

Senate Education Finance Committee

Karen Davis 271-7875

SB 659, relative to education financing.

Hearing Date: March 13, 2026

Time Opened: 9:05 a.m.

Time Closed: 12:07 p.m.

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

Members of the Committee Absent: Senator Innis

Bill Analysis: This bill makes changes to what substantive educational content satisfies an adequate education.

Sponsors:

Sen. Carson

Sen. Avard

Sen. Birdsell

Sen. Ward

Sen. Gray

Sen. Innis

Sen. Lang

Sen. Gannon

Sen. McConkey

Sen. McGough

Sen. Pearl

Sen. Rochefort

Sen. Murphy

Who supports the bill: 11 individuals were in support. Full sign in sheets are available upon request by contacting the Legislative Aide, Karen Davis (karen.davis@gc.nh.gov)

Who opposes the bill: 517 individuals were in opposition. Full sign-in sheets are available upon request by contacting the Legislative Aide, Karen Davis (karen.davis@gc.nh.gov)

Who is neutral on the bill: No one.

Summary of testimony presented in support:

Senator Sharon Carson, District 14 – Prime Sponsor

- SB 659 would make changes to what substantive educational content satisfies an adequate education. Providing educational opportunities has been a shared responsibility between state and local governments.
- Each time the legislature changed how we paid for schools, a new set of lawsuits was filed.

- Checks and balances have prevented any one branch from intruding on the authority of the others.
- SB 659 responds to judicial interference in budget writing by clarifying how the state defines an adequate education. It also reaffirms that raising and spending tax dollars to pay for schools is a political and policy matter reserved to the legislative and executive branches.
- The bill focuses on the academic programs in schools in the following eleven areas: English, Math, Science, Social Studies, Arts Education, World Languages, Health, Physical Education, Engineering, Personal Financial Literacy, and Computer Science.
- The bill reinforces the legislature’s longstanding support for differential aid, recognizing that some students require more resources, a principle present in every education funding formula since the first Claremont decision.
- The state provides extra funds for special needs students, English language learners (ELL), and low-income communities; the ConVal case overlooked this differential aid, which must be corrected.
- This bill does not reduce the state’s commitment to funding public schools – we have sent over a \$1 billion a year to local school districts, even as student enrollment has dropped.
- This bill does not raise local property taxes; those are fueled by local spending, where the fastest category has been administration.
- SB 659 focuses state support on classrooms and core academics, while preserving local control over the rest of the school budget.
- She stated that this bill restored checks and balances in our constitutional system while maintaining the record amount of state money that has flowed to our local schools.

Rep. Dan McGuire, Epsom

- Rep. McGuire said that SB 659 and HB 1815 were identical; his discussion would be focused on SB 659 as a response to what he viewed as wrongly decided Claremont cases.
- New Hampshire is a Dillon’s Rule state, so local governments were state subdivisions and could not make law independently, ensuring statewide uniformity.
- He said the bill affirmed that the state’s education system involved both state and local entities, a system that has never been legally challenged.
- He said the court was not the sole interpreter of the Constitution; NH’s Constitution was historically amended by conventions of the people.

Sen. Keith Murphy asked if the Court could order a legislator to vote against his or her oath.

Rep. McGuire said no.

Sen. Altschiller said that the New Hampshire Supreme Court had repeatedly confirmed the role of the judiciary in enforcing the right to adequate education. She asked if this bill would open the door to reducing adequacy payments to \$1 per child.

Rep. McGuire explained that the concept of “adequate education” originated with the first Claremont decision. He emphasized that state education funding should address disparities between wealthy and poor communities, providing extra support to places like Claremont while not directing funds to wealthy towns like New Castle. He argued that courts should not be involved in funding decisions, asserted that New Hampshire was already spending more on education than 44 other states, and expressed support for a uniform Statewide Property Tax (SWEPT), though he was unsuccessful in advancing that proposal.

Sen. Altschiller asked if the state could be in the position of changing how it gave money to any municipality. Could the state reduce funding to \$1 per student in Claremont under this bill?

Rep. McGuire stated he was a long-time House Finance member and said elected officials were tasked with controlling state tax resources. He noted that New Hampshire ranked 6th in education spending but had the lowest per-capita cost of state government. He criticized local property tax practices, saying that towns set spending first and then raised taxes, which drove high costs.

Sen. Altschiller said this bill reframed education funding as a shared responsibility. She asked how that should be defined with no floor or ceiling for the state’s responsibility.

Rep. McGuire replied that this bill does not repeal RSA 198 which deals with the school funding formula. Every budget session looked at that RSA and decided how much was going to be spent. That was there prior to Claremont. The idea that legislators were going to be indifferent about schools in their district was ludicrous.

