

**New Hampshire School Boards Association**  
**Legislative Bulletin**  
**January 25, 2008**

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*A Weekly Update of Important Activity in the Legislature*

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***NH Retirement System and an Unfunded Mandate***

School board members attending last Saturday's Delegate Assembly learned new information concerning employer rates that are projected to take effect July 1, 2009. Teachers retiring by July 1, 2008 are ELIGIBLE for a medical subsidy benefit from NHRS to help offset their health insurance premium. Current projections are that funding for this benefit will be depleted by 2011. The medical subsidy was created, and historically funded, by "excess earnings" from retirement fund investments. Due to legal requirements, employer contributions were used to fund the subsidy, but the amount was then reimbursed by those excess funds in a special account, thus the benefit was provided at no cost to employers. This summer, the NHRS received legal advice that the method used to reimburse employers was not legal, and took administrative action to cease the reimbursement while continuing to use employer contributions to fund the benefit, in effect adding a new amount to the employer contribution rate. The current teacher rate of 8.93% is projected to increase to 10.10%, with an additional 3.37% added to fund the medical subsidy for a total teacher rate of 13.47% for 7/1/09 – 6/30/11. School board chairs and SAU offices received a letter from the Local Government Center, NHSBA and the Association of Counties explaining this issue and seeking support for a challenge to this unfunded mandate.

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***Accountability***

The House Education Committee held a public hearing on HB 1390, integrating elements of the department of education's Follow the Child initiative into the statewide education improvement and assessment program. While the bill contains many good provisions, especially for growth models to measure student performance, NHSBA expressed concern with vague details regarding local assessment responsibility in the areas of student physical, personal and social growth. The bill has been sent to a sub-committee for further review.

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***Labor Relations***

Several proposals before the House Labor Committee seek to change the collective bargaining process (see NHSBA Jan. 10 Bulletin [http://www.nhsba.org/legb\\_1\\_10\\_08\\_000.asp](http://www.nhsba.org/legb_1_10_08_000.asp)). Most notable is HB 1469, encompassing most provisions contained in these bills and scheduled for a public hearing Feb. 5. The bill adds, "matters directly related to safety considerations" as items to be bargained under the terms and conditions of employment, and removes "number of personnel" from managerial policy, making it subject to bargaining. The bill also reduces the minimum number of employees for a bargaining unit from 10 to 3, and requires the continuation of any pay plan if a new agreement is not reached when the contract expires (statutory evergreen clause).

**ACTION ITEM:** Please contact your local representative and members of the House Labor Committee (<http://www.gencourt.state.nh.us/house/committees/committeedetails.aspx?code=H11>), urging defeat of this bill that tips the balance of negotiations, unilaterally implements pay raises without local voter approval, and creates bargaining units of small groups with only 3 members.

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***Constitutional Amendment***

In his State of the State Address, the Governor again noted his strong support of a Constitutional Amendment to be a part of the solution to education funding. Yesterday, a proposed amendment sponsored by Senators Foster, Burling, Fuller Clark, Odell and Bragdon, was referred to Senate Judiciary. It provides that the legislature shall have the authority and responsibility to reasonably define standards for elementary and secondary education and determine the level of state funding, allocating aid on a reasonable basis to mitigate local disparities, with every school district receiving a reasonable share of state funds on a per pupil basis. The bill has not yet been scheduled for a public hearing. Another proposal, received by all School Boards in a mailing from a House Representative sponsoring CACR 21, is scheduled for a public hearing next Tuesday, January 29. This proposal provides that the local subdivision responsible for public education shall have the power to determine curriculum, set standards, and determine funding, and that the legislature may provide supplemental funding. Local districts already have the autonomy/local control to set the curriculum and standards within the State Minimum Standards. School district meetings are the ultimate form

of local control where the local community adopts a budget. The Claremont decisions require that the state fund an “adequate” education and the proposed amendment would undercut that principle and not hold the state to any standard/minimum level of funding support. NHSBA has opposed such attempts in the past, and that position was re-affirmed last week when Delegates overwhelmingly adopted a resolution opposing such constitutional amendments.

**Please review the ACTION ITEM above and contact your local representatives, senators, and committee members TODAY to voice your concerns regarding legislative proposals. Remember that you, through NHSBA, are the only locally elected officials that “speak” exclusively for public education in NH.**

For the complete text of any bill, go to <http://www.gencourt.state.nh.us/ns/billstatus/quickbill.html> and enter the bill number, e.g. HB927 (no spaces!).

For more information on specific legislation, please call Dean Michener, NHSBA Director of Governmental Affairs at 603-228-2061, or email: [deanm@nhsba.org](mailto:deanm@nhsba.org).