

HB 1832-FN - AS INTRODUCED

2026 SESSION

26-2840

12/09

HOUSE BILL ***1832-FN***

AN ACT adding students with parents on active military duty to the education freedom
accounts priority guidelines.

SPONSORS: Rep. Morse, Merr. 3

COMMITTEE: Education Policy and Administration

ANALYSIS

This bill adds students with at least one parent on active military duty with a permanent change of station in New Hampshire to the priority guidelines list for education freedom accounts.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 adding students with parents on active military duty to the education freedom accounts priority guidelines.

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

1 1 Children of Active Duty Military; EFA Priority. Amend RSA 194-F:1, XIII(d) to read as
2 follows:

3 (d) A student whose family income is less than or equal to 350 percent of the federal
4 poverty guidelines as updated annually by the United States Department of Health and Human
5 Services under 42 U.S.C. section 9902(2);[-]

6 ***(e) A student with a parent who is on active military duty with a permanent***
7 ***change of station (PCS) in New Hampshire.***

8 2 Effective Date. This act shall take effect 60 days after its passage.

HB 1832-FN- FISCAL NOTE
 AS INTRODUCED

AN ACT adding students with parents on active military duty to the education freedom accounts priority guidelines.

FISCAL IMPACT:

Estimated State Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	\$0	\$0	\$0	\$0
<i>Revenue Fund(s)</i>	None			
Expenditures*	\$0	Indeterminable Increase		
<i>Funding Source(s)</i>	Education Trust Fund			
Appropriations*	\$0	Statutory "Open Warrant" Exists for EFA Payments		
<i>Funding Source(s)</i>	Education Trust Fund			

*Expenditure = Cost of bill

*Appropriation = Authorized funding to cover cost of bill

Estimated Political Subdivision Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
Local Revenue	\$0	\$0	Indeterminable	
Local Expenditures	\$0	\$0	\$0	\$0

METHODOLOGY:

This bill would qualify students with an active-duty military parent as priority status students for participation in the state’s Education Freedom Account (EFA) program. Relative to this bill, the Department of Education makes the following assumptions:

- Active military status does not include the National Guard or the Armed Services Reserves.
- Some portion of the potential pool of military families impacted by this bill will already qualify for priority status under the existing categories, while others will be able to enroll in the program before the cap is met.
- Students in this group will qualify for differential aid at the same rate as children in the November 2025 payment.
- The percentage of military families accessing the EFA program is similar to the percentage of EFA families accessing district and charter school pathways.

Based on the assumption above, under this bill, the Department is estimating 30 additional students that would be made eligible in FY 2027. At a cost per student of \$5,010 in FY 2027, this results in the state paying an additional \$150,300. The fiscal impact would likely decrease over time as cap on universal EFAs expanded under the mechanisms allowed in current law, which potentially would result in no fiscal impact if the cap exceeded total demand for the EFA program.

The actual cost of this bill to the state is indeterminable, as it is not known what educational settings these students would be coming from. Students who were previously attending district and charter schools could offset some of these additional expenses due to a reduction in district adequacy and state funding, but the extent to which this will occur is uncertain. The following provides information about different scenarios under which a student may access the EFA program

- Students entering the program from home education or non-public systems would result in an increased expense for the state equal to the cost of the average EFA grant in the respective year.
- Students entering the program from an in-person chartered public school would have a net savings for the state of \$5,407 (FY 2027 charter adequacy aid of \$10,417 minus the average EFA grant in that year).
- Students entering the program from a district public school would have a net cost to the state if the student left a community with a statewide education property tax (SWEPT) grant in excess of the calculated cost of an adequate education. This net cost would be equal to the amount of the average EFA grant, which is estimated to be \$5,010 per student for FY 2027.
- Students entering the program from a public district school in a non-excess SWEPT community would result in a decrease to the adequacy grant for their resident district. This decrease is estimated to be \$2,040 (FY 2027 non-excess SWEPT community of \$7,050 minus the average EFA grant in FY 2027) based on the difference between the average total grant per student.

AGENCIES CONTACTED:

Department of Education