

Rep. Vose, Rock. 5  
Rep. Sellers, Graf. 10  
Rep. Pauer, Hills. 36  
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2026-1131h  
07/05

Floor Amendment to HB 1288

1 Amend the bill by replacing section 1 with the following:

2

3 1 New Sections; Education; School Administrative Units; Budget Caps. Amend RSA 194-C by  
4 inserting after section 9-b the following new sections:

5 194-C:9-c School Administrative Unit Budget Cap.

6 I. In a school administrative unit that has adopted this section, each year, the school  
7 administrative unit budget cap shall be the current overhead cost per student, as defined herein,  
8 multiplied by the total sum of the average daily membership in residence (ADMR), as defined in  
9 RSA 198:38, of all member school districts as of October 1 of the year immediately preceding the  
10 proposed budget year, as reported by the department of education. The first year after a budget cap  
11 is adopted, the current overhead cost per student shall be the overhead cost per student adopted in  
12 the warrant article under RSA 194-C:9-d, IV. In subsequent years, the current overhead cost per  
13 student shall be the previous year's current overhead cost per student times (1+IF), where IF is the  
14 current year's annual increase for inflation.

15 II. The following subparagraphs shall apply only if the school administrative budget adopted  
16 by the school administrative unit board pursuant to RSA 194-C:9, or the adjusted budget determined  
17 pursuant to RSA 194-C:9-b, exceeds the school administrative unit budget cap for that year:

18 (a) If the school administrative unit has not adopted RSA 194-C:9-b, the warrant for  
19 each school district shall include a warrant article with the wording:

20 "Shall the voters of the [name of school district] adopt a school administrative unit budget of  
21 \$\_\_\_\_ for the forthcoming fiscal year, which exceeds the school administrative unit budget cap of  
22 \$\_\_\_\_, and for which \$\_\_\_\_ is assigned to the school budget of this school district? This year's  
23 budget cap of \$\_\_\_\_, with \$\_\_\_\_ assigned to the school budget of this school district, shall be  
24 adopted as the budget if the article does not receive a 3/5 majority vote of all voters voting in this  
25 school administrative unit."

26 (b) If the school administrative unit has adopted RSA 194-C:9-b, the warrant for each  
27 school district shall include a warrant article with the wording:

28 "Shall the voters of the [name of school district], with this year's school administrative unit  
29 budget cap of \$\_\_\_\_, adopt a school administrative unit budget of \$\_\_\_\_ for the forthcoming fiscal  
30 year, of which \$\_\_\_\_ is assigned to the budget of this school district? Adoption of this budget

**Floor Amendment to HB 1288**  
**- Page 2 -**

1 requires a 3/5 majority vote of all voters voting in the school administrative unit. If the proposed  
2 budget receives a majority vote but less than a 3/5 majority, then the capped-proposed budget of  
3 \$\_\_\_\_, with \$\_\_\_\_ assigned to the budget of this school district, shall be adopted. If the proposed  
4 budget fails to receive a majority vote, then the capped-adjusted budget of \$\_\_\_\_, with \$\_\_\_\_  
5 assigned to the budget of this school district, shall be adopted.”

6 This question shall be used on the member school district warrants instead of the warrant article  
7 question posed under RSA 194-C:9-b, I. The capped-proposed budget shall be the minimum of  
8 proposed budget pursuant to RSA 194-C:9, or this year's school administrative unit budget cap. The  
9 capped-adjusted budget shall be the minimum of the adjusted budget pursuant to 194-C:9-b, I, or  
10 this year's school administrative unit budget cap.

11 (c)(1) Each school district moderator shall cause a vote by paper ballot to be taken,  
12 record the number of yeas and nays, and announce the result of the vote at the annual meeting. The  
13 ballots shall be delivered to the moderator of the school district with the latest chronological annual  
14 meeting. The moderator of the latest chronological annual meeting shall record the total number of  
15 yeas and nays, announce the results of the final vote on the question of adopting the school  
16 administrative unit budget, and deliver the ballots to the secretary of the school administrative unit.  
17 The secretary of the school administrative unit board shall certify the results to the department of  
18 revenue administration. A 3/5 majority of voters voting in favor shall result in adoption of the  
19 budget proposed by the school administrative unit board, otherwise the budget, pursuant to  
20 subparagraph (a) or (b), as applicable, is adopted. If the school administrative unit has adopted RSA  
21 194-C:9-b, this procedure shall replace the procedure in RSA 194-C:9-b, I.

22 (2) After a vote on the school administrative unit budget, the secretary of the school  
23 administrative unit shall place the ballots and all envelopes or wrapping which had previously  
24 contained them in a suitable container showing the contents and the date of the vote. The ballots  
25 shall be retained for 60 days from the date of the vote or any recount, unless further preservation is  
26 necessary or unless disposal is enjoined by the superior court.

27 (3) Any registered voter who resides in a school district within the school  
28 administrative unit may, in writing, petition the secretary of the school administrative unit for a  
29 recount of the vote no later than the Friday following the latest chronological annual meeting of  
30 school districts in the school administrative unit. The secretary shall schedule a recount, to be  
31 conducted by the school administrative unit, not earlier than 5 days nor later than 10 days after the  
32 date the secretary receives the petition.

