

Senate Education Finance Committee

Karen Davis 271-7875

SB 491-FN, enabling students to utilize education freedom account funds to pay for certain career and technical education funding.

Hearing Date: January 22, 2026

Time Opened: 10:40 am

Time Closed: 11:00 am

Members of the Committee Present: Senators Murphy, Innis, Ward, Rosenwald and Altschiller

Members of the Committee Absent: Senator Carson

Bill Analysis: This bill enables students to utilize education freedom account funds to pay for certain career and technical education funding.

Sponsors:

Sen. Watters

Sen. Lang

Sen. McGough

Sen. Sullivan

Sen. Avarad

Sen. Long

Sen. McConkey

Sen. Pearl

Who supports the bill: Glenn Nielsen, Sen. Howard Pearl, Sen. Mark McConkey, Sen. Tim McGough, Curtis Howland, Cindy Kudlik, Susan Liebowitz, Timothy Finney, Gregory Davis, Jesse Medeiros, Becky Hopkinson, Daniel Richardson

Who opposes the bill: Brian Hawkins (NEA NH), 95 Online

Who is neutral on the bill: Mark Mangianello (NH Department of Education), Steve Rothenberg

Summary of testimony presented in support:

Sen. David Watters – Prime Sponsor

- This bill deals with tuition and transportation expenses, Education Freedom Account (EFA) students and career and technical education (CTE).
- We have regional agreements between sending schools and receiving schools.
- There is a set formula of money from state and federal programs for career and technical education. That funding provides tuition and transportation for those students from sending schools.

- The issue has been whether there is enough funding for tuition and transportation expenses for sending schools. It has been around \$9 million.
- There has been a reluctance from the Department of Education (DOE) to put an increase into the budget.
- Would there be sufficient enrollment to justify the increase?
- The good news is that CTE is thriving and enrollment is holding steady.
- If tuition and transportation are pro-rated down to 60%, for example, sending schools become hesitant. There has been some “cannibalization” of the formula.
- Section 1 allows DOE to separate transportation and tuition into two items. The actual costs would then be better known.
- Another section makes sure EFA students and students who do not attend public schools have access to CTE programs.
- Sen. Watters will prepare an amendment to remove Section 3 from the bill.
- The fiscal note as written would no longer be applicable.
- **Q: Sen. Cindy Rosenwald** – If the fiscal impact goes away by removing Section 3, wouldn't there still be a cost to the Education Trust Fund?
- **A: Sen. Watters** – This bill applies only to the process of developing the tuition and transportation funding for the next budget.

Neutral Information Presented:

Mark Manganiello, Bureau of School Finance, NH Department of Education

- When the EFA program was being created, policy principles were established in state law. These included adequacy aid and “double-dipping” – ensuring that a student doesn't receive adequacy funds twice. This bill may create some issues with those principles.
- If an EFA student starts taking courses at a CTE center, those EFA funds are sent to the center.
- The student may have to disenroll from the EFA program because double dipping is not allowed.
- What may happen is that the student would keep their EFA and the sending district would pay the receiving district. But DOE would not pay adequacy to the sending district.
- **Q: Sen. Debra Altschiller** – If a student from one of my sending high schools goes to Seacoast School of Technology, the sending school pays for that. If an EFA student elects to go to a CTE, they are not required to use EFA funds to pay their tuition?

- A: **Mr. Manganiello** – There would still be no double-dipping of state funding, but if this bill is enacted, the sending district would send over money to pay for their tuition. No adequacy aid would go to that district.

Steve Rothenberg, CTE Principal in Concord for 14 years (Retired)

- We had the largest number of sending schools in our region.
- Sen. Watters’ bill is trying to figure out a better model for tuition and transportation.
- Sending schools have been eating their share of the costs for some time.
- The last line of bill, “the sending school is going to pay”, even if the student is receiving EFA money, reinforces Sen. Watters’ testimony.
- There is going to be a certain percentage of students who want CTE education.
- There are almost ten thousand students in NH who attend CTE centers.
- Tuition and transportation should be separated.
- Sending schools can’t keep picking up the tab.

KJD

Date Hearing Report completed: January 23, 2026