REGULAR CALENDAR

October 24, 2022

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Committee on Education to which was referred HB 1399,

AN ACT relative to school district withdrawal from a cooperative school district. Having considered the same, report the same: RECOMMENDED FOR FUTURE LEGISLATION.

Rep. Glenn Cordelli

FOR THE COMMITTEE

Original: House Clerk

COMMITTEE REPORT

Committee:	Education
Bill Number:	HB 1399
Title:	relative to school district withdrawal from a cooperative school district.
Date:	October 24, 2022
Consent Calendar:	REGULAR
Recommendation:	RECOMMENDED FOR FUTURE LEGISLATION

STATEMENT OF INTENT

The withdrawal of towns from cooperative school districts is the subject of legislation every year. It is a complicated issue as only two towns have been successful in withdrawal efforts in over 60 years. The majority of the committee felt that the bill should be Recommended for Future Legislation as the concept is so important and possible modifications can be made to a re-submitted bill. It is also important that we continue to try to resolve the withdrawal issue and not wait three years or more for the recommendations of any new study process. Although the committee has also recommended support for a comprehensive study commission, in order to assist those districts currently struggling with cooperative issues as stated in HB 1366, the majority supports moving forward both with the resubmittal of this bill and the comprehensive study.

Vote 10-9.

 $\begin{array}{c} \text{Rep. Glenn Cordelli} \\ \text{FOR THE COMMITTEE} \end{array}$

Original: House Clerk

REGULAR CALENDAR

Education

HB 1399, relative to school district withdrawal from a cooperative school district.**RECOMMENDED FOR FUTURE LEGISLATION**.

Rep. Glenn Cordelli for Education. The withdrawal of towns from cooperative school districts is the subject of legislation every year. It is a complicated issue as only two towns have been successful in withdrawal efforts in over 60 years. The majority of the committee felt that the bill should be Recommended for Future Legislation as the concept is so important and possible modifications can be made to a re-submitted bill. It is also important that we continue to try to resolve the withdrawal issue and not wait three years or more for the recommendations of any new study process. Although the committee has also recommended support for a comprehensive study commission, in order to assist those districts currently struggling with cooperative issues as stated in HB 1366, the majority supports moving forward both with the resubmittal of this bill and the comprehensive study. Vote 10-9.

Original: House Clerk

CONSENT CALENDAR

February 22, 2022

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Committee on Education to which was referred HB 1399,

AN ACT relative to school district withdrawal from a cooperative school district. Having considered the same, report the same with the recommendation that the bill be REFERRED FOR INTERIM STUDY.

Rep. Rick Ladd

FOR THE COMMITTEE

Original: House Clerk

COMMITTEE REPORT

Committee:	Education
Bill Number:	HB 1399
Title:	relative to school district withdrawal from a cooperative school district.
Date:	February 22, 2022
Consent Calendar:	CONSENT
Recommendation:	REFER FOR INTERIM STUDY

STATEMENT OF INTENT

This bill modifies the procedures for the disposition of equity and liabilities associated with buildings, land, and facilities for a school district withdrawing from a cooperative school district. This topic has received numerous studies, the most recent occurring in 2016-2017. Along with other bills received by the committee this year that address very unique elements contained within cooperative agreements such as governance, cooperative formation, and complicated dissolution of assets and withdrawal, the committee finds that additional time to conduct a more serious, vigorous, and comprehensive review of RSA 195 in its entirety is required.

Vote 19-0.

 $\begin{array}{c} \text{Rep. Rick Ladd} \\ \text{FOR THE COMMITTEE} \end{array}$

Original: House Clerk

CONSENT CALENDAR

Education

HB 1399, relative to school district withdrawal from a cooperative school district. REFER FOR INTERIM STUDY.

Rep. Rick Ladd for Education. This bill modifies the procedures for the disposition of equity and liabilities associated with buildings, land, and facilities for a school district withdrawing from a cooperative school district. This topic has received numerous studies, the most recent occurring in 2016-2017. Along with other bills received by the committee this year that address very unique elements contained within cooperative agreements such as governance, cooperative formation, and complicated dissolution of assets and withdrawal, the committee finds that additional time to conduct a more serious, vigorous, and comprehensive review of RSA 195 in its entirety is required. Vote 19-0.

Original: House Clerk

HOUSE COMMITTEE ON EDUCATION

EXECUTIVE SESSION on HB 1399

BILL TITLE: relative to school district withdrawal from a cooperative school district.

