

Rep. Ladd, Graf. 5
Rep. Luneau, Merr. 9
Rep. Emerick, Rock. 29
Rep. Heath, Hills. 41
April 3, 2023
2023-1285h
10/05

Floor Amendment to HB 2-FN-A-LOCAL

1 Amend the bill by deleting sections 48 - 51.

2
3 Amend the bill by replacing sections 157 - 162 with the following:

4
5 157 Cost of an Opportunity for an Adequate Education. Amend RSA 198:40-a to read as follows:

6 198:40-a Cost of an Opportunity for an Adequate Education.

7 I. For the biennium beginning July 1, ~~[2015]~~ **2023**, the annual cost of providing the
8 opportunity for an adequate education as defined in RSA 193-E:2-a shall be as specified in
9 paragraph II. The department shall adjust the rates specified in this paragraph in accordance with
10 RSA 198:40-d.

11 II.(a) A cost of ~~[\$3,561.27]~~ **\$4,000** per pupil in the ADMR, plus differentiated aid as follows:

12 (b) An additional ~~[\$1,780.63]~~ **\$2,100** for each pupil in the ADMR who is eligible for a free
13 or reduced price meal anytime during the determination year; plus

14 (c) An additional ~~[\$697.77]~~ **\$1,000** for each pupil in the ADMR who is an English
15 language learner anytime during the determination year; plus

16 (d) An additional ~~[\$1,915.86]~~ **\$2,100** for each pupil in the ADMR who is receiving special
17 education services anytime during the determination year; ~~plus~~

18 ~~(e) An additional \$697.77 for each third grade pupil in the ADMR with a score below the~~
19 ~~proficient level on the reading component of the state assessment administered pursuant to RSA~~
20 ~~193-C:6 or the authorized, locally-administered assessment as provided in RSA 193-C:3, IV(i),~~
21 ~~provided the pupil is not eligible to receive differentiated aid pursuant to subparagraphs (b)-(d). A~~
22 ~~school district receiving aid under this subparagraph shall annually provide to the department of~~
23 ~~education documentation demonstrating that the district has implemented an instructional program~~
24 ~~to improve non-proficient pupil reading].~~

25 III. The sum total calculated under paragraph II shall be the cost of an adequate education.
26 The department shall determine the cost of an adequate education for each municipality based on
27 the ADMR of pupils who reside in that municipality.

28 158 Annual Adjustment; Relief Funding. RSA 198:40-d and RSA 198:40-e are repealed and
29 reenacted to read as follows:

Floor Amendment to HB 2-FN-A-LOCAL
- Page 2 -

1 198:40-d Annual Adjustment. Beginning July 1, 2024 and every year thereafter, the
2 department of education shall adjust the following with an increase of 2 percent annually:

- 3 I. Per pupil costs in RSA 198:40-a, II;
4 II. Relief funding “factor” and “max grant” as defined in RSA 198:40-e, II, (a)-(b);
5 III. Extraordinary need grant “grant floor”, “grant ceiling”, “factor”, and “max grant” as
6 defined in RSA 198:40-f, II, (a)-(d);
7 IV. Fiscal capacity disparity aid “grant floor”, “grant ceiling”, “factor”, and “max grant” as
8 defined in RSA 198:40-g, II, (a)-(d); and
9 V. Chartered public school additional grants under RSA 194-B:11, I(b)(1)(A) and (B).

10 198:40-e Relief Funding.

11 I. In addition to the cost of an opportunity for an adequate education provided under RSA
12 198:40-a, each year the commissioner shall calculate relief funding for schools and provide that
13 amount of aid to a municipality’s school districts as follows:

14 (a) In a school district in which 48 percent or more of the ADMR is eligible to receive a
15 free or reduced-priced meal, an additional \$400 for each pupil in the ADMR who is eligible for a free
16 or reduced-priced meal.

17 (b) In a school district in which at least 12 percent but less than 48 percent of the ADMR
18 is eligible to receive a free or reduced-priced meal, an amount equal to \$0.1111 for each 0.01 percent
19 that its free or reduced-priced meal eligibility rate exceeds 12 percent, for each pupil in the ADMR
20 who is eligible for a free or reduced-priced meal.

21 (c) A school district in which less than 12 percent of the ADMR is eligible to receive a
22 free or reduced-priced meal shall receive no additional aid under this section.

