LEGISLATIVE COMMITTEE MINUTES

SB155

Bill as Introduced

2023 SESSION

23-0759
10/05

SENATE BILL ***155-FN-LOCAL***

AN ACT relative to the adoption of school administrative unit budgets.

SPONSORS: Sen. Avard, Dist 12; Sen. Lang, Dist 2; Rep. True, Rock. 9; Rep. Layon, Rock. 13; Rep. Sellers, Graf. 18

COMMITTEE: Election Law and Municipal Affairs

ANALYSIS

This bill revises the procedure for the adoption of the annual budget for school administrative units and repeals the alternative budget adoption procedure.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

23-0759
10/05

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Three

AN ACT relative to the adoption of school administrative unit budgets.

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

1 School Administrative Units; Budget Adoption. Amend RSA 194-C:9 to read as follows:

194-C:9 Budget.

I. At a meeting held before January 1, the school administrative unit board, ***or school board for school administrative units comprising only one district,*** shall adopt a budget required for the expenses of the school administrative unit for the next fiscal year, which budget may include the salary and expenses of supervisors of health, physical education, music, art, and guidance, and any other employees, and shall include the expenses necessary for the operation of the school administrative unit. Superintendents, assistant superintendents, business administrators, teacher consultants, and the regularly employed office personnel of the school administrative unit office shall be deemed employees of the school administrative unit for the purposes of payment of salaries and contributions to the employee's retirement system of the state of New Hampshire and workers' compensation.

II.(a) The provisions of this paragraph apply to school administrative units comprising 2 or more districts.

(b) The school administrative unit board shall apportion the total amount of the budget among the constituent school districts in the following manner: the apportionment shall be based 1/2 on the average membership in attendance for the previous school year and 1/2 on the most recently available equalized valuation of each district as of June 30 of the preceding school year. Prior to January 15 in each year, the board shall certify to the chairperson of the school board of each constituent school district the amount so apportioned. Each district within a school administrative unit shall raise at the next annual district meeting the sum of money apportioned to it by the school administrative unit board for the expenses of services which each district received in connection with the school administrative unit office. The school administrative unit board in adopting the budget shall not add any new service to the school administrative unit budget unless a majority of the school districts in the school administrative unit representing not less than 60 percent of the total pupils in the school administrative unit have voted favorably upon the establishment of the service. A vote to accept a new service shall not be construed as a vote to raise and appropriate money within the meaning of RSA 197:3.

~~[II. The provisions of paragraph I shall not apply to school administrative units comprising only one district. The budget for these units shall be a part of the school district budget and subject~~

~~to the vote of the annual school district meeting or, for those districts without an annual meeting, by the legislative body.~~

~~III. Paragraph I of this section shall not apply to school districts which have adopted the provisions of RSA 194-C:9-a.~~]

III. For those districts without an annual meeting, the vote on the school administrative unit budget adopted according to RSA 194-C:9, I and II, shall be taken by the legislative body.

IV.(a) The provisions of this paragraph apply to districts with an annual meeting.

(b) The school administrative unit budget adopted according to RSA 194-C:9, I and II, shall be placed before the voters of each school district of that school administrative unit in a separate warrant article at the annual school district meeting. Wording of the warrant article shall be as follows:

"Shall the voters of _____ (name of school district) _____ adopt a school administrative unit budget of $_____ for the forthcoming fiscal year in which $_____ is assigned to the school budget of this school district?

This year's adjusted budget of $_____, with $_____ assigned to the school budget of this school district, will be adopted if the article does not receive a majority vote of all the school district voters voting in this school administrative unit."

(c) The adjusted budget in the warrant article shall be that of the previous year adjusted for continuing contracts. Notwithstanding RSA 32 and RSA 40:13, the budget adopted by the school administrative unit board, or school board for school administrative units comprising a single district, shall not be amended or changed in any way prior to the vote. The school district moderator shall cause a vote by paper ballot to be taken, record the number of yeas and nays, and announce the result of the vote at the annual meeting.

(1) For school administrative units comprising a single district, the moderator shall deliver the ballots to the secretary of the school administrative unit.

