

# Bill as Introduced

HB 505-FN - AS INTRODUCED

2011 SESSION

11-0845

04/01

HOUSE BILL            **505-FN**

AN ACT                making charter schools eligible for grants for leased space.

SPONSORS:            Rep. Comerford, Rock 9; Rep. Schlachman, Rock 13; Rep. Antosz, Rock 9;  
Rep. Weyler, Rock 8

COMMITTEE:          Education

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ANALYSIS

This bill authorizes chartered public schools to receive school building aid grants for leased space.

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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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 making charter schools eligible for grants for leased space.

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

1 1 School Building Aid; Annual Grant for Leased Space. Amend the introductory paragraph and  
2 subparagraphs (a) and (b) of RSA 198:15-hh, I to read as follows:

3 I. The amount of the annual grant for a lease to any school district duly organized, any city  
4 maintaining a school department within its corporate organization, any cooperative school district as  
5 defined in RSA 195:1, or any receiving district operating an area school as defined in RSA 195-A:1,  
6 shall be a sum equal to 30 percent of the amount of the annual payment of the lease incurred, for the  
7 cost of leasing permanent space in a building or buildings not owned by the school district or school  
8 administrative unit which is used for the operation of a high school vocational technical education  
9 program, to the extent approved by the state board of education, provided that the amount of the  
10 annual grant in the case of a cooperative school district, joint maintenance agreement, or a receiving  
11 district operating an area school, shall be 40 percent plus 5 percent for each pre-existing district in  
12 excess of 2 and each sending district, in excess of one, and provided further that no cooperative  
13 school district, joint maintenance agreement, or receiving district operating an area school, shall  
14 receive an annual grant in excess of 55 percent. For the purposes of this section, the amount of the  
15 annual grant for a lease to a vocational technical education center shall be calculated in the same  
16 manner as a cooperative school district. *The amount of the annual grant for a chartered*  
17 *public school authorized under RSA 194-B:3-a shall be a sum equal to 30 percent of the*  
18 *annual lease payment incurred for the cost of leasing space.* Such lease agreements shall be  
19 eligible for grants under this section, provided all of the following conditions apply:

20 (a) A school district, city, cooperative school district, joint maintenance agreement, [ø] ~~or~~  
21 receiving district operating an area school as defined in RSA 195-A:1, *or chartered public school*  
22 *authorized under RSA 194-B:3-a*, which receives grants under this section shall remain eligible to  
23 apply for, receive, and expend moneys from other state or federal sources made available for the  
24 purpose of purchasing new equipment, materials, or supplies necessary for the operation of the  
25 program. Moneys received from such other state or federal sources shall not be used to make  
26 permanent upgrades or renovations to the leased space.

27 (b) A lease agreement for permanent space shall be adopted in the same manner as  
28 required by law for the passage of construction bonds in the school district, city, cooperative school  
29 district, joint maintenance agreement, or receiving district operating an area school as defined in  
30 RSA 195-A:1. *A lease agreement for a chartered public school shall be approved by the*  
31 *chartered public school board of trustees pursuant to RSA 194-B:5, III(c).*

1           2 School Building Aid; Annual Grant for Leased Space. Amend RSA 198:15-hh, III to read as  
2 follows:

3           III. A school district, city, cooperative school district, joint maintenance agreement, [ø] ~~receiving~~  
4 receiving district operating an area school as defined in RSA 195-A:1, *or chartered public school*  
5 *authorized under RSA 194-B:3-a* shall submit details of the lease arrangement, including a copy  
6 of the proposed lease agreement, in writing to the state board of education on such forms as the state  
7 board may prescribe. Grant applications for leased space shall be submitted before January 1 of  
8 each year in order to be eligible for grants in the fiscal year following the year of submittal. The  
9 state board of education shall, no later than March 1, 2004, adopt rules pursuant to RSA 541-A,  
10 relative to procedures for grant applications for leased space.

11           3 Effective Date. This act shall take effect 60 days after its passage.

LBAO  
11-0845  
01/19/11

**HB 505-FN - FISCAL NOTE**

**AN ACT** making charter schools eligible for grants for leased space.

**FISCAL IMPACT:**

Due to time constraints, the Office of Legislative Budget Assistant is unable to provide a fiscal note for this bill at this time. When completed, the fiscal note will be forwarded to the House Clerk's Office.

