

LEGISLATIVE COMMITTEE MINUTES

SB145

Bill as Introduced

SB 145-FN-LOCAL - AS INTRODUCED

2021 SESSION

21-0887
06/04

SENATE BILL

145-FN-LOCAL

AN ACT

relative to a temporary change in the formula for school funding.

SPONSORS:

Sen. Kahn, Dist 10; Sen. Watters, Dist 4; Sen. Prentiss, Dist 5; Sen. Sherman, Dist 24; Sen. Rosenwald, Dist 13; Sen. Soucy, Dist 18; Sen. Cavanaugh, Dist 16; Sen. Perkins Kwoka, Dist 21; Rep. Myler, Merr. 10; Rep. Luneau, Merr. 10

COMMITTEE:

Education

ANALYSIS

This bill makes temporary changes to the formula for school funding because of changes in the average daily membership in attendance during the COVID-19 pandemic

.....

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 One

AN ACT relative to a temporary change in the formula for school funding.

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

1 Purpose:

2 I. This act is intended to maintain the level of fiscal year 2022 state funding for school
3 districts which have experienced significant disruptions during the COVID-19 pandemic in fiscal
4 year 2021. These disruptions have affected fall 2020 average daily membership in attendance, upon
5 which fiscal year 2022 funding is based. This act will help school districts plan for town meetings,
6 and help stabilize local property taxes.

7 II. During the 2020-2021 school year, average daily membership attendance (ADMA) fell by
8 approximately 8,000 students, because classes shifting between in-person and remote learning have
9 caused more families to educate students at home. Additionally, the free and reduced lunch
10 enrollment fell by approximately 10,000, because of COVID-19 related USDA special exemptions to
11 qualify all students eligible by school district without a parent application form. ADMA is a basic
12 building block figure for calculating the amount of school aid any town receives. School aid will vary
13 from year to year by how many students were served the previous fall. Schools are notified of that
14 census count by November 15 of the preceding year.

15 2 Average Daily Membership in Attendance; Fiscal Year 2022. For the fiscal year ending June
16 30, 2022, the commissioner of the department of education shall compare the average daily
17 membership in attendance (ADMA), defined in RSA 198:38, for each district and town for school year
18 2019-2020 and school year 2020-2021. The greater enrollment shall be used to calculate school
19 adequacy aid plus differentiated aid under RSA 198:40-a.

20 3 Consumer Price Index Adjustment. For fiscal year 2022, the commissioner of the department
21 of education shall not apply the Consumer Price Index adjustment to the calculation of adequate
22 education grants.

23 4 New Subparagraph; Fiscal Capacity Disparity Aid. Amend RSA 198:41, I by inserting after
24 subparagraph (c) the following new subparagraph:

25 (d) Add the municipality's additional aid for fiscal capacity disparity aid pursuant to
26 RSA 198:40-c.

27 5 Fiscal Capacity Disparity Aid. Amend 2019, 346:440, XVI to read as follows:

28 XVI. *Paragraphs I and III of section 236 shall take effect July 1, 2021.*

29 XVI-a. *Paragraph II of section 236, relative to fiscal capacity disparity aid, shall*
30 *take effect July 1, 2022.*

31 6 Repeal. RSA 198:41, I(d), relative to fiscal capacity disparity aid, is repealed.

SB 145-FN-LOCAL - AS INTRODUCED

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1 7 Effective Date.

2 I. Section 6 of this act shall take effect July 1, 2022.

3 II. The remainder of this act shall take effect upon its passage.

**SB 145-FN-LOCAL- FISCAL NOTE
AS INTRODUCED**

AN ACT relative to a temporary change in the formula for school funding.

FISCAL IMPACT: State County Local None

STATE:	Estimated Increase / (Decrease)			
	FY 2021	FY 2022	FY 2023	FY 2024
Appropriation	\$0	\$0	\$0	\$0
Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	\$67,165,721	\$0	\$0
Funding Source:	<input type="checkbox"/> General	<input checked="" type="checkbox"/> Education	<input type="checkbox"/> Highway	<input type="checkbox"/> Other

LOCAL:

Revenue	\$0	\$67,165,721	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0

METHODOLOGY:

This bill seeks to make the following changes to the formula for school funding in FY 2022:

- Require the average daily membership in attendance (ADMA) used in the formula be the greater of school year 2019-2020 or 2020-2021. Under current law, the ADMA that would be used to calculate FY 2022 payments would be from the 2020-2021 school year.
- Eliminate the consumer price index (CPI) adjustment in FY 2022. Under current law, per pupil aid amounts are adjusted for CPI at the beginning of each biennium.
- Extend fiscal capacity disparity aid (FCDA) through FY 2022. Under current law, FCDA would apply only to FY 2021.