DATE: October 24, 2022

LOB ROOM: 305-307

MOTION:

Interim Study (2nd yr) Recommended for Future Legislation

Moved by Rep. Cordelli Seconded by Rep. Boehm Vote: 10-9

Respectfully submitted,

Rep Melissa Litchfield, Clerk

HOUSE COMMITTEE ON EDUCATION EXECUTIVE SESSION on bill # 1359

BILL TITLE: With drawal from CO-Op Districts
DATE: 10-24-22
LOB ROOM: 205-207 307
MOTION: Recommended for Future Legislation Not Recommended for Future Legislation
Moved by Rep. Cordolli Seconded by Rep. Boehm Vote: 10–9

Respectfully submitted,

Rep. M. M. M. Committee Clerk

OFFICE OF THE HOUSE CLERK



1/10/2022 8:57:50 AM Roll Call Committee Registers Report

2022 SESSION

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Recommended

AM#: Exec Session Date: 10-24-22 Bill #: #5 1369 Motion:

	VEAO		An.,
<u>Members</u>	<u>YEAS</u>	<u>Nays</u>	<u>NV</u>
Ladd Diel M. Chairman			
Ladd, Rick M. Chairman			
Cordelli, Glenn Vice Chairman			
Litchfield, Melissa A. Clerk 1,1 1, Greg			
Boehm, Ralph G.	V		
Lekas, Alicia D.	V		
Moffett, Michael	V		
Hobson, Deborah L.	V		
Ford, Oliver J.	V		
Soti, Julius F.			
Nelson, Bill G.			
Myler, Mol Walz, Mary Beth		V	
Luneau, David J.		V	
Cornell, Patricia		V	
Tanner, Linda L.		V	
Ellison, Arthur S.		V	
Mullen, Sue M.		V	
Woodcock, Stephen L.		V	
Porter, Marjorie Hearth M			
A. Hall, Muriel C.		V	
TOTAL VOTE:	10-9		

HOUSE COMMITTEE ON EDUCATION

EXECUTIVE SESSION on HB 1399

BILL TITLE: relative to school district withdrawal from a cooperative school district.

DATE: February 22, 2022

LOB ROOM: 207

MOTIONS: REFER FOR INTERIM STUDY

Moved by Rep. Ladd Seconded by Rep. A. Lekas Vote: 19-0

CONSENT CALENDAR: YES

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep Melissa Litchfield, Clerk

HOUSE COMMITTEE ON EDUCATION

BILL TITLE: LOB ROOM: MOTION: (Please check one box) □ OTP ☐ ITL ☐ Retain (1st year) ☐ Adoption of Amendment# ☐ Interim Study (2nd year) (if offered) Moved by Rep. Seconded by Rep. Vote: MOTION: (Please check one box) \square OTP □ OTP/A □ ITL ☐ Retain (1st year) ☐ Adoption of Amendment# ☐ Interim Study (2nd year) (if offered) Moved by Rep. Seconded by Rep. _ Vote: MOTION: (Please check one box) \square OTP □ OTP/A ☐ Retain (1st year) ☐ Adoption of Amendment# ☐ Interim Study (2nd year) (if offered) Moved by Rep. Seconded by Rep. _ Vote: MOTION: (Please check one box) \square OTP □ OTP/A ☐ ITL ☐ Retain (1st year) ☐ Adoption of Amendment # _____ ☐ Interim Study (2nd year) (if offered) Moved by Rep. Seconded by Rep. Vote: CONSENT CALENDAR: YES NO Minority Report? _____ Yes ____ No If yes, author, Rep: ___ _____ Motion _____ Respectfully submitted: _ nelissa Litchstidd

OFFICE OF THE HOUSE CLERK



1/10/2022 8:57:50 AM Roll Call Committee Registers Report

2022 SESSION

Education

Bill #:	1399
D	

Motion: ______ AM #: _____ Exec Session Date: ______ 2/22/22

<u>Members</u>	YEAS	<u>Nays</u>	<u>NV</u>
Ladd, Rick M. Chairman	19		
Cordelli, Glenn Vice Chairman First	1		
Litchfield, Melissa A. Clerk	2		
Boehm, Ralph G. Rep Simon	3		
Lekas, Alicia D.	4		
Moffett, Michael	5		
Hobson, Deborah L.	/,		
Ford, Oliver J.	7		
Soti, Julius F.	8		A Charles of the Control of the Cont
Nelson, Bill G.	9		
Myler, Mel-Walz, Mary Beth	1/		
Luneau, David J. First	10		
Cornell, Patricia	12		
Tanner, Linda L.	13		
Ellison, Arthur S.	14		
Mullen, Sue M.	15		
Woodcock, Stephen L.	16		
Porter, Marjorie Rep Meuse	17		
A. Hall, Muriel C.	18		
TOTAL VOTE:	19	0	

