

Senate Bill No. 1009

(By Senators Kessler (Mr. President) and M. Hall,

By Request of the Executive)

[Introduced March 14, 2014; referred to the Committee on
Finance.]

10 A BILL to repeal §11-1C-5b of the Code of West Virginia, 1931, as
11 amended; to repeal §18-9A-2a of said code; to amend and
12 reenact §11-3-1 of said code; and to amend and reenact
13 §18-9A-2 and §18-9A-11 of said code, all relating to the
14 computation of local share for public school support purposes;
15 repealing, retrospectively to June 30, 2013, provisions
16 requiring the use of assumed assessed real property values
17 that are based upon an assessment ratio study instead of
18 actual real property values for the purpose of the computation
19 of local share for public school support purposes; repealing,
20 retrospectively to June 30, 2013, provisions that require that
21 the annual amount of local share for which a county board of
22 education is responsible be increased where, during the prior

1 year, the real property assessments in that county were not at
2 least fifty-four percent of market value as indicated by the
3 assessment ratio study; requiring the Tax Commissioner to
4 appoint special assessors to appraise and assess property in
5 any county whenever property in that county is found to be
6 assessed at less than sixty percent of its fair market value
7 for two consecutive years; providing that appointment of
8 special assessors is not required where a county meets certain
9 criteria prescribed by rule; requiring Tax Commissioner to
10 promulgate rules; providing that the county bear the expense
11 of such special assessors; revising definitions; specifying
12 that for fiscal years beginning after June 30, 2014, the State
13 Board of Education shall use ninety-six percent of total
14 assessed public utility valuation in the calculation of local
15 share; specifying a four percent loss deduction in computation
16 of local share for the fiscal year beginning on July 1, 2014,
17 and for each fiscal year thereafter; expressing legislative
18 intent to continue the computation of local share for public
19 school support based upon actual real property values rather
20 than assumed assessed real property values; expressing
21 legislative intent that the annual amount of local share for
22 which a county board of education is responsible continue to

1 be computed without reference to whether the real property
2 assessments in that county were at least fifty-four percent of
3 market value in the prior year; and removing provisions
4 requiring county school boards to provide funding for public
5 libraries from discretionary retainage.

6 *Be it enacted by the Legislature of West Virginia:*

7 That §11-1C-5b of the Code of West Virginia, 1931, as amended,
8 be repealed; that §18-9A-2a of said code be repealed; that §11-3-1
9 of said code be amended and reenacted; and that §18-9A-2 and
10 §18-9A-11 of said code be amended and reenacted, all to read as
11 follows:

12 **CHAPTER 11. TAXATION.**

13 **ARTICLE 3. PROPERTY TAX ASSESSMENTS GENERALLY.**

14 **§11-3-1. Time and basis of assessments; true and actual value;**
15 **default; reassessment; special assessors; criminal**
16 **penalty.**

17 (a) All property, except public service businesses assessed
18 pursuant to article six of this chapter, shall be assessed annually
19 as of July 1 at sixty percent of its true and actual value; that is
20 to say, at the price for which the property would sell if
21 voluntarily offered for sale by the owner thereof, upon the terms
22 as the property, the value of which is sought to be ascertained, is

1 usually sold, and not the price which might be realized if the
2 property were sold at a forced sale.

3 (b) Any conflicting provisions of subsection (a) of this
4 section notwithstanding, the true and actual value of all property
5 owned, used and occupied by the owner thereof exclusively for
6 residential purposes shall be arrived at by also giving
7 consideration to the fair and reasonable amount of income which the
8 same might be expected to earn, under normal conditions in the
9 locality wherein situated, if rented: *Provided*, That the true and
10 actual value of all farms used, occupied and cultivated by their
11 owners or bona fide tenants shall be arrived at according to the
12 fair and reasonable value of the property for the purpose for which
13 it is actually used regardless of what the value of the property
14 would be if used for some other purpose; and that the true and
15 actual value shall be arrived at by giving consideration to the
16 fair and reasonable income which the same might be expected to earn
17 under normal conditions in the locality wherein situated, if
18 rented: *Provided, however*, That nothing herein shall alter the
19 method of assessment of lands or minerals owned by domestic or
20 foreign corporations.