Based on the proposed changes, the Department of Education has provided the following summary of this bill's impact:

STATE TOTALS	FY 2022	
	Current Law*	Proposed
Per Pupil Aid		
Base Adequacy Aid	\$3,786.66	\$3,708.78
<i>Differentiated Aid</i>		
Free and Reduced Lunch	\$1,893.32	\$1,854.38
Special Education	\$2,037.11	\$1,995.21
English Language Learner	\$740.87	\$725.63
3 rd Grade Reading	\$740.87	\$725.63

ADMA		
Base	160,191	167,477
<i>Differentiated Aid</i>		
Free and Reduced Lunch	34,628	45,785
Special Education	29,375	29,375
English Language Learner	4,962	4,962
3 rd Grade Reading	2,270	2,270
Fiscal Capacity Disparity Aid	\$0	\$36,713,143
Total Adequacy Grant	\$559,383,315	\$626,549,035
Total SWEPT Retained Locally	\$363,283,230	\$363,283,230
Total Education Grant	\$922,666,545	\$989,832,266

*Preliminary Estimates

Based on the Department's analysis, this bill would increase state education trust fund expenditures and local revenues by \$67,165,721 in FY 2022.

AGENCIES CONTACTED:

Department of Education

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: February 11, 2021

HEARINGS

Tuesday	02/16/2021	
(Day)	(Date)	
Education	REMOTE 000	9:00 a.m.
(Name of Committee)	(Place)	(Time)

9:00 a.m. **SB 145-FN-LOCAL** relative to a temporary change in the formula for school funding.

9:15 a.m. **SB 158-FN-LOCAL** relative to the formula for funding an adequate education.

Committee members will receive secure Zoom invitations via email.

Members of the public may attend using the following links:

1. Link to Zoom Webinar: <https://www.zoom.us/j/92318740828>
2. To listen via telephone: Dial (for higher quality, dial a number based on your current location): 1-301-715-8592, or 1-312-626-6799 or 1-929-205-6099, or 1-253-215-8782, or 1-346-248-7799, or 1-669-900-6833
3. Or iPhone one-tap: US: +19292056099, 92318740828# or +13017158592, 92318740828#
4. Webinar ID: **923 1874 0828**
5. To view/listen to this hearing on YouTube, use this link:
<https://www.youtube.com/channel/UCiBZdtriRnQdmg-2MPMiWrA>
6. To sign in to speak, register your position on a bill and/or submit testimony, use this link:
<http://gencourt.state.nh.us/remotecommittee/senate.aspx>

The following email will be monitored throughout the meeting by someone who can assist with and alert the committee to any technical issues: remotesenate@leg.state.nh.us or call (603-271-6931).

EXECUTIVE SESSION MAY FOLLOW

Sponsors:

SB 145-FN-LOCAL

Sen. Kahn
Sen. Rosenwald

Sen. Watters
Sen. Soucy

Sen. Prentiss
Sen. Cavanaugh

Sen. Sherman
Sen. Perkins Kwoka

Rep. Myler
SB 158-FN-LOCAL
Sen. Kahn

Rep. Luneau

Rep. Myler

Rep. Luneau

Ava Hawkes 271-4151

Ruth Ward
Chairman

Senate Education Committee

Ava Hawkes 271-4151

SB 145-FN-LOCAL, relative to a temporary change in the formula for school funding.

Hearing Date: February 16, 2021

Time Opened: 9:00 a.m.

Time Closed: 9:35 a.m.

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

Members of the Committee Absent : None

Bill Analysis: This bill makes temporary changes to the formula for school funding because of changes in the average daily membership in attendance during the COVID-19 pandemic

Sponsors:

Sen. Kahn

Sen. Watters

Sen. Prentiss

Sen. Sherman

Sen. Rosenwald

Sen. Soucy

Sen. Cavanaugh

Sen. Perkins Kwoka

Rep. Myler

Rep. Luneau

Who supports the bill: Please refer to sign-in sheet.

Who opposes the bill: Elizabeth Fenner-Lukaitis, Tom Luther, Susan Bartlett

Who is neutral on the bill: Mark Manganiello

Summary of testimony presented in support:

Senator Jay Kahn - Senate District 10

- Senator Kahn introduces SB 145.
- This bill is much in line with SB 135 which was heard by Senate Finance last week.
- Both bills aim to stabilize the level of funding for public school enrollments. The average daily membership and attendance is the basis for calculating aid to public schools.
- This bill, beginning in section two, the average daily membership and attendance is defined for Fiscal Year 2022 (FY22) as being the greater enrollment between the census data in Fall 2019 and Fall 2020.
- Unusual drop of over 7,000 students in enrollment for Fall 2020.
- There are differentiated aid categories, but this is primarily due to free and reduced lunch. Waivers issued by the U.S. Dept. of Agriculture qualify schools for free and

reduced lunch as opposed to requiring families to complete forms to qualify their students for that program.

