

PRELIMINARY STAFF MEASURE SUMMARY

House Committee On Revenue

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

Action Date:

Action:

Meeting Dates:

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WHAT THE MEASURE DOES:

Increases the minimum general services grant for an education service district (ESD) to \$1,360,000 for the 2015-16 school year. Specifies that this minimum grant should mirror the growth of the ESD's revenue in the State School Fund distribution in future school years.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

-A2 changes the minimum grant to \$1,165,000 from \$1,360,000 in the A version.

BACKGROUND:

Currently, the minimum general services grant for an education service district (ESD) is \$1 million per school year. This bill with -A2 amendments increases that amount to \$1,165,000 in the 2015-16 school year, and directs that the growth rate of the minimum grant should be the same as that of the ESD's revenue in the State School Fund distribution in future school years.

Under the bill, the additional amount of money needed for the minimum grant increase totals \$ 825,000 in 2015-16 for five districts. This increase in minimum allocation will reduce the formula revenue per ADMw in the remaining 14 ESD's. The reduction for these ESD's is estimated to be about \$1.20 per ADMw in 2015-16, relative to the State School Fund budget reflected in HB 5017.