

May 15, 2025

MEMORANDUM

To: Select Committee on the Families Education Preschool and Promise Levy
From: Jasmine Marwaha, Analyst
Subject: Council Bill 120981: 2025 Families Education Preschool and Promise Levy
Renewal

On May 15, the Select Committee on the Families Education Preschool and Promise (FEPP) Levy will discuss Council Bill (CB) 120981, which would replace the expiring 2018 FEPP Levy with a new six-year levy, and would place the new FEPP Levy on the November ballot. This memo provides general background on the Levy, summarizes the main elements of the current proposal, and highlights policy considerations for potential discussion.

Background

Since 1990, Seattle voters have approved six levies to fund education support services, including the Families and Education Levy (FEL) in 1990, 1997, 2004, and 2011, as well as the Seattle Preschool Levy in 2014. In 2018, Seattle voters approved the Families, Education, Preschool and Promise (FEPP) Levy, which combined the FEL and the Seattle Preschool Levy, and added the Seattle Promise program,¹ generating approximately \$620 million over a seven-year period. The FEPP Levy expires at the end of 2025.

While Washington State and Seattle Public Schools are mandated by the State constitution to provide basic education to K-12 students, local governments may provide supplemental funding to support students. Local governments do not have restrictions on funding early childhood, pre-kindergarten, or post-secondary investments, other than limitations generally applicable to public funding.

The Select Committee's meeting on May 15 will be its fourth meeting on the proposed FEPP Levy. During the first two meetings, the Department of Education and Early Learning (DEEL) and the Mayor's Office made presentations providing an [overview and lessons learned](#) from the 2018 FEPP Levy, and describing the [components of the 2025 FEPP Levy proposal](#). The Select Committee also held a public hearing on May 12.

Summary of Proposal

Council Bill 120981

On April 23, the Mayor transmitted CB 120981 that would place a measure on the ballot to renew and significantly expand the City's expiring Families, Education, Preschool and Promise

¹ Seattle Promise provides free tuition and other supports for Seattle public high school graduates who enroll in Seattle Colleges for a 2-year degree.

(FEPP) Levy. Council Bill 120981 also provides basic requirements and guidance for the FEPP Levy proceeds, including:

1. A policy statement, with an outline of high-level priorities and principles for funding;
2. A non-exhaustive list of educational support services that could be funded with Levy proceeds, organized in four investment areas described further below;
3. A provision that Levy proceeds shall be spent in accordance with an Implementation and Evaluation (I&E) Plan approved by ordinance, which would also establish the criteria, outcomes, and methodology by which FEPP Levy-funded strategies would be selected and evaluated;
4. The establishment and scope of a Levy Oversight Committee; and
5. Authorization for the City to enter into agreements with public and non-public entities to provide education support services, along with further requirements for those agreements.

All expenditures of Levy proceeds must be consistent with this establishing legislation. As such, the Council Bill is written somewhat broadly, with the intention of leaving flexibility for Council to approve more detailed guidance for Levy implementation through the adoption of the I&E Plan, and during regular budget deliberations.

Levy Proceeds and Expenditures

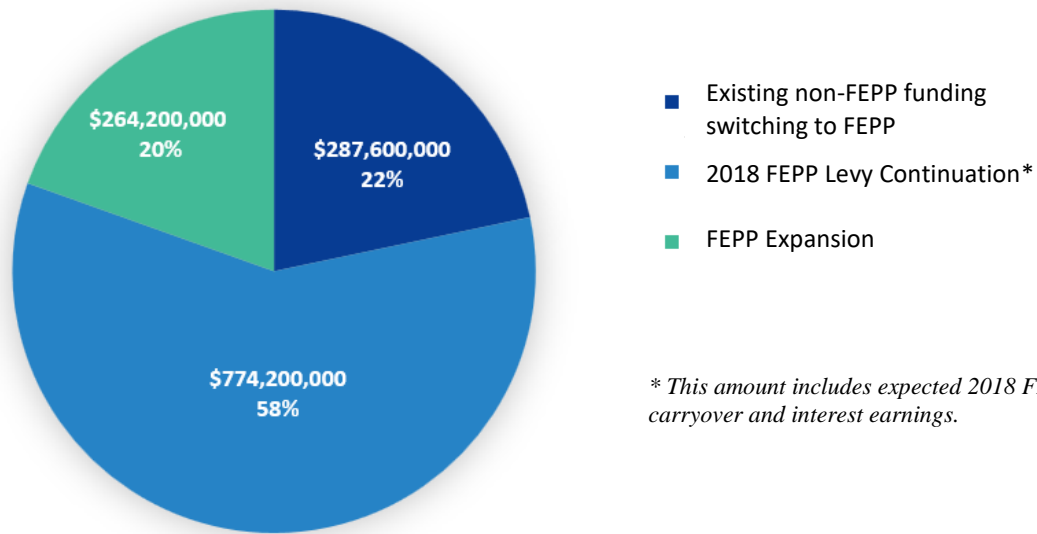
CB 120981 would submit a proposition to the voters in November to fund education support services with a property tax levy generating approximately \$1.254 billion over a six-year period.² On an annual average basis, this levy represents a 136 percent increase in revenue from the 2018 FEPP Levy to fund education support services.³ According to materials provided by the Executive, for the owner of a median value home, the Levy would result in a \$654 average annual impact. For the last year of the expiring 2018 FEPP Levy, this year the owner of a median value home in Seattle will pay \$301.