IHOUSE COMMITTEE ON EDUCATION

PUBLIC HEARING ON HB 1399

BILL TITLE: relative to school district withdrawal from a cooperative school district.

DATE: January 13, 2022

LOB ROOM: 207 Time Public Hearing Called to Order: 9:03am

Time Adjourned:

<u>Committee Members</u>: Reps. Ladd, Cordelli, Boehm, A. Lekas, Moffett, Hobson, Ford, Soti, B. Nelson, Litchfield, Myler, Luneau, Cornell, Tanner, Ellison, Mullen, Woodcock, Hall and Porter

Bill Sponsors:

Rep. Pauer Rep. Melvin Rep. Lang Rep. Cambrils Rep. Greeson Rep. Andrus

Rep. Wallace Sen. Avard

TESTIMONY

Rep. Diane Pauer

- Prime Sponsor
- Supports equity in disposition of assets when a school district leaves a cooperative.

Rep. Boehm

- Every Coop has an Article of Agreement, which means this bills difficult
- He asked a question specific to her school system.

Rep. Woodcock

· Question on chart

Rep. Walz

• Beware of unintended consequences

Rep. Diane Pauer

• Reiterating this is about Fair Market Value

Rep. Walz

Concerned did all members of Coop contribute to financial assets

Rep. Pauer

• This bill is based upon, what a town has contributed along the way.

Rep. Ladd

Questions re: repercussions of withdrawal

Rep. Luneau

• Where is the money coming from for the pay out?

Rep. Lekas

Has this situation come up before - the topic of this bill.

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

Rep. Woodcock

• Follow up to Luneau's question.

Rep.Porter

• Financial question

Eric Pauer

- School Board member
- In support of bill
- Bottom line larger member of coop has all the power
- We need to adjust the one size fits all to be fair

Rep. Boehm

• Asked if Mason had pulled out?

Response "NO"

Rep. Porter

• Questioning if larger town pulls out - how does smaller town financially get through this?

Rep. John Lewicke, Mason

- Specific examples of why this hill is needed'
- Pointed out budget does break things down by Capital Expenses as operating expenses.

Rep.Cordelli

• Did the smaller town without facilities pay more per students?

Rep. Moffett

• Question - Specific to Mason?

Respectfully submitted,

Rep. Michelle Litchfield

SIGN UP SHEET

To Register Opinion If Not Speaking

Bill # HB 1399	Date 1 /13 / 72
Committee EDUCATION	

** Please Print All Information **

				(checl	k one)
Name	Address	Phone	Representing	Pro	Con
Name Charles Ellylvin Si	2 81 So Man	Venton 603819	6280	V	
	-				
			*		

