

Senate Education Committee

Ava Hawkes 271-4151

SB 147-FN, adopting omnibus legislation relative to student aid, the central registry, transportation of students, and special education costs.

Hearing Date: February 18, 2021

Time Opened: 1:00 p.m.

Time Closed: 2:25 p.m.

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

Members of the Committee Absent : None

Bill Analysis: This bill adopts legislation relative to:

- I. Applications for federal student aid.
 - II. The central registry.
 - III. The transportation of pupils.
 - IV. Mitigation of special education costs.
-

Sponsors:

Sen. Kahn

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

Who opposes the bill: Laurie Young, Meredith Nadeau, Timothy Eldridge, Jessica Eldridge, Kathie Vigue, Sandy Rowe, Howard Anderson, Cynthia Fournier, Jerry Gregoire, Marc Raposo, Gregg Stinson

Who is neutral on the bill: Diana Fenton (NHDOE), Elizabeth Bielecki (NHDMV), Deborah Scire, Christiana Thornton

Summary of testimony presented:

Part I of SB 147:

Senator Jay Kahn - Senate District 10

- Senator Kahn introduces part one of SB 147.
- Part one is related to the financial and free application for federal student aid, also known as FAFSA.

- The FAFSA form is established by the federal government and the Department of Education.
- Students must complete the form to qualify for federal aid. This information is used by schools to evaluate assistance that students might qualify for from their institutions.
- The FAFSA form is key to college entrance.
- Often times, students who need financial assistance the most are most unlikely to apply for it. Financial assistance is key to opening opportunities.
- NH was ranked 30th for the rate at which NH high school seniors completed the FAFSA form for entrance into Fall 2020. 58% of students complete the form meaning 42% are not completing it.
- Coincidentally, the latest college going rate for high school seniors is 57%. These similar numbers of 58% and 57% leads one to believe that those attending college are completing the FAFSA form.
- Part one of this bill is structured to anticipate that students will receive some information from their schools about the FAFSA process.
- There is a waiver for students who do not wish to complete the form as they are not going to college.
- There is a process where schools could record students who do not wish to complete FAFSA but acknowledges that students have been told about the form and given the opportunity.
- Since the bill's drafting, the federal government has adopted the Lamar Alexander Reform, which reduces the FAFSA form down to 18 questions. As this reform is underway, it will take effect until the 2023-2024 school year.
- Hopes that a committee amendment would change update the implementation date on line 18 of part 1, in efforts to change to 2023-2024 timeline.
- NH would not be alone is passing legislation such as this. Louisiana was the first state to do this and has raised its FAFSA completion rate to 78% and this is reflected in the state's work to improve post-secondary options and invigorate the workforce. Illinois, Texas and at least ten other states are also working towards this action.
- FAFSA form completion rates are running 10% behind what they were. The idea that fewer people are seeking out this financial aid is disturbing.

Joel Carstens – Director of Financial Aid, University of New Hampshire and President of NH Association of Student Financial Aid Administrators

- In support of part one of this bill.
- Speaking on behalf of UNH and NHASFAA.
- Over the next decade, our state is facing a declining number of high school graduates.
- The next decade where the need for post-secondary workers has never been higher and is increasing rapidly.
- Leaving behind students is not an option.
- University System and NHASFAA support coordinated strategy in this bill, however, they would like to address improvements.
- One common sense change to moving the implementation date from 2022 to 2023, due to the work being done at the federal level in simplifying the FAFSA application.

- They would applaud and support delaying the implementation for the federal government to work through bumps.
- Completing the FAFSA application is a positive step for students.
- They support FAFSA completion.

Christiana Thornton – President, NH Higher Education Assistance Foundation

- Non-profit based in Concord and their sole purpose is to encourage students and their pursuit of higher education.
- They would also support pushing effective date out to 2023.
- Pushing out the effective date will also afford the community of nonprofits the opportunity to create a safety net and ensure they're well prepared as a resource for students.
- They work very closely with every school district in the state by giving information to school counselors as they are trying to help students get to their next step in education. They offer free FAFSE counseling and have worked with more students recently than ever before.
- Financial aid and the FAFSA application can be a scary and overwhelming process.
- Infrastructure in place working to help students and families in this process, they hope they can come alongside and enhance services.
- Sen. Kahn asked President Thornton if there are online financial literacy courses or instruction available to our schools, students, and parents. President Thornton said there are a lot of resources out there and it is important to raise awareness on resources available.
- The USDOE has thought a lot about getting these resources to students in this virtual world. Webinars and seminars are expected to become available in the future with the work being done at the federal level.
- Moving forward, there will continue to be a lot of education and training made available. The foundation's hope is that every student will finish the FAFSA application.
- It is always important to remind students that if they do not fill out the form or if it isn't done by the deadline, you cannot pursue any federal financial assistance for that year.
- Sen. Prentiss asked President Thornton if they support part one of the bill or do they feel with the new FAFSA application and the assistance their foundation provides is enough. President Thornton said they signed in neutral on the bill, however, the amendment would be a positive step forward for organizations like theirs in preparing for the updated FAFSA application.

