

**New Hampshire School Boards Association  
Legislative Bulletin  
January 12, 2007**



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## **Legislators Back to Work**

Organizational meetings and orientation sessions dominated this week's legislative schedules. While a few bills have been printed and scheduled for a hearing, most proposals still exist only in title form, and the sponsor of a proposed bill must "sign off" on the draft before it becomes available. House members have until Friday, January 19 to sign off on bills; senators have until Wednesday, January 17.

Next Tuesday, the House Education Committee will begin the process of public hearings, starting in the afternoon. HB 37, requiring school districts to adopt a policy designating certain categories of volunteers who may be required to undergo a background investigation and criminal history records check, is scheduled for 1:30. HB 87, clarifying exceptions to the compulsory attendance statute, is scheduled for 2:00. On Wednesday morning at 11:00, the House Labor Committee will hold a hearing on HB 89, limiting the prohibition on strikes by public employees to "emergency public employees", which does not include teachers. The Judiciary Committee has also scheduled hearings at 10:00 and 10:30 on HB 82 and HB 83 respectively, both bills relative to certain provisions of the Right-to-Know law.

## ***A Quick Review of Current Education Funding***

Previous Legislative Bulletins have highlighted issues associated with the NH Retirement System (NHRS), which provides pension benefits to employees, teachers, firefighters and police officers. This week's Bulletin will offer some background information relevant to education funding deliberations.

The current level of state support for an *equitable* education is \$836.1 million: \$363.3 million from the statewide education property tax, and \$472.8 million in grants to local communities. While the Supreme Court has set a deadline of June 30, 2007, to define an adequate education, the current funding formula remains in effect until changed/revised by the legislature. This formula was used to determine the estimated amount of state aid to be distributed to school districts for next fiscal year, FY 2007-08. School districts were notified, as required by law, of these estimates last November. The total allocation for FY 2008 increases by approximately \$54 million to \$890.3 million: \$363 million from the statewide education property tax, \$513.5 million in grants, and another \$13.8 million to "hold harmless," or transition, those districts scheduled to receive less than 85% of the aid received in 2006 and 2007.

Remember that the current formula was a last minute compromise that established 2-year aid allocations: districts received the same level of funding in 2006 and 2007. The new estimates determined last November would apply for 2008 and 2009 *under current law*. The determination of aid is based on three components: local tax capacity aid, state education tax capacity aid, and targeted aid. Eligibility for local tax capacity aid, as well as state tax capacity aid, requires the district to be below the state average equalized valuation per pupil. The amount of aid is based on how large the difference is between the local district and state average: the more a district is below state average, the more aid it is entitled to receive. Targeted aid requires a district to be below 150% of the state average equalized valuation per pupil AND below 150% of the state median family income. If these two conditions are met, per pupil grants are provided for three different pupil populations: special education, free/reduced meals, and limited English proficiency. Also provided to targeted aid recipient districts is \$190 per ADM-Residence to help with

transportation costs. After these three component determinations are made, a final allocation is considered based on the “hold harmless,” or transition, feature: no district can receive less than 85% of the funding received in 2006 and 2007. Any district with an aid allocation that is less than 85% of that amount receives a transition grant to make up the difference.

***As for future proposals?***

As adequate education proposals come forward this session, NHSBA Legislative Bulletins will summarize their salient provisions and keep you informed of their progress. Stay tuned!

Make sure your local representatives know where their school board stands on important legislative proposals. Keep your legislators informed and aware. **Remember that you, through NHSBA, are the only locally elected officials that “speak” exclusively for public education in NH.** Need some help? Learn how you can be involved in NHSBA’S Legislative Advocacy Network and make your board’s voice heard.

**Call NHSBA (800-272-0653) or (603-228-2061) today** and be part of the team. For more information or details, or for information on specific legislation, please call Dean Michener at 603-228-2061.

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