

LEGISLATIVE COMMITTEE MINUTES

HB1135

Bill as
Introduced

HB 1135 - AS AMENDED BY THE HOUSE

16Mar2022... 0847h

2022 SESSION

22-2145
08/10

HOUSE BILL **1135**

AN ACT requiring a performance audit of the department of education, education freedom account program.

SPONSORS: Rep. Fellows, Graf. 8; Rep. Heath, Hills. 14; Rep. Ames, Ches. 9; Rep. Vail, Hills. 30; Rep. Schamberg, Merr. 4; Rep. Tanner, Sull. 9; Rep. Paige, Rock. 18; Sen. Prentiss, Dist 5

COMMITTEE: Executive Departments and Administration

ANALYSIS

This bill requires a performance audit of the department of education, education freedom account program.

Explanation: Matter added to current law appears in **bold italics**.
Matter removed from current law appears [~~in brackets and struck through.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 requiring a performance audit of the department of education, education freedom account program.

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

1 1 Performance Audit; Education Freedom Account Program.

2 I. In addition to any other performance audit requirements, the audit division of the
3 legislative budget assistant shall complete a performance audit of the department of education,
4 education freedom account program. The audit shall include, but is not limited to, review of:

5 (a) Initial and continued eligibility of participants.

6 (b) Controls for determining qualifying expenditures.

7 (c) Identification and recovery of ineligible disbursements.

8 (d) Procedures and controls for transferring funds to the scholarship organization.

9 (e) Procedures and controls for the phase-out grants.

10 (f) Public reporting of participation, student outcomes, and expenditures.

11 (g) Demographics of qualifying applicants by 2020-2021 municipality and state of
12 residence, grade level, and type and location of educational program, and their 2021-2022
13 municipality of residence, grade level, and type and location of educational program.

14 II. The legislative budget assistant shall submit the audit scope statement to the legislative
15 performance audit oversight committee for review and approval and submit the final report to the
16 legislative performance audit oversight committee, the fiscal committee and the legislative oversight
17 committee established pursuant to RSA 194-F:12.

18 2 Effective Date. This act shall take effect July 1, 2023.

HB 1135 - AS AMENDED BY THE SENATE

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CHAPTER 297
HB 1135 - FINAL VERSION

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05/05/2022 1805s

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22-2145
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HB 1135 - FINAL VERSION

16Mar2022... 0847h
05/05/2022 1805s

22-2145
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STATE OF NEW HAMPSHIRE

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1 297:1 Performance Audit; Education Freedom Account Program.

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17 committee established pursuant to RSA 194-F:12.

297:2 Effective Date. This act shall take effect October 1, 2023.

Approved: July 01, 2022
Effective Date: October 01, 2023

Amendments

Senate Education
April 26, 2022
2022-1805s
10/04

Amendment to HB 1135

- 1 Amend the bill by replacing section 2 with the following:
- 2
- 3 2 Effective Date. This act shall take effect October 1, 2023.

Committee Minutes

SENATE CALENDAR NOTICE
Education

Sen Ruth Ward, Chair
Sen Erin Hennessey, Vice Chair
Sen Denise Ricciardi, Member
Sen Jay Kahn, Member
Sen Suzanne Prentiss, Member

Date: April 5, 2022

HEARINGS

Tuesday	04/12/2022
(Day)	(Date)
Education	Legislative Office Building 101 9:00 a.m.
(Name of Committee)	(Place) (Time)
9:00 a.m.	HB 1624-FN-A relative to students with disabilities participating in co-curricular activities and making an appropriation therefor.
9:15 a.m.	HB 1671-LOCAL relative to the content of an adequate education.
9:30 a.m.	HB 1627-FN-A establishing an education freedom account program administrator in the department of education and making an appropriation therefor, and relative to the school meals direct certification with Medicaid program.
9:45 a.m.	HB 1135 requiring a performance audit of the department of education, education freedom account program.

EXECUTIVE SESSION MAY FOLLOW

Sponsors:

HB 1624-FN-A

Rep. Lang
Rep. Read

Rep. Moffett
Rep. Mullen

Rep. Pearl
Sen. Bradley

Rep. A. Lekas

HB 1671-LOCAL

Rep. Ladd

Rep. Allard

HB 1627-FN-A

Rep. Hill

HB 1135

Rep. Fellows

Rep. Schamberg

Rep. Cordelli

Rep. Moffett

Rep. Cordelli

Rep. Heath

Rep. Tanner

Rep. Boehm

Sen. Reagan

Rep. Ladd

Rep. Ames

Rep. Paige

Rep. Hobson

Sen. Ward

Rep. Weyler

Rep. Vail

Sen. Prentiss

Ava Hawkes 271-3266

Ruth Ward
Chairman

Senate Education Committee

Ava Hawkes 271-3266

HB 1135, requiring a performance audit of the department of education, education freedom account program.