(2) For school administrative units comprising 2 or more districts, the ballots shall be delivered to the moderator of the school district with the latest chronological annual meeting. The moderator of the latest chronological annual meeting shall record the total number of yeas and nays, announce the results of the final vote on the question of adopting the school administrative unit budget, and deliver the ballots to the secretary of the school administrative unit.

(d) A majority of voters voting in favor shall result in adoption of the budget proposed by the school administrative unit board. If the article receives less than a majority vote, the budget amount accepted shall be that of the previous year adjusted for continuing contracts (adjusted budget). After a vote on the school administrative unit budget, the secretary of the school administrative unit shall place the ballots and all

envelopes or wrapping which had previously contained them in a suitable container showing the contents and the date of the vote. The ballots shall be retained for 60 days from the date of the vote or any recount, unless further preservation is necessary or unless disposal is enjoined by the superior court. Any registered voter who resides in a school district within the school administrative unit may, in writing, petition the secretary of the school administrative unit for a recount of the vote no later than the Friday following the latest chronological annual meeting of school districts in the school administrative unit. The secretary shall schedule a recount, to be conducted by the school administrative unit, not earlier than 5 days nor later than 10 days after the date the secretary receives the petition.

2 Repeal. RSA 194-C:9-a and RSA 194-C:9-b, relative to SAU alternative budget adoption procedure, are repealed.

3 Effective Date. This act shall take effect 60 days after its passage.

LBA
23-0759
1/11/23

SB 155-FN-LOCAL- FISCAL NOTE
AS INTRODUCED

AN ACT relative to the adoption of school administrative unit budgets.

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 Senate Clerk's Office.

AGENCIES CONTACTED:

Department of Education

03/16/2023 0809s

2023 SESSION

23-0759
10/05

SENATE BILL ***155-FN-LOCAL***

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1 School Administrative Units; Budget Adoption. Amend RSA 194-C:9 to read as follows:

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I. At a meeting held before January 1, the school administrative unit board, ***or school board for school administrative units comprising only one district,*** shall adopt a budget required for the expenses of the school administrative unit for the next fiscal year, which budget may include the salary and expenses of supervisors of health, physical education, music, art, and guidance, and any other employees, and shall include the expenses necessary for the operation of the school administrative unit. Superintendents, assistant superintendents, business administrators, teacher consultants, and the regularly employed office personnel of the school administrative unit office shall be deemed employees of the school administrative unit for the purposes of payment of salaries and contributions to the employee's retirement system of the state of New Hampshire and workers' compensation.

II. The provisions of this paragraph apply to school administrative units comprising 2 or more districts. The school administrative unit board shall apportion the total amount of the budget among the constituent school districts in the following manner: The apportionment shall be based 1/2 on the average membership in attendance for the previous school year and 1/2 on the most recently available equalized valuation of each district as of June 30 of the preceding school year. Prior to January 15 in each year, the board shall certify to the chairperson of the school board of each constituent school district the amount so apportioned. Each district within a school administrative unit shall raise at the next annual district meeting the sum of money apportioned to it by the school administrative unit board for the expenses of services which each district received in connection with the school administrative unit office. The school administrative unit board in adopting the budget shall not add any new service to the school administrative unit budget unless a majority of the school districts in the school administrative unit representing not less than 60 percent of the total pupils in the school administrative unit have voted favorably upon the establishment of the service. A vote to accept a new service shall not be construed as a vote to raise and appropriate money within the meaning of RSA 197:3.

III. For those districts without an annual meeting, the vote on the school administrative unit budget adopted according to RSA 194-C:9, I and II, shall be taken by the legislative body.

IV.(a) The provisions of this paragraph apply to districts with an annual meeting.

(b) The school administrative unit budget adopted according to RSA 194-C:9, I and II, shall be placed before the voters of each school district of that school administrative unit in a separate warrant article at the annual school district meeting. Wording of the warrant article shall be as follows:

"Shall the voters of _____ (name of school district) _____ adopt a school administrative unit budget of $_____ for the forthcoming fiscal year in which $_____ is assigned to the school budget of this school district?

This year's adjusted budget of $_____, with $_____ assigned to the school budget of this school district, will be adopted if the article does not receive a majority vote of all the school district voters voting in this school administrative unit."