21 (c) The taxes upon all property shall be paid by those who are
22 the owners thereof on the assessment date whether it be assessed to

1 them or others.

2 (d) If at any time after the beginning of the assessment year
3 it be ascertained by the Tax Commissioner that the assessor, or any
4 of his or her deputies, is not complying with this provision or
5 that they have failed, neglected or refused, or is failing,
6 neglecting or refusing after five days' notice to list and assess
7 all property therein at sixty percent of its true and actual value
8 as determined under this chapter, the Tax Commissioner ~~may~~ shall
9 order and direct a reassessment of any or all of the property in
10 any county, district or municipality where any assessor or deputy
11 fails, neglects or refuses to assess the property in the manner
12 herein provided. And, if the Tax Commissioner has determined that
13 the assessor has not complied or has so failed, neglected or
14 refused to list and assess property as aforesaid for two or more
15 consecutive years, for the purpose of making assessment and
16 correction of values, the Tax Commissioner ~~may~~ shall appoint one or
17 more special assessors, unless the Tax Commissioner determines that
18 such appointment should be made earlier, as necessity may require,
19 to make assessment in any county and any such special assessor or
20 assessors, as the case may be, has the power and authority now
21 vested by law in assessors, and the work of such special assessor
22 or assessors shall be accepted and treated for all purposes by the

1 county boards of review and equalization and the levying bodies,
2 subject to any revisions of value on appeal, as the true and lawful
3 assessment of that year as to all property valued by him or her or
4 them. The Tax Commissioner shall fix the compensation of all
5 special assessors appointed, which, together with their actual
6 expenses, shall be paid out of the county fund by the county
7 commission of the county in which any such assessment is ordered,
8 upon the receipt of a certificate of the Tax Commissioner filed
9 with the clerk of the county commission showing the amounts due and
10 to whom payable, after such expenses have been audited by the
11 county commission. All of this subsection is subject to the
12 following:

13 (1) Notwithstanding any other provision of this subsection to
14 the contrary, if the Tax Commissioner has determined that the
15 assessor has not complied or has so failed, neglected or refused to
16 list and assess property as aforesaid for two consecutive years,
17 but the assessor can show that the criteria established by rule
18 pursuant to this subsection are met, the Tax Commissioner is not
19 required to appoint one or more special assessors pursuant to this
20 section, and in lieu of appointing one or more special assessors,
21 may again order and direct a reassessment of any or all of the
22 property pursuant to this subsection;

1 (2) For any third or succeeding consecutive year or years that
2 the Tax Commissioner determines that the assessor has not complied
3 or has so failed, neglected or refused to list and assess property
4 as aforesaid, the Tax Commissioner shall appoint one or more
5 special assessors pursuant to the provisions of this subsection
6 regardless of whether or not the assessor can show that he or she
7 will list and assess property as aforesaid the next year; and

8 (3) For the purposes of determining consecutive years pursuant
9 to this subsection, only tax years beginning on and after the July
10 1, 2013, assessment date may be considered a first year.

11 (4) For purposes of subdivision (1) of this subsection,
12 criteria for determining whether the assessor has made a
13 satisfactory showing that he or she will list and assess property
14 as aforesaid for the year next succeeding the two assessment years
15 specified in subdivision (1) of this subsection, the Tax
16 Commissioner shall apply criteria based on: (A) Sales validity;
17 (B) appraisal uniformity; (C) appraisal evaluation; and (D) such
18 other criteria as the Tax Commissioner may prescribe. The Tax
19 Commissioner shall promulgate a legislative rule to specify
20 criteria for the treatment authorized herein for any such third
21 year or succeeding consecutive year or years, and such
22 administrative and procedural requirements and criteria as the Tax

1 Commissioner may prescribe.

2 (e) Any assessor who knowingly fails, neglects or refuses to
3 assess all the property of his or her county, as herein provided,
4 shall be guilty of malfeasance in office and, upon conviction
5 thereof, shall be fined not less than \$100 nor more than \$500, or
6 imprisoned not less than three nor more than six months, or both,
7 in the discretion of the court, and upon conviction, shall be
8 removed from office.

