

Bill as Introduced

HB 208-FN-LOCAL - AS INTRODUCED

2011 SESSION

11-0726
04/10

HOUSE BILL ***208-FN-LOCAL***

AN ACT providing additional per pupil funding for pupils in certain public schools.

SPONSORS: Rep. Weber, Ches 2

COMMITTEE: Special Committee on Education Funding Reform

ANALYSIS

This bill provides an additional \$1,000 per pupil in a public school with 150 or fewer pupils.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears ~~[in brackets and struckthrough]~~
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Eleven

AN ACT providing additional per pupil funding for pupils in certain public schools.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 School Money; Cost of an Opportunity for an Adequate Education. Amend RSA 198:40-a, IV
2 and V to read as follows:

3 **IV. In addition to the amounts in paragraphs I-III, an additional \$1,000 per pupil**
4 **for each public school with an ADMA of 150 or fewer pupils in the determination year.**

5 V.(a) The sum total calculated under paragraphs I-~~III~~ **IV** of this section shall be used to
6 determine the cost of an adequate education which shall be used in each year of the biennium.

7 (b) The department shall allocate the cost of an adequate education for each municipality
8 by totaling the cost of an adequate education as determined in RSA 198:40-a, I-~~III~~ **IV** for all
9 children who reside in that municipality.

10 (c) Prior to or coinciding with the first disbursement of each fiscal year under RSA
11 198:42, the department shall notify a school district of the cost of an adequate education for the
12 pupils in each school within its jurisdiction sorted by the pupil's municipality of residence. In
13 addition, the department shall furnish to each school district a report showing the cost of an
14 adequate education for pupils who are residents of that school district sorted by a pupil's school of
15 attendance.

16 ~~[V]~~ **VI.** The department shall notify school districts of the estimated amounts of grants by
17 the November 15 preceding the fiscal year for which aid is determined. The commissioner shall
18 provide to the general court all data or reports requested by the general court in a form which the
19 general court determines will facilitate the calculations required in this section.

20 2 School Money; Use of Differentiated Aid. Amend RSA 198:40-b, III to read as follows:

21 **III.** A school district which receives differentiated aid for schools within its jurisdiction
22 pursuant to RSA 198:40-a, I-~~III~~ **IV** shall direct such aid to the schools for which such aid was
23 calculated. A school district which receives differentiated aid for pupils that attend schools in
24 another school district, shall direct such aid to the school district where its pupils are being educated.
25 Any differentiated aid directed from one school district to another pursuant to this paragraph shall
26 be a credit against any existing financial liability between the school districts.

27 3 School Money; Determination of Grants and Excess Tax. Amend RSA 198:41, I(a) to read as
28 follows:

29 (a) Add the per pupil cost of providing the opportunity for an adequate education for
30 which each pupil is eligible pursuant to RSA 198:40-a, I-~~III~~ **IV**, and from such amount;

31 4 Effective Date. This act shall take effect July 1, 2011.

LBAO
11-0726
01/07/11

HB 208-FN-LOCAL - FISCAL NOTE

AN ACT providing additional per pupil funding for pupils in certain public schools.

FISCAL IMPACT:

The Department of Education states this bill will increase state education trust fund expenditures and local revenue by \$7,962,681 in FY 2012 and each year thereafter. This bill will have no fiscal impact on state and county revenue, or county and local expenditures.

METHODOLOGY:

The Department of Education states this bill provides an additional \$1,000 per pupil in a public school with 150 or fewer pupils. The Department states for FY 2012 and 2013 calculations, it assumed average daily membership (ADM) is calculated based upon the student level End of Year (EOY) submissions provided by each school. The estimated annual fiscal impact is as follows –

SWEPT Revenue

	Current Law	LSR 11-0726.1	Difference
	(Annual)	(Annual)	(Annual)
SWEPT retained by towns	\$346,143,646	\$347,210,858	\$1,067,212
Excess SWEPT Sent to ETF	\$16,977,637	\$15,910,425	\$(1,067,212)
Total SWEPT Revenue	\$363,121,283	\$363,121,283	\$0

Expenditures (Total State Education Aid)

Net SWEPT retained by Town	\$346,143,646	\$347,210,858	\$1,067,212
Transition/Adequacy Grants	\$664,835,883	\$671,731,352	\$6,895,469
Total State Education Aid	\$1,010,979,529	\$1,018,942,210	\$7,962,681

This estimate does not include an analysis of the impact to charter schools.