- As a result, the free and reduced lunch program is now 10,000 fewer students than a year ago; it was 45,000 students and now 35,000 students.
- This bill allows the higher of the two Fall census figures to be used in FY22 in the calculation of an adequate education.
- Both bills, SB 145 and SB 135, require a \$46 million dollar add to restore those enrollments.
- The level of funding needed to stabilize enrollment between two census years is still \$56 million dollars less than the FY21 current appropriations. FY21 appropriation for an adequate education is \$1.24 billion dollars, the funds necessary to support part one of SB 145 with the highest census figures is \$968 million dollars. The difference is that we'd be spending \$56 million dollars less in FY22 than in FY21.
- There are two more adjustments made in SB 145.
- This bill recognizes, at the beginning of the biennium, there is an inflationary adjustment.
- The inflationary adjustment for this coming year, FY22, is 1.4% which costs \$15 million dollars to distribute across 177 school districts.
- The adjustment winds up being a relatively small amount once spread across districts.
- Part three of the bill discusses fiscal capacity disparity aid. This current year costed \$49.9 million dollars, but since property evaluations have gone up between FY20 and FY21, the cost of extending those same levels of fiscal capacity disparity aid in FY22 is only \$36 million dollars. This aid goes to 80 different communities with the lowest property evaluations.
- For example, Rochester received \$3.3 million dollars, Derry received \$2.8 million dollars, Berlin received \$1.4 million dollars and Manchester \$2.6 million dollars.
- There are a lot of small districts in that number of 80, such as Weare with \$915,000, Swanzey with \$635,000 and Troy with \$438,000.
- In order in to minimize this fiscal impact, the bill subtracts the biennial inflation and waives it for one year.
- The net increase between SB 135 and SB 145 is \$21 million dollars. With this increase, the total cost is \$989 million dollars for an adequate education for FY22,
- Town deliberative sessions are underway and are turning up increases of \$5-6 per thousand. Some towns are facing \$25 per thousand.
- FY21 capacity aid went to 100 towns. Of the 100 towns, 63 of those towns were able to lower their tax rates. The lowest property evaluation communities with the highest tax rates in order to try and spend equitable amount on their opportunities for an adequate education.
- These towns were able to make these adjustments based on an increase in state appropriations.
- The state would end up spending \$989 million dollars on adequacy aid, \$35 million dollars less than FY21.
- This idea works. We can afford this as we are extending aid on a universal cost-per-student basis while taking into account property tax relief.
- Senator Hennessey said she is trying to reconcile one piece of the fiscal note. Looking at SB 135 in contrast to this bill, where the \$36.7 million-dollar fiscal capacity disparity aid is added in, and the total benefit to towns would be \$82.3 million dollars versus the

total of \$67.1 million dollars referenced in the fiscal note, what is the difference and does it have to do with the CPI.

- Senator Kahn said yes, it is the difference in the inflationary increases not being applied. The fiscal note did not adequately net the difference between fiscal capacity disparity aid and inflationary increases which is why he is critical of the fiscal note. Under current law for FY22, it shows a higher number than the proposed, about a \$78 difference, which is the inflationary increase on base adequacy. As the inflationary increase on free and reduced meals is a \$39 difference. You add those together and multiply them across the average daily membership attendance which adds up to \$15 million total. That number is netted against the \$36 million additional distribution for disparity aid.
- Senator Hennessey asked if there is a breakup by town as to what the benefit would be for the two parts of the bill. Senator Kahn said he has the breakdown for the \$36 million but not for the \$15 million. It is not provided in the fiscal note. He believes NHDOE has produced that.
- Senator Ward asked for clarity around the language referencing the help in school districts planning for “town meetings” versus planning for “budget plans.” Senator Kahn said Senator Ward is correct, the language should reference town budget plans.

Representative Mary Heath – Hillsborough, District 14

- Supports this bill.
- Provides safe harbor for school districts across the state due to decreases, or increases, in enrollment due to the COVID-19 pandemic
- School districts were forced into new modes of instruction overnight due to the pandemic and had to make new technology purchases.
- Student enrollment has shifted and families have been forced to move into their vacation homes.
- City of Manchester will see an overall decrease of about \$12 million dollars. Claremont will see \$2.9 million. Lancaster will see \$624,540. Concord will see \$1.2 million dollars. The list goes on. Totals over \$89 million dollars.
- This bill helps truly reflect numbers in each district.
- SB 145 does more than SB 135 to fully make school districts more whole.
- Hopes the General Court moves forward with these bills in an expedited fashion.
- Property taxes are going to feel a significant impact.
- This bill would help school districts who are under stress and pressure.

Jeff McLynch – Project Director, NH School Funding Fairness Project

- Supports this bill.
- Many cities and towns might have to turn to increasing property taxes or severe budget cuts to cover the decrease in education aid.
- These property tax increases could increase by hundreds of dollars.
- SB 145 would help reduce the likelihood and potential scale of rate increases or spending cuts.