Debby Sceery – President, NH College University Council (NHCUC)

- In support of part one of this bill.
- College access and success is a strategic priority of NHCUC.
- In order to encourage more students to apply and attend college, we need to remove barriers.
- Strongly supports students attending college as it is an important foundation for stability and earning potential.

- Post-secondary educated folks in our workforce is important.
- When students fill out FAFSA form, it helps mitigate one of the most difficult challenges to attending college which is the financial challenge.

Part II of SB 147:

Senator Ruth Ward - Senate District 8

- Senator Ward introduces part two of SB 147.
- Part two is related to the essential registry and the NHDOE's requirement to maintain records and under what circumstances they are kept.
- Diana Fenton from NHDOE plans to testify further.

Attorney Diana Fenton – Chief of the Office of Governance, NH Department of Education

- Part two of this bill works with another bill that Senator Kahn has sponsored.
- Currently, when the DOE issues teaching credentials, they do not run a criminal background check. That is not a part of their process. They have been working to change that for years.
- This bill, with amendment language provided by the department, states that once one applies to be a teacher, in addition to a criminal background check, NHDOE would have access to DCYF's central registry which contains abuse and neglect findings.
- NHDOE would have limited access to cases of abuse, not neglect cases.
- The department feels that if one state agency has found someone should not be around children as they are unsafe, we do not want folks to find another avenue.
- This bill was brought about following a former Massachusetts resident being on their state's respective severe abuse registry, then, they came to NH and got a license to teach.
- DHHS and NHDOE worked very closely on amendment language.
- The amendment language creates a new section which would correspond with a criminal background check for licensing with registry access, when a new applicant comes forward.
- Any records accessed would be confidential. Again, access to abuse findings only, not neglect.
- If a credential were to be denied, folks would have the right to appeal that denial. At that point, NHDOE would then have the possibility to gain access to further reports that would confidentiality be maintained.
- Senator Kahn asked Ms. Fenton if there are different conditions for being put on the abuse and neglect registry. Ms. Fenton said the amendment language solely limits NHDOE scope to abuse cases as that is most appropriate. They want their scope to be very narrowly tailored to what is being looked for.
- There have been cases where there were findings of neglect, however, in certain cases folks changed and rectified any neglect concerns.
- The title of the registry can be confusing, it might be helpful to consider a language change to simply "the central registry" and eliminate the rest of the title.
- Senator Prentiss asked Ms. Fenton is the background check is an FBI criminal background check and what is the threshold coming in the door. Ms. Fenton said that thanks to legislation passed last session, it includes an FBI background check and state background

checks. The department worked very closely with NHDOS last session and they're actively working to pass implementation legislation this session.

- Senator Prentiss asked Ms. Fenton if the FBI background check includes biometric data which includes the unique scan of fingerprints. Ms. Fenton said yes, it does.
- Senator Ward asked if the intention of the amendment is to replace-all of the section in question. Ms. Fenton said the creation of RSA 189:13-b is really significant for the department and it flushes out generic rule making authority language.

Part III of SB 147:

Senator Jay Kahn - Senate District 10

- Senator Kahn introduces part three of SB 147.
- Part three has to do with the transportation of students that are not related to daily attendance.
- Imagine these are class trips such as the 8th grade Washington, D.C. trip.
- This kind of transportation is not covered in statute.
- There may need to be additional language to be added.
- The hope is to ensure we are talking about nothing larger than at 16-person vehicle and folks are properly licensed.
- Ensure proper background checks are taken in accordance with RSA 189:13-a.
- An amendment to this part will be needed.
- Senator Ricciardi asked Senator Kahn about the language around only needing a driver's, thus the lacking in a background check requirement, to partake in this transportation. Senator Kahn agrees with her concerns and notes the requirement of background checks for any contracted carrier of students.
- Senator Hennessey asked Senator Kahn if he could expand upon what schools are doing now that they are not able to do, as students currently go on field trips. Senator Kahn stated that we should make sure our statute provides guidance with proper safety measures in place.
- Senator Hennessey asked Senator Kahn if he is trying to allow more types of transportation or ensure more safety and restriction on the modes we already permit. Senator Kahn said other testifiers might be better suited to answer that particular question, however, the goal is to recognize these safety measures in statute.

