

SB 56-FN-A-LOCAL - AS AMENDED BY THE SENATE

02/09/2017 0403s

2017 SESSION

17-0611

04/10

SENATE BILL ***56-FN-A-LOCAL***

AN ACT relative to adequate education grant payments to certain municipalities.

SPONSORS: Sen. Birdsell, Dist 19; Rep. McMahon, Rock. 7; Rep. M. Griffin, Rock. 7; Rep. Kolodziej, Rock. 7

COMMITTEE: Finance

ANALYSIS

This bill appropriates funds for additional adequate education grants to certain municipalities for costs incurred in the 2016 fiscal year.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT relative to adequate education grant payments to certain municipalities.

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

1 1 Appropriation; Additional Adequate Education Grants to Certain Municipalities. The sum of
2 \$9,065,044 for the fiscal year ending June 30, 2018 is hereby appropriated to the department of
3 education for the purpose of providing additional adequate education grants to certain
4 municipalities as calculated in RSA 198:40-a and 198:41 for the fiscal year ending June 30, 2016,
5 which were not distributed to those municipalities in that fiscal year. Said sum shall be a charge
6 against the education trust fund established in RSA 198:39. Acceptance of a disbursement by a
7 municipality under this act shall constitute a waiver and full release of any and all claims it may
8 have against the state of New Hampshire, its agencies, officers, employees, or agents arising out of
9 the state's adequate education payments between September 1, 2008 and June 30, 2016.
10 Notwithstanding RSA 198:42, the commissioner of the department of education shall disburse a
11 lump sum to each municipality as follows:

12 Atkinson	\$46,558
13 Bedford	\$4,287,533
14 Chatham	\$21,547
15 Dublin	\$17,327
16 Dunbarton	\$146,459
17 Durham	\$1,778
18 East Kingston	\$39,421
19 Ellsworth	\$7,437
20 Gilmanton	\$100,530
21 Grantham	\$505,094
22 Greenland	\$3,270
23 Hampton Falls	\$137,679
24 Hooksett	\$224,712
25 Kensington	\$176,976
26 Newfields	\$6,220
27 Nottingham	\$49,371
28 Orford	\$9,262
29 Pelham	\$73,521
30 South Hampton	\$20,444
31 Stoddard	\$22,879

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1	Stratham	\$244,613
2	Surry	\$764
3	Sutton	\$92,646
4	Windham	\$2,829,003
5	2 Effective Date. This act shall take effect July 1, 2017.	

SB 56-FN-A-LOCAL- FISCAL NOTE
AS AMENDED BY THE SENATE (AMENDMENT #2017-0403s)

AN ACT relative to adequate education grant payments to certain municipalities.

FISCAL IMPACT: ☒ State ☐ County ☒ Local ☐ None

STATE:	Estimated Increase / (Decrease)			
	FY 2018	FY 2019	FY 2020	FY 2021
Appropriation	\$9,065,044	\$0	\$0	\$0
Revenue	\$0	\$0	\$0	\$0
Expenditures	\$9,065,044	\$0	\$0	\$0
Funding Source:	<input type="checkbox"/> General	<input checked="" type="checkbox"/> Education	<input type="checkbox"/> Highway	<input type="checkbox"/> Other

LOCAL:

Revenue	\$9,065,044	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0

METHODOLOGY:

This bill appropriates \$9,065,044 from the education trust fund to the Department of Education for the purpose of providing additional adequate education grants to 24 municipalities equal to the amount their grant was capped in FY 2016 and states acceptance of such disbursement shall constitute a waiver and full release of any and all claims the municipality may have against the State of New Hampshire arising out of adequate education payments between September 1, 2008 and June 30, 2016.

Relative to the case titled "City of Dover v. State of New Hampshire", the New Hampshire Comprehensive Annual Financial Report for FY 2016 included the following statement on page 89 of said report –

"On September 6, 2016, the Superior Court issued a final order ruling that the cap is unconstitutional but limiting Dover to prospective relief. In effect, this ruling entitles Dover to the \$1.377 million it would have received but for the cap in fiscal year 2016. It is the State's position that this ruling also entitles the twenty-four other municipalities to the difference between the amount they would have received in fiscal year 2016 and the amount they actually received due to the cap; in total, the amount for the other municipalities is approximately \$9.065 million. On September 26, 2016, the State agreed to settle the lawsuit with Dover by paying the \$1.377 million. The approximately \$9.065 million for the other municipalities will have to be appropriated by the Legislature in accordance with RSA 14:35-b. A bill will be submitted for the

2017 legislative session. The entire \$10.44 million withheld due to the cap was recorded as an expense and liability in the accompanying financial statements.”

Since the combined General and Education Trust Fund balance at the end of FY 2016 has already been reduced by the amounts appropriated in the proposed bill, this bill will have no further impact on the combined General and Education Trust Fund balance.

AGENCIES CONTACTED:

Department of Education