House Remote Testify

Education Committee Testify List for Bill HB1399 on 2022-01-13

Support: 8 Oppose: 16 Neutral: 0 Total to Testify: 0

Export to Excel

<u>Name</u>	City, State Email Address	<u>Title</u>	Representing	Position	Testifying	Non-Germane	Signed Up
Lang, Timothy	Sanbornton, NH tlang@thelangs.us	An Elected Official	Myself	Support	No	No	1/10/2022 11:44 PM
Cambrils, Jose	Loudon, NH Jose4NH@comcast.net	An Elected Official	Myself	Support	No	No	1/11/2022 4:21 PM
Roddy, Mark	Hollis, NH markr@hollistech.com	A Member of the Public	Myself	Oppose	No	No	1/12/2022 11:03 AM
Desmarais, Julie	Hollis, NH jddes2424@yahoo.com	A Member of the Public	Myself	Oppose	No	No	1/12/2022 11:43 AM
LaBombard, Jone	Hollis, NH jlabombard@gmail.com	A Member of the Public	Myself	Oppose	No	No	1/12/2022 12:26 PM
Gilbert, Elizabeth	Hollis, NH elizawiz@aol.com	A Member of the Public	Myself	Oppose	No	No	1/12/2022 12:48 PM
Green, Donna	Oldsmar, FL donnagre@gmail.com	A Member of the Public	Myself	Support	No	No	1/12/2022 2:57 PM
Metea, Mark	Hollis, NH stevens113@hotmail.com	A Member of the Public	Myself	Oppose	No	No	1/12/2022 3:22 PM
Walbridge, Tracy	Rochester, NH tracywalbridge@gmail.com	A Member of the Public	Myself	Support	No	No	1/12/2022 4:02 PM
Thompson, Keith	Nashua, NH kthomp0909@aol.com	A Member of the Public	Myself	Oppose	No	No	1/12/2022 5:09 PM
Kellner, Russell	HOLLIS, NH rkellner@hotmail.com	A Member of the Public	Myself	Oppose	No	No	1/12/2022 5:13 PM
Chorma, Maureen	Brookline, NH mchorma@hotmail.com	A Member of the Public	Myself	Oppose	No	No	1/12/2022 5:49 PM
Gildea, Beth	Brookline, NH norris.eliza@gmail.com	A Member of the Public	Myself	Oppose	No	No	1/12/2022 5:54 PM

Gildea, Sean	Brookline, NH norris.eliza@gmail.com	A Member of the Public	Myself	Oppose	No	No	1/12/2022 5:55 PM
Constant, David	Windham, NH D1CONSTANT@YAHOO.COM	A Member of the Public	Myself	Support	No	No	1/12/2022 6:02 PM
Miller, Laurie	Hollis, NH Laurie@millersnh.com	A Member of the Public	Myself	Oppose	No	No	1/12/2022 7:36 PM
Banfield, Ann Marie	North Hampton, NH Banfieldannmarie@gmail.com	A Member of the Public	Myself	Support	No	No	1/12/2022 7:40 PM
Meller, Liz	New london, NH Lizmeller1@gmail.com	A Member of the Public	Myself	Oppose	No	No	1/12/2022 7:50 PM
Post, Charlie	Lyndeborough, NH skituckermans@gmil.com	An Elected Official	Myself	Support	No	No	1/12/2022 9:08 PM
Underwood, Jody	CROYDON, NH jodysun@gmail.com	An Elected Official	Myself	Support	No	No	1/12/2022 9:43 PM
Desmarais, Greg	Hollis, NH washotmail@gmail.com	A Member of the Public	Myself	Oppose	No	No	1/12/2022 10:26 PM
Marsolini, Dianr	Brookline, NH Diane.marsolini@gmail.com	A Member of the Public	Myself	Oppose	No	No	1/13/2022 2:16 AM
Grossman, Kathy	Hollis, NH Kathy@grossmangizmos.com	A Member of the Public	Myself	Oppose	No	No	1/13/2022 11:00 AM
Pyle, Stephanie	Hollis, NH sajpyle@gmail.com	A Member of the Public	Myself	Oppose	No	No	1/13/2022 1:21 PM

Archived: Monday, February 7, 2022 9:08:20 AM

From: de395@charter.net

Sent: Saturday, February 5, 2022 11:36:11 AM

To: ~House Education Committee **Cc:** Diane Pauer; Kevin Avard

Subject: Please Support HB 1399 - Relative to School District Withdrawal from a Cooperative

District

Importance: Normal

Honorable Members of the House Education Committee,

I am writing in support of House Bill 1399 An Act relative to School District Withdrawal from a Cooperative School district.

This bill is important for three critical reasons. It adds safeguards to the cooperative school district withdrawal or dissolution process in the appraisal of assets. Second, HB 1399 protects the net equity of a pre-existing district in the course of withdrawal when buildings, land or facilities are *not* located in the pre-existing district. Finally, it ensures fairness in the payment of the net equity due to each district in the course of withdrawal or dissolution.

House Bill 1399 updates with needed clarity our existing state law governing cooperative district withdrawals. Please report this bill as Ought to Pass.

Respectfully,

Peter W. Walker

57 Pepperell Rd

Brookline NH 03033

Archived: Friday, January 21, 2022 10:03:17 AM

From: Donna Green

Sent: Wednesday, January 12, 2022 2:58:16 PM

To: ~House Education Committee

Subject: Testimony is support of HB 1399 Relative to school district withdrawal from a

cooperative school district **Importance:** Normal

Re: HB 1399 Relative to school district withdrawal from a cooperative school district

Dear Honorable Members of the House Education Committee:

Please pass HB 1399. It is badly needed to give freedom to towns groaning under the burden of unresponsive and expensive cooperative districts they have outgrown.