With the total revenue projected to be raised over the next six years, the Executive estimates that 58 percent would allow for the continuation of 2018 FEPP Levy programming, 22 percent would allow for youth-related programs, currently funded by other revenue sources, to be funded by the FEPP Levy instead, and 20 percent would be spent on new programming.

² As noted below, the total projected Levy spending is \$1.326 billion. The \$72 million difference between the projected spending plan and the levy revenue is a result of utilizing underspend from the 2018 FEPP Levy and interest earnings from the 2025 FEPP Levy proceeds.

³ Calculated by averaging 2018 FEPP Levy annual revenue (\$88.6 million) and comparing to the proposed annual average of 2025 FEPP Levy Revenue (\$209 million).

2025 FEPP Levy Six-Year Spending Total Would Allow For:



** This amount includes expected 2018 FEPP Fund carryover and interest earnings.*

CB 120981's Summary and Fiscal Note also breaks down the Levy spending into four investment areas, plus leadership and administration costs, and projects Levy spending as follows:

- Early Learning \$ 658.2 million
 - K-12 Student Supports \$ 271.6 million
 - K-12 Health & Safety \$ 235.1 million
 - College & Career \$ 82.5 million
 - Leadership & Administration \$ 78.6 million
- \$ 1,326 million

The Council Bill does not legally require the City to adhere to the planned expenditures attached in the Summary and Fiscal Note. However, as noted previously, DEEL would be required to create an Implementation and Evaluation (I&E) Plan that must be approved, and may be amended, by the Council through a future separate ordinance. It is expected that the I&E Plan would be submitted to the Council for its consideration in the first quarter of 2026.

Policy Considerations

This section highlights selected policy considerations related to 2025 FEPP Levy proposal. Considerations included here are not intended to be exhaustive and others may surface as Central Staff continues its analysis.

1. Size and Scope of the FEPP Levy

As noted above, the 2025 FEPP Levy proposal on average represents a 136 percent increase in funding for education support services from the 2018 FEPP Levy. Attachment 1 contains a more detailed breakdown of the cost estimates and assumptions provided by the Executive

to Central Staff, listing prior spending on programs for children, youth, and families that may be expected to continue in some fashion, or be expanded in the proposed Levy.

Council may wish to repurpose, scale, or provide further direction regarding these proposed investments to advance their priorities. Or Council may choose to wait to provide more specific direction in the Implementation and Evaluation Plan next year.

2. Guidance Regarding Levy Outcomes

CB 120981 provides high-level priorities and principles for funding, including but not limited to: increasing affordability and access to education support services, requiring that agreements with partner organizations contain goals and outcomes, prioritizing investments to increase access to services and achieve levy outcomes, and requiring reports on progress toward achieving levy outcomes. The Council Bill does not provide further guidance on the types of outcomes or goals that the Levy should advance.

Council may wish to provide further direction on the outcomes or goals prioritized by the Levy. Or Council may choose to make no changes, and provide more specific direction in the Implementation and Evaluation Plan next year.

3. Contracting Transparency

CB 120981 authorizes the Department of Education and Early Learning (DEEL) to enter into agreements with non-public entities using a competitive process, except in case of emergency as determined by the Executive, or when the Director of DEEL determines that a process is not feasible because the services are only available from one source or are impracticable to solicit. These types of exemptions to competitive solicitation exist elsewhere in Seattle Municipal Code regarding procuring consultant services or purchasing, but in some cases require a written explanation for pursuing the exemption.⁴

Council may wish to enshrine an expectation of greater transparency in the Levy when the Department forgoes a competitive process in its contracting. Or Council may choose to make no changes, and provide more specific requirements in the Implementation and Evaluation Plan next year.

Next Steps

The upcoming schedule for consideration of the FEPP Levy proposal is shown below.

May 29 – 9:30am	Discussion of Potential Amendments
June 12 – 9:30am	Discussion and Possible Vote on Potential Amendments
June 16 – 9:30am	Final Committee Vote on FEPP Levy Ordinance
June 24 – 2:00pm	Full Council Vote

⁴ See e.g., Seattle Municipal Code Sections 20.50.90 and 20.60.114.

If a Councilmember is interested in pursuing amendments, please contact Central Staff by no later than May 22, 2025. Councilmembers are strongly encouraged to consult with the Chair on possible amendments before this date, and engage Central Staff as soon as possible to shape potential amendments.

Attachments:

1. FEPP Levy Investment Estimates Table

cc: Ben Noble, Director
Lish Whitson, Lead Analyst