Speakers

SIGN UP SHEET

To Register Opinion If Not Speaking

Bill # HB 208-FN-L Date 2-4-11

Committee Special Comm. on Education Reform

**** Please Print All Information ****

[illegible]

Hearing Minutes

HOUSE SPECIAL COMMITTEE ON EDUCATION FUNDING REFORM

PUBLIC HEARING ON HB 208-FN-LOCAL

BILL TITLE: providing additional per pupil funding for pupils in certain public schools.

DATE: 2/4/11

LOB ROOM: 207 **Time Public Hearing Called to Order:** 11:45 am

Time Adjourned:

(please circle if present)

Committee Members: Reps. L. Ober, Hess, Soucy, Ingbertson, Balboni, DeLemus, Renzullo, E. Hogan, Belvin, Jennifer Coffey, Daniels, Gandia, Foose, G. Richardson, Gile and Grassie.

Bill Sponsors: Rep. Weber, Ches 2

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

***Rep. Lucy Weber – Supports Bill**

Recommends new revenue sources to support funding for HB 208

***Phyllis Peterson – Perkins School – Supports Bill**

Written testimony handout – 5 special ed students 2011

***Marcia Levesque – School Board Member – Supports Bill**

***Kelly French, Chairwoman of Nelson School Board – Supports Bill**

Provided handout – 37% free lunch; 20% special needs. Four professional staff (teachers) for 27 total elementary school students.

1-2 1 Teacher

3-4 1 Teacher

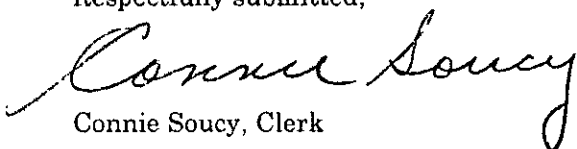
5-6 1 Teacher

Principal (1/2 time) who teaches kindergarten (1/2 time) program

***Wayne Woolridge, Superintendent – Supports Bill**

***Jamie Teague, Business Administrator – Supports Bill**

Respectfully submitted,


Connie Soucy, Clerk

HOUSE SPECIAL COMMITTEE ON EDUCATION FUNDING REFORM

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TESTIMONY

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open
11:45 am
Closed

P81
Special Ed Committee 2/4/11

House Bill # 208

support

oppose

1) Rep Lucy Walker
✓

" recommends new revenue ~~source~~ ^{sources} - to support funding for HB.

2) Phyllis Peterson - Perkins School

written Tinkahy (hand out)

5 special ed students 2011

\$ ~~17,500~~

3) Marcia Levesque - school board member

small schools: success -

4) Kelly French ^{Chairman} - of Nelson School Board

hand out

37% ^{with} ~~hand out~~ -

20% special needs

4 Professional staff (teachers)

for 27 total elementary school students

1-2 - 1 Teacher

3-4 - 1 Teacher

5-6 - 1 Teacher

Principal and Teachers kindergarten ^{program} -
1/2 time 1/2 time

5) ^{support} Wayne Woolridge ^{pg 2} ^{oppose} superintendent
✓ _____

6) Jamie Treagor - Business administrator
✓ _____

Testimony

Small School Economics

Nelson Elementary School Example

Small K thru 6 School;

Currently 27 Elementary Students

- Middle and High School Students attend Keene

Elementary Cost containment measures in place:

- Multi-graded Classrooms
- “Shared” Specials with nearby school districts (Art, Music, PE, Guidance)
- Part Time positions (Special Ed, Principal, Kindergarten)

Fixed costs

Instructional Costs	\$	505,718
Building and Equipment	\$	106,503
School Administration	\$	95,058

Variable costs

Pre-School tuition	\$	4,000
Texts, Media & periodicals	\$	3,907
total	\$	715,186

Nelson Elementary School Budget 2010-2011

\$715,186 Costs not including transportation

Elementary Grades thru 6th

\$119,198 Cost per grade

27 Students currently enrolled

\$26,488 Cost per student

Elementary Budget is primarily Fixed Costs: creating High per pupil and per grade expense for Small Schools