CHAPTER 193  
HB 505-FN - FINAL VERSION

2011 SESSION

11-0845  
04/01

HOUSE BILL            **505-FN**

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STATE OF NEW HAMPSHIRE

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

1 193:1 School Building Aid; Annual Grant for Leased Space. Amend the introductory paragraph  
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29 district, joint maintenance agreement, or receiving district operating an area school as defined in

CHAPTER 193  
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- Page 2 -

1 RSA 195-A:1. *A lease agreement for a chartered public school shall be approved by the*  
2 *chartered public school board of trustees pursuant to RSA 194-B:5, III(c).*

3 193:2 School Building Aid; Annual Grant for Leased Space. Amend RSA 198:15-hh, III to read  
4 as follows:

5 III. A school district, city, cooperative school district, joint maintenance agreement, [or]  
6 receiving district operating an area school as defined in RSA 195-A:1, *or chartered public school*  
7 *authorized under RSA 194-B:3-a* shall submit details of the lease arrangement, including a copy  
8 of the proposed lease agreement, in writing to the state board of education on such forms as the state  
9 board may prescribe. Grant applications for leased space shall be submitted before January 1 of  
10 each year in order to be eligible for grants in the fiscal year following the year of submittal. The  
11 state board of education shall, no later than March 1, 2004, adopt rules pursuant to RSA 541-A,  
12 relative to procedures for grant applications for leased space.

13 193:3 Effective Date. This act shall take effect 60 days after its passage.

14

15 Approved: June 14, 2011

16 Effective Date: August 13, 2011



# Committee Minutes

**SENATE CALENDAR NOTICE  
EDUCATION**

Senator Nancy Stiles Chairman  
 Senator James Forsythe V Chairman  
 Senator Sharon Carson  
 Senator Molly Kelly  
 Senator Russell Prescott

For Use by Senate Clerk's Office ONLY	
<input type="checkbox"/>	Bill Status
<input type="checkbox"/>	Docket
<input type="checkbox"/>	Calendar
Proof: <input type="checkbox"/>	Calendar <input type="checkbox"/> Bill Status

**Date: March 28, 2011**

**HEARINGS**

**Tuesday**

**4/5/2011**

EDUCATION

LOB 103

1:00 PM

(Name of Committee)

(Place)

(Time)

**EXECUTIVE SESSION MAY FOLLOW**

1:00 PM	HB505-FN	making charter schools eligible for grants for leased space.
1:30 PM	HB542-FN	(New Title) prohibiting a school district from requiring that a parent send his or her child to any school or program to which the parent may be conscientiously opposed.
2:00 PM	HB369-FN-L	relative to withdrawal from a school administrative unit or an authorized regional enrollment area school.

**Sponsors:**

**HB505-FN**

Rep. Timothy Comerford

Rep. Donna Schlachman

Rep. Jason Antosz

Rep. Kenneth Weyler

**HB542-FN**

Rep. J.R. Hoell

**HB369-FN-L**

Rep. Thomas Howard

Rep. William Smith

Rep. Spec Bowers

# Education Committee

## Hearing Report

**TO:** Members of the Senate

**FROM:** Tom Prasol, Legislative Aide

**RE:** Hearing report on HB 505-FN – making charter schools eligible for grants for leased space.

**HEARING DATE:** 4/5/2011

**MEMBERS OF THE COMMITTEE PRESENT:** Senator Stiles  
Senator Forsythe  
Senator Kelly  
Senator Prescott

**MEMBERS OF THE COMMITTEE ABSENT:** Senator Carson

**Sponsor(s):** Rep. Comerford, Rock 9; Rep. Schlachman, Rock 13; Rep. Antosz, Rock 9; Rep. Weyler, Rock 8

**What the bill does:** This bill authorizes chartered public schools to receive school building aid grants for leased space.

**Who supports the bill:** Representative Ken Weyler, Rock. 8  
Representative Tim Comerford, Rock. 9  
Representative Gregory Hill, House Ed. Committee  
Roberta Tenney, NHDOE  
Eileen Liponis, NHPCSA  
Representative Donna Schlachman, Rock. 13  
Representative Beverly Rodeschin, Sull. 2  
Cathy Peschie

**Who opposes the bill:** no one

### Summary of testimony received:

Senator Stiles opened the hearing on HB505-FN at 1:02pm and recognized Representative Comerford was recognized as the prime sponsor.

**Representative Comerford**

Rep. Comerford filed this legislation at the urging of the local charter schools because choice is important. He stated that charters are forced to use their resources wisely and do more with less. They also have much greater student achievement. Rep. Comerford noted that part of their budget is to find building space and it is a reasonable idea to have the state paying for part of it. There is a current moratorium on building aid and therefore this will not have an immediate affect on the budget. This also allows access to public funding by permitting charters to apply for federal aid grants.

