

HB 1592-FN-LOCAL - AS INTRODUCED

2024 SESSION

24-2279

10/02

HOUSE BILL

1592-FN-LOCAL

AN ACT relative to the use of education freedom account funds in religious schools.

SPONSORS: Rep. Horrigan, Straf. 10; Rep. Dutzy, Hills. 6; Rep. Vail, Hills. 6; Rep. Kenney, Straf. 10

COMMITTEE: Education

ANALYSIS

This bill prohibits the use of education freedom account funds at religious schools or for religious education or training, and repeals provisions relating to independence of and legal proceedings concerning education freedom account providers.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears ~~[in brackets and struckthrough]~~
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Four

AN ACT relative to the use of education freedom account funds in religious schools.

Be it Enacted by the Senate and House of Representatives in General Court convened:

- 1 1 Education Freedom Program; Higher Education. Amend RSA 194-F:2, I(m) to read as follows:
 - 2 (m) Tuition and fees at an **accredited** institution of higher education.
- 3 2 Education Freedom Accounts; Program; Use of Funds. Amend RSA 194-F:2, III to read as
 - 4 follows:
 - 5 III. The funds in an EFA may only be used for educational purposes in accordance with
 - 6 paragraph II, **and shall not be used at a religious school or for a religious education or**
 - 7 **training.**
- 8 3 Repeals. The following are repealed:
 - 9 I. RSA 194-F:4, XVII, relative to disadvantaging education providers with religiously-based
 - 10 policies or practices.
 - 11 II. RSA 194-F:7, II through V relative to independence of education service providers in the
 - 12 EFA program.
 - 13 III. RSA 194-F:9, relative to legal proceedings.
- 14 4 Effective Date. This act shall take effect July 1, 2024.

HB 1592-FN-LOCAL- FISCAL NOTE
AS INTRODUCED

AN ACT relative to the use of education freedom account funds in religious schools.

FISCAL IMPACT: ☐ State ☐ County ☐ Local ☒ None

Estimated State Impact - Increase / (Decrease)				
	FY 2024	FY 2025	FY 2026	FY 2027
Revenue	\$0	\$0	\$0	\$0
<i>Revenue Fund(s)</i>	None			
Expenditures	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			
Appropriations	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			

- Does this bill provide sufficient funding to cover estimated expenditures? ☒ N/A
- Does this bill authorize new positions to implement this bill? ☒ N/A

Estimated Political Subdivision Impact - Increase / (Decrease)				
	FY 2024	FY 2025	FY 2026	FY 2027
County Revenue	\$0	\$0	\$0	\$0
County Expenditures	\$0	\$0	\$0	\$0
Local Revenue	\$0	\$0	\$0	\$0
Local Expenditures	\$0	\$0	\$0	\$0

METHODOLOGY:

This bill prohibits tuition for religious nonpublic schools and any expenses for a religious based vendor as an eligible expense for the education freedom account (EFA) program. The Department of Education states this bill would not impact enrollment eligibility to the program or the amount adequacy in which a family would receive so there would not be a direct fiscal impact.

However, this bill would limit how families are able to use the funds. The impact of this bill is that there would be an indeterminable decrease in vendors who would be able to be approved vendors for the program. Based on information provided by the Children's Scholarship Fund, in the 2022-2023 school year there would be approximately 70 current vendors that would be affected by this bill and an unknown number of vendors who aren't currently vendors for the

program. Based on information provided by the Children's Scholarship Fund, in the 2022-2023 school year there were a total of approximately 6,628 transactions processed in Class Wallet for tuition, instruction, or materials that included a vendor who provides instruction, training, or materials where the vendor is a religious based vendor. These transactions amounted to an approximate total of \$5.3 million. It is unknown how this bill may impact existing or prospective program participation.

AGENCIES CONTACTED:

Department of Education