HB 568-FN - AS INTRODUCED

2023 SESSION

23-0304
10/04

HOUSE BILL ***568-FN***

AN ACT relative to assessing all state adequate education and local education costs through the state education warrant.

SPONSORS: Rep. Bickford, Straf. 3

COMMITTEE: Ways and Means

ANALYSIS

This bill requires the department of revenue administration to determine a tax rate for all local education costs, in addition to the state education tax, and assess the rates for all school districts in the state.

- -

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

23-0304
10/04

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Three

AN ACT relative to assessing all state adequate education and local education costs through the state education warrant.

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

1 New Paragraph; Local Education Tax; Setting of Tax Rate by the Commissioner. Amend RSA 21-J:35 by inserting after paragraph VII the following new paragraph:

VIII. The commissioner of revenue administration shall compute and establish the tax rate for local education for all school districts by determining the property taxes necessary to fund school district appropriations reported under RSA 21-J:34 not funded by distributions from the education trust fund under RSA 198:39 for state education grants or by other school district revenue sources, using the total equalized valuation of properties in the cities and towns and unincorporated places.

2 Taxes Assessed; State Warrant. Amend RSA 76:4 to read as follows:

76:4 Taxes Includable in One Assessment. The selectmen of towns, or assessors of cities, may include in one assessment the state, county, town or city, highway, [~~schoolhouse, school or~~] village district [~~and school~~] taxes, ***and school bonds costs under RSA 33,*** or so many of them as may be found convenient, ***and shall include the state's warrant for state education and local education taxes***.

3 Local Education Tax Assessment. Amend RSA 76:5 to read as follows:

76:5 What Taxes Assessed. The selectmen shall seasonably assess all state and county taxes for which they have the warrants of the commissioner of revenue administration***, including local education taxes*** and county treasurers respectively; all taxes duly voted in their towns; [~~and~~] all [~~school and~~] village district taxes authorized by law or by vote of any [~~school or~~] village district duly certified to them; and all sums required to be assessed by RSA 33 and RSA 21-J:9-c***, including all school construction or renovation bond costs***. Any assessments report issued by the commissioner pursuant to RSA 21-J:11-a shall not affect the authority of the selectmen to assess taxes.

4 Education Taxes; Commissioner's Warrant. Amend RSA 76:8 to read as follows:

76:8 Commissioner's Warrant.

I.(a) The commissioner shall annually determine a municipality's tax base for the education tax ***under RSA 76:3*** by subtracting from the total equalized valuation of all property, as determined under RSA 21-J:3, XIII for the preceding year, property that was then taxable under RSA 82 and RSA 83-F. In determining the tax base, the value of any utility property that is included in the total equalized valuation upon which the statewide education property tax is computed, and is also taxable under RSA 83-F for that year, shall also be subtracted from the tax base, provided the sum

value of the utility property represents at least 5 percent of the total equalized value of all property, except property taxable under RSA 82 or RSA 83-F in the preceding year.

(b) The commissioner shall calculate the portion of the education tax to be raised by each municipality by multiplying the uniform education property tax rate by the municipality's tax base.

II. The commissioner shall issue a warrant under the commissioner's hand and official seal for the amount computed in paragraph I to the selectmen or assessors of each municipality by December 15 directing them to assess such sum and pay [~~it to the municipality for the use of the school district or districts~~] ***the sums collected to the department of revenue administration for deposit in the education trust fund. Provided that local education tax amounts shall be held in a local education reserved account in education trust fund.*** Such sums shall be assessed at such times as may be prescribed for other taxes assessed by such selectmen or assessors of the municipality.

II-a. At the time the warrant is issued pursuant to paragraph II, the commissioner shall report to the governor, the speaker of the house of representatives, the president of the senate, and the commissioner of education, a statement of the education tax warrants to be issued for the tax year commencing April 1 of the succeeding year.

[~~III. Municipalities are authorized to assess local property taxes necessary to fund school district appropriations not funded by the education tax, by distributions from the education trust fund under RSA 198:39, or by other revenue sources.~~]

5 School District Reports of Appropriations. Amend RSA 198:4-a, IV to read as follows:

IV. ***From the certified statewide total of all such appropriations voted,*** the commissioner of revenue administration shall compute the rate percent of taxation for school district purposes [~~from such certificate~~].

6 Education Trust Fund Created and Invested. Amend RSA 198:39, I(l) to read as follows:

(l) ***The full amount of education property tax payments and local education tax payments from the department of revenue administration pursuant to RSA 76:8, II. All sums collected from local education taxes shall be held in a reserved account in the education trust. All local education costs shall be paid from such reserved funds.***

(m) Any other moneys appropriated from the general fund.

7 State Education Grants. Amend RSA 198:41, I and II to read as follows:

I. Except 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 the municipality as follows:

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

(b) [~~Subtract 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; and~~]

(c) [Repealed.]

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

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

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 ***state*** 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~~].

8 Determination of Grants; Stabilization. Amend RSA 198:41, IV(d) to read as follows:

(d) For fiscal year 2017 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 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~~] ***amount of the commissioner's warrant for the municipality's state education tax assessment*** pursuant to RSA 76:8 exceeds the total cost of an adequate education or to any municipality for any fiscal year in which the municipality's ADMR is zero.

9 New Paragraph; Payment of Local Education Costs; Distribution. Amend RSA 198:42 by inserting after paragraph I the following new paragraph:

I-a. The payment of each school district appropriations certified under 198:4-a shall be paid to the districts treasurer's according to the same distribution schedule under paragraph I for adequate education grants.