(c) The adjusted budget in the warrant article shall be that of the previous year adjusted for continuing contracts. Notwithstanding RSA 32 and RSA 40:13, the budget adopted by the school administrative unit board, or school board for school administrative units comprising a single district, shall not be amended or changed in any way prior to the vote. The school district moderator shall cause a vote by paper ballot to be taken, record the number of yeas and nays, and announce the result of the vote at the annual meeting.

(1) For school administrative units comprising a single district, the moderator shall deliver the ballots to the secretary of the school administrative unit.

(2) For school administrative units comprising 2 or more districts, the ballots shall be delivered to the moderator of the school district with the latest chronological annual meeting. The moderator of the latest chronological annual meeting shall record the total number of yeas and nays, announce the results of the final vote on the question of adopting the school administrative unit budget, and deliver the ballots to the secretary of the school administrative unit.

(d) A majority of voters voting in favor shall result in adoption of the budget proposed by the school administrative unit board. If the article receives less than a majority vote, the budget amount accepted shall be that of the previous year adjusted for continuing contracts (adjusted budget). After a vote on the school administrative unit budget, the secretary of the school administrative unit shall place the ballots and all envelopes or wrapping which had previously contained them in a suitable container showing the contents and the date of the vote. The ballots shall be retained for 60 days from the date of the vote or any recount, unless further preservation is necessary or unless disposal is enjoined by the superior court. Any registered voter who resides in a school district within the school administrative unit may, in writing, petition the secretary of the school administrative unit for a recount of the vote no later than the Friday following the latest chronological annual meeting of school districts in the school administrative unit. The secretary shall schedule a recount, to be conducted by the school administrative unit,

not earlier than 5 days nor later than 10 days after the date the secretary receives the petition.

2 Repeal. RSA 194-C:9-a and RSA 194-C:9-b, relative to SAU alternative budget adoption procedure, are repealed.

3 Single District School Administrative Units; Exemption. Amend RSA 194-C:3 to read as follows:

194-C:3 Single District School Administrative Units; Exemption. Single district school administrative units shall be considered the same as a single school district and shall be exempt from meeting the requirements of this chapter, except that they shall provide superintendent services pursuant to RSA 194-C:4, ***they shall conduct a public hearing under RSA 194-C:10, and they shall adopt a budget and conduct budget voting pursuant to RSA 194-C:9.***

4 Effective Date. This act shall take effect 60 days after its passage.

LBA
23-0759
1/11/23

SB 155-FN-LOCAL- FISCAL NOTE
AS INTRODUCED

AN ACT relative to the adoption of school administrative unit budgets.

FISCAL IMPACT:

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AGENCIES CONTACTED:

Department of Education

Amendments

Sen. Avard, Dist 12
February 14, 2023
2023-0514s
10/07

Amendment to SB 155-FN-LOCAL

Amend RSA 194-C:9, II as inserted by section 1 of the bill by replacing it with the following:

II. The provisions of this paragraph apply to school administrative units comprising 2 or more districts. The school administrative unit board shall apportion the total amount of the budget among the constituent school districts in the following manner: The apportionment shall be based 1/2 on the average membership in attendance for the previous school year and 1/2 on the most recently available equalized valuation of each district as of June 30 of the preceding school year. Prior to January 15 in each year, the board shall certify to the chairperson of the school board of each constituent school district the amount so apportioned. Each district within a school administrative unit shall raise at the next annual district meeting the sum of money apportioned to it by the school administrative unit board for the expenses of services which each district received in connection with the school administrative unit office. The school administrative unit board in adopting the budget shall not add any new service to the school administrative unit budget unless a majority of the school districts in the school administrative unit representing not less than 60 percent of the total pupils in the school administrative unit have voted favorably upon the establishment of the service. A vote to accept a new service shall not be construed as a vote to raise and appropriate money within the meaning of RSA 197:3.