9 (f) For purposes of this chapter and chapter eleven-a of this
10 code, the following terms have the meanings ascribed to them in
11 this section unless the context in which the term is used clearly
12 indicates that a different meaning is intended by the Legislature:

13 (1) "Assessment date" means July 1 of the year preceding the
14 tax year.

15 (2) "Assessment year" means the twelve-month period that
16 begins on the assessment date.

17 (3) "Tax year" or "property tax year" means the next calendar
18 year that begins after the assessment date.

19 (4) "Taxpayer" means the owner and any other person in whose
20 name the taxes on the subject property are lawfully assessed.

21 **CHAPTER 18. EDUCATION.**

22 **ARTICLE 9A. PUBLIC SCHOOL SUPPORT.**

1 **§18-9A-2. Definitions.**

2 For the purpose of this article:

3 (a) "State board" means the West Virginia Board of Education.

4 (b) "County board" or "board" means a county board of
5 education.

6 (c) "Professional salaries" means the state legally mandated
7 salaries of the professional educators as provided in article four,
8 chapter eighteen-a of this code.

9 (d) "Professional educator" shall be synonymous with and shall
10 have the same meaning as "teacher" as defined in section one,
11 article one of this chapter, and includes technology integration
12 specialists.

13 (e) "Professional instructional personnel" means a
14 professional educator whose regular duty is as that of a classroom
15 teacher, librarian, attendance director or school psychologist. A
16 professional educator having both instructional and administrative
17 or other duties shall be included as professional instructional
18 personnel for that ratio of the school day for which he or she is
19 assigned and serves on a regular full-time basis in appropriate
20 instruction, library, attendance, or psychologist duties.

21 (f) "Professional student support personnel" means a "teacher"
22 as defined in section one, article one of this chapter who is

1 assigned and serves on a regular full-time basis as a counselor or
2 as a school nurse with a bachelor's degree and who is licensed by
3 the West Virginia Board of Examiners for Registered Professional
4 Nurses. For all purposes except for the determination of the
5 allowance for professional educators pursuant to section four of
6 this article, professional student support personnel are
7 professional educators.

8 (g) "Service personnel salaries" means the state legally
9 mandated salaries for service personnel as provided in section
10 eight-a, article four, chapter eighteen-a of this code.

11 (h) "Service personnel" means all personnel as provided in
12 section eight, article four, chapter eighteen-a of this code. For
13 the purpose of computations under this article of ratios of service
14 personnel to net enrollment, a service employee shall be counted as
15 that number found by dividing his or her number of employment days
16 in a fiscal year by two hundred: *Provided*, That the computation
17 for any service person employed for three and one-half hours or
18 less per day as provided in section eight-a, article four, chapter
19 eighteen-a of this code shall be calculated as one half an
20 employment day.

21 (i) "Net enrollment" means the number of pupils enrolled in
22 special education programs, kindergarten programs and grades one to

1 twelve, inclusive, of the public schools of the county. Net
2 enrollment further shall include:

3 (1) Adults enrolled in regular secondary vocational programs
4 existing as of the effective date of this section, subject to the
5 following:

6 (A) Net enrollment includes no more than one thousand of those
7 adults counted on the basis of full-time equivalency and
8 apportioned annually to each county in proportion to the adults
9 participating in regular secondary vocational programs in the prior
10 year counted on the basis of full-time equivalency; and

11 (B) Net enrollment does not include any adult charged tuition
12 or special fees beyond that required of the regular secondary
13 vocational student;

14 (2) Students enrolled in early childhood education programs as
15 provided in section forty-four, article five of this chapter,
16 counted on the basis of full-time equivalency;

17 (3) No pupil shall be counted more than once by reason of
18 transfer within the county or from another county within the state,
19 and no pupil shall be counted who attends school in this state from
20 another state;

21 (4) The enrollment shall be modified to the equivalent of the
22 instructional term and in accordance with the eligibility

1 requirements and rules established by the state board; and

2 (5) For the purposes of determining the county's basic
3 foundation program only, for any county whose net enrollment as
4 determined under all other provisions of this definition is less
5 than one thousand four hundred, the net enrollment of the county
6 shall be increased by an amount to be determined in accordance with
7 the following:

8 (A) Divide the state's lowest county student population
9 density by the county's actual student population density;

10 (B) Multiply the amount derived from the calculation in
11 paragraph (A) of this subdivision by the difference between one
12 thousand four hundred and the county's actual net enrollment;

13 (C) If the increase in net enrollment as determined under this
14 subdivision plus the county's net enrollment as determined under
15 all other provisions of this subsection is greater than one
16 thousand four hundred, the increase in net enrollment shall be
17 reduced so that the total does not exceed one thousand four
18 hundred; and

19 (D) During the 2008-2009 interim period and every three
20 interim periods thereafter, the Legislative Oversight Commission on
21 Education Accountability shall review ~~the provisions of~~ this
22 subdivision to determine whether or not ~~they~~ these provisions

1 properly address the needs of counties with low enrollment and a
2 sparse population density.

3 (j) "Sparse-density county" means a county whose ratio of net
4 enrollment, excluding any increase in the net enrollment of
5 counties pursuant to subdivision (5) of the definition of net
6 enrollment, to the square miles of the county is less than five.

7 (k) "Low-density county" means a county whose ratio of net
8 enrollment, excluding any increase in the net enrollment of
9 counties pursuant to subdivision (5) of the definition of net
10 enrollment, to the square miles of the county is equal to or
11 greater than five but less than ten.

12 (l) "Medium-density county" means a county whose ratio of net
13 enrollment, excluding any increase in the net enrollment of
14 counties pursuant to subdivision (5) of the definition of net
15 enrollment, to the square miles of the county is equal to or
16 greater than ten but less than twenty.

17 (m) "High-density county" means a county whose ratio of net
18 enrollment, excluding any increase in the net enrollment of
19 counties pursuant to subdivision (5), subsection (i) of this
20 section, of the definition of "net enrollment", to the square miles
21 of the county is equal to or greater than twenty.

22 (n) "Levies for general current expense purposes" means

1 ~~ninety-four~~ ninety percent of the levy rate for county boards of
2 education calculated or set by the Legislature pursuant to ~~the~~
3 ~~provisions of section six-f, article eight, chapter eleven of this~~
4 ~~code. *Provided, That beginning July 1, 2008, "levies for general*~~
5 ~~current expense purposes"~~ means ninety percent of the levy rate for
6 ~~county boards of education calculated or set by the Legislature~~
7 ~~pursuant to the provisions of section six-f, article eight, chapter~~
8 ~~eleven of this code: *Provided, however, That effective July 1,*~~
9 ~~2010, the definitions set forth in this subsection are subject to~~
10 ~~the provisions of section two-a of this article~~

11 (o) "Technology integration specialist" means a professional
12 educator who has expertise in the technology field and is assigned
13 as a resource teacher to provide information and guidance to
14 classroom teachers on the integration of technology into the
15 curriculum.

16 (p) "State aid eligible personnel" means all professional
17 educators and service personnel employed by a county board in
18 positions that are eligible to be funded under this article and
19 whose salaries are not funded by a specific funding source such as
20 a federal or state grant, donation, contribution or other specific
21 funding source not listed.

22 **§18-9A-11. Computation of local share; appraisal and assessment of**

1 **property; valuations for tax increment financing**
2 **purposes; computations in growth counties; public**
3 **library support.**

4 (a) On the basis of each county's certificates of valuation as
5 to all classes of property as determined and published by the
6 assessors pursuant to section six, article three, chapter eleven of
7 this code for the next ensuing fiscal year in reliance upon the
8 assessed values annually developed by each county assessor pursuant
9 to ~~the provisions of~~ articles one-c and three of ~~said~~ that chapter,
10 the state board shall for each county compute by application of the
11 levies for general current expense purposes, as defined in section
12 two of this article, the amount of revenue which the levies would
13 produce if levied upon one hundred percent of the assessed value of
14 each of the several classes of property contained in the report or
15 revised report of the value made to it by the Tax Commissioner as
16 follows:

17 (1) For each fiscal year beginning before July 1, 2014, the
18 state board shall first take ninety-five percent of the amount
19 ascertained by applying these rates to the total assessed public
20 utility valuation in each classification of property in the county.
21 For each fiscal year beginning after June 30, 2014, the state board
22 shall first take ninety-six percent of the amount ascertained by

1 applying these rates to the total assessed public utility valuation
2 in each classification of property in the county; and

3 (2) For each fiscal year beginning before July 1, 2014, the
4 state board shall then apply these rates to the assessed taxable
5 value of other property in each classification in the county as
6 determined by the Tax Commissioner and shall deduct therefrom five
7 percent as an allowance for the usual losses in collections due to
8 discounts, exonerations, delinquencies and the like. For each
9 fiscal year beginning after June 30, 2014, the state board shall
10 then apply these rates to the assessed taxable value of other
11 property in each classification in the county as determined by the
12 Tax Commissioner and shall deduct therefrom four percent as an
13 allowance for the usual losses in collections due to discounts,
14 exonerations, delinquencies and the like. All of the amount so
15 determined shall be added to the ninety-five or ninety-six percent,
16 as applicable, of public utility taxes computed as provided in
17 subdivision (1) of this subsection and this total shall be further
18 reduced by the amount due each county assessor's office pursuant to
19 ~~the provisions of~~ section eight, article one-c, chapter eleven of
20 this code and this amount shall be the local share of the
21 particular county.

22 As to any estimations or preliminary computations of local

1 share required prior to the report to the Legislature by the Tax
2 Commissioner, the state shall use the most recent projections or
3 estimations that may be available from the Tax Department for that
4 purpose.

5 ~~(b) Effective the first day of July, two thousand thirteen,~~
6 ~~subsection (a) of this section is void and local share shall be~~
7 ~~calculated in accordance with the following:~~

8 ~~(1) The state board shall for each county compute by~~
9 ~~application of the levies for general current expense purposes, as~~
10 ~~defined in sections two and two-a of this article, the amount of~~
11 ~~revenue which the levies would produce if levied upon one hundred~~
12 ~~percent of the assessed value calculated pursuant to section~~
13 ~~five b, article one c, chapter eleven of this code;~~

14 ~~(2) Five percent shall be deducted from the revenue calculated~~
15 ~~pursuant to subdivision (1) of this subsection as an allowance for~~
16 ~~the usual losses in collections due to discounts, exonerations,~~
17 ~~delinquencies and the like; and~~

18 ~~(3) The amount calculated in subdivision (2) of this~~
19 ~~subsection shall further be reduced by the sum of money due each~~
20 ~~assessor's office pursuant to the provisions of section eight,~~
21 ~~article one c, chapter eleven of this code and this reduced amount~~
22 ~~shall be the local share of the particular county.~~

1 (b) It is the intent of the Legislature that the computation
2 of local share for public school support continue to be based upon
3 actual real property values rather than assumed assessed real
4 property values that are based upon an assessment ratio study, and
5 that the annual amount of local share for which a county board of
6 education is responsible continue to be computed without reference
7 to whether the real property assessments in that county were at
8 least fifty-four percent of market value in the prior year as
9 indicated by the assessment ratio study. Accordingly, the
10 effective date of the operation of this section as amended and
11 reenacted during 2014, and the effective date of the operation of
12 the repeal of section two-a of this article and the operation of
13 the repeal of section five-b, article one-c, chapter eleven of this
14 code, all as provided under this enactment, are expressly made
15 retrospective to June 30, 2013.

16 (c) Whenever in any year a county assessor or a county
17 commission fails or refuses to comply with ~~the provisions of this~~
18 section in setting the valuations of property for assessment
19 purposes in any class or classes of property in the county, the
20 State Tax Commissioner shall review the valuations for assessment
21 purposes made by the county assessor and the county commission and
22 shall direct the county assessor and the county commission to make

1 corrections in the valuations as necessary so that they comply with
2 the requirements of chapter eleven of this code and this section
3 and the Tax Commissioner ~~shall~~ may enter the county and fix the
4 assessments at the required ratios. Refusal of the assessor or the
5 county commission to make the corrections constitutes grounds for
6 removal from office.

