

**New Hampshire School Boards Association
Legislative Bulletin
June 12, 2008**



The ‘End’ to Another Session! The NH House and Senate have finished their business this year and both bodies are recessed to the call of the chair. Today’s Bulletin will be the last regular weekly Legislative Bulletin for a few months. A summary of the 2008 Legislative Session is being prepared and will be distributed later this summer. Listed below are a few notable issues to remember over the summer and fall.

Thank you to all Board members for your interest in legislative issues and your advocacy on behalf of Boards and Students throughout the state. Together we have really made a difference!

HB 1645 – Retirement: NHSBA has received many inquiries regarding the passage of HB 1645 and how it will impact school district contribution rates. The most significant sections that impact employer retirement contribution rates are the transfer of \$250 million from the Special Account to the corpus of the annuity fund, helping offset the new additional cost to employers of the medical subsidy, and the 4 year freeze on automatic 8% increases in the medical subsidy benefit.

The New Hampshire Retirement System Board of Trustees has a statutory duty to certify rates to the State of New Hampshire by October 1, 2008, for the fiscal year beginning 7/1/09. During legislative consideration of HB 1645, NHRS and the actuaries provided much data and projections relevant to the impact of certain proposals. Based upon those actuarial projections, the following are estimates of the rates that will be effective for the period 7/1/2009 through 6/30/2011. Please remember that these rates are only estimates and should be considered approximations for budget and planning purposes until such time as the Board of Trustees certifies the official rates.

ESTIMATED RATES FOR Group I Employees and Teachers

	Employees	Teachers		
		Local	State 35%	Total
Current Rate 7/1/07 – 6/30/09	8.74	5.80	3.13	8.93
Projected Rate 7/1/09 – 6/30/11				
For Pension	9.09	6.10	3.28	9.38
For Medical Subsidy	0	0.74	0.40	1.14
TOTAL Rate	9.09	6.84	3.68	10.52
TOTAL % Increase	4%	18%	18%	18%

The new retirement law also contains a provision requiring employers to pay more to NHRS for retirement bonus and incentive provisions that boost an employee’s pension. When such bonus packages increase an employee’s average base pay by more than 125%, employers will be assessed the cost of the excess benefit. This requirement will take effect upon the next negotiated contract.

Legislative Studies – The following bills create studies of various issues.

HB 1645 – Retirement: Two separate Study Commissions are created. One commission is charged to study and propose a retiree health care benefits funding model, and the second commission will study the feasibility of authorizing, and depletion schedules for, future COLAs to be issued at different rates to or within each subgroup of the special account (employees-teachers-police-fire). Both commissions are to report their findings and recommendations by December 1, 2008. In addition, a Decennial Retirement Commission is established, beginning in 2017, to again examine the long-term viability of NHRS.

HB 330 – Laptop Computers: This bill establishes a task force to study the feasibility of supplying laptop computers to all 7th grade children in the state, and specifically review the Maine Model. A report is due on or before November 1, 2008.

HB 678 – Cochlear Implants: This bill establishes a committee to study issues related to cochlear implants. A report is due on or before November 1, 2008.

HB 765 – Financial responsibility for Special Education: This bill establishes a committee to study the financial liability for placement of a child with a disability. A report is due on or before November 1, 2008.

HB 1161 – Truancy: This bill establishes a committee to study the truancy laws and all related statutes. A report is due on or before November 1, 2008.

HB 1171 – Air Quality: This bill establishes a commission to study air quality issues in public school buildings. A report is due on or before November 1, 2009.

HB 1299 – Preschool Incentive Fund: This bill establishes a commission to study the feasibility of creating a preschool incentive fund program. A report is due on or before November 1, 2008.

HB 1371 – Studies Extended: This bill extends the reporting dates for certain studies, including HB 89 and HB 914 from 2007. HB 89 created a study of dispute resolution between local political subdivisions and public employees; HB 914 created a study of issues related to cooperative school districts. Both reports are now due on or before November 1, 2008.

HB 1422 – Childhood Obesity: This bill establishes a commission on the prevention of childhood obesity. The Commission shall develop recommendations to assist schools in adopting and implementing school nutrition standards. A report is due on or before November 1, 2009.

SB 321 – Building Aid: This bill establishes a commission to study funding of school building aid. The Commission is charged to study: 1) an appropriate funding methodology and sources for building aid, including whether building aid should be included in the state's capital plan; 2) strategies for making it possible for all school districts to engage in necessary construction projects; and 3) standards for determining appropriate costs for state reimbursement and for cost-sharing. A report is due on or before November 1, 2008.

For the complete text of any bill, go to http://www.gencourt.state.nh.us/bill_status/quick_search.html and enter the bill number, e.g. HB1469, SB362 or CACR21 (no spaces!), and make sure the Session Year is 2008.

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