Amend the bill by inserting after section 2 the following and renumbering the original section 3 to read as 4:

3 Single District School Administrative Units; Exemption. Amend RSA 194-C:3 to read as follows:

194-C:3 Single District School Administrative Units; Exemption. Single district school administrative units shall be considered the same as a single school district and shall be exempt from meeting the requirements of this chapter, except that they shall provide superintendent services pursuant to RSA 194-C:4, ***they shall conduct a public hearing under RSA 194-C:10, and they shall adopt a budget and conduct budget voting pursuant to RSA 194-C:9.***

AMENDED

Election Law and Municipal Affairs
March 7, 2023
2023-0809s
10/07

Amendment to SB 155-FN-LOCAL

Amend RSA 194-C:9, II as inserted by section 1 of the bill by replacing it with the following:

II. The provisions of this paragraph apply to school administrative units comprising 2 or more districts. The school administrative unit board shall apportion the total amount of the budget among the constituent school districts in the following manner: The apportionment shall be based 1/2 on the average membership in attendance for the previous school year and 1/2 on the most recently available equalized valuation of each district as of June 30 of the preceding school year. Prior to January 15 in each year, the board shall certify to the chairperson of the school board of each constituent school district the amount so apportioned. Each district within a school administrative unit shall raise at the next annual district meeting the sum of money apportioned to it by the school administrative unit board for the expenses of services which each district received in connection with the school administrative unit office. The school administrative unit board in adopting the budget shall not add any new service to the school administrative unit budget unless a majority of the school districts in the school administrative unit representing not less than 60 percent of the total pupils in the school administrative unit have voted favorably upon the establishment of the service. A vote to accept a new service shall not be construed as a vote to raise and appropriate money within the meaning of RSA 197:3.

Amend the bill by inserting after section 2 the following and renumbering the original section 3 to read as 4:

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Committee Minutes

SENATE CALENDAR NOTICE
Election Law and Municipal Affairs

Sen James Gray, Chair
Sen Keith Murphy, Vice Chair
Sen Daryl Abbas, Member
Sen Donna Soucy, Member
Sen Rebecca Perkins Kwoka, Member

Date: January 25, 2023

HEARINGS

Tuesday 02/07/2023

Election Law and Municipal Affairs Legislative Office Building 103 9:00 a.m.

(Name of Committee) (Place) (Time)

9:00 a.m.	**SB 110-FN-LOCAL**	relative to administration of the emergency shelter program by cities and towns.
9:15 a.m.	**SB 78**	relative to subdivision regulations on the completion of improvements.
9:30 a.m.	**SB 84**	establishing a commission to study property tax exemptions for charitable organizations
9:45 a.m.	**SB 132-FN**	prohibiting cities and towns from adopting sanctuary policies.
10:00 a.m.	**SB 155-FN-LOCAL**	relative to the adoption of school administrative unit budgets.

EXECUTIVE SESSION MAY FOLLOW

Sponsors:

SB 110-FN-LOCAL

Sen. Fenton	Sen. Watters	Sen. D'Allesandro	Sen. Prentiss
Sen. Ricciardi	Sen. Lang	Sen. Whitley	Sen. Chandley
Sen. Soucy	Rep. Newell		

SB 78

Sen. Innis

SB 84

Sen. Prentiss	Sen. Watters	Sen. D'Allesandro	Sen. Soucy
Sen. Perkins Kwoka	Rep. Bolton		

SB 132-FN

Sen. Gannon	Rep. Notter	Rep. Potucek	Rep. Piemonte
Rep. T. Dolan			

SB 155-FN-LOCAL

Sen. Avard	Sen. Lang	Rep. True	Rep. Layon
Rep. Sellers			

Tricia Melillo 271-3077

James P. Gray
Chairman

Senate Election Law and Municipal Affairs Committee

Tricia Melillo 271-3077

SB 155-FN-LOCAL, relative to the adoption of school administrative unit budgets.

Hearing Date: February 7, 2023

Members of the Committee Present: Senators Gray, Murphy, Abbas and Perkins Kwoka

Members of the Committee Absent : Senator Soucy

Bill Analysis: This bill revises the procedure for the adoption of the annual budget for school administrative units and repeals the alternative budget adoption procedure.

Sponsors:

Sen. Avard	Sen. Lang	Rep. True
Rep. Layon	Rep. Sellers	

Who supports the bill: Senator Avard, Senator Lang, Julie Smith, Eric Pauer

Who opposes the bill: Gail Paludi, Timothy Dow, Barrett Christina

Summary of testimony presented in support:

Senator Avard

- He brought this bill forth on behalf of a constituent.
- SB 155 requires all school districts to have a separate warrant article for the SAU budget.
- In a multidistrict SAU the separate warrant article will be for their portion of the SAU budget.
- Passage of this legislation will provide visibility and better voter deliberation on SAU budgets.
- There is a disproportionate growth in spending on public school administrations in New Hampshire.

