

CHAPTER 313
HB 1816-FN - FINAL VERSION

11Mar2026... 0983h
05/07/2026 1636s
4Jun2026... 2064CofC

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 and requiring the state school board to establish rules governing the vetting of school district business administrator candidates.

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

COMMITTEE: Education Funding

AMENDED ANALYSIS

This bill:

I. 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.

II. Requires the state school board to establish rules governing the vetting of school district business administrator candidates and monitoring the work of business administrators.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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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 and requiring the state school board to establish rules governing the vetting of school district business administrator candidates.

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

1 313:1 New Sections; The State School Organization; State Board of Education; State Board Powers
2 and Duties. Amend RSA 186 by inserting after section 5 the following new sections:

3 186:5-a Financial Emergency Powers of the State Board.

4 I. Nothing in this section shall be construed to permit either the department of education or the
5 state board of education to take control of the daily operations of any local public school district or school,
6 unless the financial and operational condition of the local public school district or school is deemed a
7 financial emergency by the state board of education necessitating department intervention and oversight.
8 In such an emergency, the commissioner of the department of education shall have authority to assist the
9 school 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 structure,
15 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 providing corrective and technical assistance by the
18 department is imperative for the school district or school to meet its financial, operational, and
19 instructional responsibilities for all school-age children. The state board of education shall adopt rules,
20 pursuant to RSA 541-A, relative to implementing corrective and technical assistance to a school district or
21 school in a state of financial emergency.

22 III. The department of education may request up to \$200,000 from the education trust fund into a
23 nonlapsing reserve fund for the purpose of corrective and technical assistance necessary to implement a
24 district financial emergency recovery plan pursuant to this section.

25 186:5-b Conduct for School Business Administrators.

26 I. The state board of education shall adopt rules under RSA 541-A that establish recommended
27 procedures for school districts to follow for vetting school district business administrator candidates and
28 monitoring the work of business administrators.

29 II. School business administrators shall practice the principles identified in the New Hampshire
30 code of conduct and ethics for educational professionals.

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1 313:2 Effective Date. This act shall take effect January 1, 2027.

Approved: July 10, 2026
Effective Date: January 01, 2027

