

**Hold harmless language to revise Section 401 of 6362-S2.E AMH  
ENGR H5190.E**

(1) For the ~~2018-19 and~~ 2019-20 and 2020-21 school years, the office of the superintendent of public instruction shall allocate a hold-harmless payment to school districts under 300 FTE if the sum of (b) of this subsection is greater than the sum of (a) of this subsection and a hold-harmless payment to school districts over 300 FTE if the sum of (a) divided by FTE of this subsection is greater than the sum of (b) divided by FTE of this subsection. ~~for either of the respective school years or if a school district meets the criteria under subsection (2) of this section.~~

(a) The ~~2018-19 current~~ school year is calculated as the sum of (a) (i) through (iii) of this subsection using the enrollments and values in effect during the 2018-19 ~~for that~~ school year for the school district's:

(i) Formula-driven state allocations in part V of the state omnibus appropriations act for these programs: Total General apportionment less general apportionment for special education. ~~, employee compensation adjustments, pupil transportation, special education programs, institutional education programs, transitional bilingual programs, highly capable, and learning assistance programs;~~

(ii) Local effort assistance funding received under chapter 28A.500 RCW for calendar year 2019; and

(iii) The lesser of the school district's voter-approved enrichment levy collection or the maximum levy authority provided under RCW 84.52.0531 for ~~the previous~~ calendar year 2019.

(b) The baseline school year is calculated as the sum of (b) (i) through (iii) of this subsection using the current school year enrollments and the values in effect during the 2017-18 school year for the school district's:

(i) Formula-driven state allocations in part V of the state omnibus appropriations act for these programs: General apportionment less general apportionment for special education. ~~, employee compensation adjustments, pupil transportation, special education programs, institutional education programs, transitional bilingual programs, highly capable, and learning assistance programs;~~

(ii) Local effort assistance funding received under chapter 28A.500 RCW for calendar year 2018; and

(iii) Maintenance and operation levy collection under RCW 84.52.0531 in the 2018 ~~2017~~ calendar year.

~~(2) From amounts appropriated in this act, the superintendent of public instruction must prioritize hold harmless payments to districts that meet both the following criteria:~~

~~(a) The sum of the school district's enrichment levy under RCW 84.52.0531 and 2017 3rd sp.s. c 13 s 203 and local effort assistance under RCW 28A.500.015 is less than half of the sum of~~

~~the maintenance and operations levy and local effort assistance provided under law as it existed on January 1, 2017. For purposes of the calculation in this subsection, the maintenance and operations levy is limited to the lesser of the voter approved levy as of January 1, 2017, or the maximum levy under law as of January 1, 2017; and~~

~~(b) The adjusted assessed value of property within the school district as calculated by the department of revenue is greater than twenty billion dollars in calendar year 2017.~~

~~(2) (3) Districts under 300 FTE eligible for hold-harmless payments under subsection (1) of this section shall receive the difference between subsection (1) (b) and (a) of this section through the apportionment payment process in RCW 28A.510.250. Districts over 300 FTE eligible for hold-harmless payments under subsection (1) of this section shall receive the difference between subsection (1) (b) divided by FTE and (a) divided by FTE of this section multiplied by 2018-19 FTE through the apportionment payment process in RCW 28A.510.250.~~

~~(3) In addition to subsection (2) of this section, districts under 300 FTE shall receive an inflationary adjustment to the formula-driven state allocations in part V of the state omnibus appropriations act for these programs: Total General apportionment less general apportionment for special education plus any hold harmless amount calculated in subsection (2) of this section. Districts over 300 FTE shall receive an inflationary adjustment to the formula-driven state allocations in part V of the state omnibus appropriations act for these programs: Total General apportionment less general apportionment for special education plus any hold harmless amount calculated in subsection (2) of this section adjusted for 2018-19 enrollment. The additional payment shall be calculated using the current school year enrollments and the values in effect during the 2017-18 and 2018-19 school years.~~

~~(4) The voters of the school district must approve an enrichment levy under RCW 84.52.0531 to be eligible for a hold-harmless payment under this section.~~

~~(5) This section expires December 31, 2020.~~

~~(5) For the purposes of this section, "inflationary adjustment index" means, for any school year, the implicit price deflator for that fiscal year, using the official current base, compiled by the bureau of labor statistics, United States department of labor for the state of Washington.~~