Elizabeth Bielecki – Director, NH Department of Motor Vehicles

- The department takes a neutral position on part three of this bill.
- Currently, the department oversees enforcement and regulation of school buses and school bus companies. The language includes private charter buses which would fall outside of their oversight.
- They oversee and audit all of transportation providers, safety inspections and they oversee driver certification and training.
- An amendment to strengthen the language around narrowing the scope of the proposal to include buses only, not private vehicles such as Uber and others.
- There is a responsibility of school districts and superintendents to look at how they'd like to fill gaps from this proposal.

- This proposal should be limited to school related activities and absolutely not applicable to school-to-home or home-to-school transportation.

Tim Ruehr – Chief Financial Officer, SAU 29

- Senator Hennessey’s question about purpose or intent of this bill is important.
- Currently, school districts on the west side of the state must travel enormous lengths of time for class trips or sports games.
- The D.C. trip in the 8th grade is a perfect example where students travel via charter bus.
- Charter bus use is already happening, even though it is not currently permitted by the state, and folks are at risk.
- Since the state does not allow this mode of transportation, if there is a problem, there will be a great liability.
- He has stopped allowing this in his district.
- It can be very difficult to take three buses across the state to play football, equipment and luggage take whole bus in itself.
- This is a problem that we are currently ignoring.
- We aren’t trying to take away safety measures, but we must be practical with common sense changes as NH is a rural state.
- He does not want less restrictions on driver safety requirements.
- Students who play traveling sports would have to be on a bus 6-8 hours a week; if Wi-Fi was provided, like on charter buses, they could do homework.
- Senator Kahn reiterated to Mr. Ruehr’s point of the importance of bathrooms being available on long trips for students. Especially during the COVID-19 pandemic. Mr. Ruehr agreed and said everyone would remember a time a charter bus was used prior.
- Senator Kahn asked Mr. Ruehr about contractual agreements and the need to enter into an agreement with a carrier in which you should satisfy certain RSA requirements. Then, assign drivers who are permitted to drive and complete background checks, etc. Mr. Ruehr said yes, the language can be strengthened, they do contract in that way now.
- Speaking for a second time, Mr. Ruehr reiterated that the intention is not to reduce standards for drivers.
- Roster drivers would be wonderful for us.
- The intent is really for charter buses to be utilized during longer trips.

Greg Stinson – Vice President, Student Transportation of America

- After listening to previous testimony, it sounds like these are school sponsored events that pertain to long distance travel or would travel outside of normal school bus routes.
- He initially misunderstood; it sounds like everyone is on the same page about not compromising standards.
- Supports testing, licensing, background checks, etc.
- School buses are safest mode of transportation.
- Students are 70x more likely to be safer by taking bus as opposed to individual vehicles.
- They should be permitted to be used in interstate travel.

Marc Raposo – President, NH School Transportation Association (NHSTA) and Community Transportation, Jaffrey, NH

- Community Transportation serves the Jaffrey-Rindge and Mascenic school districts.
- President of NH School Transportation Association.
- Discussion amongst NHSTA counterparts has revealed some great concerns.
- The testimony today says this bill has to do with coach buses and long trips, he is not seeing that.
- This would mean any extracurricular activity could be used with any type of vehicle, meaning a driver would not have to be rostered by the NHDOS, they would not have to be criminally background checked, etc.
- They work very hard and closely with NHDOS to ensure student safety.
- If we were talking about coach bus going to D.C., he would understand. This is not what this is.

In this bill, for example, a company could purchase old school buses, put the word “charter” on them, and utilize them for any extracurricular activities for school districts without ensuring they’re complying with requirements in place.

- Concerns him that bill is so broad.
- This bill would allow operation of two separate standards: home-to-school versus extracurricular activities.
- This would mean that you could use drivers with only an operator’s license. As for 16-passenger vehicles and up, the driver would need a CDL B, no school bus endorsements though.
- To bring on a bus driver, they must send a roster to NHDOS. Then, they would do a driving background and criminal background check. NHDOS ultimately rejects a lot of drivers.
- Now, under this bill, all of those rejects are now eligible to do extracurricular driving following their denial for home-to-school driving.