Sen. Altschiller raised Rep. McGuire’s previous statement that Claremont was decided wrongly. But she felt that this bill seemed like part of a coordinated effort to redefine what an adequate education was. She asked why he was asking the courts to overturn their ConVal decision.

Rep. McGuire said that he was not best person to answer what legal parties were involved in the appeal and that Rep. Lynn should answer that question.

Sen. Rosenwald said the way she read this bill; it lumped all the differentiated aid into base adequacy and called it a day.

Rep. McGuire said it was possible that the Supreme Court would realize their mistake and get out of this issue. This was not a comprehensive spending bill. If RSA 198 was changed, that would be up to future decision makers. If this bill was passed,

the checks sent to Claremont or New Castle would not change. “This is more about a dialogue with the courts.”

Sen. Lang said they had discussed the spreadsheet for the education funding formula during the budget process. He asked if in recent years, they had ever reduced the funding for the left side metrics, and that it had only gone up.

Rep. McGuire said that was correct.

Sen. Lang asked if there also was a built-in increase for those four metrics that go to all schools if the law was not changed?

Rep. McGuire confirmed this.

Summary of testimony presented in opposition:

Rep. Tracy Bricchi, Penacook

- Rep. Bricchi raised concerns that this bill shifts more of the cost of public education from the state to local communities, without defining the state’s share.
- She stated it does not reduce reliance on property taxes or increase state funding.
- She argued that language guaranteeing students an adequate education is removed from the bill, echoing concerns from last year’s HB 283.
- She said Granite Staters oppose weakening education standards and shifting responsibility away from the state.

Sen. Debra Altschiller noted that this bill may establish the precedent that school districts were at the pleasure of the state; the state would therefore have input on how that money was spent. She asked if there was a concern that that would seep into other municipal entities?

Rep. Bricchi agreed.

Sen. Altschiller asked if this bill would cut out a co-equal branch of the government, specifically the judiciary.

Rep. Bricchi agreed.

Sen. Altschiller asked if she felt that this bill would solve the chronic underfunding of education by the state.

Rep. Bricchi said no, it would not.

Sen. Cindy Rosenwald referred to Page 2, Lines 14–16 and said this section would include differential aid in the definition of an adequate education. She asked if Rep. Bricchi agreed this was a “shell game” and didn’t do anything about the property tax issue?

Rep. Bricchi agreed.

Sen. Rosenwald asked if she was surprised over the lack of a fiscal note. She stated this suggested that there would be no change in state or local revenues or expenditure.

Rep. Bricchi agreed.

Sen. Rosenwald asked if Rep. Bricchi saw this bill as cutting out the court's role in how to interpret the Constitution.

Rep. Bricchi agreed.

Sen. Tim Lang asked if Rep. Bricchi was familiar with the left side/right side of the formula when Senate Finance calculates education funding in the budget?

Rep. Bricchi said she'd heard of the formula but was not very familiar with it.

Sen. Lang said that last term, he rewrote the education formula using the same spreadsheet that had been used for years. He asked if it would surprise her that the court in the Claremont decision did not look at differential aid, and only looked at one line out of six different funding mechanisms?

Rep. Bricchi said the court was focused on base funding and differentiated aid was left to the legislature to decide.

Sen. Lang explained that although Claremont's base aid was approximately \$6,000 per pupil, differential aid raised total per-pupil funding to about \$13,000.

Rep. Bricchi replied that \$13,000 was not enough money per pupil.

Sen. Lang questioned whether all state dollars spent on education were for the purpose of educating New Hampshire children and suggested that all the money spent (\$1.1 billion) should form the basis for defining state aid.

Rep. Bricchi said she was unsure.

Sen. Altschiller asked for her view on Judge Ruoff's November 2023 ruling that the \$4,100 base adequacy per student was below the minimum, noting the discrepancies between the first Claremont case and the latest decision. She recalled that after 30 years of legislative inaction, the judge set a number in his decision.

Rep. Bricchi responded that Judge Ruoff wrote that \$7,000 per pupil was a very small amount and that it should be higher. He left the numbers for differentiated aid for the legislature to determine.

Sen. Rosenwald asked if she agreed that this bill was an attempt to avoid an extra \$536 million per year in education funding on the state level.

Rep. Bricchi agreed that it was a way for the state to avoid paying for education.

Sen. Rosenwald asked if she was aware that employers routinely come before the legislature and tell the committee they need a well-educated populace.

Rep. Bricchi serves on a CTE advisory board and was aware of the concerns about how education was funded.