- Estimates from NHDOE suggest overall public school attendance has declined by about 4% and a 24% decrease in free and reduced lunch students.
- These temporarily low numbers will be used to decide how much state aid will be received in the coming year, even with the students returning to school later this fall.
- This bill sets a reasonable floor by choosing the higher of the two ADA figures.
- This bill protects school budgets from even further damage by the pandemic.
- Bolster state education aid and targeting towns in need is vital to fully close the gap created by the pandemic.
- The recent budget added two elements to the funding formula for the current year: additional to assist municipalities with higher concentrations of low-income students and fiscal capacity disparity aid.
- The purpose of those two forms of aid is to help mitigate the long-standing inequities in the state's school funding system.
- Both forms of aid should be extended and maintained until further remedies are adopted.
- Remove provision of the bill which the regular inflation adjustment made to the state's adequacy formula for FY22. While the provision is temporary, it would deny local schools about \$15 million in inadequacy aid in the coming year.
- Hope that committee will strengthen the language of this bill and expedite it.
- Senator Kahn asked if Mr. McLynch has a total dollar amount of what he recommended for FY22. Mr. McLynch believes the inflation adjustment is about \$15 million and the additional assistance figure for FY21 is about \$11-12 million dollars. That estimate would change based on its calculation. The net change is about \$90 million which is roughly comparable to the anticipated decline.

Megan Tuttle – President, NEA-NH

- Supports this bill.
- This bill adds stability in the upcoming budget years to support learners, educators and local property taxpayers.
- Plans to submit more extensive written testimony.

Jim O'Connell – City of Manchester School Board Member-at-Large

- Supports this bill and is speaking on his own behalf.
- He is the chair of the education legislation committee as a school board member.
- Manchester's School Board has an upcoming budget meeting where they will discuss their roughly \$12 million dollar shortfall. The plan is to take \$2 million from contingency money and cuts of \$8 million dollars.
- The state recently said Manchester, despite challenges, has per-student expenditures of \$12,400. The state average is roughly \$16,780. This amounts to \$57 million.
- If Manchester were to spend what the rest of the state spends per student, they would need \$57 million more.
- It is not possible to ask Manchester property taxpayers to find \$57 million dollars to reach the state average.
- The board will need to find money anywhere they can and lay-off roughly 28 teachers, via retirement. Even after that, the city will still be searching for \$7 million dollars.

Summary of testimony presented in opposition: None

Neutral Information Presented: None

amh

Date Hearing Report completed: February 25, 2021

Speakers

Name	Representing	Position	Testifying
OConnell Jim	Myself	Support	Yes
Manganiello Mark	DOE	Neutral	Yes
LUNEAU DAVID	Co-sponsor	Support	No
Jones Andrew	Myself	Support	No
Fenner-Lukaitis Elizabeth	Myself	Oppose	No
Frye Jennifer	Myself	Support	No
Fordey Nicole	Myself	Support	No
Wheeler-Russell Jessica	Myself	Support	No
Falk Cheri	Myself	Support	No
Estes Alia	Myself	Support	No
Tempesta Michael	SAU 6/ School District	Support	No
LaCasse Liza	SAU58	Support	No
MacLean Meghan	Myself	Support	No
Erickson Marjorie	SAU #6	Support	No
Wells Lee	Myself	Support	No
Paradis Kelley	Myself	Support	No
Small Jeff	SAU# 6 Claremont/Unity School District	Support	No
Lengyel Dorene	Myself	Support	No
Keeler Margaret	Myself	Support	No
Moe Carmelita	Myself	Support	No
Waring Glen	SAU 44 - Northwood Nottingham Strafford	Support	No
Phillips Betsey	Myself	Support	No
Morgan Meredith	Myself	Support	No
Barnes Linda L.	Myself	Support	No
Phillips Charles	Myself	Support	No
Blanchard Sandra	Myself	Support	No
Hamilton Meg	SAU #35	Support	No
Green Debra	Myself	Support	No
Koch Helmut	Myself	Support	No
Mayne Kenneth	Myself	Support	No
Bartlett Susan	Myself	Oppose	No
Brown Nina	Myself	Support	No
Gregoire Jerry	Myself	Support	No

Griffin Elisha	Myself	Support	No
Ruggeri Rocco	SAU 6	Support	No
Truax Beth	Myself	Support	No
Thayer Chris	Myself	Support	No
Goldman1781 fowler river rd.. Merryl	Myself	Support	No
Turcotte Cassiopeia	SAU 58	Support	No
Joyce Helen	Myself	Support	No
Jette Mike	Myself	Support	No
Butterfield Antoinette	SAU #35	Support	No
luther tom	Myself	Oppose	No
Bauer Paul	Myself	Support	No
Johnson Sara	Myself	Support	No
Peterson Meg	Myself	Support	No
Paludi Gail	Myself	Support	No
Jordan Pamela	Myself	Support	No
Dugan-Henriksen Jon	Myself	Support	No
Wheeler Stephanie	SAU 46	Support	No
Chamberlin Steve	Myself	Support	No
Callahan Elizabeth	Myself	Support	No
Chandler Med	SAU #35/ School District	Support	No
Messinger Kathleen	Kathleen Messinger	Support	No
Hoffman Gary	Myself	Support	No
Charest Kaitlynn	Myself	Support	No
Lively Rachel	Myself	Support	No
Otocka Andy	Myself	Support	No
Johnson Patrick	Myself	Support	No
Delapena Morgan	Myself	Support	No
ROWSE SUZANNE	Myself	Support	No
Guay Lisa	Myself	Support	No
Regnery Pamela	Myself	Support	No
Hayward Tom	myself	Support	No
Fallon Danielle	Myself	Support	No
Ingraham Sheryl	Myself	Support	No
Bergevin Leslie	Myself	Support	No

