



Explanation of Hold Harmless

HOLD HARMLESS

When Proposal A was enacted in 1994, those districts with per pupil funding greater than the maximum state-guaranteed foundation allowance of \$6,500 were made a promise to be "held harmless" from financial impact.

Proposal A allowed a one-time vote of the people to tax themselves for the difference between the maximum state-guaranteed foundation allowance and their current funding levels. Fifty-two districts were affected.

Novi example:

1994 Per-Pupil Funding	7,091
Maximum Foundation Allowance	<u>6,500</u>
Difference	\$591

Novi voted to tax themselves for \$591.00 x number of pupils
This is called the hold harmless "supplemental" millage