Richard DeMark, Meredith

- Mr. DeMark presented a petition at his recent Town Meeting which stated that his community was tired of the state downshifting costs to towns. This warrant article passed overwhelmingly.
- The bill described funding as a shared responsibility but did not define the state's share, leaving room for reductions.

Marianne Springer, Danville; Member of Timberline Regional School District

- Ms. Springer said that local property taxes funded 70–80% of school budgets, much of which was driven by state and federal mandates.
- She stated that New Hampshire's Constitution prohibited unfunded mandates, but shared responsibility left towns dependent on the state.
- She explained that property taxes were the primary means to fill funding gaps, causing affordability issues and outmigration in towns like Danville.
- The bill formalized minimal state support, whereas current RSA law tied the state's contribution to the cost of an adequate education.

Dr. James Newcomb, Chair, John Stark School Board, Henniker

- Dr. Newcomb expressed concerns about the adequacy language and shifting costs to local taxpayers.
- His school board handled 50 new legislative mandates in the previous year which required action; these mandates came without additional funding.
- He said they worried that local control was being eroded and that property taxes keep rising. He recommended ITL on SB 659 while also urging collaborative solutions with all stakeholders in public education funding.

Sen. Lang cited the education funding formula and asked if Dr. Newcomb agreed that the full \$1.1 billion that the state spent on education should be included in the conversation.

Dr. Newcomb said he was a school board member who was trying to get budgets together to meet the demands from the state legislature; the money they received was not enough.

Sen. Lang said that this bill tried to set standards by defining adequacy and gave a full picture of how much money the state spent through the formula.

Dr. Newcomb argued that bill did more than that. He cited Page Two, Section 14 which stated the sum total "shall be computed toward the cost of an adequate education." He felt that the formula could be chucked out the window.

John Tobin, Concord – Opposes the bill

- Mr. Tobin said he was on the legal team in the Claremont case and was now involved in the Rand case.
- The bill ignored two fundamental principles about education funding that have always been part of the NH Constitution:
 1. It was the state's duty to fund the core components of education.
 2. Whatever tax was chosen, the taxes must be levied at the same rate across the state.
- The revenue streams were policy choices left to the legislators. The legislature cannot amend the Constitution by writing or changing a statute.

Sen. Rosenwald asked if this bill would lead to less litigation, continued litigation or more litigation?

Mr. Tobin said that it pretends that constitutional guard rails don't exist. The state's responsibility was muddled in this bill, and it would lead to more litigation.

Sen. Lang asked if the legislature followed Judge Ruoff's recent decision and set a flat rate figure of \$7365.01 for every child, what would happen to our communities?

Mr. Tobin replied that he didn't want to defend that as an idea.

Sen. Lang stated that the court did not factor in differentiated aid.

Mr. Tobin said that the court did not say that none of that other aid counts, it just looked at base aid. He added that all the differentiated aid categories totaled less than \$2,000 per student, which he contended was still not enough.

Sen. Lang asked if he agreed that setting a single number statewide irrespective of a town's ability to raise taxes was a bad idea.

Mr. Tobin agreed on that point with regards to base aid, however he contended that did not apply to special education. He said that the average expenditure for special education was \$30,000 per year per pupil.

Sen. Altschiller asked how this bill would affect the concept of judicial review?

Mr. Tobin replied that judicial review was limited; however, judges have said they were not legislators. The ConVal ruling included a very tentative benchmark and the final decision rested with the legislature.

Sen. Rosenwald mentioned that former Governor Lynch tried to get a CACR passed that would have allowed education funding to be based on financial need rather than educational need. She asked if they would have to change the Constitution to allow the legislature not to pay the same rate across the state.

Mr. Tobin replied that the core educational duty was a state duty for every child in every town. Differentiated aid dealt with the reality that there were kids who were more vulnerable in certain schools.

Miriam Cahill-Yeaton, Epsom

- People in her town have been struggling to pay their taxes, buy groceries. Property taxes have doubled in many cases. Rising expenses have forced her next-door neighbors to take out a mortgage on a house they owned.
- This bill did not address any of these issues.

David Trumble, Weare

- This bill attempts to rewrite the NH Constitution which requires the state to fund public schools to ensure every child receives an adequate education.
- Shared responsibility for education funding has never been a local government responsibility. Every law and court case has held that it was the state's duty to fund public education.
- Special education funding was not considered in the lawsuits. He said that special education costs \$1 billion in New Hampshire and that the state provided 11% of that \$1 billion.
- Nothing in the Constitution said that special education should be excluded. The ConVal case looked at the base amount, and it did not include special education.

Laura Vincent, Loudon

- She opposed any effort to reduce the state's share of funding education for every student in New Hampshire. The average cost of educating every student was approximately \$20,000.

