

Senate Education Finance Committee

Karen Davis 271-7875

SB 582-FN, modifying the base cost of an adequate education.

Hearing Date: January 22, 2026

Time Opened: 11:00 am

Time Closed: 11:45 am

Members of the Committee Present: Senators Murphy, Innis, Ward, Rosenwald and Altschiller

Members of the Committee Absent: Senator Carson

Bill Analysis: This bill increases the base cost of an adequate education and expands the definition of an adequate education.

Sponsors:

Sen. Altschiller

Sen. Rosenwald

Sen. Watters

Sen. Fenton

Sen. Perkins Kwoka

Sen. Long

Sen. Prentiss

Rep. Balboni

Rep. Manos

Who supports the bill: Sen. Debra Altschiller, Marjorie Porter, Lorna Carlisle, David Trumble, Megan Tuttle (NEA-NH), Zack Sheehan (NHSFFP), Debrah Howes (AFT-NH), Curtis Hamilton, Christopher Bober, Delaney Carrier, Mary Anne Broshek, Richard Denmark, James Newcomb, 250 Online

Who opposes the bill: Sen. Tim Lang, Glenn Nielsen, Julie Smith, Curtis Howland, Timothy Finney, Nancy Wightman, Elizabeth Trought, Maura Adams, Jesse Medeiros, Kathleen Bean, William Fontaine, Leif Martinson, Bill Alleman, Daniel Richardson, Aubrey Freedman

Who is neutral on the bill: Mark Manganiello (NH Department of Education)

Summary of testimony presented in support:

Sen. Debra Altschiller – Prime Sponsor

- The NH Legislature is responsible for providing funding for the base cost of an adequate education.
- This bill would bring the legislature into compliance with the *ConVal vs. State* court decision from November 2023.

- Judge David Ruoff ruled that the State spending \$4,100 per pupil was inadequate and unconstitutional.
- Judge Ruoff also ruled that a minimum threshold for base adequacy must exceed \$7,356.01 per pupil per year.
- Sen. Altschiller included a section of Judge Ruoff's decision in her statement: "At a minimum this is an increase of \$537,550,970.95 in base adequacy aid to New Hampshire schools."
- She concluded by urging passage of her bill to "correctly fund an adequate education for Granite State children."
- **Q: Sen. Rosenwald** -- Do you know why the Department of Education (DOE) has not provided a fiscal note when asked on September 30th, 2025?
- **A: Sen. Altschiller** -- I don't know why. There was a follow-up in December as well.
- In the online portal, 229 support this bill and 11 oppose it.

Hon. Marjorie Porter, Hillsborough, NH – Former NH State Representative

- Ms. Porter discussed her late husband's early education in NH. His mother drafted a letter to the editor in 1955, bemoaning the way NH paid for public education.
- Ms. Porter was a public-school teacher in the 1980s and became aware of the Augenblick formula, in which the State promised to cover 8% of educational costs, mostly to lower income communities. It ended up not being funded. That resulted in the *Claremont* decision in the 1990s and later with the *ConVal* and *Rand* decisions.
- Property owners are complaining about rising property taxes.
- Property poor towns face additional financial challenges.
- **Q: Sen. Altschiller** – What was the name of the formula you cited?
- **A: Ms. Porter** - Augenblick – He was the NH professor who created it.

Lorna Carlisle, Merrimack Valley School Board (but not speaking for the Board)

- The cost of an education is probably around \$20,000 per student.
- It is important that we have an educated population in this state.
- Manufacturers will not come to New Hampshire if they can't find educated workers.
- This also affects retirees on fixed income and people looking to buy their first home.
- Her biggest concern is about priorities. EFAs cause enrollment in public schools to decrease, and funds are needed to maintain those schools.

- Costs per pupil will go up, not down.

David Trumble, Weare, NH

- It is the state's duty to adequately fund public schools and not the towns' duty.
- This duty applies only to public schools. Vouchers (EFAs) are strictly voluntary.
- The courts have had a duty to tell the legislature what to do with respect to public school funding since *Marbury Vs. Madison*.
- The \$7356.01 per pupil from the 2023 *ConVal* decision would be at least \$8,000 today and likely more.
- Education is an investment in New Hampshire, not a line item.
- 90% of children in NH attend public schools.
- Mr. Trumble cited a study published by Prof. Kirabo Jackson from Northwestern University on the effect of increased funding for public schools.

