

Amendment to HB 2-FN-A-LOCAL

1 Amend the bill by replacing section 164 with the following:

2

3 164 Education Trust Fund. The introductory paragraph of RSA 198:39, I is repealed and  
4 reenacted to read as follows:

5 I. The state treasurer shall establish an education trust fund in the treasury. Moneys in  
6 such fund shall not be used for any purpose other than:

7 (a) To distribute adequate education grants to municipalities' school districts pursuant  
8 to RSA 198:42.

9 (b) To distribute grants to municipalities' school districts and to approved chartered  
10 public schools pursuant to RSA 194-B:11.

11 (c) To distribute kindergarten grants to municipalities' and school districts pursuant to  
12 RSA 198:48-c.

13 (d) To provide low and moderate income homeowners property tax relief under RSA  
14 198:56-198:61.

15 (e) To distribute funds to scholarship organizations approved under RSA 77-G, that  
16 administer and implement RSA 194-F.

17 (f) To distribute phase-out grants to school districts under RSA 194-F:10.

18 (g) To fund costs necessary to provide the statewide assessment program required under  
19 RSA 193-C.

20 (h) To fund department of education operating costs for a state student data collection  
21 and reporting system, within budgeted appropriations.

22 (i) To fund department of education costs for administering programs funded by the  
23 education trust fund, within budgeted appropriations, plus any additional funding authorized  
24 pursuant to paragraph III.

25 II. The state treasurer shall deposit into the education trust fund immediately upon receipt:

26 (a) Funds certified to the state treasurer by the commissioner of revenue administration  
27 pursuant to RSA 77-A:20-a, relative to business profits taxes.

28 (b) Funds certified to the state treasurer by the commissioner of revenue administration  
29 pursuant to RSA 77-E:14, relative to business enterprise tax.

30 (c) Funds collected and paid over to the state treasurer by the commissioner of revenue  
31 administration pursuant to RSA 78-A:26, II, relative to the tax on motor vehicle rentals.

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1 (d) Funds collected and paid over to the state treasurer by the department of revenue  
2 administration pursuant to RSA 78:24, relative to tobacco taxes.

3 (e) Funds certified to the state treasurer by the commissioner of revenue administration  
4 pursuant to RSA 78-B:13, relative to real estate transfer taxes.

5 (f) Funds collected and paid over to the state treasurer by the department of revenue  
6 administration pursuant to RSA 83-F:7, I, relative to the utility property tax.

7 (g) All moneys due the fund in accordance with RSA 284:21-j, relative to sweepstakes  
8 and the lottery.

9 (h) Tobacco settlement funds in the amount of \$40,000,000 or, for any year in which the  
10 total tobacco settlement funds received by the state is less than \$40,000,000, the total amount of  
11 tobacco settlement funds received by the state.

12 (i) The school portion of any revenue sharing funds distributed pursuant to RSA 31-A:4  
13 which were apportioned to school districts in the property tax rate calculations in 1998.

14 (j) Funds collected and paid over to the state treasurer by the lottery commission  
15 pursuant to RSA 284:44, RSA 284:47, and RSA 287-I.

16 (k) Any other moneys appropriated from the general fund.

17 III. If required expenditures to administer programs funded by the education trust fund,  
18 pursuant to paragraph I, exceed amounts appropriated, the commissioner of education may request  
19 the fiscal committee of the general court authorize additional funding. Amounts requested under  
20 this paragraph shall be a charge to the education trust fund. For funds requested and approved, the  
21 governor is authorized to draw a warrant from any money in the treasury not otherwise  
22 appropriated.

23 IV. The education trust fund shall be nonlapsing. The state treasurer shall invest that part  
24 of the fund which is not needed for immediate distribution in short-term interest-bearing  
25 investments. The income from these investments shall be returned to the fund.

26  
27 Replace section 170 with the following:

28  
29 170 Department of Education; Appropriation; CTE Renovation Projects. The department of  
30 education is appropriated \$12,514,533 from the general fund for career and technical education  
31 renovation projects for the fiscal year ending June 30, 2024. Such funding shall be nonlapsing. The  
32 governor is authorized to draw a warrant for said sum out of any money in the treasury not  
33 otherwise appropriated. Any unexpended funds after the completion of the project shall be returned  
34 to the general fund. Such funds shall be expended to renovate the Sugar Hill River Valley Regional  
35 Technical Center in Newport.

36  
37 Replace section 210 and 211 with the following:

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1       210 Business Profits Tax; Distribution to Education Trust Fund. Amend RSA 77-A:20-a to read  
2 as follows:

3       77-A:20-a Distribution of Funds.