Hearing Date: April 12, 2022

Time Opened: 10:53 a.m.

Time Closed: 11:15 a.m.

Members of the Committee Present: Senators Ward, Hennessey and Kahn

Members of the Committee Absent : Senators Ricciardi and Prentiss

Bill Analysis: This bill requires a performance audit of the department of education, education freedom account program.

Sponsors:

Rep. Fellows

Rep. Heath

Rep. Ames

Rep. Vail

Rep. Schamberg

Rep. Tanner

Rep. Paige

Sen. Prentiss

Who supports the bill: Representative Sallie Fellows, Representative Glenn Cordelli, Representative Alicia Lekas, Representative Rick Ladd, Representative Dawn Johnson, Representative Tony Lekas, Representative Tom Schamberg, Martha Richards, Mary Eisner, Roger Miknaitis, Representative Cassandra Levesque, Representative Susan Almy, Kristin Doyle, Representative Joyce Weston, David Doherty, Roger Dontonville, Christie West, Anne Dontonville, Janet Lucas, Representative David Meuse, Leonard Campbell, Sally Widerstrom, Richard Hunnewell, Anne Hunnewell, Representative Laura Telerski, Linda Hallock, Joan Hamblet, Sally Findley, Pat Gruttemeyer, Susan Orkin, Mary Wilke, Debrah Howes (AFT-NH), Representative Kate Murray, Vivian Dolkart, Nancy Kuemmerle

Who opposes the bill: Walter Kirsch, Alvin See

Who is neutral on the bill: None

Summary of testimony presented:

Representative Sallie Fellows – Grafton, District 8

- Representative Fellows introduced HB 1135.
- She submitted written testimony.
- This is a performance audit, not a financial audit.
- The purpose of this audit is to look at policies and procedures to ensure that the program is adhering to legislative requirements and generally accepted standards for operation.
- She worked at DOE for 30 years. She was involved in federal and state school funding programs and audits.
- This program is very different than other programs.
- There are required categories to be included in the audit.
- DOE is not managing this program, it is contracted out to a private entity.
- The contractor will keep 10% of all money allocated to this program. Parents can utilize 90%.
- The more students that sign-up, the more money is made available to the contractor. This is different than any other situation we have looked at.
- School districts, when they receive adequacy aid, always spend it in the year they receive it.
- Federal programs are generally on a reimbursement basis.
- With the EFA program, parents do not need to expend their allocation every year and their accounts can be between \$4,000-8,000 per student in these EFA accounts.
- One important question is how this money is being managed by the contracted entity. One question is if these funds are being kept in a bank, in stocks, in bitcoin, etc. We need answers.
- The payouts to the parents, which range in thousands of dollars, may encourage fraudulent claims.
- It is very important that DOE and contractors have safeguards in place to oversee this.
- We need to know how we can verify income eligibility.
- When you have children of divorced parents with blended families, what are the procedures being used to identify income eligibility.
- All these funds are electronically being transferred. We need to make sure these folks are still in NH and have not moved somewhere else.
- Many folks own summer homes in NH or have relatives here. Students may be able to be signed-up through those temporary addresses.
- We need a way to confirm that these students actually live in NH.
- We also need a mechanism to ensure that students are getting an education.
- If an EFA student is using the money for a private school, we know that a child is getting an education.
- If an EFA student is being homeschooled, we need assessments or portfolios to know that these students are actually being educated.