I represented Sandown on the Timberlane Regional School Board from 2014 to 2018. I was also part of an active group of residents who advocated for Sandown to withdraw from the Timberlane school cooperative. We believed that Sandown could give their children a better education at less cost and with a far more responsive administration if Sandown had their own school district. Sandown voted to explore withdrawal and we became quickly educated about the inadequate direction in the law as to how assets were to be fairly apportioned upon withdrawal or dissolution.

As the law is currently written, a withdrawing town gets no compensation for the money it invested in the schools of other towns in the cooperative, but yet has to pay back all the money the other towns invested into the withdrawing town. This is patently unfair, and in Sandown's case made the town's withdrawal financially impossible. HB1399 will correct this injustice.

Because of my experience in Sandown, I was appointed as a member of the NH legislative study committee to study issues relating to pre-existing districts withdrawing from a cooperative school district (2016-2017). This was yet another exercise in frustration as nothing of substance came of this study – except for a small change which made withdrawal even more impossible.

There is also a provision in the law, 195:25 (5), that allows only members of the withdrawal committee to file a minority report – and not members of the public. This is a very big problem because the cooperative school district, usually opposed to withdrawals of any kind, stacks the withdrawal study committee with people opposed to withdrawal right from the start so there is no one legally able to present a positive case for withdrawal to the DOE. A change introduced by the chairman of the study committee without the knowledge or authorization of the study committee further thwarted the voice of those advocating for withdrawal by writing into the law that when a committee votes against withdrawal, those on the committee wanting withdrawal may file a minority report with the **school board of the district!** This puts the final nail in the coffin for those wanting withdrawal since the only relevant party to whom to submit a minority report is the State Board of Education.

As a result, this part of the legislation also needs amendment.

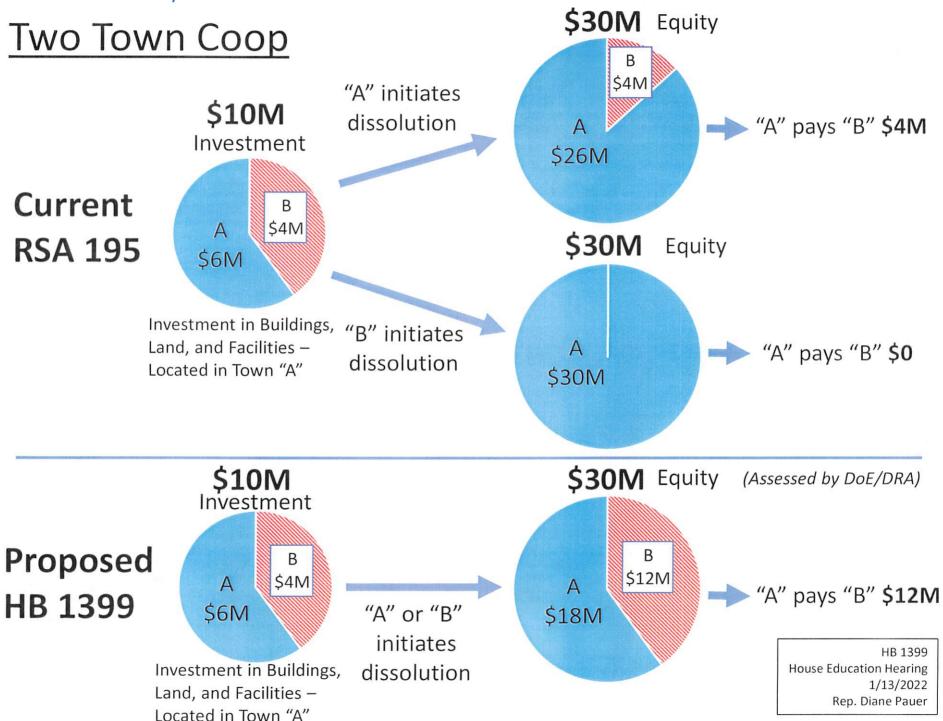
195:25 (5) in part:

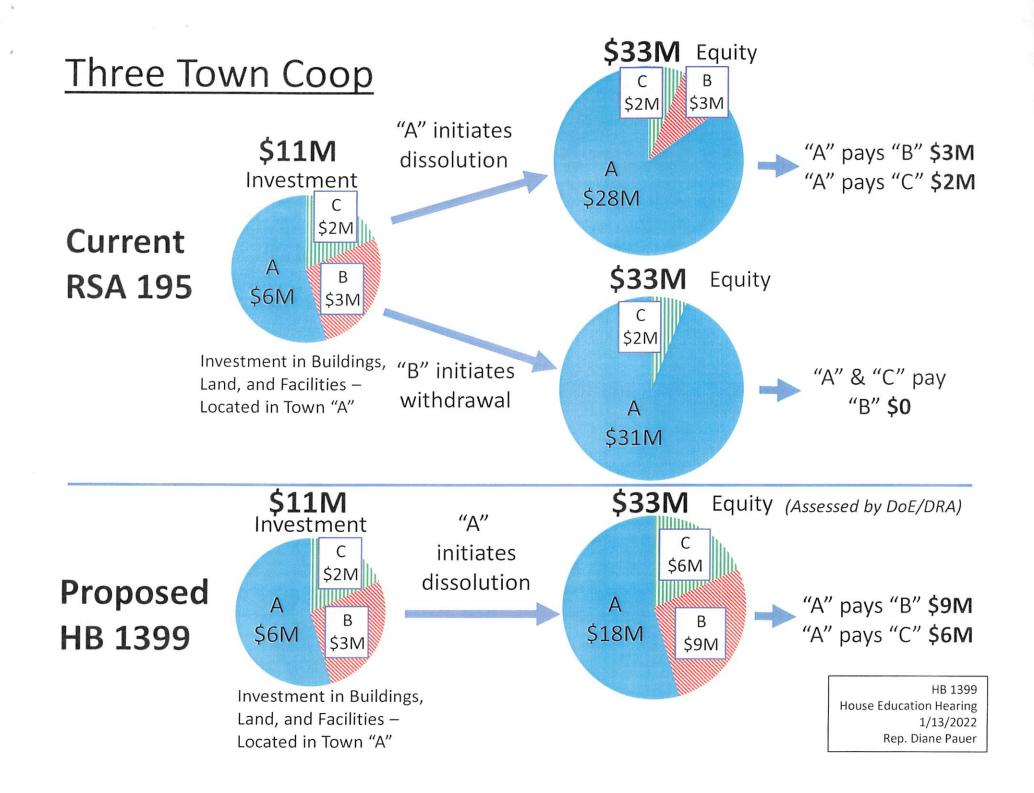
If the committee finds that the withdrawal of one or more towns from the cooperative school district is not recommended, members of the committee who voted to recommend the withdrawal of one or more towns from the cooperative school district may file a minority report with the school board of the cooperative school district. If the committee finds that the withdrawal of one or more towns from the cooperative school district is recommended, the committee shall develop a withdrawal plan in accordance with RSA 195:26. The plan shall be submitted to the state board of education no later than November 1. Members of the committee who voted against the withdrawal plan and its recommendations may file a minority report with the state board of education no later than November 1.

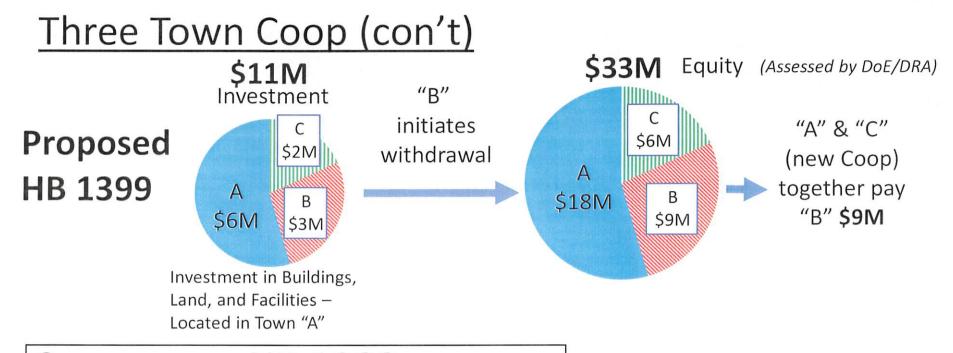
Leaving this small matter aside, Rep. Pauer's bill is strong and desperately needed. Please vote OTP.