7 (d) For the purposes of any computation made in accordance
8 with ~~the provisions of~~ this section, in any taxing unit in which
9 tax increment financing is in effect pursuant to ~~the provisions of~~
10 article eleven-b, chapter seven of this code, the assessed value of
11 a related private project shall be the base-assessed value as
12 defined in section two of said article.

13 (e) For purposes of any computation made in accordance with
14 ~~the provisions of~~ this section, in any county where the county
15 board of education has adopted a resolution choosing to use ~~the~~
16 ~~provisions of~~ the Growth County School Facilities Act set forth in
17 section six-f, article eight, chapter eleven of this code,
18 estimated school board revenues generated from application of the
19 regular school board levy rate to new property values, as that term
20 is designated in said section, may not be considered local share
21 funds and shall be subtracted before the computations in
22 subdivisions (1) and (2), subsection (a) of this section ~~or in~~

1 ~~subdivisions (2) and (3), subsection (b) of this section, as~~
2 ~~applicable,~~ are made.

3 (f) The Legislature finds that public school systems
4 throughout the state provide support in varying degrees to public
5 libraries through a variety of means including budgeted
6 allocations, excess levy funds and portions of their regular school
7 board levies. ~~as may be provided by special act~~ A number of public
8 libraries are situated on the campuses of public schools and
9 several are within public school buildings serving both the
10 students and public patrons. To the extent that public schools
11 recognize and choose to avail the resources of public libraries
12 toward developing within their students such legally recognized
13 elements of a thorough and efficient education as literacy,
14 interests in literature, knowledge of government and the world
15 around them and preparation for advanced academic training, work
16 and citizenship, public libraries serve a legitimate school purpose
17 and may do so economically. ~~For the purposes of any computation~~
18 ~~made in accordance with the provisions of this section, the library~~
19 ~~funding obligation on the regular school board levies which is~~
20 ~~created by a special act and is due and payable from the levy~~
21 ~~revenues to a library shall be paid from the county school board's~~
22 ~~discretionary retainage, which is hereby defined as the amount by~~

1 ~~which the regular school board levies exceeds the local share as~~
2 ~~determined hereunder. If the library funding obligation which is~~
3 ~~created by a special act and is due and payable to a library is~~
4 ~~greater than the county school board's discretionary retainage, the~~
5 ~~library funding obligation created by the special act is amended~~
6 ~~and is reduced to the amount of the discretionary retainage,~~
7 ~~notwithstanding any provisions of the special act to the contrary.~~
8 ~~Any excess of the discretionary retainage over the library funding~~
9 ~~obligation shall be available for expenditure by the county board~~
10 ~~in its discretion for its properly budgeted purposes. Therefore,~~
11 ~~county boards are encouraged to support public libraries within~~
12 ~~their counties.~~

13 ~~(g) It is the intent of the Legislature that whenever a~~
14 ~~provision of subsection (f) of this section is contrary to any~~
15 ~~special act of the Legislature which has been or may in the future~~
16 ~~be enacted by the Legislature that creates a library funding~~
17 ~~obligation on the regular school board levy of a county, subsection~~
18 ~~(f) of this section controls over the special act. Specifically,~~
19 ~~the special acts which are subject to said subsection upon the~~
20 ~~enactment of this section during the 2007 regular session of the~~
21 ~~Legislature include:~~

22 ~~(1) Enrolled Senate Bill No. 11, passed on February 12, 1970,~~

1 ~~applicable to the Berkeley County Board of Education;~~

2 ~~(2) Enrolled House Bill No. 1352, passed on April 7, 1981,~~
3 ~~applicable to the Hardy County Board of Education;~~

4 ~~(3) Enrolled Committee Substitute for House Bill No. 2833,~~
5 ~~passed on March 14, 1987, applicable to the Harrison County Board~~
6 ~~of Education;~~

7 ~~(4) Enrolled House Bill No. 161, passed on March 6, 1957,~~
8 ~~applicable to the Kanawha County Board of Education;~~

9 ~~(5) Enrolled Senate Bill No. 313, passed on March 12, 1937, as~~
10 ~~amended by Enrolled House Bill No. 1074, passed on March 8, 1967,~~
11 ~~and as amended by Enrolled House Bill No. 1195, passed on January~~
12 ~~18, 1982, applicable to the Ohio County Board of Education;~~