Eric Pauer- School District Governance Association

- From 2001-20021 the NH cost per pupil went up 77%.
- He believes the spending on administrators is driving much of this increase.
- Teachers salaries only went up 1% while administrator salaries went up 80%.
- Administrators are the highest paid personnel, many in the six figures.
- In NH, the majority of school administrators are employed in the SAU.
- SAU personnel and budget growth present great challenges for municipalities, despite falling student enrollment.
- In most annual school district meetings, the SAU budget is passed as part of the school operating budget.
- This practice leads to low visibility and accountability.
- Voters have to dig to find the SAU budget.
- This budget is not modifiable by voters, except for an adjusted budget provision for some school districts.

- RSA-C:9-b provides a budget procedure that can be adopted but is only available to multi-district SAUs.
- It is difficult to adopt but, has happened several times.
- SB 155 requires that the SAU budget be a separate warrant article on the annual warrant for all school districts, multi-district and single.
- The SAU budget already exists so the only extra work would be to calculate the adjusted budget.
- Voters will have a choice to adopt the proposed SAU budget or the adjusted SAU budget.
- It will increase voter visibility and scrutiny on the SAU budget and gives voters a choice.

Summary of testimony presented in opposition:

Barrett Christina- NH School Boards Association

- Single district SAUs have an SAU number but are considered single school districts.
- There is no separate SAU budget for a single district SAU.
- RSA 194:1-A states that single district school administrative units shall be considered the same as a single school district.
- RSA 194:C-3 states that they be exempt from meeting the requirements in this chapter except that they shall provide superintendent services pursuant to RSA 194:C-4.
- Single town school districts are exempt from budget provisions in 194:c-9.
- Page 2, line 8, subparagraph IV (a), conflicts with existing language in RSA 194 and RSA 194:C-3.
- SB 155 creates a default budget process for the SAU budget.
- RSA 194 C:9 A and RSA 194 C:9 B already allow for something similar.
- Towns can already adopt a provision where the SAU budget goes on a warrant article.
- Sen. Perkins Kwoka asked if Mr. Christina had written testimony.
    - Mr. Christina replied that he did not.
- Sen. Gray stated that he used the ability to examine all of the various components from a budget. He asked how the line item budgets were available for individuals.
    - Mr. Christina replied that he could go to the line item budget or contact the towns business manager. He stated that the SAU office does not include all administrators. The business manager can pull the information of all the salaries; however, the issue is not, getting the information, it is that there is already a provision in law to do what this legislation asks and it conflicts with existing legislation.

TJM
Date Hearing Report completed: February 10, 2023

Speakers

Senate Election Law and Municipal Affairs Committee
SIGN-IN SHEET

Date: February 07, 2023 **Time:** 10:00 a.m.

SB 155-FN-LOCAL AN ACT relative to relative to the adoption of school administrative unit budgets.

PRIME: Sen. Avard

Name/Representing ***(please print neatly)***

✓ Eric Pezer, Brookline SDGA-NH	Support ☑	Oppose ☐	Speaking?	Yes ☑	No ☐
✓ Barrett M. Christina	Support ☐	Oppose ☒	Speaking?	Yes ☒	No ☐
✓ AVARD	Support ☑	Oppose ☐	Speaking?	Yes ☑	No ☐
	Support ☐	Oppose ☐	Speaking?	Yes ☐	No ☐
	Support ☐	Oppose ☐	Speaking?	Yes ☐	No ☐
	Support ☐	Oppose ☐	Speaking?	Yes ☐	No ☐
	Support ☐	Oppose ☐	Speaking?	Yes ☐	No ☐
	Support ☐	Oppose ☐	Speaking?	Yes ☐	No ☐
	Support ☐	Oppose ☐	Speaking?	Yes ☐	No ☐
	Support ☐	Oppose ☐	Speaking?	Yes ☐	No ☐
	Support ☐	Oppose ☐	Speaking?	Yes ☐	No ☐
	Support ☐	Oppose ☐	Speaking?	Yes ☐	No ☐
	Support ☐	Oppose ☐	Speaking?	Yes ☐	No ☐
	Support ☐	Oppose ☐	Speaking?	Yes ☐	No ☐
	Support ☐	Oppose ☐	Speaking?	Yes ☐	No ☐
	Support ☐	Oppose ☐	Speaking?	Yes ☐	No ☐
	Support ☐	Oppose ☐	Speaking?	Yes ☐	No ☐
	Support ☐	Oppose ☐	Speaking?	Yes ☐	No ☐
	Support ☐	Oppose ☐	Speaking?	Yes ☐	No ☐
	Support ☐	Oppose ☐	Speaking?	Yes ☐	No ☐
	Support ☐	Oppose ☐	Speaking?	Yes ☐	No ☐
	Support ☐	Oppose ☐	Speaking?	Yes ☐	No ☐

