

**Meeting Notes**  
**LOCAL EFFORT ASSISTANCE TASK FORCE**

Thursday, June 13, 2002  
1:00 p.m.

**Members Present**

Glenn Anderson  
Brian Benzel  
Terry Bergeson  
Mary Jo Durborow  
Bill Fromhold  
Jerry Harding  
Karen Keiser  
Neil Lowry  
Rosemary McAuliffe  
Jim McIntire  
Toby Nixon  
Larry Sheahan

**Alternates Present**

Gary Alexander  
Sam Hunt  
Mike Merlino (representing Richard Melching)

**Staff Present**

Denise Graham, House Appropriations  
Ken Kanikeberg, OSPI  
Bryon Moore, Senate Ways & Means

Others Attending: Kelly Simpson, Bill Freund, Carolyn Busch, Doug Nelson, Jack Daray, Mabel Edmonds, Susan Mielke, Suzi Morrissey, Kathleen Lawrence, Randy Parr, Mike Bigelow, Allen Jones, Michael Mann.

**Introductions.** Staff assisting the task force introduced themselves. Ken Kanikeberg provided an overview of the day's agenda. He noted also that the staff had advertised for consultant services for preparation of technical analyses and policy alternatives for consideration by the task force, and hoped to retain Mr. Bill Freund for this purpose.

The task force members introduced themselves and spoke briefly about their interest in addressing levy equalization issues. The members expressed interest in the history and evolution of levy lid and levy equalization; the growth of levy equalization, its purpose and outcomes; the drivers behind its rapid growth; equity issues—how dollars are being distributed; and the nature of changes to levy equalization over time.

Mr. Kanikeberg summarized the responsibilities assigned to the task force in EHB 3011, and cited the supporting appropriation.

**Designation of Legislative Co-Chairs.** Mr. Kanikeberg pointed out that the legislation directed the task force to elect legislative co-chairs, one from each house, and opened nominations from the floor. Nominees were: Rep. McIntire (Fromhold), Rep. Johnson (Alexander); Sen. Keiser (McAuliffe) and Sen. Cox (Sheahan). After discussion, it was agreed that the approval of operating rules should precede the election of co-chairs.

**Operating Rules.** Denise Graham briefly outlined the proposed rules of procedure. Sen. McAuliffe noted that alternates had been designated to represent absent House task force members, however, the Senate had not done the same. She expressed reservations about electing co-chairs in the absence of several Senate members and with no Senate alternates appointed for voting purposes.

Questions also were raised as to whether the co-chairs should be geographically representative and/or bipartisan. It was moved and seconded to postpone the election of co-chairs until the next meeting. It was the consensus that the task force re-open nominations at the next meeting and consider any further conditions to the appointment of co-chairs at that time.

Rep. Nixon suggested that the rules be revised to refer to “*designee or alternate*,” and to define “quorum” for purposes of voting to be a quorum of the task force as a whole, rather than of those members present at a given meeting. Sen. McAuliffe also asked that the rules specify that meeting agendas, minutes, and any additional materials that would be of interest to stakeholders be available on legislative and/or OSPI’s website.

**Staff Presentation.** Mr. Moore provided an overview of the K-12 system, including the legal background, a summary of basic education programs and a description of basic education formulas. Mr. Kanikeberg addressed the impact of the Doran decision on school district revenues, the resulting 1977 Levy Lid Act, legislative changes leading to the levy equalization program and the subsequent gradual increases in levy authority over the years. Ms. Graham explained the purpose and basic components of the local effort assistance program, the requirements school districts must meet to qualify for levy equalization, and the number and geographic distribution of districts receiving equalization funding. ([Staff Presentation Materials included with permanent record.](#))

Members asked for further explanation of the adequacy of basic education funding and its relationship to increases in federal funding; how levy funds are used vis-à-vis original intent; and whether levy equalization costs can be projected.

**Next Meeting Date.** After brief discussion, it was agreed that the next meeting would be held on Tuesday, July 16, from 9:00 a.m. to 3:00 p.m. The staff will provide a suggested schedule of future meetings to the members prior to the next meeting.

**Issues for Future Discussion.** Mr. Kanikeberg suggested a general discussion of topics that members would like to see on future agendas.

Suggested questions for further discussion included:

- What does “basic education” cover? What about technology?
- What are levy lids by district, and the state salary differential for administrators and classified?
- What are levy funds used for?
- What are factors in current formulas that affect levy equalization and what market factors affect formula?
- What are the district tax rates and dollars/student they bring in?
- What are the legal constraints with levies?
- What were the findings of the 1985-87 and 1997 studies?

**Adjournment.** The meeting was adjourned at approximately 3:15 p.m.