- Due to this program being so different, we have no idea how much this will cost from one year to the next.
- The original estimate for participation was low, under 50 students for the first year. It was actually closer to 2,000 students.
- 89% of the students in the program never have attended public school in NH. She does not think that was the original expectation.
- We need as much information as possible to predict how much money we should put into the budget for this program.
- This will help ensure that state funds are properly being managed.
- This audit will help a potential administrator of this program in the future.
- Senator Kahn asked Representative Fellows about a letter from the LBA dated March 7th, 2022.
 - Representative Fellows said that letter does not address this bill directly, however, is a very narrow description of audits.
 - There are many different kinds of programs. For some brand new programs, you would be looking at the goal of such a program.
 - It is appropriate to get this kind of audit done sooner.
 - On page 2 of the letter in reference, “immediate need” of an audit is referenced. The management of millions of dollars, where the legislature does not know what bank it is even sitting in, is an “immediate need” to her.
 - There appears to be support for this bill by the House. The only suggested amendment was related to the effective date for an audit.
 - The LBA suggested this date change. However, around this date suggestion, the LBA will be tied up thoroughly with the budget process.
 - LBA never does multiple audits of the same agency at the same time. They are now beginning work on a special education audit in the department of education.
 - Whatever the effective date is for this bill does not mean that is when the audit begins. We would still need to go through the normal procedures of the Joint Oversight Committee.
- Senator Kahn asked Representative Fellows about the amount of data, i.e. fall 2021, 2022 and 2023, that LBA could audit upon the effective date.
 - Representative Fellows does not recall how many years exactly would be auditable.
 - One big concern is digging too deep into procedures over the audit of monies.

Representative Tony Lekas – Hillsborough, District 37

- We want to make sure that all programs are operated as specified in statute.
- One concern with this bill is about the effective date. When the program started, it was operating under interim rules and was not approved by JLCAR until March 2022. There are differences in the program's operation under that and the rules adopted today.
- The new rules would not be fully in effect until the start of the next school year.
- When auditing the performance of a new program, it is best practice to ensure that it has been operating for a few years before auditing it.
- He supports there being an audit, however, this bill starts the audit too early.
- If we are going to pay for an audit, it should be useful.
- A July 2023 effective date is a reasonable compromise.
- Senator Kahn asked Representative Lekas about the workload of LBA during the budget process combined with the availability of data on this program (under the final set of rules) being the main concern.
 - Representative Lekas said he does not agree, that was not the initial concern.
 - The concern is that the audit will start too early.
 - By moving it to July 2023, there would be at least a full school year under the final set of rules.
- Senator Kahn asked Representative Lekas about adding words to the bill to address his concerns related to the effective date.
 - Representative Lekas said the language should indicate after June 2023.

amh

Date Hearing Report completed: April 12, 2022

Speakers

Senate Remote Testify

Education Committee Testify List for Bill HB1135 on 2022-04-12

Support: 29 Oppose: 2

<u>Name</u>	<u>Title</u>	<u>Representing</u>	<u>Position</u>
Schamberg, Nh St Rep Tom	An Elected Official	Myself	Support
Richards, Martha	A Member of the Public	Myself	Support
Eisner, Mary	A Member of the Public	Myself	Support
MIKNAITIS, ROGER	A Member of the Public	Myself	Support
Levesque, Cassandra	An Elected Official	Myself	Support
Almy, Susan	An Elected Official	Myself	Support
Doyle, Kristin	A Member of the Public	Myself	Support
Weston, Joyce	An Elected Official	Myself	Support
Doherty, David	A Member of the Public	Myself	Support
Dontonville, Roger	An Elected Official	Myself	Support
West, Christie	A Member of the Public	Myself	Support
Dontonville, Anne	A Member of the Public	Myself	Support
Lucas, Janet	A Member of the Public	Myself	Support
Meuse, David	An Elected Official	Rockingham 29	Support
Campbell, Leonard	A Member of the Public	Myself	Support
Widerstrom, Sally	A Member of the Public	Myself	Support
Hunnewell, Richard	A Member of the Public	Myself	Support
Hunnewell, Anne	A Member of the Public	Myself	Support
kirsch, walter	A Member of the Public	Myself	Oppose
Telerski, Rep. Laura	An Elected Official	Hillsborough 35	Support
See, Alvin	A Member of the Public	Myself	Oppose
HALLOCK, LINDA	A Member of the Public	Myself	Support
Hamblet, Joan	A Member of the Public	Myself	Support
Findley, Sally	A Member of the Public	Myself	Support
Gruttemeyer, Pat	A Member of the Public	Myself	Support
Orkin, Susan	A Member of the Public	Myself	Support
Wilke, Mary	A Member of the Public	Myself	Support
Howes, Debrah	A Lobbyist	American Federation of Teachers - NH	Support
Murray, Kate	An Elected Official	Myself	Support
Dolkart, Vivian	A Member of the Public	Myself	Support
Kuemmerle, Nancy	A Member of the Public	Myself	Support