TAX CHANGES BASED ON PROJECTED REVENUE REDUCTION

Answers: What is the tax effect of aid reduction if applied to current budget

Revenue Accounts	2009-10 ACTUAL	2010-11 BUDGET	Hypothetical 2010-11 EXP SAME REV LESS	(2010-11 TO 2010-11 less aid) \$ Change	% Change
LOCAL					
Local Property Tax	\$605,479	\$627,146	\$907,585	\$280,439	44.72%
Unreserved Fund Balance	\$20,312	\$44,626	\$44,626	\$0	0.00%
Reserved Fund Balance	\$0	\$0	\$0	\$0	0.00%
Interest Income	\$1,441	\$1,400	\$1,400	\$0	0.00%
Transfer from Cap. Res.	\$16,331	\$16,500	\$16,500	\$0	0.00%
Tuition	\$0	\$0	\$0	\$0	0.00%
Other	\$4,357	\$3,000	\$3,000	\$0	0.00%
Sub-Total Local	\$647,920	\$692,672	\$973,111	\$280,439	40.49%
STATE					
Catastrophic Aid	\$17,417	\$11,834	\$11,834	\$0	0.00%
Net Change in Cat Aid Borrowing	\$0	\$0	\$0	\$0	0.00%
Medicaid Reimbursement	\$21,093	\$15,000	\$15,000	\$0	0.00%
Kindergarten Aid	\$0	\$0	\$0	\$0	0.00%
Adequacy Aid Grant	\$589,005	\$580,710	\$311,121	(\$269,589)	-46.42%
State Property Tax	\$159,781	\$168,076	\$157,226	(\$10,850)	-6.46%
Other State	\$0	\$0	\$0	\$0	0.00%
Sub-Total State	\$787,296	\$775,620	\$495,181	(\$280,439)	-36.16%
FEDERAL/SPECIAL					
Federal	\$0	\$55,000	\$55,000	\$0	0.00%
Child Nutrition	\$0	\$0	\$0	\$0	0.00%
Sub-Total Federal	\$0	\$55,000	\$55,000	\$0	0.00%
GRAND TOTAL	\$1,435,216	\$1,523,292	\$1,523,292	\$0	0.00%

Total Budget Increase 0.00% \$0

School Property Tax Percent Increase 33.90% \$269,589

Projected Increase in Tax Rate \$4.2742

Tax Increase on \$100,000 Home \$427

	2007-08	2008-09	2009-10	2010-11	2010-11	Projected Incr.
Total School Property Tax	\$858,680	\$608,037	\$765,260	\$795,222	\$1,064,811	\$269,589
Total School Property Tax Rate	\$11.61	\$8.76	\$10.97	\$12.65	\$16.92	\$4.27

Voting Sheets

HOUSE SPECIAL COMMITTEE ON EDUCATION FUNDING REFORM

EXECUTIVE SESSION on HB 208-FN-L

BILL TITLE: providing additional per pupil funding for pupils in certain public schools.

DATE: 2/11/2011

LOB ROOM: 207

Amendments:

Sponsor: Rep.

OLS Document #:

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OLS Document #:

Sponsor: Rep.

OLS Document #:

Motions: OTP, OTP/A, ITL Interim Study (Please circle one.)

Moved by Rep. Hess

Seconded by Rep. Renzullo

Vote: 11-2 (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: NO

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Connie Soucy, Clerk

HOUSE SPECIAL COMMITTEE ON EDUCATION FUNDING REFORM

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Motions: OTP, OTP/A, ITL Interim Study (Please circle one.)

Moved by Rep. *Hess*

Seconded by Rep. *Renzullo*

Vote: *11-2* (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: *No*

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Connie Soucy, Clerk

SPECIAL COMMITTEE ON EDUCATION FUNDING REFORM

Bill #: HB 208 Title: _____

PH Date: ____/____/____

Exec Session Date: 02/11/2011Motion: I + L

Amendment #: _____

MEMBER	YEAS <u>11</u>	NAYS <u>2</u>
Ober, Lynne M, Chairman	✓	
Hess, David W, V Chairman	✓	
Ingbretson, Paul C	✓	
Balboni, Michael A		
DeLemus, Susan C	✓	
Renzullo, Andrew	✓	
Soucy, Connie M, Clerk	✓	
Hogan, Edith A	✓	
Belvin, William S	✓	
Coffey, Jennifer R		
Daniels, Gary L	✓	
Gandia, Laura J	✓	
Foose, Robert A	✓	
Richardson, Gary B		✓
Gile, Mary Stuart		
Grassie, Anne C		✓

Moved by Rep. Hess
2d by Rep. Renzullo

Committee Report

REGULAR CALENDAR

February 16, 2011

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

**The Committee on SPECIAL COMMITTEE ON
EDUCATION FUNDING REFORM to which was
referred HB208-FN-L,**

**AN ACT providing additional per pupil funding for
pupils in certain public schools. Having considered the
same, report the same with the following Resolution:
RESOLVED, That it is INEXPEDIENT TO LEGISLATE.**

Rep. David W Hess

FOR THE COMMITTEE

COMMITTEE REPORT

Committee:	SPECIAL COMMITTEE ON EDUCATION FUNDING REFORM
Bill Number:	HB208-FN-L
Title:	providing additional per pupil funding for pupils in certain public schools.
Date:	February 16, 2011
Consent Calendar:	NO
Recommendation:	INEXPEDIENT TO LEGISLATE