Cascadden Corinne	Myself	Support	No
Rardin Laurie	Myself	Support	No
Rosenwald Cindy	SD 13	Support	No
Frew Jerry	NHSAA	Support	No
Ingold Kerry	Myself	Support	No
Raspiller Cindy	Myself	Support	No
Brown Howard	Myself	Support	No
King Marcia	Myself	Support	No
Brown William	Myself	Support	No
Brown Morgan	Myself	Support	No
Spielman Kathy	Myself	Support	No
Spielman James	Myself	Support	No
perez maria	District 23	Support	No
Aranzabal Luis	Myself	Support	No
Zavgren john	Myself	Support	No
Watters Senator David	Myself (SD 4)	Support	No
Perkins Kwoka Senator Rebecca	Myself (SD 21)	Support	No
Wormald Randy	Myself	Support	No
Mason Michelle	Myself	Support	No
Melanson Laurie	Myself	Support	No
Chase Eric	SAU #23	Support	No
Ross James	SAU23	Support	No
Day Karen	Myself	Support	No
Langlois Lori	Myself	Support	No
Holz Leah	myself	Support	No
anastasia marion	Myself	Support	No
McKinney Garth	SAU42 - Nashua	Support	No
LeGallo Daniel	Myself	Support	No
Holden Russell	Myself	Support	No
Duncan Reuben	SAU 47	Support	No
McKenzie Laurel	SAU 47	Support	No
Saunders Kimberly	Myself	Support	No
Feneberg Winfried	Myself and SAU 65 - Kearsarge Regional	Support	No
Glynn Paula	Myself	Support	No

Wilson	Myself	Support	No
Thomas Tari	Myself	Support	No
Nadeau Meredith	Myself	Support	No
Ryan David	Myself	Support	No
Farmer Patricia	Myself	Support	No
Zylinski Catherine	Myself	Support	No
Folsom Andrea	Myself	Support	No
Andriski Christopher	Myself	Support	No
Martin Pamela	Myself	Support	No
Baker Sarah	Myself	Support	No
Ford Debra	SAU #62 Mascoma School District	Support	No
Gignac Christi	SAU 35/Lafayette Regional School District	Support	No
Daniels Jacqueline	Lisbon Regional School	Support	No
Vincent Laura	Myself(I serve on a school board.)	Support	No
Cadarette Ronna	Myself	Support	No
Lavelle Jonathan	Myself	Support	No
HasBrouck Derek	Myself	Support	No
Upton Amy	Myself	Support	No
Swain Ellen	Myself	Support	No
Higgins Allison	SAU16	Support	No
Ford Duane	Myself	Support	No
Richard Kevin	SAU 9	Support	No
Seaward Robert	Myself	Support	No
Harbron William	Myself	Support	No
Witte Lisa	SAU 93- Monadnock Regional School District	Support	No
Gazaway Marion	Myself	Support	No
Gazaway Daniel	Myself	Support	No
McGann Judith	SAU 68 Lincoln-Woodstock Cooperative School District	Support	No
Natti Sam	SAU 58	Support	No
Van Lenten Tamara	Myself	Support	No
Whiting Jaycie	Myself	Support	No
DeWitt Michael	Myself	Support	No
Lyon Jennifer	SAU #58	Support	No
Irving Carrie	SAU#58	Support	No

McMann Heather	Myself	Support	No
Brown Patricia	Myself	Support	No
Cloutier Tia	Myself	Support	No
Giroux Haley	Myself	Support	No
Woods Matthew	Myself	Support	No
Styles Pamela	SAU#/School District	Support	No
Cloutier Wanda	Myself	Support	No
Smith Joshua	SAU 58	Support	No
Clauss Bianca	Myself	Support	No
Lambert Jennifer	Myself	Support	No
Murphy Molly	Myself	Support	No
Roberts Joanne	Myself	Support	No
Barker Dean	Myself	Support	No
Michael Tursi	Shaker Regional School District	Support	No
McBrian Melanie	Myself	Support	No
Bushey Heather	SAU#58	Support	No
Steiner Robin	Myself	Support	No
Sherman Senator Tom	SD24	Support	No
Boutin Arthur	Lisbon Regional School	Support	No
Holt Keith	Ward 1 Dover NH	Support	No
Melissa Croteau	SAU 58	Support	No
Landry Katherine	SAU58	Support	No
Lane Lori	SAU 56 - Somersworth	Support	No
Thompson Debbie	SAU 80 - Shaker Regional School District	Support	No
CLARK Owen	Myself	Support	No
Oberti Rebecca	SAU#58	Support	No
Henson Monica	SAU 44	Support	No
Wilke Mary	Myself	Support	No
Jennifer Pomykato	Myself	Support	No
Denoncourt Hilary	Myself	Support	No
Bullens Dawn	Myself	Support	No
Chandler Montgomery	Lisbon Regional School District	Support	No
Baird Cathryn	Myself	Support	No
Beno Rebecca	Myself	Support	No