Zach Sheehan, Executive Director, New Hampshire School Funding Fairness Project

- They opposed this bill because it was unclear what the intended outcome would be, especially how school funding was reflected in law.
- This bill has been stated to be a response to the Claremont and ConVal cases; however, provisions were in last year's budget which stated that the legislature did not have to listen to the courts relative to school funding cases (HB 2).
- If the point was to clarify what the state should get credit for, base adequacy was the subject of the ConVal lawsuit; that ruling addressed solely that issue.
- The Rand lawsuit looked at a broader area of state funding for education, especially special education.
- He believed that SB 659 and HB 1815 were put together after a task force was created by Governor Ayotte in response to the ConVal ruling.

Micaela Demeter, testifying on behalf of the Dover School Board

- NH residents do not want their legislators to weaken academic standards.
- RSA 193:E specified that the state establishes standards and that it funds them, while school districts implement curriculum and instruction.

- This bill removed that distinction by calling them “indivisible” for the purposes of providing an adequate education.

Lesley Nesbitt, Chair, Grantham School Board

- State investment in NH public schools was not just a constitutional or moral obligation but was also a strategic imperative; school funding was a direct reinvestment of the state’s GDP.
- There was a direct correlation between state education spending and economic growth. Higher wages translated into higher consumer spending and a more robust state economy.
- NH faces an aging population. If the quality of education was believed to be inferior, the talent would export their economic value elsewhere.

Christine Downing, Superintendent of the Grantham School District (SAU 75)

- She raised curriculum and instruction and said that her testimony would be focused on RSA 193:E., which she felt had stood the test of time.
- Its purpose has been to define what constituted an adequate education.
- There would be no shared system of responsibility if a school was now an entity of the state.
- Curriculum and instruction have been a local control decision. How would one-size-fits-all work in our system?

Sen. Altschiller stated that shared responsibility was not specifically defined in this bill. How would she interpret that phrase?

Ms. Downing replied that she was concerned about Paragraph Two which she contented muddies the water. SB 659 could lead to the state being able to dictate everything to local school districts about curriculum and assessment.

Heather Robitaille, Merrimack, Chair of the school district budget committee

- Merrimack was going to receive \$327,000 less in state aid according to their current budget projections. There was also going to be a 15.5% increase in health care costs for their staff.
- She stated that there has been an overall decrease in state funding over a 20-year period, while the cost of energy and school supplies have not gone down.
- She reviewed the school budget line by line in the last three years; they were not wasting money.

Sen. Lang mentioned that funding was tied directly to enrollment. He asked if she knew enrollment in Merrimack had dropped by almost 15% since 2012. Did it make sense that revenues would drop because her community had fewer pupils?

Ms. Robitaille replied that funding had failed to keep up with the increase in cost to sustain their schools.

Sen. Rosenwald said that many of costs of operating a school district were fixed costs. She asked whether there were any marginal savings when enrollment declined by 1% in a year?

Ms. Robitaille answered that they review building by building in their budget process and that savings was not always possible.

Sinehan Kerman, Epsom

- She shared a personal story of how public education has been the foundation of her success story. She grew up in low-income household in Derry and graduated from Pinkerton Academy.
- Her only debt was property taxes, which nearly doubled this past year. She was not seeing any attempts at the state level to support sustainable revenue sources for education.

Steve Fay, Laconia

- He shared a personal story about picking up one of his grandchildren at school for a year.
- He believed there was an agenda behind this legislation which was to be “done with public schools in the state.”

Amanda Carter, ConVal region

- When discussing an adequate education, if a student must keep their winter coat on to do math class, that was not adequate. Heat, lights, transportation etc. – these operational costs were not extras.

Cori Tebbetts, Plainfield (her statement was read by her friend)

- Her daughter’s school has been forced to propose cutting 11 positions. She couldn't travel to Concord to testify on bills that she opposed, such as this bill.

Sarah Georges, Manchester

- As a student, Ms. Georges had an IEP because she has dyslexia. This bill would adversely affect kids who have learning challenges like her.
- An adequate education includes teaching reading to kids with dyslexia.

Debrah Howes, President of AFT NH

- This bill walked back on the state’s Constitutional obligation for every Granite State student in public school.
- Not all students cost the same amount to teach; different needs cost different amounts. This bill did not meet the state’s fundamental duty.

Sen. Lang raised Line 24 of the bill which lists the eleven criteria of what constitutes an adequate education. He asked whether those criteria have changed.

Ms. Howes replied that there was still some ambiguity, but the eleven items have not changed.

KJD

Date Hearing Report completed: March 20, 2026