4           I. The commissioner shall determine [~~the additional amounts~~] **22.5 percent of the** revenue  
5 produced by [~~an increase of 1.5 percent in the rate of~~] **the** tax imposed by RSA 77-A:2 for each fiscal  
6 year and shall certify such amounts to the state treasurer by October 1 of that year for deposit in the  
7 education trust fund established by RSA 198:39.

8           II. The commissioner shall make quarterly estimates of the amount of [~~additional~~] revenues  
9 that will be produced [~~by the increase in tax rate~~] for the next fiscal year and shall certify such  
10 amounts to the state treasurer for deposit in the education trust fund established by RSA 198:39.  
11 Such estimates shall be certified on June 1, September 1, December 1, and March 1 of each year.

12       211 Business Enterprise Tax; Distribution to Education Trust Fund. Amend RSA 77-E:14 to  
13 read as follows:

14       77-E:14 Distribution of Funds.

15           I. The commissioner shall determine [~~the additional amounts of~~] **22.5 percent of the**  
16 revenue produced by [~~an increase of .50 percent in the rate of~~] **the** tax imposed by RSA 77-E:2 for  
17 each fiscal year and shall certify such amounts to the state treasurer by October 1 of that year for  
18 deposit in the education trust fund established by RSA 198:39.

19           II. The commissioner shall make quarterly estimates of the amount of [~~additional~~] revenues  
20 that will be produced [~~by the increase in tax rate~~] for the next fiscal year and shall certify such  
21 amounts to the state treasurer for deposit in the education trust fund established by RSA 198:39.  
22 Such estimates shall be certified on June 1, September 1, December 1, and March 1 of each year.

2023-1105h

AMENDED ANALYSIS

Keep: 69, 71, and 82

| <b>EDUCATION TRUST FUND</b>  |   |                       |                       |                       |
|--|---|-----------------------|-----------------------|-----------------------|
| <b>HOUSE FINANCE DIVISION II - WITH TENTATIVE CHANGES THROUGH MARCH 20, 2023</b> |   |                       |                       |                       |
| (Dollars in Thousands)   |   |                       |                       |                       |
|  |   | <b>FY 2023</b>        | <b>FY 2024</b>        | <b>FY 2025</b>        |
| 1  | <b>Beginning Balance, July 1</b>                                | <b>\$ 108,038</b>     | <b>\$ 183,785</b>     | <b>\$ 139,772</b>     |
| 2  |   |                       |                       |                       |
| 3  | <b><u>House Ways &amp; Means Base Revenue (Current Law)</u></b> |                       |                       |                       |
| 4  | Business Profits Tax (BPT)                                      | \$ 163,400            | \$ 165,800            | \$ 167,900            |
| 5  | Business Enterprise Tax (BET)                                   | 306,900               | 327,300               | 331,400               |
| 6  | Meals & Rooms (M&R)   | 12,800                | 9,300                 | 9,600                 |
| 7  | Tobacco Tax   | 96,800                | 85,800                | 84,600                |
| 8  | Real Estate Transfer Tax  | 75,400                | 70,900                | 70,900                |
| 9  | Transfer from Lottery   | 170,800               | 158,000               | 163,000               |
| 10   | Tobacco Settlement  | 40,000                | 40,000                | 38,500                |
| 11   | Utility Property Tax  | 42,800                | 43,500                | 44,100                |
| 12   | Statewide Property Tax  | 263,100               | 363,100               | 363,100               |
| 13   | <i>Total House Ways &amp; Means Base Revenue</i>                | <i>\$ 1,172,000</i>   | <i>\$ 1,263,700</i>   | <i>\$ 1,273,100</i>   |
| 14   | <b><u>Revenue Adjustments (Proposed Changes)</u></b>            |                       |                       |                       |