Testimony

April 12, 2022

To: Chairperson Ward and Senate Education Committee

From: Rep. Sallie Fellows, prime sponsor

Subject: Support of HB 1135 audit of Education Freedom Accounts (EFA)

During my 30 years at the State Department of Education, I was involved with both federal and state school funding programs, and federal and state audits. The EFA program is very different from any previous state or federal school aid program. For example:

- 1) The DOE is not managing this program. It is contracted out to a private entity. The contractor keeps 10% of each student's allocation, and the parent can utilize 90%. The more students that sign up, the more money the contractor will make.
- 2) School districts expend 100% of their Adequacy Aid in the year they receive it. With EFAs, parents need not expend their share each year. They can let it accumulate in their account for years. So, it's very important to learn how the cash flow will be managed. Will the contractor keep the unspent state money in banks, stocks, bitcoin? We need to know.
- 3) Payouts of \$4,000 - \$8,000 per student, may entice fraudulent claims. Does DOE or the contractor have safeguards in place to prevent this? How will income eligibility be determined for divorced parents and blended families? How will the contractor verify recipients are, and continue to be, NH residents?
- 4) While some EFA students attend private schools, many are homeschooled. Annual test results or a portfolio review must be submitted, but there are no minimum performance standards. How will we know that students are actually being educated?
- 5) We have no idea how much this program will cost going forward. DOE estimated less than 50 students this year, but 1,800 have signed up. 89% are students that have never attended public school in NH. An analysis of demographic data is included to help predict future costs.

We need an audit to ensure that state funds are being appropriately managed. If HB 1627, creating a EFA program administrator at the DOE, is enacted the audit will help establish procedures and identify any needed legislation.

Education Freedom Account Fact Sheet

	EFA Enrollment		EFA as % Of Statewide		Statewide Enrollment	
	#	\$	Students	Spend	Students	\$
Base Adequacy	1,635	6,191,189	1.0%	1.0%	160,715	634,282,370
Free and Reduced Price Meals	879	1,664,228	2.3%	1.9%	38,848	87,074,778
Special Education Aid	88	179,266	0.3%	0.3%	29,762	61,491,472
English Learner	81	60,010	1.7%	1.6%	4,641	3,754,740
3rd Grade Reading Non Proficient	3	2,223	0.1%	0.1%	2,482	2,085,841
Public Education Spending		\$ 8,096,916		0.2%		\$ 3,251,342,023
Public Education Cost Per Student		\$ 4,952				\$ 20,230

EFA Switcher Timeline	#
EFA switchers (2021)	280
COVID Switchers (2020)	220
Pre-COVID Switchers (pre 2020)	204
	704
Percent switchers of total participants	43%

- EFA switchers are students who left their assigned public school in 2021.
- COVID switchers are students that left their assigned public school in 2020 and did not return.
- Pre-COVID switchers are students that left their assigned public school prior to 2020.

Grade	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
Student Count	158	160	162	158	149	153	130	122	108	102	92	71	70	1635
% Student Count	10%	10%	10%	10%	9%	9%	8%	7%	7%	6%	6%	4%	4%	100%

Percent of Instruction Virtual for 2020-2021	Percent of students	Number of Students
<10%	15%	43
>10% - <40%	25%	70
>40% - <80%	34%	94
>80%	26%	73
	100%	280

Subgroup	# of Students	% of Students	% in State
Total EFA Enrollment	1,635		
Gender			
Female	803	49%	51%
Male	832	51%	49%
Race			
American-Indian or Alaskan	1	0%	>1%
Asian or Pacific Islander	23	1%	>1%
Black or African-American	52	3%	1%
Hispanic or Latino	130	8%	2%
Multiple Races	80	5%	1%
White	1,349	83%	93%
Foster			
Not Foster	1,631	100%	
Foster	4	0%	
Migrant			
Not Migrant	1,631	100%	
Migrant	4	0%	
Special Education Aid			
Not Eligible	1,547	95%	
SpEd Eligible	88	5%	
Free and Reduced Price Lunch			
Not Eligible	756	46%	
Eligible	879	54%	
English Learner			
Not Eligible	1,554	95%	
Eligible	81	5%	



MICHAEL W. KANE, MPA
Legislative Budget Assistant
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CHRISTOPHER M. SHEA, MPA
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(603) 271-3161

State of New Hampshire
OFFICE OF LEGISLATIVE BUDGET ASSISTANT
State House, Room 102
Concord, New Hampshire 03301