Abruzzese Cathleen	Myself	Support	No
Hastings Brenda	Myself	Support	No
Hope Lucinda	Myself	Support	No
Palley Donna	Myself	Support	No
Clark Michelle	Myself	Support	No
Petrin Valerie	Myself	Support	No
Perencevich Ruth	Myself	Support	No
Johnson Mindy	Myself	Support	No
Bickford Jessica	Myself	Support	No
Garland Ann	Myself	Support	No
Haskins Tim	Myself	Support	No
Dunham Bonnie	Myself	Support	No
Thompson Laura	Myself	Support	No
Guy Richard	Haverhill School District	Support	No
Hershberger Tara	Myself- a School Board Member SAU #315	Support	No
Damon Claudia	Myself	Support	No
Cuddy-Egbert Kathleen	Myself	Support	No
Harvey Danielle	Myself	Support	No
Franklin Kristin	Myself	Support	No
Petrin Michael	Myself	Support	No
Garen June	Myself	Support	No
Surette Patty	Myself	Support	No
Jachim Nancy	Myself	Support	No
Kiley-LeMay Marcia	Myself	Support	No
Raymond Kris	Allenstown School District	Support	No
Podlipny Ann	Myself	Support	No
Hinebauch Mel	Myself	Support	No
Hensley Jordan	Myself	Support	No
Dewey Karen	Myself	Support	No
Ellermann Maureen	Myself	Support	No
Straiton Marie	Myself	Support	No
Corell Elizabeth	Myself	Support	No
Larson Ruth	Myself	Support	No
Rocke Alice	SAU35/Profile district	Support	No

Hackmann Kent	Myself	Support	No
Doherty David	Myself	Support	No
Bruce Susan	Myself	Support	No
Cascadden Dean	SAU 67	Support	No
Anderson Keryn	Myself	Support	No
Destefano Kim	Myself	Support	No
MacArthur John	Myself	Support	No
Stenersen Alicia	Myself	Support	No
McCue Dara	Myself	Support	No
Rettew Annie	Myself	Support	No
Nardino Marie	Myself	Support	No
Taylor Gale	Myself	Support	No
Crawford Jennifer	Myself	Support	No
Istel Claudia	Myself	Support	No
Schroeter Susan	SAU#6	Support	No
Fedorchak Gaye	Myself	Support	No
dennis jakubowski	Myself	Support	No
Jakubowski Deborah	Myself	Support	No
Hayward Marcia	Myself	Support	No
Brickett Jane	Myself	Support	No
Seeley Kelly	SAU 41	Support	No
Schissel Mary	Myself	Support	No
Crawford Nancy	Myself	Support	No
Crawford Marlin	Myself	Support	No
Connolly Brenna	Myself	Support	No
Brackett Glenn	The working people of the New Hampshire AFL-CIO	Support	No
Willing Maura	Myself	Support	No
King Walter	Myself	Support	No
Gordon Laurie	Myself	Support	No
Neville Betsey	Myself	Support	No
blakeney gordon	Myself	Support	No
Mattlage Linda	Myself	Support	No
Allen Todd	Myself	Support	No
Platt Elizabeth-Anne	Myself	Support	No

Mitchell Karen	Myself	Support	No
Smith Bruce	Myself	Support	No
Emerson Patti	Myself	Support	No
Gross Scott	Myself	Support	No
Carter Lilian	Myself	Support	No
QUISUMBING-KING CORA	Myself	Support	No
Minton Faith	Myself	Support	No
Christina Barrett	NH School Boards Association	Support	No
Spencer Louise	Myself	Support	No
Spencer Rob	Myself	Support	No
Richman Susan	Myself	Support	No
Brennan Nancy	Myself	Support	No
Cevasco Karin	Myself	Support	No
Crichton Lucy	Myself	Support	No
Bartlett Rep Christy	Merrimack 19	Support	No
Clark Denise	Myself	Support	No
Jamback Susan	Myself	Support	No
McLaughlin Barbara	Myself	Support	No
Jarnis Deborah	Myself	Support	No
Reed Barbara	Myself	Support	No
Mooney Bridget	Myself	Support	No
DeMark Richard	Myself	Support	No
Snow-Asher Carol	Myself	Support	No
Feder Marsha	Myself	Support	No
Bergeron Jane	NH Association of Spec. Education Administrators	Support	No
Woods Renia	Myself	Support	No
Petrucelli Maxine	Myself	Support	No
Petrucelli Charles	Myself	Support	No
Shields Lara	Myself	Support	No
ARONSON LAURA	Myself	Support	No
Stinson Ben	Myself	Support	No
Natkiel Lucianna	Myself	Support	No
Parenteau Patricia	Myself	Support	No
pareteau steve	Myself	Support	No

barnes ken	Myself	Support	No
Burns Nathan	Myself	Support	No
Goldman1781 fowler r Merryl	Myself	Support	No
Glynn Nancy	Myself	Support	No
Wicks Pam	Myself	Support	No
Heslin Mary	Myself	Support	No
Bourassa Cheryl	Myself	Support	No
Chase Susan	Myself	Support	No
van der Bijl Dana	Myself	Support	No
St Germain Diane	Myself	Support	No
Tuttle Megan	NEA-NH	Support	Yes
Heath Rep. Mary	Hills 14	Support	Yes
Bates David	Myself	Support	Yes
McLynch Jeff	NH School Funding Fairness Project	Support	Yes

