

harmless, at least at this point. What I would prefer to see happen is that, well, I would really prefer to see a discussion on it, a withdrawal, allow us an opportunity to see what it does to the bill, see how much it will cost, whether it will be an ongoing drain on the bill or whether it will not be a particularly long ongoing drain on the bill. At this point, we just don't know. We don't know what a perpetual hold harmless will do on the bill. I...it's one of the things that's been running around in my mind as something that maybe needs to be considered policywise. Hold harmless, in general, are recommended against the consultant on school finance measures who has been a consultant to a number of these court cases around the country on both the plaintiff and on the defendant's side...thank you, defendant, that's the word, thank you, Senator Kristensen, on both the plaintiff and the defendant's side, have indicated they recommended very strongly against hold harmless provisions. Because if you're going to build your education finance system on a theory of equity and you don't want to be challenged on equity, you need to stick consistent with that equity. And if our philosophy is that programs need to be funded based on needs of students and the state ought to make up for dollars that aren't available on the local level, anything you do for a hold harmless shifts dollars away from that. Now as a political statement and as a statement of moving into a new system and cushioning the shock, moving from an unfair system to a fair system, the committees, the Revenue Committee and the Education Committee, thought a phased out hold harmless would make this system work better over the long run. It would make the citizens of the state more accepting of it, make it easier on those taxpayers who are going to see an increase in their tax burden. For that reason, we supported it. In the back of mind is the feeling that probably a perpetual hold harmless won't have a tremendous impact, but I don't know that at this point and I don't think anybody else does either as to how much this will continue to cost us, how much...how many dollars this will drain out of the system four years from now that won't be drained out of it. I might ask Senator Lamb. Do you have statistical analysis of how much this will cost us four or five years down the road as compared to what it will cost us with the bill?

SENATOR LAMB: Senator Withem, it was my understanding that you had indicated originally that the hold harmless, the first year at 100 percent was like \$3 million.