

Senate Election Law and Municipal Affairs Committee

Jessica Bourque 271-2104

SB 586-FN, requiring school districts to publish a school administrative unit audit report after the end of the fiscal year.

Hearing Date: January 27, 2026

Time Opened: 9:45 a.m.

Time Closed: 9:50 a.m.

Members of the Committee Present: Senators Gray, Lang, Perkins Kwoka and Long

Members of the Committee Absent: Senator Rochefort

Bill Analysis: This bill requires school districts to publish a school administrative unit audit report after the end of the fiscal year.

Sponsors:

Sen. Murphy
Sen. Sullivan
Sen. Ward

Sen. Gannon
Sen. Innis
Sen. Birdsell

Sen. Pearl
Sen. Avard
Sen. Carson

Who supports the bill: Senator Keith Murphy, Senator Daniel Innis, Senator Ruth Ward, Senator Howard Pearl, Jesse Medeiros, Timothy Finney, Daniel Richardson, James Gardner, Curtis Howland, Pamela Harders

Who opposes the bill: Mary Till, Janet Robertson, Susan Moore, Marlise Bryant, Linda Burnap, Barbara Zaenglein, Eric Zaenglein, Amy Erickson, Meredith Piotrow, Barbara Bryce, Catherine Remesch, Priscilla Dube, Nicole MacKay, Donna Tulley, Barbara Langworthy, Patricia Kellogg, Rebecca Wilson, Debrah Howes, Amy Cole, Karen Burnett-Kurie, Catherine Miller, Cara Cabral, Lois Cote

Summary of testimony presented in support:

Senator Murphy, Prime Sponsor

- This bill is about the Claremont School District budget issues.
- He attended a committee hearing in September, where district officials answered questions. During that meeting, one line stood out to him: they were years behind on the audits. The 2015 fiscal year audit wasn't completed and submitted until 2019, and audits for 2023 through 2025 have not yet been completed.
- That is what this bill is trying to address. If the audits had been conducted in a timely manner, as required, the issue wouldn't have gotten this far.

- We should conduct audits when they are due. The bill states that funding will not be provided to schools until audits are submitted.
- The goal is not to punish school districts but to ensure they submit their audits on time.

Senator Perkins Kwoka said we all have an interest in ensuring that our tax dollars are used properly and that our schools are of high quality. She then asked whether he has considered any kind of structure that allows more flexibility for districts when they miss a deadline, noting that resource-rich schools are likely to find it easier than under-resourced schools.

Senator Murphy stated that audits are already required by state law. The aim is not to punish school districts; no funds will be taken away. They will receive funding upon submitting the audit. Even if they miss the deadline, they will still get all the aid under this bill. Senator Murphy said he would be fine with the committee amending the bill to include additional grace periods or similar provisions, and noted that we can't have school districts submitting audits 3, 5, or 8 years late.

Senator Lang said he likes the bill. Line 16 says, "the commissioner of the department of education shall verify that the report appears complete, comparing against those submitted in prior years," and asked Senator Murphy if he thinks maybe there should be a date attached to that line to ensure that the commissioner reviews the audits in a timely manner to make sure they are okay.

Senator Murphy said he believes that is a good addition to the bill and a good catch.