

Amendment to HB 1505-FN

1 Amend RSA 32:5-e, I as inserted by section 4 of the bill by replacing it with the following:

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3 I. In a school district that has adopted this section, the total amount raised and
4 appropriated for the fiscal year, including the operating budget and all other warrant articles with a
5 tax impact, as shown on the budget certified by the school board or the budget committee and posted
6 with the warrant for the annual meeting pursuant to RSA 32:5, shall not exceed the current per
7 pupil cost, as defined herein, times the average daily membership in residence (ADMR), pursuant to
8 RSA 198:38, I-a, of the school district as of October 1 of the year immediately preceding the proposed
9 budget year as reported ~~[to]~~ **by** the department of education ~~[times (1+ IF), where IF is an amount~~
10 ~~for an annual increase for inflation]~~. The first year after the budget cap is adopted, the current per
11 pupil cost shall be the per pupil cost adopted in the warrant article per RSA 32:5-f, IV. In
12 subsequent years, the current per pupil cost shall be the previous year's current per pupil cost times
13 ~~[(1+IFP)]~~ **(1+IF)**, where ~~[IFP]~~ **IF** is the ~~[previous]~~ **current** year's ~~[IF]~~ **annual increase for**
14 **inflation**.

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16 Amend the bill by replacing all after section 8 with the following:

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18 9 Municipal Budget Law; Preparation of Budgets; Local Tax Cap. Amend RSA 32:5-b, I-b(b)(1)
19 to read as follows:

20 (1) "Attendance" shall mean the average daily membership in residence (ADMR) of
21 the school district, pursuant to RSA 198:38, I-a. "This year's attendance" shall be the annual ADMR
22 reported ~~[to]~~ **by** the department of education as of October 1 preceding the date of the budget hearing
23 held pursuant to RSA 32:5, I. "Last year's attendance" shall be the annual ADMR reported ~~[to]~~ **by**
24 the department of education as of October 1 of the year prior to the annual ADMR reported for "This
25 year's attendance".

26 10 Municipal Budget Law; Application. Amend RSA 32:2 to read as follows:

27 32:2 Application. RSA 32:1-13, shall apply to all towns, school districts, cooperative school
28 districts, village districts, municipal economic development and revitalization districts created under
29 RSA 162-K, and any other municipal entities, including those created pursuant to RSA 53-A or 53-B,
30 which adopt their budgets at an annual meeting of their voters, except RSA 32:5-b[~~]~~ which shall
31 apply only in those towns or districts adopting that section pursuant to RSA 32:5-c, **except RSA**
32 **32:5-e which shall apply only in those school districts adopting that section pursuant to**

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1 ***RSA 32:5-f, and except RSA 32:5-g which shall apply only in those towns adopting that***
2 ***section pursuant to RSA 32:5-h.*** RSA 32:14-23, concerning budget committees, shall apply only in
3 those towns or districts adopting that subdivision pursuant to RSA 32:14, I, and shall apply
4 automatically in school districts or village districts located wholly within towns adopting that
5 subdivision.

6 11 Municipal Budget Law; Preparation of Budgets; Adoption of School District Budget Cap.
7 Amend RSA 32:5-f, IV to read as follows:

8 IV. If, under RSA 32:5-e, II, a fixed percentage is used for the annual increase for inflation,
9 the wording of the question shall be:

10 "Shall we adopt the provisions of RSA 32:5-e, and implement a budget cap whereby the school board
11 (or budget committee) shall not submit a recommended budget that is higher than ____ dollars per
12 pupil cost times the average daily membership in residence of the school district as of October 1 of
13 the year immediately preceding the proposed budget year, plus ***with*** a ____ percent annual increase
14 ***on the per pupil cost*** for inflation. Requires a 3/5ths majority [~~of the school district~~] ***to adopt.***"

15 Alternatively, if an annual inflation index is used, the wording of the question shall be:

16 "Shall we adopt the provisions of RSA 32:5-e, and implement a budget cap whereby the school board
17 (or budget committee) shall not submit a recommended budget that is higher than ____ dollars per
18 pupil cost times the average daily membership in residence of the school district as of October 1 of
19 the year immediately preceding the proposed budget year, [~~plus~~] ***with*** an annual increase ***on the***
20 ***per pupil cost*** for inflation using (the index) published by (the U.S. Bureau of Labor Statistics or
21 American City and County) as of October 1. Requires a 3/5ths majority [~~of the school district~~] ***to***
22 ***adopt.***"

23 12 Municipal Budget Law; Preparation of Budgets; Adoption of Town Budget Cap. Amend RSA
24 32:5-h, IV to read as follows:

25 IV. If, under RSA 32:5-g, II, a fixed percentage is used for the annual increase for inflation,
26 the wording of the question shall be:

27 "Shall we adopt the provisions of RSA 32:5-g, and implement a budget cap whereby the select board
28 (or budget committee) shall not submit a recommended budget that is higher than ____ dollars per
29 resident expenditure times the current town population, [~~plus~~] ***with*** a ____ percent annual increase
30 ***on the per resident expenditure*** for inflation. Requires a 3/5ths majority [~~of the town~~] ***to adopt.***"

31 Alternatively, if an annual inflation index is used, the wording of the question shall be:

32 "Shall we adopt the provisions of RSA 32:5-g, and implement a budget cap whereby the select board
33 (or budget committee) shall not submit a recommended budget that is higher than ____ dollars per
34 resident expenditure times the current town population, [~~plus~~] ***with*** an annual increase ***on the per***
35 ***resident expenditure*** for inflation using (the index) published by (the United States Bureau of
36 Labor Statistics or American City and County) as of October 1. Requires a 3/5ths majority [~~of the~~
37 ~~town~~] ***to adopt.***"

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1 13 Applicability. RSA 21-J:34, RSA 32:5-b, RSA 32:5-e, RSA 32:5-g, and RSA 32:2, as amended
2 by this act, shall apply to the local tax caps, school district budget caps, and town budget caps
3 adopted prior to the effective date of this act and shall not require local amendment or re-adoption
4 by towns or districts.

5 14 Effective Date.

6 I. Section 8 of this act shall take effect on April 1, 2027.

7 II. The remainder of this act shall take effect 60 days after its passage.