Senate Remote Testify

Election Law and Municipal Affairs Committee Testify List for Bill SB155 on 202

Support: 2 Oppose: 2

Name	Title	Representing	Position
Lang, Senator Tim	An Elected Official	District 2	Support
Smith, Julie	A Member of the Public	Myself	Support
Paludi, Gail	A Member of the Public	Myself	Oppose
Dow, Timothy	An Elected Official	Myself	Oppose

Testimony

Tricia Melillo

From: Tricia Melillo
Sent: Monday, May 1, 2023 8:42 AM
To: Senator Avard
Subject: FW: OTP on SB155 "relative to adoption of SAU budgets" - empower voters and slow spending on SAU administrators

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From: Eric Pauer <sb@nhengineer.com>
Sent: Sunday, April 30, 2023 4:45 PM
To: Eric Pauer <sb@nhengineer.com>
Cc: Kevin Avard <Kevin.Avard@leg.state.nh.us>; Timothy Lang <Timothy.Lang@leg.state.nh.us>; Chris True <Chris.True@leg.state.nh.us>; Erica Layon <Erica.Layon@leg.state.nh.us>; John Sellers <John.Sellers@leg.state.nh.us>
Subject: OTP on SB155 "relative to adoption of SAU budgets" - empower voters and slow spending on SAU administrators

Caution! This message was sent from outside your organization.

Dear Representatives,

In NH, we are spending 40% more (inflation adjusted) on public education despite 14% fewer students over 2001-2019, per the Josiah Bartlett Center for Public Policy (link). One of the biggest cost drivers is the increase in the number of NH public school administrators and the growth in their salaries/benefits. The highest paid administrators (making up to $192K) are part of entities called school administrative units (SAUs). This trend has been enabled by our current RSAs that provide little to no oversight and transparency on the spending in most SAUs.

Senator Kevin Avard and Senator Tim Lang, along with three House members, sponsored this commonsense legislation in SB155 because they know that providing this needed voter oversight and transparency on SAU budgets will help reverse this unsustainable trend. SB155 simply requires that annually all SAU budgets be quantified, that a public hearing is held, and that SAU budgets are presented to voters in a separate warrant article at the annual meeting, distinct from the school operating budget. A majority "YES" vote approves the proposed SAU budget, otherwise the adjusted (default) SAU budget is adopted. When there is transparency, a public hearing, and the voters get to directly weigh in, more reasonable SAU budgets across NH will result.

Please vote OTP on SB155 on May 4th to empower all NH voters on adopting SAU budgets.

Regards,
Eric Pauer
Brookline
President, School District Governance Association of NH
Hollis Brookline Cooperative School Board (2014-2017)

SB155 Details

- Each fall, the NH Dept. of Education requires each SAU to fill out an A12D form "Central Office Personnel"

- The SAU headcount is reported via 7 categories, using full-time equivalents.
- This form does not provide salary or budget information, just headcount.
- Thus, all SAUs know who is working as part of the SAU.