STEPHEN C. SMITH, CPA
Director, Audit Division
(603) 271-2785

March 7, 2022

Honorable Carol McGuire, Chair
House Executive Departments and Administration Committee
Legislative Office Building, Room 306
Concord, New Hampshire 03301

Dear Representative McGuire,

You asked the Office of Legislative Budget Assistant how soon a performance audit can be conducted on a new program. Performance audits provide objective analysis, findings, and conclusions to assist management and those charged with oversight to improve program performance and operations. Auditors review programs' activities and decisions to assess their performance. The answer to your question depends on the focus of the audit – what question is the audit attempting to answer.

When Best To Audit A New Program

Generally, when auditing the performance of new program, it is best to wait until the program is operational for some amount of time so that its performance can be measured and evaluated by the auditors. The longer the program has been operating means more data should be available to assess its performance. Data collection usually occurs after the program or activity is completed and can inform management and stakeholders of the program's effects or outcomes (i.e., what the program intended to achieve).

While a year would seem to be a minimum length, even that may be too short to be meaningful. Auditors review a program's performance over a set amount of time, typically a few years to compare whether the program's results changed – we call this the audit period. The longer the audit period, the more meaningful the trends may be, which can show if the program's outputs and outcomes are improving or getting worse. More data also can help identify systemic weaknesses verses one-time anomalies in the program's operations and internal control system.

Early Program Performance May Not Be Indicative Of Subsequent Performance

Results from the first year of implementation may not be a good indicator of the program's current or future efficiency and effectiveness. Agencies can experience a learning curve when implementing a program. In the first year, managers may still be realizing how best to run the program, which is bound to cause inefficiencies. A new program will likely experience some undesirable issues at first that may require additional resources and changes to its statute, rules, policies, or procedures.

Outputs And Outcomes

Audits can measure program output and outcomes. Outputs are the program's immediate measurable activities (e.g., licenses issued, investigations conducted, revenue collected, funds distributed, trainings provided). Outcomes are based on the mission and goals of the program which can be harder to measure, take longer to change, and are affected by other factors outside the control of the program (e.g., public safety improved, children educated). It may be more reasonable to review outputs of new programs than outcomes.

Early Audits

An evaluation as the program is starting or recently underway may be primarily intended to identify improvements as it is being implemented. Evaluations at this point can identify early signs of unintended, positive and negative, results.

- Review program outputs including how many "things" did the program produce and is this in line with what was expected? If large variations exist, there is an opportunity to review the reasons for the discrepancy between what was expected and what is actually happening.
- On-going monitoring to determine on-going compliance with requirements. Evaluation at this point can help to identify what activities are being done and if they are compliant with requirements (i.e., laws, rules, policies, internal procedures, etc.). This can help reveal the activities that are not being done at all or are not done according to the program's requirements.
- Identify areas needing immediate attention and processes that can be changed along the way. An evaluation during the initial implementation phase can reveal what is working and what is not and can give an opportunity to fix issues immediately.

An early performance audit could also determine why a program (or computer system) has not progressed as expected. The Legislature could direct the LBA to audit why a recently enacted program was not operational in a timely manner. The focus of the audit would not be on outputs or outcomes, but instead on the reasons for an agency's failure to implement the new program or system.

Recent Example Of A New Program Being Audited

The Therapeutic Cannabis Identification Card Timeliness Audit is an example of an audit of a newer program. The Therapeutic Cannabis Program started in Calendar Year (CY) 2013 and the LBA was directed in CY 2018 to determine whether the program distributed registry identification cards in a timely manner. We issued a report in June of 2019. We had three years of data to show trends and the program's performance had improved over this time. This audit focused on one output (how fast were ID cards issued). This audit did not evaluate if patients' lives were made better for having access to cannabis (i.e., an outcome) which would have been much harder to assess with just three years a data without a baseline (i.e., pre-program) measurement of patients' quality of life.

I hope this answers your inquiry. If you have questions or comments, please contact us at (603) 271-2785, stephen.smith@leg.state.nh.us or Jay Henry, Performance Audit Supervisor jay.henry@leg.state.nh.us.

Sincerely,



Stephen C. Smith, CPA,
Director, Audit Division
Office of Legislative Budget Assistant

Ava Hawkes

From: Leonard Campbell <lsoup03@gmail.com>
Sent: Monday, April 11, 2022 9:19 AM
To: Ruth Ward; Erin Hennessey; Jay Kahn; Denise Ricciardi; Suzanne Prentiss; Ava Hawkes
Subject: I Support HB1135

Hon Senators,

I Support HB1135.

