UPSDD Levies and the McCleary Decision

Q: Is the McCleary case over?
A: NO. The court ruled in November that the legislature has not provided ample funding for schools and retained jurisdiction over the case. The legislature will continue to be fined until they provide additional funding. The court asserted that the state’s plan for funding schools might be sufficient - but only if (and when) it is fully implemented. At this time, the state’s funding plan will not meet the deadline set by the court in September of 2018. will be discussion of how to address this problem in the coming legislative session.

Q: Does resolution of the McCleary case mean there will be no more levies?
A: NO. The McCleary case is based on the idea that too much school funding comes from local levies. The state’s solution to this problem is to reduce, but not eliminate local levy funding. In Washington’s system of school funding, districts will always need levies for provide the programs that students need and communities expect.

Q: Will levies be different in the new system?
A: YES and NO. There are two kinds of school levies. Capital Improvement levies are for renovating schools, improving existing facilities and purchasing equipment like technology. The other kind of levy is an Educational Programs and Operations levy. This levy pays for teachers, counselors, librarians, athletics, music and other programs. In the new system, there are no changes to Capital Improvement levies and many changes for Educational Programs and Operations levies.

Q: How will Educational Programs and Operations Levies change?
A: These levies will me much smaller than before. In UPSD, our Educational Program’s levy will be less than half the size it is in the current year because the new plan caps levies at the lesser of $2,500 per student or $1.50/$1,000 of Assessed Value in a district. The use of levy funds will also be restricted by the new law in the years ahead. The legislature will also require districts to report on exactly how they spend levy money from their programs levy.

Q: Will taxes go up or down?
A: Overall, taxes in UPSD will go down considerably. State property tax collections will go up for everyone in the state. In Pierce County, the increase will be about $.90/$1,000 - $1.05/$1,000 of assessed value (amount determined by the Pierce County Assessor’s Office). Local property tax collections will go down, however. In UPSD, the local combined tax rate will go down by $1.72/ $1,000 of assessed value in 2019 (if voters approve our levy). Overall, that equates to a total tax rate decrease of about $.80/$1,000 of assessed value.

Q: When will all these tax changes happen?
Changes to taxes will happen soon. The district will collect the local taxes at the old rate through 2018. Voters approved these levy collections in 2014. The state tax increase will begin now. For a short period of time, the local rates will remain at their current level while the state rate goes up. However, this will change when the current levy expires and the new levy begins (if passed). At this point, taxes will fall significantly in UPSD.