- In the 81 of 105 SAUs covering a single school district, there is no required reporting of the SAU budget.
  - In the vast majority of these school districts, the accounting of SAU costs are partially or wholly intermingled with the rest of the operating budget (i.e. line items salaries and benefits for all school employees).
  - There is no public hearing on the SAU budget and in most cases voters are unable to find this budget information because the SAU costs are not separated out; this separation is not routinely done because it is not required.
- In the 24 of 105 SAUs covering multiple school districts, the SAU budget must be separately reported.
  - The SAU budget must be reported because in multi-district SAUs, an annual SAU budget hearing is required.
  - The SAU budget must also be quantified so it can be apportioned among the school districts.
  - At the December budget hearing, after the SAU board approves the SAU budget, it cannot be amended.
  - In 21 of these SAUs, the apportioned SAU budget becomes part of each school district operating budget.
  - In 3 of these SAUs, which have adopted RSA 194-C:9, voters have a choice between the proposed SAU budget and an adjusted (default) SAU budget via a separate warrant article.
- SB155 institutes the following annual requirements for all SAUs:
  - Clear and transparent SAU budget, with a public hearing.
  - Separate SAU budget warrant article--choice between the proposed and an adjusted (default) SAU budget
  - Ballot voting on SAU budget warrant article at the annual school district meetings.
- Collective bargaining agreements (CBAs) with pay raises/benefits for teachers and support staff must get direct approval from voters, but in most cases SAU budgets with pay raises/benefits for administrators are largely hidden from voters and do not get much if any voter scrutiny.

Current Education Spending Trends

- Spending on public education is rapidly increasing nationwide and in NH.
- Spending on school administrators is driving much of this increase, some believe at the expense of teachers.
  - 2001-2019: Josiah Bartlett Center for Public Policy
    - Student enrollments in NH public schools were down 14%.
    - NH public school spending was up 40%, when adjusted for inflation.
    - https://nhjournal.com/nh-school-spending-surged-1-5-billion-as-enrollment-fell-study-finds/
  - 2000-2019: Hillsdale College President Dr. Larry Arnn
    - Data from U.S. Dept Education, Center for Education Statistics.
    - Number of U.S. public school district administrators grew 79%, public school teachers grew 8.7%.
    - https://imprimis.hillsdale.edu/ Click Recent Posts "Education as a Battleground - November 2022".
  - 2001-2021: NH State Board of Education Member Ryan Terrell (Jan 2, 2023 – Union Leader Editorial)
    - Adjusted for inflation: NH cost per pupil up 77%, but teachers' salaries up just 1%.
    - Number of NH non-teaching staff (typically administrators) up 80%, number of teachers up just 23%.
    - Many school administrators are employed in the SAU - highest paid employees in NH public schools.
  - This year, 10 Superintendents are paid at least $170K, with one being paid $192,651.
    - There are 51 Assistant Superintendents in the state; eight SAUs have two or more assistants.

        - https://education.nh.gov At top of page, at "Search The Site" enter: Staffing and Salary First result "Salary Reports" gives salary list.
- SAU personnel growth and SAU budget growth is a significant challenge, despite falling student enrollment
- Why are SAU budgets growing rapidly?
    - Most single district SAUs do not have a transparent SAU office budget.
    - Most multi-district SAUs typically have a non-amendable SAU budget, which becomes part of the operating budget. Approved SAU budget is set in December and cannot be changed.
    - In both cases, SAU budget is not easily visible to the average voter, so SAU budgets grow at an unreasonable rate.

--

Eric Pauer
President, School District Governance Association of NH (SDGA-NH)
Giving voters a voice by empowering elected school district officials to reclaim control over budgets and curriculum.
https://sdganh.org/

Voting Sheets

Senate Election Law
& Municipal Affairs Committee
EXECUTIVE SESSION RECORD
2023 Session

Bill SB 155-FN

Hearing date: 2/7/23

Executive Session date: _____

Motion of: ITL **Vote:** _____

Committee Member	Present	Made by	Second	Yes	No
Sen. Gray, Chair	X	☐	☐	☑	☐
Sen. Murphy, Vice Chair	X	☐	☐	☑	☐
Sen. Abbas	X	☐	☐	☑	☐
Sen. Soucy	X	☐	☑	☑	☐
Sen. Perkins Kwoka	X	☑	☐	☑	☐

Motion of: OTP/A **Vote:** 3-2

Committee Member	Present	Made by	Second	Yes	No
Sen. Gray, Chair	X	☑	☐	☑	☐
Sen. Murphy, Vice Chair	X	☐	☑	☑	☐
Sen. Abbas	X	☐	☐	☑	☐
Sen. Soucy	X	☐	☐	☐	☑
Sen. Perkins Kwoka	X	☐	☐	☐	☑