Testimony



**Testimony of Jeff McLynch,
Project Director, NH School Funding Fairness Project,
on SB 145 before the Senate Education Committee,
Tuesday, February 16**

Chairwoman Ward, Senator Kahn, Members of the Committee, thank you for the opportunity to offer testimony this morning on SB 145.

For the record, my name is Jeff McLynch and I am the Project Director of the New Hampshire School Funding Fairness Project, a nonprofit organization that seeks to educate citizens and policymakers about the system New Hampshire uses to fund its public schools, to build awareness of the shortcomings of that system, and to advocate for changes in law to make that system more fair for students and taxpayers alike.

As the members of the Committee are surely aware, due to both the COVID-19 pandemic and to changes in law, state education aid, in total, is expected to fall by some \$90 million between FY 2021 and FY 2022, according to data from the Office of the Legislative Budget Assistant. Such a drop would force many cities and towns to turn to significant property tax increases or severe spending cuts as they set their school budgets for the next academic year; the scale of such property tax increases could drive up the bills some homeowners face by hundreds of dollars.

SB 145 seeks to address several sources of that anticipated decline and, by extension, to reduce the likelihood and the potential scale of such rate increases or spending cuts. The bill could be strengthened still further by the removal of one provision and the insertion of another. I urge the Committee to make such changes and to recommend SB 145 as ought to pass.

As members of the Committee know, two of the key determinants of the amount of state education aid a district receives are the number of students it serves generally and the number of low-income students it serves in particular (as measured by the number of students eligible for free and reduced-price lunch). Critically, the vast majority of school districts in New Hampshire have seen those numbers decline in the current 2020-21 academic year due to the COVID-19 pandemic. Attendance has dropped generally, as parents elect to educate their children on their own or to enroll them in private schools in the face of uncertainty about remote or hybrid learning; the reported number of children eligible for free and reduced price lunch has likewise dropped, not because of declines in food insecurity, but because the federal government eliminated the requirement for applications to receive school meals during the pandemic.

More specifically, the Department of Education's November 15 estimates suggest that attendance has declined by about 4 percent overall over the past year; while the long-term trend has been toward declining enrollments, a 4 percent drop is particularly steep. Those

estimates also point to a roughly 24 percent decrease in the count of free and reduced price lunch students; those figures may fluctuate from year to year, but, during times of economic hardship, one would normally expect them to rise, not fall.

Both sets of numbers will almost surely rebound as the pandemic wanes and as schools resume in-person classes full time during the 2021-2022 academic year. However, because of a time lag in New Hampshire's education aid formula, those temporarily lower numbers will be used to decide the amount of state aid districts will receive in 2021-22, even as attendance climbs back to normal levels. SB 145 recognizes that the student counts we are seeing now are not likely to reflect the situation schools will face this fall and thus, as a reasonable alternative, directs the Department of Education to use the higher of a district's or town's 2019-2020 average daily membership in attendance (ADM-A) or 2020-2021 ADM-A in calculating state education aid.

Protecting school budgets from further damage due to the pandemic would certainly be a positive outcome and thus warrants approval of SB 145, but it would nevertheless forestall only about half of the estimated \$90 million decline I alluded to at the outset of my testimony.

To close that gap entirely, the legislature must preserve the progress it made under the current budget in bolstering state education aid and targeting it to those cities and towns most in need. As you will recall, the budget agreement reached in the fall of 2019 added two elements to New Hampshire's funding formula for FY 2021: additional aid, which is intended to assist cities and towns with higher concentrations of low-income students, and fiscal capacity disparity aid, which is designed to help municipalities with comparatively low property values.

More broadly, the purpose of these two forms of aid is to help mitigate long-standing inequities in New Hampshire's school funding system, inequities that will be just as severe in the coming biennium as they are in the current one. Consequently, both additional aid and fiscal capacity disparity aid should be extended and maintained until more comprehensive remedies are adopted. **SB 145 would extend fiscal capacity disparity aid through FY 2022; NHSFFP asks that the Committee amend the bill to do the same for additional aid too.**

One other enhancement that the Committee may wish to consider, particularly since the state's fiscal outlook is less dim than previously anticipated, is to remove the provision of the bill that suspends the regular inflation adjustments made to the state's adequacy formula for FY 2021. While that provision is temporary, it would nevertheless, on its own, deny local schools roughly \$14 million in adequacy aid in the coming year, funds that will be desperately needed to help overcome the myriad challenges that will remain even after the pandemic has passed.