STATEMENT OF INTENT

The sponsor and supporters of this bill presented persuasive information concerning the diseconomies of scale for our small and very small schools that is consistent with what educational consultants have advised legislative study commissions over the years. However, these same educational consultants have also consistently advised us not to provide supplemental state aid for costs associated with smaller schools. This bill, while well-intentioned, demonstrates the difficulties of quantifying these increased costs by arbitrarily setting the amount of such supplemental aid and by arbitrarily setting the size of the schools to which this aid would be extended. In addition, this bill carries an estimated cost of almost \$8 million with no suggestion to where other education spending can be cut to fund this cost. Finally, the committee believes that this and other bills directed at specific components of state aid to education should be considered within a comprehensive review and discussion of this subject, which is ongoing.

Vote 11-2.

Rep. David W Hess
FOR THE COMMITTEE

Original: House Clerk
Cc: Committee Bill File

REGULAR CALENDAR

SPECIAL COMMITTEE ON EDUCATION FUNDING REFORM

HB208-FN-L, providing additional per pupil funding for pupils in certain public schools.

INEXPEDIENT TO LEGISLATE.

Rep. David W Hess for SPECIAL COMMITTEE ON EDUCATION FUNDING REFORM. The sponsor and supporters of this bill presented persuasive information concerning the diseconomies of scale for our small and very small schools that is consistent with what educational consultants have advised legislative study commissions over the years. However, these same educational consultants have also consistently advised us not to provide supplemental state aid for costs associated with smaller schools. This bill, while well-intentioned, demonstrates the difficulties of quantifying these increased costs by arbitrarily setting the amount of such supplemental aid and by arbitrarily setting the size of the schools to which this aid would be extended. In addition, this bill carries an estimated cost of almost \$8 million with no suggestion to where other education spending can be cut to fund this cost. Finally, the committee believes that this and other bills directed at specific components of state aid to education should be considered within a comprehensive review and discussion of this subject, which is ongoing. **Vote 11-2.**

Original: House Clerk

Cc: Committee Bill File

The sponsor and supporters of this bill presented persuasive information concerning the diseconomies of scale for our small and very small schools that is consistent with what educational consultants have advised legislative study commissions over the years. However, these same educational consultants have also consistently advised us not to provide supplemental state aid for costs associated with smaller schools. This bill, while well-intentioned, demonstrates the difficulties of quantifying these increased costs by arbitrarily setting the amount of such supplemental aid and by arbitrarily setting the size of the schools to which this aid would be extended. In addition, this bill carries an estimated cost of almost \$8 million with no suggestion to where other education spending can be cut to fund this cost. Finally, the committee believes that this and other bills directed at specific components of state aid to education should be considered within a comprehensive review and discussion of this subject, which is ongoing.

*per Rep. Oher phone
conversation 4/16/11 (BOcam)*

The sponsor and supporters of this bill presented persuasive information concerning the diseconomies of scale for our small and very small schools that is consistent with what educational consultants have advised legislative study commissions over the years. However, these same educational consultants have also consistently advised us not to provide supplemental state aid for costs associated with smaller schools. This bill, while well-intentioned, demonstrates the difficulties of quantifying these increased costs by arbitrarily setting the amount of such supplemental aid and by arbitrarily setting the size of the schools to which this aid would be extended. In addition, this bill carries an estimated cost of almost \$8 million with no suggestion to where ^{other} this education spending can be cut to fund this cost. Finally, the committee believes that this and other bills directed at specific components of state aid to education should be considered within a comprehensive review and discussion of this subject, which is ongoing.

OK
LO

Rep. DAVID W. HESS for the Majority

The sponsor + supporters of this bill presented persuasive information ^{concerning} ~~demonstrating~~ the ^{diseconomies} ~~diseconomies~~ of ~~scale~~ ^{scale} for our small + very small schools. That is consistent with what educational consultants have advised legislative ~~education~~ study commissions over the years. However, ~~the~~ ^{also} same educational ~~and~~ consultants have ^{also} consistently advised us not to provide supplemental state aid for costs associated with smaller schools. This bill, while well-intentioned, demonstrates the difficulties of ^{measuring} ~~assessing~~ these increased costs by arbitrarily setting the amount of such supplemental aid + by arbitrarily setting the size of the schools to which this aid would be extended. In addition, this bill carries an estimated cost of almost \$8 million with no suggestions as to where other education spending ~~can~~ can be cut to fund this cost. Finally, the Committee believes that this + other ~~specific~~ bills directed at specific components of state aid to education should be considered ^{discussed} ~~discussed~~ within a comprehensive review of this subject, which is ongoing.

OK
LO