Thank you for your thoughtful attention to this very important matter.

Sincerely, Donna Green donnagre@gmail.com Diane Pavel







Summary – HB 1399 ensures:

- All towns receive proportional fair share of investment and equity due to appreciation in Coop buildings, land, and facilities whether in their town or another town
- Same equity regardless of which town initiates withdrawal or dissolution
- Final plan and equity payments are part of withdrawal plan approved by Department of Education and must receive majority vote collectively among all towns in the Coop to be approved

HB 1399 House Education Hearing 1/13/2022 Rep. Diane Pauer

HB 1399 - AS INTRODUCED

2022 SESSION

22-2686 10/11

HOUSE BILL 1399

AN ACT relative to school district withdrawal from a cooperative school district.

SPONSORS: Rep. Pauer, Hills. 26; Rep. Melvin, Rock. 15; Rep. Lang, Belk. 4; Rep. Cambrils,

Merr. 9; Rep. Greeson, Graf. 16; Rep. Andrus, Merr. 1; Rep. Wallace, Rock. 12;

Sen. Avard, Dist 12

COMMITTEE: Education

ANALYSIS

This bill modifies the procedures for the disposition of equity and liabilities in buildings, land, and facilities for a school district withdrawing from a cooperative school district.

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 Twenty Two

AN ACT relative to school district withdrawal from a cooperative school district.

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

- 1 Cooperative School Districts; Withdrawal Plan; Property. RSA 195:26, V is repealed and 2 reenacted to read as follows:
 - V. The equity or liability of the pre-existing school districts and disposition of property of the cooperative school district including the net equity of cooperative school district school buildings, land, or facilities, and each pre-existing school districts' proportional share of investment, as detailed in RSA 195:27.
- 7 2 Cooperative School Districts; Withdrawal; Disposition of Property. RSA 195:27 is repealed 8 and reenacted to read as follows:
 - 195:27 Equity or Liability of Pre-Existing School Districts and Disposition of Property.

I. In this section:

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- (a) "Net equity" means the appraisal of cooperative school district school buildings, land, or facilities in accordance with paragraph II, minus any outstanding indebtedness.
- (b) "Proportional share of net equity" means the percentage of investment of the preexisting school district compared to the total investment of the cooperative school district in the cooperative district school buildings, land, or facilities.
- II. Whenever cooperative district school buildings, land, or facilities are to be transferred as part of a cooperative school district withdrawal or dissolution, the cooperative district school buildings, land, or facilities shall be separately appraised by a committee to consist of 3 persons. The commissioner of education shall designate one person on the committee, and the commissioner of revenue administration shall designate 2 persons, one of whom shall be a member of or a qualified appraiser employed by the department of revenue administration. A member who is not in the employ of the state shall be paid \$25 per day plus actual expenses in the performance of such member's duties. A member who is in the employ of the state shall not be paid extra compensation other than the state salary, but shall be reimbursed for actual expenses in the performance of such member's duties.
- III. A pre-existing school district that withdraws from or is part of a dissolution of a cooperative school district shall be paid by the cooperative school district the pre-existing school district's proportional share of net equity in any cooperative district school buildings, land, or facilities not located in the pre-existing school district.
- IV. A pre-existing school district that withdraws from or is part of a dissolution of a cooperative school district shall pay each of the other pre-existing school districts in the cooperative

HB 1399 - AS INTRODUCED - Page 2 -

school district each other district's proportional share of net equity in any cooperative district school buildings, land, or facilities located in the pre-existing school district.

- V. Upon payments in accordance with paragraphs III and IV, the cooperative school district shall transfer and convey title to any school buildings, land, or facilities located in the pre-existing school district. The pre-existing school district shall assume any remaining indebtedness for such school buildings, land, or facilities.
- VI. All other cooperative school district property including but not limited to equipment, vehicles, furniture, and books shall be divided proportionally or reimbursed based each pre-existing school districts' investments in the property and as specified in the agreement for withdrawal plan.
- VII. In the case of a dissolution of a cooperative school district, any trust funds, capital reserve funds, revolving funds, non-lapsing funds, and other unexpended funds shall be distributed among the pre-existing districts according to the apportionment formula.
 - 3 Repeal. RSA 195:28, relative to disposition of property, is repealed.
- 4 Effective Date. This act shall take effect 60 days after its passage.