

Senate Education Committee

Trevor Currier 271-4151

SB 576, adds definitions and reporting requirements relative to education freedom accounts.

Hearing Date: February 10, 2026

Time Opened: 9:54 a.m.

Time Closed: 10:25 a.m.

Members of the Committee Present: Senators Ward, Sullivan, Abbas and Altschiller

Members of the Committee Absent : Senator Prentiss

Bill Analysis: This bill adds definitions to the chapter relative to education freedom accounts (EFAs), including a definition for program administrator. The bill also adds quarterly reporting requirements for program administrators detailing information related to EFAs.

Sponsors:

Sen. Altschiller

Sen. Perkins Kwoka

Who supports the bill: 121 People signed in support of SB 576. To see the full list of sign-ins, please email the committee aide (trevor.currier@gc.nh.gov).

Who opposes the bill: 6 People signed in opposition of SB 576. To see the full list of sign-ins, please email the committee aide (trevor.currier@gc.nh.gov).

Who is neutral on the bill: 1 Person signed in neutrality of SB 576. To see the full list of sign-ins, please email the committee aide (trevor.currier@gc.nh.gov).

Summary of testimony presented in support:

Senator Debra Altschiller, *Senate District 24*

- Senator Altschiller introduced and testified in support of Senate Bill 576.
- Sen. Altschiller explained that this legislation adds definitions and reporting requirements relative to the Education Freedom Account Program (EFA).
- She explained that when public money is spent, the public has a right to know where it goes, how much is spent, and whether it serves its intended purpose.

- Sen. Altschiller stated the bill does not question the existence of the program or families' right to choose other education options. Instead, she said it challenges the lack of transparency and accountability in how public funds are managed.
- Sen. Altschiller stated that from November 2024 to December 2025, the Oversight Committee did not meet. She also mentioned that during this time, vendor expenditure reports were taken down from the Children's Scholarship Fund (CSF) website.
- She stated that the reports were republished, but in a redacted version due to alleged harassment of the vendors.
- Sen. Altschiller explained that no evidence supporting the allegations of harassment toward vendors has ever been provided.
- Sen. Altschiller described individuals seeking information from the Children's Scholarship Fund as a form of civil engagement rather than harassment.
- Senator Sullivan raised concerns that the testimony had become irrelevant to the bill. Senator Altschiller continued her testimony.
- Senator Altschiller stated that all other recipients of state funds are listed in publicly accessible contracts where their names, locations, and payment amounts are disclosed. She emphasized that EFA vendors should be no different.
- Senator Altschiller stated that in 2022, the legislature mandated a performance audit of the EFA program.
- She explained that the audit conducted was primarily a financial audit rather than a performance audit, omitting details about educational outcomes and whether a program fulfills its intended purpose.
- Sen. Altschiller explained that Senate Bill 576 established clear and reasonable reporting requirements for tracking the number of applications submitted, how funds are allocated among vendors, basic demographic information about the students served, how eligibility is confirmed for different types of aid, and administrative costs as a percentage of total funding.
- Sen. Altschiller explained that she heard concerns about student privacy under FERPA. She added that the bill would focus only on aggregate data, in line with current privacy protections.
- She stated that school board decisions and budget deliberations are made public, and that the Children's Scholarship Fund should be treated the same way.

Representative Peggy Balboni

- Representative Balboni testified in support of Senate Bill 576.
- Rep. Balboni explained that she is the prime sponsor of a similar bill (House Bill 1578).

- Representative Balboni explained that this bill is necessary because the Children’s Scholarship Fund failed to conduct a performance audit.
- She said that relevant information was taken off the organizations’ website.
- Rep. Balboni clarified that participating students are provided with the same privacy as public-school students.
- Representative Balboni explained that the bill does not harm the program's current operations. She added that she remains open to considering any amendments that might be needed to address privacy concerns.
- Senator Ward asked what Representative Balboni was referring to when speaking about the data school boards look at. Representative Balboni explained that she was referring to the data described in the bill.

Summary of testimony presented in opposition: None.

Neutral Information Presented:

Matt Sutherton, *Children’s Scholarship Foundation*

- Mr. Sutherton stated that the Children’s Scholarship Foundation has never withheld information from the Legislative Budget Assistant. He added that the statute requires the CSF to fulfill LBA information requests within forty-five days.
- Mr. Sutherton explained that the online provider directory is available to meet the requirement that all providers and their information be accessible online. He added that the category vendor spending reports were created to improve accountability and transparency of the program.
- He explained that the reports were removed to protect the safety of providers and students.
- Mr. Sutherton said that the foundation was unsure how much information to give the Department of Education about the threats received by providers. He explained they were unsure how to offer anonymity to small providers to prevent threats and harassment.
- He stated that the CSF implemented a similar process to that of the Department of Education, which does not report data on schools in certain settings with fewer than 11 children. The Children’s Scholarship Fund abbreviated the initials of sole proprietors.
- He stated that at every cent is reconciled with the Department of Education.
- Mr. Sutherton explained that the bill leads to redundant efforts regarding the information requests, which could raise the cost of managing the program.

- He requested that the bill be amended to protect the privacy of parents and students and specify the data being requested.
- Senator Sullivan asked Mr. Sutherton to clarify the number of students participating in the CSF prior to the EFA program. Mr. Sutherton responded that there were students receiving the Education Tax Credit.
- Senator Sullivan asked if these students were a part of the group 300% below the poverty line and, therefore, remained in the program once Education Freedom Accounts were enacted. Mr. Sutherton agreed with Senator Sullivan.
- Senator Sullivan asked if there are any entities that receive state funding through the program that are not listed on the CSF website. Mr. Sutherton responded that there is not.
- Senator Altschiller asked if there were students who were not eligible under the original EFA Program but were receiving money from the Children's Scholarship Foundation. Mr. Sutherton responded that students receiving the Education Tax Credit then applied to the EFA program.
- Senator Altschiller clarified that not all 85% of EFA students, who never attended public school, were previously ETC students. Mr. Sutherton confirmed that this is not the case.
- Senator Altschiller asked if we know how many students who participated in the ETC program are now participating in the EFA program. Mr. Sutherton could not provide that number.
- Senator Altschiller asked if the alleged harassment was reported to law enforcement. Mr. Sutherton replied that it was the responsibility of those being threatened to report the incidents, not that of the CSF.
- Senator Abbas raised a point of order, requesting that Senators refrain from debating those who testify.
- Senator Sullivan asked if Mr. Sutherton believed vendors should be put in a situation where they would need to call law enforcement. Mr. Sutherton responded that CSF did not anticipate this happening simply because the EFA program was created.