13 ~~(6) Enrolled House Bill No. 938, passed on February 28, 1969,~~
14 ~~applicable to the Raleigh County Board of Education;~~

15 ~~(7) Enrolled House Bill No. 398, passed on March 1, 1935,~~
16 ~~applicable to the Tyler County Board of Education;~~

17 ~~(8) Enrolled Committee Substitute for Senate Bill No. 450,~~
18 ~~passed on March 11, 1994, applicable to the Upshur County Board of~~
19 ~~Education; and~~

20 ~~(9) Enrolled House Bill No. 2994, passed on March 13, 1987,~~
21 ~~applicable to the Wood County Board of Education.~~

22 ~~(h) Notwithstanding any provision of any special act set forth~~

1 ~~in subsection (g) of this section to the contrary, the county board~~
2 ~~of any county with a special act creating a library obligation out~~
3 ~~of the county's regular school levy revenues may transfer that~~
4 ~~library obligation so that it becomes a continuing obligation of~~
5 ~~its excess levy revenues instead of an obligation of its regular~~
6 ~~school levy revenues, subject to the following:~~

7 ~~(1) If a county board chooses to transfer the library~~
8 ~~obligation pursuant to this subsection, the library funding~~
9 ~~obligation shall remain an obligation of the regular school levy~~
10 ~~revenues until the fiscal year in which the excess levy is~~
11 ~~effective or would have been effective if it had been passed by the~~
12 ~~voters;~~

13 ~~(2) If a county board chooses to transfer the library~~
14 ~~obligation pursuant to this subsection, the county board shall~~
15 ~~include the funding of the public library obligation in the same~~
16 ~~amount as its library funding obligation which exists or had~~
17 ~~existed on its regular levy revenues as one of the purposes for the~~
18 ~~excess levy to be voted on as a specifically described line item of~~
19 ~~the excess levy: *Provided,* That if the county board has transferred~~
20 ~~the library obligation to the excess levy and the excess levy fails~~
21 ~~to be passed by the voters or the excess levy passes and thereafter~~
22 ~~expires upon the time limit for continuation as set forth in~~

1 ~~section sixteen, article eight, chapter eleven of this code, then~~
2 ~~in any subsequent excess levy which the county board thereafter~~
3 ~~submits to the voters the library funding obligation again shall be~~
4 ~~included as one of the purposes of the subsequent excess levy as a~~
5 ~~specifically described line item of the excess levy;~~

6 ~~(3) If a county board chooses to transfer the library~~
7 ~~obligation pursuant to this subsection, regardless of whether or~~
8 ~~not the excess levy passes, effective the fiscal year in which the~~
9 ~~excess levy is effective or would have been effective if it had~~
10 ~~been passed by the voters, a county's library obligation on its~~
11 ~~regular levy revenues is void notwithstanding any provision of the~~
12 ~~special acts set forth in subsection (g) of this section to the~~
13 ~~contrary; and~~

14 ~~(4) Nothing in subdivision (3) of this subsection prohibits a~~
15 ~~county board from funding its public library obligation~~
16 ~~voluntarily."~~

NOTE: The purpose of this bill is relating to the calculation of local share in the state aid formula for public schools. The bill repeals, retrospectively to June 30, 2013, provisions requiring the use of assumed assessed real property values that are based upon an assessment ratio study instead of actual real property values for the purpose of the computation of local share for public school support purposes and provisions that require that the annual amount of local share for which a county board of education is responsible be increased where, during the prior year, the real property assessments in that county were not at least

fifty-four percent of market value as indicated by the assessment ration study. The bill requires the Tax Commissioner to appoint special assessors to appraise and assess property in any county whenever property in that county is found to be assessed at less than sixty percent of its fair market value for two consecutive years, except in cases where a county meets certain criteria. The bill further specifies that for years beginning after June 30, 2014, the State Board of Education shall use ninety-six percent of total assessed public utility valuation in the calculation of local share. The bill provides for a four percent loss deduction in computation of local share for the fiscal year beginning on July 1, 2014, and for each fiscal year thereafter.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.