33 III. The annual increase for inflation (IF) shall be either a fixed percentage, annual  
34 percentage change of an inflation index published by the U.S. Bureau of Labor Statistics as of July 1,  
35 preceding the date of the budget hearing held pursuant to RSA 32:5, I, or annual percentage change  
36 of the Municipal Cost Index (MCI) published by American City and County as of July 1, preceding  
37 the date of the budget hearing held pursuant to RSA 32:5, I.

**Floor Amendment to HB 1288**

**- Page 3 -**

1           194-C:9-d Adoption of School Administrative Unit Budget Cap.

2           I. The provisions of RSA 194-C:9-c may be adopted by the member school districts in a  
3 school administrative unit whose legislative bodies raise and appropriate funds through an annual  
4 meeting and who adopt a budget pursuant to RSA 194-C:9.

5           II. The question shall be placed on the warrants of the annual meeting for all school districts  
6 in a school administrative unit when proposed by a school board of a member district or by petition  
7 in any member district under the procedures set out in RSA 197:6.

8           III. A public hearing shall be held by the school board on the question at least 15 days, but  
9 not more than 30 days, before the question is to be voted on. In multi-town school districts, a public  
10 hearing shall be held in each town embraced by the district, none of which shall be held on the same  
11 day. Notice of the hearing shall be posted in at least 2 public places in the district and at least 2  
12 public places in each town of multi-town districts, and published in a newspaper of general  
13 circulation at least 7 days prior to the date of the hearing.

14           IV. If a fixed percentage inflation factor is to be used for the school administrative unit  
15 budget cap, the wording of the question shall be:

16           "Shall we adopt the provisions of RSA 194-C:9-c and implement a school administrative unit  
17 budget cap, which is \$\_\_\_\_ overhead cost per student times the total sum of the average daily  
18 membership in residence (ADMR) of the member school districts as of October 1 of the year  
19 immediately preceding the proposed budget year, with a \_\_\_\_ percent annual increase on the  
20 overhead cost per student for inflation? Each year, a school administrative unit budget above the  
21 budget cap is adopted only if the budget is approved by a 3/5ths majority vote of all voters voting in  
22 this school administrative unit. Adoption of this provision requires a 3/5ths majority vote of all  
23 voters voting in this school administrative unit."

24           Alternatively, if an inflation index is to be used for the school administrative unit budget cap, the  
25 wording of the question shall be:

26           "Shall we adopt the provisions of RSA 194-C:9-c, and implement a school administrative unit  
27 budget cap, which is \$\_\_\_\_ dollars overhead cost per student times the total sum of the average  
28 daily membership in residence (ADMR) of the member school districts as of October 1 of the year  
29 immediately preceding the proposed budget year, with an annual increase on the overhead cost per  
30 student for inflation using [the index] published by [the U.S. Bureau of Labor Statistics or American  
31 City and County] as of July 1? Each year, a school administrative unit budget above the budget cap  
32 is adopted only if the budget is approved by a 3/5ths majority vote of all voters voting in this school  
33 administrative unit. Adoption of this provision requires a 3/5ths majority vote of all voters voting in  
34 this school administrative unit."

35           The question shall not be subject to amendment by the legislative body.

36           V. The question shall be voted on in accordance with the ballot and voting procedures in  
37 effect in that school district. Each school district moderator shall cause a vote by secret ballot to be

**Floor Amendment to HB 1288**

**- Page 4 -**

1 taken, record the number of yeas and nays, and announce the result of the vote at the annual  
2 meeting. The ballots shall be delivered to the moderator of the school district with the latest  
3 chronological annual meeting. The moderator of the latest chronological annual meeting shall record  
4 the total number of yeas and nays, announce the results of the final vote on the adoption of the  
5 school administrative unit budget cap, and deliver the ballots to the secretary of the school  
6 administrative unit. If a 3/5th majority of all voters voting in this school administrative unit  
7 approve the question, then RSA 194-C:9-c shall apply starting with the next annual school district  
8 meeting of the school districts within that school administrative unit, and shall continue until  
9 rescinded. Only votes in the affirmative or negative shall be included in the calculation of the 3/5  
10 majority. The secretary of the school administrative unit board shall certify the results to the  
11 department of revenue administration. Preservation of ballots and recounts shall be pursuant to  
12 RSA 194-C:9-c, I(c).

13 VI. Any school district in a school administrative unit which has adopted RSA 194-C:9-c may  
14 consider rescinding its action in the manner described in paragraphs II through V. The wording of  
15 the question shall be:

16 "Shall we rescind the provisions of RSA 194-C:9-c, known as the school administrative unit  
17 budget cap, as adopted by the [local subdivision] on [date of adoption], so that there will no longer be  
18 a limit on increases to the recommended the school administrative unit budget to be raised by local  
19 taxes? 3/5ths majority vote of all voters voting in this school administrative unit is required to  
20 rescind."