

HB 1816-FN - AS INTRODUCED

2026 SESSION

26-2410  
07/08

HOUSE BILL            ***1816-FN***

AN ACT                relative to the intervention of the department of education into a school or school district during a financial emergency.

SPONSORS:            Rep. Ladd, Graf. 5; Rep. Spilsbury, Sull. 3; Rep. Popovici-Muller, Rock. 17; Rep. Peoples, Hills. 14; Rep. Kofalt, Hills. 32; Sen. Ward, Dist 8; Sen. Innis, Dist 7

COMMITTEE:          Education Funding

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ANALYSIS

This bill allows the commissioner of the department of education to initiate and implement a district recovery plan if a school district's financial and operational condition is deemed a financial emergency by the state board of education.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT                    relative to the intervention of the department of education into a school or school district during a financial emergency.

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

1            1 Education; School Performance and Accountability; Powers of the Department of Education  
2 RSA 193-H:5 is repealed and reenacted to read as follows:

3            193-H:5 Powers of the Department of Education.

4            I. Nothing in this chapter shall be construed to permit either the department of education or  
5 the state board of education to take control of the daily operations of any local public school district  
6 or school, unless the financial and operational condition of the local public school district or school is  
7 deemed a financial emergency by the state board of education necessitating department intervention  
8 and oversight. In such an emergency, the commissioner shall have authority to assist the school  
9 district or school in developing a recovery plan and to oversee such plan to leverage resources to  
10 address core financial needs. The recovery plan may consider:

11                    (a) Altering administrative practices and operating conditions;

12                    (b) Reallocating school district or school resources;

13                    (c) Renegotiating contracts and agreements; and

14                    (d) Department oversight of school district or school governance, organizational  
15 structure, and/or administrative services identified in RSA 194-C:4, II for up to one year.

16            II. For purposes of this section, "school in financial emergency" or "school district in financial  
17 emergency" necessitates that immediate oversight by the department is imperative for the school  
18 district or school to meet its financial, operational, and instructional responsibilities for all school-  
19 age children. The state board of education shall adopt rules, pursuant to RSA 541-A, relative to  
20 implementing corrective and technical assistance to a school district or school in a state of financial  
21 emergency.

22            III. The department of education may request up to \$200,000 from the education trust fund  
23 into a non-lapsing reserve fund for the purpose of corrective and technical assistance necessary to  
24 implement a district financial emergency recovery plan pursuant to RSA 193-H:5.

25            2 Effective Date. This act shall take effect January 1, 2027.

LBA  
26-2410  
12/16/25

**HB 1816-FN- FISCAL NOTE  
AS INTRODUCED**

AN ACT                   relative to the intervention of the department of education into a school or school district during a financial emergency.

**FISCAL IMPACT:**

The Office of Legislative Budget Assistant is unable to complete a fiscal note for this bill as it is awaiting information from the Department of Education. The Department was initially contacted on 11/19/25 for a fiscal note worksheet, with follow-up contact made on 12/5/25. When completed, the fiscal note will be forwarded to the House Clerk's Office.

**AGENCIES CONTACTED:**

Department of Education