Megan Tuttle, President, NEA-NH

- NH is 50th in terms of the state's share of funding for public education.
- Educating students requires funding and we cannot keep asking more of property taxpayers.
- The needs of today's school-aged children have grown, which means that an increase in adequacy funding is necessary.
- Teachers are having to do their jobs with less – fewer resources, outdated materials, old buildings and overburdened staff.
- The status quo is no longer sustainable for our state.

Zack Sheehan, Executive Director, NH School Funding Fairness Project

- Base adequacy should be at least \$7356, likely a lot higher now.
- The *ConVal* ruling should mean shifting the conversation between local property taxpayers and the state.
- NH property taxpayers pick up around 70% of the costs of education. The state contributes around 20%.
- The \$500 million is a bare minimum following the court's decision.
- The State did not introduce any defense of their contributions to public education in the *ConVal* case.
- Mr. Sheehan distributed a letter signed by 438 local elected officials, urging the legislature to increase funding for public education at the state level.

Debrah Howes, President of AFT-NH

- This bill makes a good start on increasing adequacy aid and on defining what adequacy means.
- The current adequacy formula is “out of whack.”
- Local property taxpayers cannot dig any deeper to fund their local schools.

- Costs of public education include utility costs, health care costs, teacher salaries, and maintenance of buildings.
- This bill will improve student outcomes and bring stability to communities in their planning and budgets.

Summary of testimony presented in opposition:

Sen. Tim Lang

- As Chairman of the Senate Ways & Means Committee, Sen. Lang pointed out that this bill is missing the revenue component.
- He cited the \$536 million estimated expenditure.
- The Statewide Education Property Tax (SWEPT) is the only tax where 100% is applied to public education.
- Every taxpayer's rate would go up by approximately \$1.80 per thousand if this bill is passed.
- **Q: Sen. Rosenwald** – Doesn't the state have other revenue sources to consider?
- **A: Sen. Lang** agreed that there are other revenue sources, but where will a total of \$536 million be raised? That is a significant expenditure.
- **Q: Sen. Altschiller** – This bill does not mention SWEPT and it does have a fiscal note. Shouldn't the decision about funding be the purview of the Senate Finance Committee?
- **A: Sen. Lang** agreed, but this bill has no funding component. It just asks for the \$536 million and is silent on how that funding would be raised.
- **Q: Sen. Innis** – Thinking about revenue sources, we don't have many options, so where do we go?
- **A: Sen. Lang** mentioned raising business taxes or creating sales or income tax.
- **Q: Sen. Rosenwald** – Wouldn't we have other choices that are non-tax sources? For example, could we increase the number of Historical Horse Racing (HHR) machines? Or could we legalize marijuana and bring in revenue that way?
- **A: Sen. Lang** – All options are on the table.

Neutral Information Presented:

Mark Manganiello, Bureau of School Finance, NH Department of Education

- The fiscal note is being prepared.
- This bill would go into effect in Fiscal Year (FY) 2028.
- DOE has an official estimate for FY 2027, but FY 2028 is harder to predict because of the fluctuation in student data, property values, poverty levels etc.

- Generally, the cost would be around \$500 million to the Education Trust Fund in FY 2028.
- Q: **Sen. Murphy** – That’s a one year or two-year estimate?
- A: **Mr. Manganiello** – That would be an ongoing expenditure starting in FY 2028.
- Q: **Sen. Altschiller** – The Chair may exec this bill next week. Will the fiscal note be finalized prior to that executive session?
- A: **Mr. Manganiello** cannot guarantee that and offered to email figures to the whole committee. If this bill is sent to Senate Finance, more discussion would be needed on the \$500 million “rough” estimate.
- Q: **Sen. Innis** – If this bill passes, wouldn’t it result in a decrease in state funding to some school districts like Franklin? They are receiving differential aid this year.
- A: **Mr. Manganiello** will do more research on that question.
- Q: **Sen. Rosenwald** – Doesn’t this bill affect base adequacy aid only?
- A: **Mr. Manganiello** agreed that Sen. Rosenwald was correct.

KJD

Date Hearing Report completed: January 25, 2026