

HB 2867 A STAFF MEASURE SUMMARY

Carrier: Sen. Linthicum

Senate Committee On Finance and Revenue

Action Date: 06/12/19

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 4-0-1-0

Yeas: 4 - Bentz, Boquist, Hass, Riley

Exc: 1 - Taylor

Fiscal: Has minimal fiscal impact

Revenue: Revenue impact issued

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Meeting Dates: 6/11, 6/12

WHAT THE MEASURE DOES:

Modifies a requirement for a high school to qualify as a small high school for the purpose of State School Fund distributions. First applies to the 2019-20 distributions. Takes effect on July 1, 2019.

ISSUES DISCUSSED:

- Klamath County School District case
- Other requirements to qualify as small high school for State School Fund distribution purpose
- Shift or redistribution of formula revenue when funding formula changes
- Need for caution when changing fund distribution formula

EFFECT OF AMENDMENT:

Replaces the weighted average daily membership (ADMw) cap of 10,500 in the introduced version with 9,500.

BACKGROUND:

Under current law, one of the requirements to qualify as a small high school is that a school be in a school district that has a weighted average daily membership (ADMw) of less than 8,500. This measure increases the ADMw upper bound to 9,500. All other requirements, including the average daily membership (ADM) cap, remain the same.

There is currently one school district that has a weighted average daily membership (weighted ADM or ADMw) getting close to 8,500 as well as having high schools qualifying as small high schools. Under current law, if this school district were to go over the ADMw cap of 8,500, it would lose small high school-based formula revenue. With the increase in the ADMw cap, this bill creates a pathway for this school district to continue to receive its share of formula revenue, distributed according to the small high school correction formula. This bill does not change the total formula revenue.