

HB 2116 – Local Effort Assistance

1. Puts the increases made to LEA in the 2025-27 operating budget into statute¹
2. Changes definitions
3. Changes the LEA inflation from the Implicit Price Deflator to Seattle Consumer Price Index (CPI) in Calendar Year (CY) 2028
4. Increases LEA² for eligible districts, beginning in CY 2030

	Levy Rate (ESHB 2049 , 2025)	HB 2116 – LEA Rate – budget, bill
CY 2026	Lesser of \$2.50 per \$1,000 assessed value or the maximum per pupil limit - \$2,500 ³ adjusted for inflation ⁴ .	\$1.50 per \$1,000 assessed value or \$1,550 maximum local effort assistance, adjusted annually by IPD.
	Increased by \$500 on top of the inflated amount.	Added \$150 per student to the maximum LEA.
CY 2027	Lesser of \$2.50 per \$1,000 assessed value or the maximum per pupil limit.	\$1.50 per \$1,000 assessed value or \$1,550 maximum local effort assistance, adjusted annually by IPD.
	Adds 3.33% above CPI to inflation factor	Added \$250 per student to the maximum LEA.
CY 2028	Lesser of \$2.50 per \$1,000 assessed value or the maximum per pupil limit.	\$1.50 per \$1,000 assessed value or \$1,550 max LEA, adjusted annually by Seattle CPI.
	Adds 3.33% above CPI to inflation factor	
CY 2029	Lesser of \$2.50 per \$1,000 assessed value or the maximum per pupil limit.	\$1.50 per \$1,000 assessed value or \$2,600 per student, increased by inflation.
	Adds 3.33% above CPI to inflation factor	
CY 2030	Lesser of \$3.00 per \$1,000 assessed value or the maximum per pupil limit.	\$2.00 per \$1,000 or \$2,600 per student, increased by an “inflation enhancement” of \$520.00
	Adds 3.33% above CPI to inflation factor	

¹ These increases will expire June 30, 2027 if not enacted into state law.

² LEA is for districts that do not generate an enrichment levy of at least \$1,550 per student when levying at a rate of \$1.50 per \$1,000 assessed value; pro-rates LEA for districts that generate less than the \$1.50 per \$1,000.

³ \$3,000 plus inflation for districts with more than 40,000 annual FTE students enrolled in the district in the prior school year, i.e., Seattle Public Schools.

⁴ CY 2025 per pupil rate is: \$2,500 adjusted for inflation (\$3,149.69 in 2024) and \$3,000 adjusted for inflation (\$3,779.63 in 2024).

CY 2031	\$5,035 as increased by inflation beginning with property taxes levied for collection in 2032.	\$2.00 per \$1,000 or \$2,600 per student, increased by an “inflation enhancement” of \$520.00 Beginning in CY 2031, the maximum LEA per pupil plus its \$2.00 per \$1,000 of assessed value levy may not exceed \$5,035 per student (plus inflation).
CY 2032	\$5,035 for all school districts, increased by Seattle CPI annually thereafter.	Combination of levies and LEA cannot exceed \$5,035, increased by inflation.

Definitions:

For EP&O levies

Inflation enhancement in CY 2026 means \$500 added to the inflated per student amount, adjusted for inflation (see footnote 1).

- Inflation enhancement in CY 2027, CY 2028, CY 2029, and CY 2030 means the per student rate plus 3.33% added to the Seattle CPI inflation rate.

Maximum per-pupil limit from CY 2026-2030 means \$2,500, as increased by inflation, plus inflation enhancements for districts with fewer than 40,000 students and \$3,000 for districts with 40,000 or more students.

Maximum per-pupil limit in CY 2031 means \$5,035, as increased by inflation beginning with property taxes levied for collection in 2032.

For Local Effort Assistance

Eligible school district means a school district where the amount generated by the LEA levy rate, divided by the school district’s total student enrollment in the prior school year, is less than the state Local Effort Assistance threshold.

- For districts with an actual enrichment levy rate that is less than the LEA levy rate, the total amount is multiplied by a fraction equal to the school district’s actual enrichment levy rate divided by the LEA levy rate.
- For districts with an actual enrichment levy rate that is equal to or greater than the LEA levy rate, the annual LEA is equal to the school district’s maximum LEA.

Inflation enhancement means \$520.00 in CY 2030 and CY 2031.

LEA levy rate means \$1.50 per \$1,000 of assessed value in the school district, through CY 2029.

- Beginning in CY 2030, the LEA levy rate means \$2.00 per \$1,000 of assessed value.
- Beginning in CY 2031, the maximum LEA per pupil plus its \$2.00 per \$1,000 of assessed value levy may not exceed \$5,035 per student (plus inflation).