23 II. In this section:

24 (a) The \$0.1111 for each 0.01 percent that its free or reduced-priced meal eligibility rate
25 exceeds 12 percent, for each pupil in the ADMR who is eligible for a free or reduced-priced meal,
26 referenced in RSA 198:40-e, I(b), shall be called the “factor.”

27 (b) The \$400 for each pupil in the ADMR who is eligible for a free or reduced-priced meal
28 referenced in RSA 198:40-e, I(a), shall be called the “max grant.”

29 III. Relief funding shall be distributed pursuant to RSA 198:42.

30 159 Extraordinary Need Grants. Amend RSA 198:40-f to read as follows:

31 198:40-f Extraordinary Need Grants.

32 I. In addition to aid for the cost of the opportunity for an adequate education provided under
33 RSA 198:40-a, each year the commissioner shall calculate an extraordinary need grant for schools
34 and provide that amount of aid to a municipality's school districts as follows:

35 (a) A municipality with an equalized valuation per pupil eligible to receive a free or
36 reduced-priced meal of \$1,000,000 or less shall receive [~~\$650~~] **\$3,000** per pupil eligible to receive a
37 free or reduced-price meal in the municipality's ADMR.

Floor Amendment to HB 2-FN-A-LOCAL
- Page 3 -

(b) A municipality with an equalized valuation per pupil eligible to receive a free or reduced-price meal between \$1,000,001 and \$5,999,999 shall receive a grant equal to [~~\$0.00013~~] **\$0.00060** for each dollar of difference between its equalized valuation per pupil eligible to receive a free or reduced-price meal and \$6,000,000, per pupil eligible to receive a free or reduced-price meal in the municipality's ADMR.

(c) A municipality with an equalized valuation per pupil eligible to receive a free or reduced-price meal of \$6,000,000 or more shall not receive an extraordinary need grant.

~~[II. In order to receive an extraordinary need grant, the eligible school district shall provide a plan to the department of education outlining how the district intends to use grant award funds to improve the educational achievement and growth of students. The extraordinary need grant plan shall include an accountability component designed to generate data that measures student academic achievement and growth of knowledge and skills in reading and language arts and/or mathematics at what grade levels funds will be used. The school district shall develop and administer its own grant accountability assessment that identifies a pupil's range of learning and yields objective data to use in improving instruction and learning, or use the statewide assessment. The school district shall submit to the department an annual grant accountability progress report that includes evidence of satisfactory program implementation and progress toward grant accountability improvement targets. The primary goal of this grant is to improve student achievement and growth and to help the school district to have funding for successful, best practice student learning approaches.]~~

II. In this section:

(a) *The \$1,000,000 in equalized valuation per free or reduced-price meal pupil referenced in RSA 198:40-f, I(a) shall be called the "grant floor."*

(b) *The \$6,000,000 in equalized valuation per free or reduced-price meal pupil referenced in RSA 198:40-f, I(b) and RSA 198:40-f, I(c) shall be called the "grant ceiling."*

(c) *The \$0.00060 for each dollar difference between equalized valuation per pupil eligible to receive a free or reduced-price meal referenced in RSA 198:40-f, I(b) shall be called the "factor."*

(d) *The \$3,000 per pupil eligible to receive a free or reduced-price meal referenced in RSA 198:40-f, I(a) shall be called the "max grant."*

III. Extraordinary need grants shall be distributed pursuant to RSA 198:42.

IV. In this section, "equalized valuation per pupil eligible to receive a free or reduced-price meal" means a municipality's equalized valuation[~~, excluding properties subject to taxation under RSA 82 and equalized payments in lieu of taxes,~~] as determined by the department of revenue administration, that was the basis for the local tax assessment in the determination year, divided by the school district's kindergarten through grade 12 ADMR in the determination year eligible to receive a free or reduced-price meal.

Floor Amendment to HB 2-FN-A-LOCAL
- Page 4 -

1 160 New Section; Fiscal Capacity Disparity Aid. Amend RSA 198 by inserting after section 40-f
2 the following new section:

3 198:40-g Fiscal Capacity Disparity Aid.

4 I. In addition to aid for the cost of the opportunity for an adequate education provided under
5 RSA 198:40-a, each year the commissioner shall calculate fiscal capacity disparity aid for schools and
6 provide that amount of aid to a municipality's school districts as follows:

7 (a) A municipality with an equalized valuation per ADMR of \$600,000 or less shall
8 receive \$1,000 per pupil in the municipality's ADMR.

9 (b) A municipality with an equalized valuation per ADMR greater than \$600,000 but
10 less than \$1,600,000 shall receive 0.0010 cents for each dollar of difference between its equalized
11 valuation per ADMR and \$1,600,000, per pupil in the municipality's ADMR.