Senator Prescott inquired if leased space is part of the building aid. He noted that it may be wise to change the name to lease and building aid. Rep. Comerford replied that while he is unsure if that is necessary, he believes that this levels the playing field because charters are not able to receive building aid for construction. Senator Prescott then inquired of other possible avenues for charters to apply for federal funding. Rep. Comerford referred to Eileen Liponis to answer the questions.

Senator Stiles asked if there would be a restriction or conflict of interest for a board of trustee member to offer lease space. Rep. Comerford noted that if she was compelled she could offer amendments to that idea, but as of right now he is not aware of any commercial space that is being rented by charter schools.

Senator Kelly then pointed to the fiscal note associated with this legislation and asked what the cost of this legislation would be. Rep. Comerford stated that the aid from the school building aid would cover 30% of the lease. However, he reiterated that this legislation would not affect the state's bottom line because there is presently a moratorium on school building aid. Senator Kelly clarified that a request could only be made if there was no moratorium. Rep. Comerford confirmed.

### **Representative Ken Weyler**

Rep. Weyler began by noting that charters are one of the most dynamic experiments in state education. Due to the influx in growth, they are forced to constantly move to find new space. He is aware that the charter in his area has a lease of \$35,000. This legislation would pay approximately \$10,000 toward that bill. In the school building aid fund there already exists opportunities for vocational schools to lease space. It is much easier to lease a defunct auto shop than to build an addition to the school. He is pleased with the results he has seen in the seacoast charter schools, and would like to see it continued and possibly find some money in the budget for this. He noted that it would cost approximately \$100,000.

Senator Kelly inquired where we would find the money in the budget when we are already making cuts everywhere else. Rep. Weyler acknowledged it

would be difficult, but this is such a small amount he is hopeful it may be found.

### **Eileen Liponis, NHPCSA**

Ms. Liponis is the Executive Director of the New Hampshire Public Charter School Association and they support this legislation. This bill would allow 30% of the lease of an existing charter school to go to a lease payment. It was changed last year and this is a "re-birth." She provided an example of the Seacoast Charter School using their \$60,000 lease. She noted that 30% of this lease would equate to approximately \$104/student as a facility stipend. In Massachusetts they pay approximately \$800/student and in Minnesota they pay approximately 90% of the lease cost. She believes this legislation is a small step toward funding parity and this could open doors to federal support for facility funding. Without any support for facility funding, the federal funds doors are closed.

Senator Stiles inquired again about the conflict of being on a board and leasing space. Ms. Liponis stated that this might be part of a conflict of interest policy the school has but it would be subject to each school.

Senator Prescott inquired that if this bill passed and they were able to apply for grants, if federal money for leases is available. Ms. Liponis stated that there is presently a Credit Enhancement Program. It is presently illegal for charter schools to have any long term debt, but this allows them to borrow at a reduced rate. She noted that most of these programs are in place for schools with a long track record of being reauthorized. Senator Prescott pressed for clarification that this legislation needs to pass to become eligible. Ms. Liponis responded that the state needs to have legislation regarding facilities to be eligible. Senator Prescott further inquired if this is a litmus test to say yes or no to open federal grants or will this legislation just make the charters look better as candidates. Ms. Liponis stated that presently due to lack of legislation they are not eligible for federal grants. Senator Prescott asked if they needed a specific dollar figure, but Ms. Liponis stated that they did not need a specific dollar figure confirmed.

### **Roberta Tenney, NHDOE**

Ms. Tenney represents the NHDOE and spoke in support of this legislation and in support of charter schools being eligible for aid. She assumes that at some point things will change and she assumes this will change as well. She also noted that throughout the nation charters receive aid.

Senator Forsythe asked Ms. Tenney to address the earlier question about the current ability to provide building aid for other schools other than charters. Ms. Tenney noted that this simply would include charter schools under the clause. In reference to Senator Stiles' inquiry about a board member's

conflict of interest, it would be a fiduciary responsibility that the auditor would cover.

Senator Kelly noted that previous testimony stated this simply opens the door for federal grant eligibility. She then stated that this would actually come with a cost for building aid. Ms. Tenney responded that while they would be responsible for 30% if eligible, it also has a parallel responsibility for federal grants.

Senator Prescott then asserted that while becoming eligible they qualify for federal grants, being in the program makes them automatically in the running for 30%. Ms. Tenney responded that they would be in the running but no one knows where school building aid will be in the future and this \$100,000 is a small part of the whole.

Senator Stiles closed the hearing at 1:21pm

**Funding:** See fiscal note.

**Action:** Senator Forsythe moved OUGHT TO PASS which was seconded by Senator Stiles. The motion passed by a vote of 3-2 and Senator Forsythe will take this bill out for the committee.