NH has one of the oldest state constitutions in the Nation. And it is clear:

[Art.] 6. [Morality and Piety.] As morality and piety, rightly grounded on high principles, will give the best and greatest security to government, and will lay, in the hearts of men, the strongest obligations to due subjection; and as the knowledge of these is most likely to be propagated through a society, therefore, the several parishes, bodies, corporate, or religious societies shall at all times have the right of electing their own teachers, and of contracting with them for their support or maintenance, or both. **But no person shall ever be compelled to pay towards the support of the schools of any sect or denomination.** And every person, denomination or sect shall be equally under the protection of the law; and no subordination of any one sect, denomination or persuasion to another shall ever be established.

The new Educational Freedoms Account Program means **(my) public funding** is helping pay towards to the support of any person choosing to attend such a school of any sect or denomination.

In spite of this, and because the EFA is current law, moneys disbursed need to be audited to be sure these moneys are not being used to create new schools, fake classes, fake resources and unsound pedagogical environments.

Please support HB1135 so that "all government of right originates from the people, is founded in consent, and instituted for the general good."

Respectfully,

Len

Leonard Campbell

Meredith, NH

603-455-1105

Voting Sheets

WCA
WCB
WCR

(P.1
of
2)

Senate Education Committee EXECUTIVE SESSION RECORD 2022-2023 Session

Bill # HB 1135

Hearing date: 4/18/22

Executive Session date: 4/26/22

Motion of: ITC withdrawn Vote: _____

Committee Member	Present	Made by	Second	Yes	No
Sen. Ward, Chair	<input checked="" type="checkbox"/>				
Sen. Hennessey, VC	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			
Sen. Ricciardi	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		
Sen. Kahn	<input checked="" type="checkbox"/>				
Sen. Prentiss	<input checked="" type="checkbox"/>				

Motion of: OTP Vote: _____

Committee Member	Present	Made by	Second	Yes	No
Sen. Ward, Chair	<input checked="" type="checkbox"/>				
Sen. Hennessey, VC	<input checked="" type="checkbox"/>				
Sen. Ricciardi	<input checked="" type="checkbox"/>				
Sen. Kahn	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			
Sen. Prentiss	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		

Motion of: comm. amendment eff. date ^{Oct. 1, 2023} Vote: 5-0

Committee Member	Present	Made by	Second	Yes	No
Sen. Ward, Chair	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	
Sen. Hennessey, VC	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	
Sen. Ricciardi	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	
Sen. Kahn	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
Sen. Prentiss	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

Reported out by: Sen. Prentiss

Notes:

UCA
VCB
LR

P.2

Senate Education Committee EXECUTIVE SESSION RECORD 2022-2023 Session

Bill # HB 1135

Hearing date: 4/12/22

Executive Session date: 4/26/22

Motion of: OTPIA Vote: 5-0

Committee Member	Present	Made by	Second	Yes	No
Sen. Ward, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Hennessey, VC	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Ricciardi	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Kahn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Prentiss	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Motion of: CONSENT Vote: 5-0

Committee Member	Present	Made by	Second	Yes	No
Sen. Ward, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Hennessey, VC	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Ricciardi	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Kahn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Prentiss	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Motion of: _____ Vote: _____

Committee Member	Present	Made by	Second	Yes	No
Sen. Ward, Chair	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Hennessey, VC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Ricciardi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Kahn	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Prentiss	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Reported out by: Sen. Prentiss

Notes: _____

Committee Report

STATE OF NEW HAMPSHIRE

SENATE

REPORT OF THE COMMITTEE
FOR THE CONSENT CALENDAR

Wednesday, April 27, 2022

THE COMMITTEE ON Education

to which was referred **HB 1135**

AN ACT

requiring a performance audit of the department of
education, education freedom account program.

Having considered the same, the committee recommends that the Bill

OUGHT TO PASS WITH AMENDMENT

BY A VOTE OF: 5-0

AMENDMENT # 1805s

Senator Suzanne Prentiss
For the Committee

This bill requires an audit of the department of education and the education freedom account (EFA) program. This is a financial audit, not a performance audit, to review the EFA program's policies and procedures to ensure that it is adhering to legislative requirements and generally accepted standards for operation. As the EFA program is fairly new and contracted out to a private entity, not managed by the state through the department of education, a thoughtful review of how this program and the state-allocated funds are being managed is crucial and necessary. The Committee unanimously adopted a committee amendment to change the effective date to October 1, 2023 to allow for a more thorough audit of the EFA program's most current implementation of rules and procedures.

