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**SHB 1109** - H AMD **475**

By Representative Steele

**ADOPTED 03/29/2019**

On page 237, after line 5, insert the following:

"NEW SECTION. **Sec. 523.** **FOR THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION—HOLD HARMLESSS PAYMENTS**

General Fund—State Appropriation (FY 2020) $42,610,000

General Fund—State Appropriation (FY 2021) $15,814,000

TOTAL APPROPRIATION $58,424,000

(1) In the 2019-20 school year, the superintendent of public instruction must allocate hold harmless payments to school districts as follows:

(a) A school district with an enrollment of three hundred or fewer average annual full-time equivalent students will receive an amount equal to number A minus number B if number A is greater than number B.

(b) A school district with more than three hundred average annual full-time equivalent students will receive the product of the district's average annual full-time equivalent student enrollment in the 2018-19 school year multiplied by an amount equal to number C minus number D if number C is greater than number D.

(2) In the 2020-21 school year, the superintendent of public instruction must allocate hold harmless payments to school districts as follows:

(a) A school district with three hundred or fewer average annual full-time equivalent students will receive an amount equal to number A minus number E if number A is greater than number E.

(b) A school district with more than three hundred average annual full-time equivalent students will receive the product of the district's average annual full-time equivalent students in the 2019-20 school year multiplied by an amount equal to number C minus number F if number C is greater than number F.

(3) (a) "Number A" is the sum of the following:

(i) General apportionment provided to the school district in the 2017-18 school year, excluding the district's share of the general apportionment allocation redirected by the superintendent to the special education program;

(ii) Local enrichment levies collected by the district in the 2018 calendar year; and

(iii) Local effort assistance received by the district in the 2018 calendar year.

(b) "Number B" is the sum of the following:

(i)General apportionment provided to the school district in the 2018-19 school year, excluding the district's share of the general apportionment allocations redirected by the superintendent to the special education program;

(ii) Local enrichment levies collected by the district in the 2019 calendar year; and

(iii) Local effort assistance received by the district in the 2019 calendar year.

(c) "Number C" is the sum of the following divided by the district's average annual full-time equivalent student enrollment in the 2017-18 school year:

(i) General apportionment provided to the school district in the 2017-18 school year, excluding the district's share of the general apportionment allocation redirected by the superintendent to the special education program;

(ii) Local enrichment levies collected by the district in the 2018 calendar year; and

(iii) Local effort assistance received by the district in the 2018 calendar year.

(d) "Number D" is the sum of the following divided by the district's average annual full-time equivalent student enrollment in the 2018-19 school year:

(i)General apportionment provided to the school district in the 2018-19 school year, excluding the district's share of the general apportionment allocations redirected by the superintendent to the special education program;

(ii) Local enrichment levies collected by the district in the 2019 calendar year; and

(iii) Local effort assistance received by the district in the 2019 calendar year.

(e) "Number E" is the sum of the following:

(i) General apportionment provided to the school district in the 2019-20 school year, excluding the district's share of the general apportionment allocations redirected by the superintendent to the special education program;

(ii) Local enrichment levies collected by the district in the 2020 calendar year; and

(iii) Local effort assistance received by the district in the 2020 calendar year.

(f) "Number F" is the sum of the following divided by the district's average annual full-time equivalent student enrollment in the 2019-20 school year:

(i)General apportionment provided to the school district in the 2019-20 school year, excluding the district's share of the general apportionment allocations redirected by the superintendent to the special education program;

(ii) Local enrichment levies collected by the district in the 2020 calendar year; and

(iii) Local effort assistance received by the district in the 2020 calendar year.

(4) Amounts provided in this section are contingent on the passage of House Bill No. \_\_\_\_\_ (H-2639.1/19) (Transferring extraordinary revenue growth from the budget stabilization account for K-12 education). If the bill is not enacted by June 30, 2019, the amounts provided in this section shall lapse."

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|  | EFFECT:   Creates a new section in part V requiring the Superintendent of Public Instruction to provide hold harmless payments to districts in the 2019-20 and 2020-21 school year based on the general apportionment amounts in the 2018-19 and 2019-20 school year and levy and local effort assistance (LEA) payments in the 2019 and 2020 calendar year, as compared to the 2017-18 school year general apportionment and 2018 calendar year levies and LEA. Amounts appropriated are contingent on the passage of separate legislation (H-2639.1/19) (Transferring extraordinary revenue growth from the budget stabilization account for K-12 education).  FISCAL IMPACT:  Increases General Fund - State by $58,424,000. |

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