In sum, given the long-standing problems that have plagued New Hampshire's school funding system, as well as the new obstacles that students, families, and schools will have to overcome in the year ahead, **I hope that the Committee will strengthen SB 145, that it will recommend the bill as ought to pass, and that the Senate as a whole will act on the bill as quickly as possible.**

Thank you once more for the chance to appear before the Committee today and I'd be happy to try to answer any questions that the members of the Committee may have.

Ava Hawkes

From: Tom Luther <origamikerf@icloud.com>
Sent: Friday, February 12, 2021 4:36 PM
To: Ava Hawkes
Subject: SB 145, oppose

NH has a problem with rigid, authoritarian, high cost, low content government education. This is so 1880's.

Stop defending an archaic system that was designed by Horace Mann to train poor subjects of the budding empire as grunt labor.

De-centralize the system.

Give the money to the students, not to the status quo. Stop killing the children to save the village.

NH ED is the primary cost driver of the property tax. End the dominion of the SHOULD's. Create a decentralized market for education. Fulfill the public obligation with the natural power of parents and kids, not with bureaucracy pensions unions and endless rivers of rules.

Do it soon. Before its too late. Change.

tom luther, Claremont.

Ava Hawkes

From: Lucinda Hope <lmhope46@gmail.com>
Sent: Sunday, February 14, 2021 1:08 PM
To: Ava Hawkes
Subject: constituent in SUPPORT of SB145

Members of the Senate Education Committee,

I am in strong support to SB145 because it is the only fair and just way to calculate the amounts of adequate education grants to the schools.

The deadly pandemic which hit this country in the beginning of 2020 disrupted all aspects of our lives, including our schools. Because of the pandemic the average daily attendance & free or reduced lunch program plummeted.

This variation in the average daily attendance is NOT at all a usual fluctuation. Therefore, the only right thing for the Commissioner of the DOE to do is NOT use the usual method of calculating the adequate education grants sent to the state's municipalities.

Sincerely,

Lucinda Hope, M.Ed.

Voting Sheets

Senate Education Committee
EXECUTIVE SESSION RECORD
2020-2021 Session

Bill # SB 45-FN-L

Hearing date: 2/16/21

Executive Session date: 3/9/21

Motion of: Reretec Vote: 3-2

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

Motion of: _____ Vote: _____

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

Motion of: _____ Vote: _____

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

Reported out by: Sen. Hennessey

Notes:

Senate Education Committee
EXECUTIVE SESSION RECORD
2020-2021 Session

Bill # SB 145.FN.L

Hearing date: 2/16/21

Executive Session date: 10/18/21

Motion of: ITL Vote: 4-1

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 type="checkbox"/>	<input checked="" type="checkbox"/>
Sen. Prentiss	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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"/>

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. Hennessey

Notes: _____

Committee Report

EDUCATION

SB 145-FN-LOCAL, relative to a temporary change in the formula for school funding.

Re-refer to Committee, Vote 3-2.

Senator Erin Hennessey for the committee.

STATE OF NEW HAMPSHIRE
SENATE
REPORT OF THE COMMITTEE

Monday, October 18, 2021

THE COMMITTEE ON Education

to which was referred **SB 145-FN-LOCAL**

AN ACT relative to a temporary change in the formula for
school funding.

Having considered the same, the committee recommends that the Bill

IS INEXPEDIENT TO LEGISLATE

BY A VOTE OF: 4-1

Senator Erin Hennessey
For the Committee

Ava Hawkes 271-3266

EDUCATION

SB 145-FN-LOCAL, relative to a temporary change in the formula for school funding.

Inexpedient to Legislate, Vote 4-1.

Senator Erin Hennessey for the committee.

Docket of SB145

Docket Abbreviations

Bill Title: relative to a temporary change in the formula for school funding.

Official Docket of **SB145**:

Date	Body	Description
2/9/2021	S	Introduced 02/04/2021 and Referred to Education; SJ 4
2/11/2021	S	Remote Hearing: 02/16/2021, 09:00 am; Links to join the hearing can be found in the Senate Calendar; SC 11
3/9/2021	S	Committee Report: Rereferred to Committee, 03/18/2021; SC 15
3/18/2021	S	Rereferred to Committee, RC 14Y-10N, MA ; 03/18/2021; SJ 8
12/16/2021	S	Committee Report: Inexpedient to Legislate, 01/05/2022; SC 49
1/5/2022	S	Inexpedient to Legislate, RC 14Y-10N, MA === BILL KILLED ===; 01/05/2022; SJ 1

NH House

NH Senate

Other Referrals

Senate Inventory Checklist for Archives

Bill Number: SB 145-FN-L

Senate Committee: Education

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 # ___ ___ - amendment # ___

___ - amendment # ___ ___ - amendment # ___

Executive Session Sheet (2)

Committee Report (2)

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:

Chad Hawkes
Committee Aide

2/18/08
Date

Senate Clerk's Office _____