Ava Hawkes 271-3266

FOR THE CONSENT CALENDAR

EDUCATION

HB 1135, requiring a performance audit of the department of education, education freedom account program.

Ought to Pass with Amendment, Vote 5-0.

Senator Suzanne Prentiss for the committee.

This bill requires an audit of the department of education and the education freedom account (EFA) program. This is a financial audit, not a performance audit, to review the EFA program's policies and procedures to ensure that it is adhering to legislative requirements and generally accepted standards for operation. As the EFA program is fairly new and contracted out to a private entity, not managed by the state through the department of education, a thoughtful review of how this program and the state-allocated funds are being managed is crucial and necessary. The Committee unanimously adopted a committee amendment to change the effective date to October 1, 2023 to allow for a more thorough audit of the EFA program's most current implementation of rules and procedures.

Docket of hb1135

11/17/2021	H	Introduced 01/05/2022 and referred to Executive Departments and Administration
02/15/2022	H	Public Hearing: 02/15/2022 1:00 p.m. LOB302-304
03/07/2022	H	Executive Session: 03/07/2022 11:50 a.m. LOB302-304
03/09/2022	H	Majority Committee Report: Ought to Pass with Amendment # 2022-0847h (Vote 10-9; RC)
03/09/2022	H	Minority Committee Report: Inexpedient to Legislate
03/20/2022	H	Amendment # 2022-0847h: AA DV 187-148 03/16/2022 HJ 7
03/20/2022	H	Ought to Pass with Amendment 2022-0847h: MA VV 03/16/2022 HJ 7
03/22/2022	S	Introduced 03/17/2022 and Referred to Education; SJ 6
04/06/2022	S	Hearing: 04/12/2022, Room 101, LOB, 09:45 am; SC 15
04/27/2022	S	Committee Report: Ought to Pass with Amendment # 2022-1805s, 05/05/2022; Vote 5-0; CC; SC 18
05/05/2022	S	Committee Amendment # 2022-1805s, AA, VV; 05/05/2022; SJ 11
05/05/2022	S	Ought to Pass with Amendment 2022-1805s, MA, VV; OT3rdg; 05/05/2022; SJ 11
05/13/2022	H	House Concurs with Senate Amendment (Rep. McGuire): MA VV 05/12/2022 HJ 13
06/22/2022	S	Enrolled Adopted, VV, (In recess 05/26/2022); SJ 13
06/22/2022	H	Enrolled (in recess of) 05/26/2022 HJ 14
07/07/2022	H	Signed by Governor Sununu 07/01/2022; Chapter 297; eff. 10/01/2023 HJ 14

Other Referrals

Senate Inventory Checklist for Archives

Bill Number: MB 1135

Senate Committee: SDU

Please include all documents in the order listed below and indicate the documents which have been included with an "X" beside

Final docket found on Bill Status

Bill Hearing Documents: {Legislative Aides}

Bill version as it came to the committee

All Calendar Notices

Hearing Sign-up sheet(s)

Prepared testimony, presentations, & other submissions handed in at the public hearing

Hearing Report

N/A Revised/Amended Fiscal Notes provided by the Senate Clerk's Office

Committee Action Documents: {Legislative Aides}

All amendments considered in committee (including those not adopted):

- amendment # 18055 ___ - amendment # _____

- amendment # _____ ___ - amendment # _____

Executive Session Sheet

Committee Report

Floor Action Documents: {Clerk's Office}

All floor amendments considered by the body during session (only if they are offered to the senate):

___ - amendment # _____ ___ - amendment # _____

___ - amendment # _____ ___ - amendment # _____

Post Floor Action: (if applicable) {Clerk's Office}

___ Committee of Conference Report (if signed off by all members. Include any new language proposed by the committee of conference):

___ Enrolled Bill Amendment(s)

___ Governor's Veto Message

All available versions of the bill: {Clerk's Office}

as amended by the senate ___ as amended by the house

final version

Completed Committee Report File Delivered to the Senate Clerk's Office By:

Anna Hawkes
Committee Aide

9/28/22
Date

Senate Clerk's Office AK