Part IV of SB 147:

Senator Jeb Bradley – Senate District 3

- Senator Bradley introduce part four of the bill.
- Part four is a simple bill.
- Lines 31-35 are new additions on page 3 related to the special education state aid section of law.
- Currently, lines 28-31 discuss how each fiscal year, the state can designate \$250,000 of funds already appropriated for emergency assistance. This proposal would allow an additional \$250,000 to be appropriated to small communities of 1,000 or fewer residents.
- This would mitigate special education costs and prevent significant financial harm to communities.
- A small town (Hales Location) in Senate District 3 is the inspiration for this legislation and he suspects other towns throughout the state might be facing similar issues. A family with 2-3 special needs children requiring special education have caused

significant financial harm to the community to the point that property taxes are climbing.

- Senator Hennessey asked about the language surrounding the additional \$250,000 being required in full or not. Senator Bradley shared that he mirrored the language in line 28 to allow special catastrophic aid to be increased by \$250,000. It is not a mandate, there is discretion as there is in existing statute.
- Senator Kahn asked Senator Bradley how many towns have populations less than 1,000. Senator Bradley said he suspects that all committee members have towns within their districts with populations less than 1,000. He does not have the exact number of how many towns throughout the state.
- There is no magic to the number 1,000 but it seemed like a good place to start.
- The financial harm/damage is magnified by a town's smallness.
- Senator Prentiss asked Senator Bradley if we know how much gets spent of the \$250,000 that already exists and if it is up to the commissioner of how much gets spent. Senator Bradley said he can't answer the first question but, yes, it is up to the commissioner.

Tim Ruehr – Chief Financial Officer, SAU 29

- Neutral.
- Been a business administrator for 20 years.
- Currently, the state already has catastrophic aid.
- Many folks don't know about the ability to borrow against future earnings.
- You'd have the expenses this year but you wouldn't get paid until next year.
- The provision that allows for catastrophic aid borrowing, the state pays the interest.
- He has used it many times before, but has not done it in years.
- Senator Kahn asked Mr. Ruehr if the borrowing is against your future receipt from NHDOE, not a borrow at risk of crediting. Mr. Ruehr said you borrow from a bank against future receipts, so there is interest, the state pays interest and it does not come out of your regular catastrophic funds.
- Senator Kahn asked if Mr. Ruehr could provide statutory language on this topic. Mr. Ruehr said yes, he would.
- Senator Ward said some smaller towns could've really used it if they'd known about it.
- Senator Hennessey asked Mr. Ruehr if the community were to borrow against their future earnings, but the expense continues on for 12 years, how does that actually help the community.
 - Mr. Ruehr said it does actually help once you get on borrowing. For instance, an unbudgeted family moves into your community this year, you do not have funds to pay this year and you won't get revenue until next year, you would then need to borrow those funds to avoid going into debt this year. Stay on that train.
 - You would still need to raise the taxes by the amount required for this student/family. Once students done or ages out, you will not borrow as you won't have the expense, but you will pay off the loan. This prevents debt as the first year is very traumatic.
 - In instances of small communities where an unbudgeted student/family requires funding, the community would have to put on deficit article in the current year and they'd be raising the budget next year which would catapult the tax rate.
 - He has done this in Nelson, Chesterfield, etc. but not in the last five years.

- Senator Kahn asked Mr. Ruehr about the reimbursement process and it being one year in arrears. In the case of a K-12 student, this borrowing seems necessary in the first year. But in future years, you should be receiving the sufficient funds to cover the expense.
 - Mr. Ruehr said it seems like that, but you stay on borrowing until expense goes away. In the second year, you would have the child's expense, for instance, \$100,000, and you'd have the note due from borrowing the previous year's \$100,000. Senator Kahn reiterated in that one would carry the same dollar amount for the duration of the child's education; however, it doesn't increase beyond initial borrowing amount. Mr. Ruehr said that is correct.

Rebecca Fredette – State Director of Special Education, NH Department of Education

- Part four involves funds they put out each year which is based on 3.5 times per-pupil cost or 10 times per-pupil cost.
- They reimburse districts for those funds through submission of documentation that they've paid such expenses.
- By not appropriating funds for this bill, they would be forced to take this \$250,000 out of the appropriation for special education aid and put it in this fund to support it.
- Since 2008, this is the first year they've been able to meet payouts of 80% with the allocations they've been given. They do not have enough funds regularly to pay out the allocations that are already being asked of them.
- This bill would expect them to find additional \$250,000 somewhere to cover this fund.
- Typically, any excess funds would go into court ordered placements to assist districts in some of the higher costs that may occur.
- Senator Hennessey asked Ms. Fredette if there needs to be some sort of amendment to appropriate funds. Ms. Fredette said they are already taking from fund where they don't have enough money. If this bill were to be implemented, it would be most beneficial to have a separate fund to support the districts.