Motion of: Amend 05145 **Vote:** 3-2

Committee Member	Present	Made by	Second	Yes	No
Sen. Gray, Chair	X	☑	☐	☑	☐
Sen. Murphy, Vice Chair	X	☐	☑	☑	☐
Sen. Abbas	X	☐	☐	☑	☐
Sen. Soucy	X	☐	☐	☐	☑
Sen. Perkins Kwoka	X	☐	☐	☐	☑

Reported out by: Sen. Murphy

Notes: _____

Committee Report

STATE OF NEW HAMPSHIRE

SENATE

REPORT OF THE COMMITTEE

Tuesday, March 7, 2023

THE COMMITTEE ON Election Law and Municipal Affairs

to which was referred **SB 155-FN-LOCAL**

AN ACT relative to the adoption of school administrative unit budgets.

Having considered the same, the committee recommends that the Bill

OUGHT TO PASS WITH AMENDMENT

BY A VOTE OF: 3-2

AMENDMENT # 0809s

Senator Keith Murphy
For the Committee

Tricia Melillo 271-3077

General Court of New Hampshire - Bill Status System

Docket of SB155

Docket Abbreviations

Bill Title: relative to the adoption of school administrative unit budgets.

Official Docket of **SB155.**:

Date	Body	Description
1/20/2023	S	**Introduced** 01/19/2023 and Referred to Election Law and Municipal Affairs; **SJ 5**
1/25/2023	S	**Hearing:** 02/07/2023, Room 103, LOB, 10:00 am; **SC 8**
3/8/2023	S	Committee Report: Ought to Pass with Amendment **#2023-0809s**, 03/16/2023; **SC 13**
3/16/2023	S	Committee Amendment **#2023-0809s**, AA, VV; 03/16/2023; **SJ 10**
3/16/2023	S	**Ought to Pass with Amendment** 2023-0809s, MA, VV; OT3rdg; 03/16/2023; **SJ 10**
3/21/2023	H	Introduced (in recess of) 03/16/2023 and referred to Education
3/23/2023	H	Public Hearing: 03/30/2023 11:30 am LOB 205-207
4/5/2023	H	Executive Session: 04/11/2023 11:00 am LOB 205-207
4/26/2023	H	Majority Committee Report: Inexpedient to Legislate SB155-FN-LOCAL 04/11/2023 **(Vote 15-5; RC)**
4/26/2023	H	Minority Committee Report: Ought to Pass
5/4/2023	H	Lay SB155 on Table (Rep. Wilhelm): MA DV 252-120 05/04/2023 **HJ 13** P. 30

NH House	NH Senate

Other Referrals

Senate Inventory Checklist for Archives

Bill Number: SB 155-FN **Senate Committee:** ELMA

Please include all documents in the order listed below and indicate the documents which have been included with an "X" beside

✓ Final docket found on Bill Status

Bill Hearing Documents: {Legislative Aides}

✓ Bill version as it came to the committee

✓ All Calendar Notices

✓ Hearing Sign-up sheet(s)

✓ Prepared testimony, presentations, & other submissions handed in at the public hearing

✓ Hearing Report

N/A Revised/Amended Fiscal Notes provided by the Senate Clerk's Office

Committee Action Documents: {Legislative Aides}

All amendments considered in committee (including those not adopted):

✓ - amendment # 0514s ___ - amendment #_____

✓ - amendment # 0809s ___ - amendment #_____

✓ Executive Session Sheet

✓ Committee Report

Floor Action Documents: {Clerk's Office}

All floor amendments considered by the body during session (only if they are offered to the senate):

___ - amendment #_____ ___ - amendment #_____

___ - amendment #_____ ___ - amendment #_____

Post Floor Action: (if applicable) {Clerk's Office}

___ Committee of Conference Report (if signed off by all members. Include any new language proposed by the committee of conference):

___ Enrolled Bill Amendment(s)

___ Governor's Veto Message

All available versions of the bill: {Clerk's Office}

N/A as amended by the senate ___ as amended by the house

___ final version

Completed Committee Report File Delivered to the Senate Clerk's Office By:

Tricia Melillo 7/7/23

Committee Aide **Date**

Senate Clerk's Office AK