| 15   | HB 2 - BPT GF/ETF Allocation to 65%/35%                         | \$ -                  | \$ 128,200            | \$ 129,800            |
| 16   | HB 2 - BET GF/ETF Allocation to 65%/35%                         | -                     | (201,300)             | (203,800)             |
| 17   | Revenue From Two (2) New DRA Multi-State Auditors               | -                     | -                     | 1,050                 |
| 18   | <i>Total Revenue Adjustments</i>                                | <i>\$ -</i>           | <i>\$ (73,100)</i>    | <i>\$ (72,950)</i>    |
| 19   | <b>Total Revenue</b>  | <b>\$ 1,172,000</b>   | <b>\$ 1,190,600</b>   | <b>\$ 1,200,150</b>   |
| 20   |   |                       |                       |                       |
| 21   | <b><u>Appropriations/Transfers</u></b>                          |                       |                       |                       |
| 22   | Adequate Education Aid  | \$ (961,071)          | \$ (1,017,039)        | \$ (1,026,950)        |
| 23   | Charter School Funding  | (49,524)              | (58,040)              | (58,695)              |
| 24   | Special Education Aid   | (33,917)              | (33,917)              | (33,917)              |
| 25   | Tuition and Transportation                                      | (9,000)               | (11,200)              | (11,200)              |
| 26   | School Building Aid (Tail Payments)                             | (24,960)              | (20,579)              | (17,268)              |
| 27   | School Building Aid (New Projects)                              | -                     | (22,605)              | (26,133)              |
| 28   | Education Freedom Accounts                                      | (14,693)              | (29,852)              | (29,852)              |
| 29   | Education Freedom Account Phase Out Grants                      | (700)                 | (750)                 | (750)                 |
| 30   | Kindergarten Aid  | (538)                 | -                     | -                     |
| 31   | Public School Infrastructure Fund                               | (1,000)               | -                     | -                     |
| 32   | Low and Moderate Income Hardship Grant                          | (850)                 | (1,500)               | (1,500)               |
| 33   | Court Ordered Placements  | -                     | (4,500)               | (4,500)               |
| 34   | Episode of Treatment Payments                                   | -                     | (4,100)               | (5,100)               |
| 35   | State Testing   | -                     | (4,000)               | (4,000)               |
| 36   | Building Lease Aid  | -                     | (850)                 | (850)                 |
| 37   | DOE ETF Administration  | -                     | (3,166)               | (3,067)               |
| 38   | Career and Technical Education (CTE) Renovation                 | -                     | (12,515)              | -                     |
| 39   | School Building Aid Fund  | -                     | -                     | -                     |
| 40   | Adequacy Appropriation Adjustment (SNAP Expansion)              | -                     | (10,000)              | (20,000)              |
| 41   | <b>Total Appropriations/Transfers</b>                           | <b>\$ (1,096,253)</b> | <b>\$ (1,234,613)</b> | <b>\$ (1,243,782)</b> |
| 42   |   |                       |                       |                       |
| 43   | <i>Current Year Balance</i>                                     | <i>\$ 75,747</i>      | <i>\$ (44,013)</i>    | <i>\$ (43,632)</i>    |
| 44   |   |                       |                       |                       |
| 45   | Transfers (To)/From General Fund                                | \$ -                  | \$ -                  | \$ -                  |
| 46   |   |                       |                       |                       |
| 47   | <b>Cumulative Ending Balance, June 30</b>                       | <b>\$ 183,785</b>     | <b>\$ 139,772</b>     | <b>\$ 96,140</b>      |