12 (c) A municipality with an equalized valuation per ADMR of \$1,600,000 or more shall
13 receive no fiscal capacity disparity aid.

14 II. In this section:

15 (a) The \$600,000 in equalized valuation per ADMR referenced in RSA 198:40-g, I(a),
16 shall be called the "grant floor."

17 (b) The \$1,600,000 in equalized valuation per ADMR referenced in RSA 198:40-g, I(b)-
18 (c), shall be called the "grant ceiling."

19 (c) The 0.0010 cents for each dollar difference between equalized valuation per ADMR in
20 RSA 198:40-g, I(b) shall be called the "factor."

21 (d) The \$1,000 per pupil referenced in RSA 198:40-g, I(a) shall be called the "max grant."

22 III. Fiscal capacity disparity aid shall be distributed pursuant to RSA 198:42.

23 IV. In this section, "equalized valuation" means a municipality's equalized valuation, as
24 determined by the department of revenue administration, that was the basis for the local tax
25 assessment in the determination year.

26 161 Determination of Education Grants. Amend RSA 198:41 to read as follows:

27 198:41 Determination of Education Grants.

28 I. Except for municipalities where all school districts therein provide education to all of their
29 pupils by paying tuition to other institutions, the department of education shall determine the total
30 education grant for the municipality as follows:

31 (a) Add the per pupil cost of providing the opportunity for an adequate education for
32 which each pupil is eligible pursuant to RSA 198:40-a, I-III, and from such amount;

33 (b) Subtract the amount of the education tax warrant to be issued by the commissioner
34 of revenue administration for such municipality reported pursuant to RSA 76:8 for the next tax year;
35 and

36 (c) [Repealed.]

37 (d) Add the municipality's additional aid for relief funding pursuant to RSA 198:40-e.

Floor Amendment to HB 2-FN-A-LOCAL
- Page 5 -

(e) Add the municipality's extraordinary need grant pursuant to RSA 198:40-f.

(f) Add the municipality's fiscal capacity disparity aid pursuant to RSA 198:40-

g.

II. ~~[For municipalities where all school districts therein provide education to all of their pupils by paying tuition to other institutions, the department of education shall determine the total education grant for each municipality as the lesser of the 2 following calculations:~~

~~(a) The amount calculated in accordance with paragraph I of this section; or~~

~~(b) The total amount paid for items of current education expense as determined by the department of education minus the amount of the education tax warrant to be issued by the commissioner of revenue administration for such municipality reported pursuant to RSA 76:8 for the next tax year.~~

III.(a) ~~For the biennium ending June 30, 2013, the department of education shall not distribute a total education grant on behalf of all pupils who reside in a municipality that exceeds that municipality's total education grant in the second year of the previous biennium.~~

~~(b) [Repealed.]~~

IV.(a) For fiscal year 2012, the department of education shall identify all municipalities in which the fiscal year 2012 total education grant will be less than the fiscal year 2011 total education grant. The department shall distribute a stabilization grant to each of those municipalities equal to 100 percent of the decrease.

~~(b) For fiscal year 2013, the department of education shall identify all municipalities in which the fiscal year 2013 total education grant, including any stabilization grant distributed pursuant to subparagraph (a), will be less than the fiscal year 2011 total education grant. The department shall distribute funds to each of those municipalities equal to 100 percent of the decrease.~~

~~(c) For fiscal year 2014 through fiscal year 2016, the department of education shall distribute a total education grant to each municipality in an amount equal to the total education grant for the fiscal year in which the grant is calculated plus the amount of the fiscal year 2012 stabilization grant, if any, distributed to the municipality.~~

~~(d) III.~~ For fiscal year 2024 and each fiscal year thereafter, the department of education shall distribute a total education grant to each municipality in an amount equal to the total education grant for the fiscal year in which the grant is calculated plus [a percentage] **85 percent** of the municipality's fiscal year 2012 stabilization grant, if any, distributed to the municipality; ~~the percentage shall be 96 percent for fiscal year 2017, 92 percent for fiscal year 2018, 88 percent for fiscal year 2019, and 100 percent for fiscal year 2020 and each fiscal year thereafter.]~~ No stabilization grant shall be distributed to any municipality for any fiscal year in which the municipality's education property tax warrant pursuant to RSA 76:8 exceeds the total cost of an

Floor Amendment to HB 2-FN-A-LOCAL
- Page 6 -

adequate education or to any municipality for any fiscal year in which the municipality's ADMR is zero.