10 Effective Date. This act shall take effect July 1, 2023.

LBA
23-0304
1/9/23

HB 568-FN- FISCAL NOTE
AS INTRODUCED

AN ACT relative to assessing all state adequate education and local education costs through the state education warrant.

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 and Department of Revenue Administration

CONSENT CALENDAR

February 15, 2023

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Committee on Ways and Means to which was referred HB 568-FN,

AN ACT relative to assessing all state adequate education and local education costs through the state education warrant. Having considered the same, report the same with the following resolution: RESOLVED, that it is INEXPEDIENT TO LEGISLATE.

Rep. John Janigian

FOR THE COMMITTEE

Original: House Clerk
Cc: Committee Bill File

COMMITTEE REPORT

Committee:	**Ways and Means**
Bill Number:	**HB 568-FN**
Title:	**relative to assessing all state adequate education and local education costs through the state education warrant.**
Date:	**February 15, 2023**
Consent Calendar:	**CONSENT**
Recommendation:	**INEXPEDIENT TO LEGISLATE**

STATEMENT OF INTENT

The prime sponsor has notified the committee that he no longer supports the bill he filed and would like the bill vacated. Since it is too late to vacate the bill, the committee has found the bill Inexpedient to Legislate.

Vote 17-0.

Rep. John Janigian
FOR THE COMMITTEE

Original: House Clerk
Cc: Committee Bill File

CONSENT CALENDAR

Ways and Means

HB 568-FN, relative to assessing all state adequate education and local education costs through the state education warrant. **INEXPEDIENT TO LEGISLATE.**

Rep. John Janigian for Ways and Means. The prime sponsor has notified the committee that he no longer supports the bill he filed and would like the bill vacated. Since it is too late to vacate the bill, the committee has found the bill Inexpedient to Legislate. **Vote 17-0.**

Original: House Clerk
Cc: Committee Bill File

SIGN UP SHEET

To Register Opinion If Not Speaking

Bill #: HB 568-FN Date: 2/15/23

Committee: Ways and Means

**** Please Print All Information ****

Name	Address	Phone	Representing	Pro	Con

HOUSE COMMITTEE ON WAYS AND MEANS

PUBLIC HEARING ON HB 568-FN

BILL TITLE: **relative to assessing all state adequate education and local education costs through the state education warrant.**

DATE: **February 15, 2023**

LOB ROOM: **202-204** **Time Public Hearing Called to Order:** **2:22 p.m.**

Time Adjourned: **2:25 p.m.**

Committee Members: Reps. L. Sanborn, Janigian, Plett, Ulery, Doucette, Spilsbury, Soti, Aures, Rochefort, Almy, Ames, Southworth, Malloy, Schamberg, Fellows, Bolton, Elberger, Leapley and G. Smith

Bill Sponsors:
Rep. Bickford

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Rep. Fellows. Puts all revenue for SWEPT through state. Man sponsoring wants it withdrawn.

Respectfully submitted,

Rep. Fred Plett, Clerk

House Remote Testify

Ways and Means Committee Testify List for Bill HB568 on 2023-02-15

Support: 4 Oppose: 2 Neutral: 0 Total to Testify: 0

Export to Excel

Name	City, State Email Address	Title	Representing	Position	Testifying	Non-Germane	S
Davis, Tod	Nashua, NH todc.18@gmail.com	A Member of the Public	Myself	Oppose	No	No	2
DeMark, Richard	Meredith, NH demarknh114@gmail.com	A Member of the Public	Myself	Support	No	No	2
DeMark, Harriet	Meredith, NH demarknh114@gmail.com	A Member of the Public	Myself	Support	No	No	2
Ellermann, Maureen	Concord, NH ellermannf@aol.com	A Member of the Public	Myself	Support	No	No	2
Heck, Katherine	Concord, NH kheck@nhmunicipal.org	A Lobbyist	New Hampshire Municipal Association	Oppose	No	No	2
Richardson, Daniel	Nashua, NH daniel6_22@comcast.net	A Member of the Public	Myself	Support	No	No	2

HOUSE COMMITTEE ON WAYS AND MEANS

EXECUTIVE SESSION on HB 568-FN

BILL TITLE: relative to assessing all state adequate education and local education costs through the state education warrant.

DATE: February 15, 2023

LOB ROOM: 202-204

MOTIONS: INEXPEDIENT TO LEGISLATE

Moved by Rep. Janigian Seconded by Rep. Almy Vote: 17-3

CONSENT CALENDAR: YES

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep Fred Plett, Clerk

STATE OF NEW HAMPSHIRE
OFFICE OF THE HOUSE CLERK

1/10/2023 9:55:04 AM
Roll Call Committee Registers Report

2023 SESSION

Ways and Means

Bill #: 568 Motion: ITL AM #: _____ Exec Session Date: 2/15/23

Members	YEAS	Nays	NV
Sanborn, Laurie J. Chairman	17		
Janigian, John C. Vice Chairman	1		
Ulery, Jordan G.	2		
Doucette, Fred G.	3		
Spilsbury, Walter	4		
Plett, Fred R. Clerk	5		
Hynes, Dan			1
Soti, Julius F.	6		
Aures, Cyril Nicholas	7		
Rochefort, David	8		
Almy, Susan W.	9		
Ames, Richard	.		1
Southworth, Thomas L.			1
Malloy, Dennis J.	10		
Schamberg, Thomas C.	11		
Fellows, Sallie D.	12		
Bolton, Bill R	13		
Elberger, Susan A	14		
Leapley, Nicole M	15		
Smith, Geoffrey	16		
TOTAL VOTE:	17	0	3