| <b>EDUCATION TRUST FUND</b>                             |  |                       |                       |                       |
|---|--|-----------------------|-----------------------|-----------------------|
| <b>PREPARED FOR REP. WEYLER (AMENDMENT #2023-1105h)</b> |  |                       |                       |                       |
| (Dollars in Thousands)                                  |  |                       |                       |                       |
|   |  | <b>FY 2023</b>        | <b>FY 2024</b>        | <b>FY 2025</b>        |
| 1   | <b>Beginning Balance, July 1</b>                         | <b>\$ 108,038</b>     | <b>\$ 183,785</b>     | <b>\$ 100,038</b>     |
| 2   |  |                       |                       |                       |
| 3   | <b>House Ways &amp; Means Base Revenue (Current Law)</b> |                       |                       |                       |
| 4   | Business Profits Tax (BPT)                               | \$ 163,400            | \$ 165,800            | \$ 167,900            |
| 5   | Business Enterprise Tax (BET)                            | 306,900               | 327,300               | 331,400               |
| 6   | Meals & Rooms (M&R)                                      | 12,800                | 9,300                 | 9,600                 |
| 7   | Tobacco Tax  | 96,800                | 85,800                | 84,600                |
| 8   | Real Estate Transfer Tax                                 | 75,400                | 70,900                | 70,900                |
| 9   | Transfer from Lottery                                    | 170,800               | 158,000               | 163,000               |
| 10  | Tobacco Settlement                                       | 40,000                | 40,000                | 38,500                |
| 11  | Utility Property Tax                                     | 42,800                | 43,500                | 44,100                |
| 12  | Statewide Property Tax                                   | 263,100               | 363,100               | 363,100               |
| 13  | <i>Total House Ways &amp; Means Base Revenue</i>         | <i>\$ 1,172,000</i>   | <i>\$ 1,263,700</i>   | <i>\$ 1,273,100</i>   |
| 14  | <b>Revenue Adjustments (Proposed Changes)</b>            |                       |                       |                       |
| 15  | HB 2 - BPT GF/ETF Allocation to 77.5%/22.5%              | \$ -                  | \$ 23,200             | \$ 23,463             |
| 16  | HB 2 - BET GF/ETF Allocation to 77.5%/22.5%              | -                     | (246,300)             | (249,388)             |
| 17  | Revenue From Two (2) New DRA Multi-State Auditors        | -                     | -                     | 1,050                 |
| 18  | <i>Total Revenue Adjustments</i>                         | <i>\$ -</i>           | <i>\$ (223,100)</i>   | <i>\$ (224,875)</i>   |
| 19  | <b>Total Revenue</b>                                     | <b>\$ 1,172,000</b>   | <b>\$ 1,040,600</b>   | <b>\$ 1,048,225</b>   |
| 20  |  |                       |                       |                       |
| 21  | <b>Appropriations/Transfers</b>                          |                       |                       |                       |
| 22  | Adequate Education Aid                                   | \$ (961,071)          | \$ (1,017,039)        | \$ (1,026,950)        |
| 23  | Charter School Funding                                   | (49,524)              | (58,040)              | (58,695)              |
| 24  | Special Education Aid                                    | (33,917)              | -                     | -                     |
| 25  | Tuition and Transportation                               | (9,000)               | -                     | -                     |
| 26  | School Building Aid (Tail Payments)                      | (24,960)              | -                     | -                     |
| 27  | School Building Aid (New Projects)                       | -                     | -                     | -                     |
| 28  | Education Freedom Accounts                               | (14,693)              | (29,852)              | (29,852)              |
| 29  | Education Freedom Account Phase Out Grants               | (700)                 | (750)                 | (750)                 |
| 30  | Kindergarten Aid   | (538)                 | -                     | -                     |
| 31  | Public School Infrastructure Fund                        | (1,000)               | -                     | -                     |
| 32  | Low and Moderate Income Hardship Grant                   | (850)                 | (1,500)               | (1,500)               |
| 33  | Court Ordered Placements                                 | -                     | -                     | -                     |
| 34  | Episode of Treatment Payments                            | -                     | -                     | -                     |
| 35  | State Testing  | -                     | (4,000)               | (4,000)               |
| 36  | Building Lease Aid                                       | -                     | -                     | -                     |
| 37  | DOE ETF Administration                                   | -                     | (3,166)               | (3,067)               |
| 38  | Career and Technical Education (CTE) Renovation          | -                     | -                     | -                     |
| 39  | School Building Aid Fund                                 | -                     | -                     | -                     |
| 40  | Adequacy Appropriation Adjustment (SNAP Expansion)       | -                     | (10,000)              | (20,000)              |
| 41  | <b>Total Appropriations/Transfers</b>                    | <b>\$ (1,096,253)</b> | <b>\$ (1,124,347)</b> | <b>\$ (1,144,814)</b> |
| 42  |  |                       |                       |                       |
| 43  | <i>Current Year Balance</i>                              | <i>\$ 75,747</i>      | <i>\$ (83,747)</i>    | <i>\$ (96,589)</i>    |
| 44  |  |                       |                       |                       |
| 45  | Transfers (To)/From General Fund                         | \$ -                  | \$ -                  | \$ -                  |
| 46  |  |                       |                       |                       |
| 47  | <b>Cumulative Ending Balance, June 30</b>                | <b>\$ 183,785</b>     | <b>\$ 100,038</b>     | <b>\$ 3,449</b>       |

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| 48 | <b>Moved to General Fund</b>                    | <b>FY 2023</b> | <b>FY 2024</b> | <b>FY 2025</b> |
|----|---|----------------|----------------|----------------|
| 49 | Special Education Aid                           | \$ -           | \$ (33,917)    | \$ (33,917)    |
| 50 | Tuition and Transportation                      | -              | (11,200)       | (11,200)       |
| 51 | School Building Aid (Tail Payments)             | -              | (20,579)       | (17,268)       |
| 52 | School Building Aid (New Projects)              | -              | (22,605)       | (26,133)       |
| 53 | Court Ordered Placements                        | -              | (4,500)        | (4,500)        |
| 54 | Episode of Treatment Payments                   | -              | (4,100)        | (5,100)        |
| 55 | Building Lease Aid                              | -              | (850)          | (850)          |
| 56 | Career and Technical Education (CTE) Renovation | -              | (12,515)       | -              |
| 57 |   | \$ -           | \$ (110,266)   | \$ (98,968)    |
| 58 |   |                |                | (209,234)      |