TRP

[file: HB505-FN report]  
Date: 4/6/2011

# Speakers







# Committee Report

STATE OF NEW HAMPSHIRE  
SENATE  
REPORT OF THE COMMITTEE

Date: April 5, 2011

THE COMMITTEE ON Education  
to which was referred House Bill 505-FN

AN ACT                    making charter schools eligible for grants for leased  
space.

Having considered the same, the committee recommends that the Bill:

**OUGHT TO PASS**

BY A VOTE OF:    3-2

AMENDMENT # 0s

Senator Jim Forsythe  
For the Committee

Tom Prasol 271-3093

## New Hampshire General Court - Bill Status System

**Docket of HB505**

Docket Abbreviations

**Bill Title:** making charter schools eligible for grants for leased space.*Official Docket of HB505:*

<b>Date</b>	<b>Body</b>	<b>Description</b>
1/21/2011	H	Introduced 1/6/2011 and Referred to Education; <b>HJ 11</b> , PG. 189
2/9/2011	H	Public Hearing: 2/22/2011 1:30 PM LOB 207
2/18/2011	H	Executive Session: 3/3/2011 10:00 AM LOB 207
3/8/2011	H	Committee Report: Ought to Pass for Mar 15 (Vote 13-1; RC); <b>HC 22</b> , PG.551
3/15/2011	H	Ought to Pass: MA VV; <b>HJ 26</b> , PG.791
3/23/2011	S	Introduced and Referred to Education; <b>SJ 11</b> , Pg.193
3/29/2011	S	Hearing: 4/5/11, Room 103, LOB, 1:00 p.m.; <b>SC18</b>
4/6/2011	S	Committee Report: Ought to Pass, 4/13/11; <b>SC19</b>
4/13/2011	S	Ought to Pass, MA, VV; Refer to Finance Rule 4-3; <b>SJ 12</b> , Pg.246
5/26/2011	S	Committee Report: Ought to Pass, 6/1/11; <b>SC26</b>
6/1/2011	S	Ought to Pass, MA, VV; OT3rdg; <b>SJ 19</b>
6/1/2011	S	Passed by Third Reading Resolution; <b>SJ 19</b>
6/8/2011	S	Enrolled
6/8/2011	H	Enrolled
6/15/2011	H	Signed By Governor 06/14/2011; Effective 08/13/2011; Chapter 0193

NH House

NH Senate

# Other Referrals

# COMMITTEE REPORT FILE INVENTORY

HHS05-PA X ORIGINAL REFERRAL \_\_\_\_\_ RE-REFERRAL

1. THIS INVENTORY IS TO BE SIGNED AND DATED BY THE COMMITTEE AIDE AND PLACED INSIDE THE FOLDER AS THE FIRST ITEM IN THE COMMITTEE FILE.
2. PLACE ALL DOCUMENTS IN THE FOLDER FOLLOWING THE INVENTORY IN THE ORDER LISTED.
3. THE DOCUMENTS WHICH HAVE AN "X" BESIDE THEM ARE CONFIRMED AS BEING IN THE FOLDER.
4. THE COMPLETED FILE IS THEN DELIVERED TO THE CALENDAR CLERK.

- X DOCKET (Submit only the latest docket found in Bill Status)
- X COMMITTEE REPORT
- X CALENDAR NOTICE
- X HEARING REPORT
- Q HANDOUTS FROM THE PUBLIC HEARING
- Q PREPARED TESTIMONY AND OTHER SUBMISSIONS
- X (2) SIGN-UP SHEET(S)

ALL AMENDMENTS (passed or not) CONSIDERED BY COMMITTEE:

\_\_\_\_ - AMENDMENT # \_\_\_\_      \_\_\_\_ - AMENDMENT # \_\_\_\_  
\_\_\_\_ - AMENDMENT # \_\_\_\_      \_\_\_\_ - AMENDMENT # \_\_\_\_

ALL AVAILABLE VERSIONS OF THE BILL:

X AS INTRODUCED      \_\_\_\_ AS AMENDED BY THE HOUSE  
X FINAL VERSION      \_\_\_\_ AS AMENDED BY THE SENATE

Q OTHER (Anything else deemed important but not listed above, such as amended fiscal notes): \_\_\_\_\_

IF YOU HAVE A RE-REFERRED BILL, YOU ARE GOING TO MAKE UP A DUPLICATE FILE FOLDER

DATE DELIVERED TO SENATE CLERK

7/22/2011

  
\_\_\_\_\_  
BY COMMITTEE AIDE