levy*. These were previously called *Maintenance and Operation (M&O)* or *Educational Programs and Operations Levies* and paid for up to 24% of district operating costs. In 2017, legislation to address full funding of basic education codified new parameters and limited amounts for enrichment levies via Engrossed House Bill 2242. The other types of levies and bonds are mostly used for one time special projects.

<i>Enrichment Levy</i>	<u>Enrichment Levies</u> are for educational programs and services that are not considered part of "Basic Education" and are not funded by the state, including, but not limited to, instruction, student services, operations, extra-curricular activities, etc.	1 – 4 years (Usually renewed prior to expiration)	50% + to pass
<i>Tech Levy</i>	<u>Tech Levies</u> are used for technology upgrades.	1 – 6 years	50% + to pass
<i>Transportation Levy</i>	<u>Transportation Levies</u> are used to purchase school buses.	1 – 4 years	50% + to pass
<i>Capital Projects Levy</i>	<u>Capital Projects Levies</u> are used for major repairs and/or minor upgrades to facilities.	1 – 6 years	50% + to pass
<i>Bonds</i>	<u>Bonds</u> are used for construction of new schools or major remodels.	15 – 20 years	60% + to pass

Federal Forest Lands
Managed by the United States Forest Service
Revenue goes to all counties that have National Forest Lands
Revenues are split 50/50 between counties and school districts
RCW 28A.520.020 requires that the school district's portion of federal forest revenues are deducted from their state school funding
During the 2015-17 and 2017-19 biennia only, the deduction of Federal Forest Revenue from state school funding was suspended

Common School Trust Lands
Managed by the Department of Natural Resources
Revenue goes to the state to help fund school construction
Districts must have passed a <i>Bond</i> or have other sources of revenue to match the state funds and complete the project
The amount of funds that a district may receive depends in part on the size and design of the building compared to the School Construction Assistance Program (SCAP) formula



State Forest Trust Lands
Managed by the Department of Natural Resources
Revenue goes to the county and then is distributed to the taxing district where the harvest occurred
RCW 79.64.110 requires that revenues are distributed based on the relative amount of taxes received by the county and taxing districts within the county
State school funding has been reduced based on the portion of state forest revenues tied to "M&O" levies. OSPI adopted rules that eliminate the deduction starting in 2018
Districts must have passed a <i>Tech Levy</i> , <i>Transportation Levy</i> , <i>Capital Levy</i> , or <i>Bond</i> , to receive the maximum amount from these funds
Districts can use these funds to pay down their

There are three main types of timber lands that generate revenue for school districts. Each type has specific laws that govern how the revenues are distributed and used. To take full advantage of these resources, school districts may need to have certain ballot measures in place.

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Washington State School Directors' Association – Positions on Trust Lands

<p>Standing Legislative Position SLP 7.4.B.29</p> <p>Forest Revenue Apportionment Withholding</p>	<p>WSSDA shall initiate and/or support legislation preventing the State from withholding moneys from the State's monthly apportionment in the amount equal to state forest revenue or to the federal forest fees received by school districts from the federal government.</p> <p><i>(Adopted 2013)</i></p>
<p>Permanent Position 3.3.3</p> <p>Management of Common School Trust Lands</p>	<p>The Enabling Act of 1889 creating the State of Washington establishes that these lands shall be held in perpetuity for the benefit of the common schools. WSSDA believes trust lands shall be managed to provide maximum revenue for the public common schools and:</p> <ul style="list-style-type: none"> • A sustainable revenue shall be generated from the common school trust lands; • There shall be compensation to the common school trust from conserving, preserving, or compromising the lands' ability to generate a fair financial return; • The Trust shall be managed in a manner that ensures intergenerational equity; • A diversity of assets is needed to maintain revenue sustainability; • A dedicated fund for common school trust revenue is essential; • The purchase or exchange of lands shall be done if it is in the best interest of the trust; and • That trust lands shall provide multi-use purposes as long as it enhances or does not compromise revenue or value of land. <p><i>(Adopted 1966; Amended 1985, 2000, 2005, 2010, 2015)</i></p>

The Washington State School Directors' Association has a rigorous process for developing its positions. Potential positions, or potential amendments to a position, can be proposed by any school board in the state. The proposal then goes before a committee, comprised of representatives from each director area across the state. Then the proposal goes before a general assembly where each school district in the state can vote as to whether or not the proposal should be adopted as a WSSDA position.

Washington State School Directors' Association – Trust Lands Advisory Committee

Representatives from school districts that are most affected by school trust land issues assist the WSSDA Board of Directors to ensure that trust land revenues are maximized to benefit school construction and remodeling. The Trust Lands Advisory Committee meets or conducts conference calls several times a year on an as-needed basis.

Russ Pfeiffer-Hoyt, Chair	DA-1 Mount Baker SD	Bill Wallace	DA-1 Burlington-Edison SD
Cindy Kelly	DA-4 Port Angeles SD	Jim Stoffer	DA-4 Sequim SD
Don Baker	DA-4 Cape Flattery SD	David Christiansen	DA-5 Lake Quinault SD
Scott Pineo	DA-6 Stevenson-Carson SD	Monty Anderson	DA-6 Battle Ground SD
Marlene Pfeifer	DA-8 Damman SD	Sarah Newman	DA-9 Colville SD