IV. For fiscal year 2024 and fiscal year 2025, the department of education shall distribute a hold harmless grant equal to 100 percent of the decrease when comparing the eligible grant award in each year to the fiscal year 2024 preliminary estimate as of November 15, 2022. No municipality with a current adequacy grant amount that exceeds the fiscal year 2024 preliminary estimate shall receive a hold harmless grant.

V. The department shall use the best available data and methods to estimate ADMR and education grants by November 15 of the year preceding the school year for which aid is determined.

VI. The department shall produce a revised estimate of grants using actual determination year data for the purpose of settling municipal tax rates. A municipality's grant estimate shall not be less than 95 percent of the estimate reported pursuant to paragraph V. The commissioner of the department of education shall provide the estimate for the current fiscal year to the commissioner of the department of revenue administration no later than October 1 of each year.

VII. When final determination year data is available, but not later than April 1, the department shall make a final determination of grant amounts. A municipality's grant estimate shall not be less than 95 percent of the estimate reported pursuant to paragraph V. The department shall adjust the April grant disbursement required pursuant to RSA 198:42 so that the total amount disbursed for the fiscal year shall match the final grant determination.

VIII. Reports of grant determinations for municipalities required pursuant to paragraphs V-VII shall be available to the public by the date specified in paragraphs V-VII, and the department shall make available a report for multi-town school districts and municipalities with multiple school districts. The department of education shall provide the department of revenue administration the information needed to set tax rates.

162 Chartered Public Schools; Funding. Amend RSA 194-B:11, I(b)(1) to read as follows:

(b)(1)(A) Except as provided in subparagraph (2), for a chartered public school authorized by the state board of education pursuant to RSA 194-B:3-a, the state shall pay tuition amounts pursuant to RSA 198:40-a, II(a)-(c) and (e) plus an additional grant of [~~\$3,286 to all chartered public schools for the fiscal year ending June 30, 2018, and \$3,411 to all chartered public schools for the fiscal year ending June 30, 2019~~] ***\$5,000 to all chartered public schools for the fiscal year ending June 30, 2024*** and each fiscal year thereafter, except for the Virtual Learning Academy Charter School, directly to the chartered public school for each pupil who is a resident of this state in the chartered public school's ADMA. Beginning July 1, [~~2017~~] ***2024*** and every [~~biennium~~] ***fiscal year*** thereafter, the department of education shall adjust the per pupil amount of the additional grant [~~based on the average annual change in the Consumer Price Index for All Urban Consumers, Northeast Region, using the "services less medical care services" special aggregate index, as published by the Bureau of Labor Statistics, United States Department of Labor~~]

Floor Amendment to HB 2-FN-A-LOCAL
- Page 7 -

1 ***pursuant to RSA 198:40-d.*** The state shall pay amounts required pursuant to RSA 198:40-a, II(d)
2 directly to the resident district.

3 (B) For the Virtual Learning Academy Charter School authorized pursuant to
4 RSA 194-B:3-a, the state shall pay tuition amounts pursuant to RSA 198:40-a, II(a)-(c) and (e), plus
5 an additional grant of \$2,036 directly to the Virtual Learning Academy Charter School for each
6 eligible full-time enrolled pupil in the chartered public school's ADMA. The state shall pay amounts
7 required pursuant to RSA 198:40-a, II(d) directly to the resident district. The state shall also pay
8 tuition amounts pursuant to RSA 198:40-a, II(a) plus an additional grant of \$2,036 directly to the
9 Virtual Learning Academy Charter School for each full-time equivalent pupil. Beginning July 1,
10 2017 and every July 1 thereafter, the department of education shall adjust the per pupil amount of
11 the additional grant ~~[based on the average annual change in the Consumer Price Index for All Urban~~
12 ~~Consumers, Northeast Region, using the "services less medical care services" special aggregate~~
13 ~~index, as published by the Bureau of Labor Statistics, United States Department of Labor. The~~
14 ~~average change shall be calculated using the 3 calendar years ending 18 months before the~~
15 ~~beginning of the fiscal year for which the calculation is to be performed]~~ ***pursuant to RSA 198:40-d.***

Floor Amendment to HB 2-FN-A-LOCAL
- Page 8 -

2023-1285h

AMENDED ANALYSIS

Delete:

22. Creates a computer science and STEM administrator for the department of education.

Delete:

23. Creates a new chapter for a computer science educator program.