

HB 529-FN-A-LOCAL - AS INTRODUCED

2023 SESSION

23-0524

10/04

HOUSE BILL

529-FN-A-LOCAL

AN ACT

relative to additional aid grants for schools based on free and reduced price meals and fiscal capacity disparity.

SPONSORS:

Rep. Fellows, Graf. 8; Rep. Luneau, Merr. 9; Rep. Ames, Ches. 13; Rep. Heath, Hills. 41; Rep. Cascadden, Coos 5; Rep. Myler, Merr. 9

COMMITTEE:

Education

ANALYSIS

This bill establishes 2 additional aid grants for schools based on the percentage of students eligible for free or reduced-price meals and municipal fiscal capacity disparity.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 Three

AN ACT relative to additional aid grants for schools based on free and reduced price meals and fiscal capacity disparity.

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

1 1 New Sections; Additional Aid Grants for Schools. Amend RSA 198 by inserting after section
2 40-f the following new sections:

3 198:40-g Additional Aid Based on the Percentage Eligible for Free or Reduced-Price Meals.

4 I. In a municipality where 48 percent or more of the ADMR is eligible to receive a free or
5 reduced-priced meal, an additional \$700 times the ADMR of students eligible for a free or reduced-
6 priced meal.

7 II. In a municipality where at least 12 percent but less than 48 percent of the ADMR is
8 eligible to receive a free or reduced-priced meal, \$87.50 plus \$0.17014 for each 0.01 percent by which
9 its free or reduced-priced meal eligibility rate exceeds 12 percent, times the ADMR of students
10 eligible for a free or reduced-priced meal.

11 III. A municipality in which less than 12 percent of the ADMR are eligible to receive a free
12 or reduced-priced meal shall receive no additional aid under this section.

13 198:40-h Additional Aid Based on Fiscal Capacity Disparity.

14 I. Each biennium the commissioner shall calculate fiscal capacity disparity aid and provide
15 that amount of aid in each year of the biennium to a municipality as follows:

16 (a) A municipality with an equalized valuation per ADMR of \$600,000 or less shall
17 receive \$2,000 times the ADMR.

18 (b) A municipality with an equalized valuation per ADMR greater than \$600,000 but
19 less than \$1,600,000 shall receive 0.0020 cents for each dollar of difference between its equalized
20 valuation per ADMR and \$1,600,000.

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

23 II. In this section, "equalized valuation" means a municipality's equalized valuation,
24 including properties subject to taxation under RSA 82 and RSA 83-F, as determined by the
25 department of revenue administration, that was the basis for the local tax assessment in the
26 determination year.

27 2 New Subparagraphs; Determination of Final Adequate Education Grants. Amend RSA
28 198:41, I by inserting after subparagraph (e) the following new subparagraphs:

29 (f) Add the municipality's additional aid based on the percentage eligible for free or
30 reduced-price meals pursuant to RSA 198:40-g.

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1 (g) Add the municipality's additional aid based on fiscal capacity disparity pursuant to
2 RSA 198:40-h.

3 3 Application; Additional Grants Based on Fiscal Capacity Disparity. The additional aid based
4 on fiscal capacity disparity under RSA 198:40-h as inserted by section 1 of this act shall be
5 calculated using information from the first year of the state fiscal biennium ending June 30 2025,
6 but applied and distributed under RSA 198:41 only in the second year of the biennium.

7 4 Effective Date. This act shall take effect July 1, 2024.

LBA
23-0524
1/9/23

**HB 529-FN-A-LOCAL- FISCAL NOTE
AS INTRODUCED**

AN ACT relative to additional aid grants for schools based on free and reduced price meals and fiscal capacity disparity.

FISCAL IMPACT:

Due to time constraints, the Office of Legislative Budget Assistant is unable to provide a fiscal note for this bill, **as introduced**, at this time. When completed, the fiscal note will be forwarded to the House Clerk's Office.

AGENCIES CONTACTED:

Department of Education