

SB 582-FN - AS INTRODUCED

2026 SESSION

26-2197

07/09

SENATE BILL        ***582-FN***

AN ACT            modifying the base cost of an adequate education.

SPONSORS:        Sen. Altschiller, Dist 24; Sen. Rosenwald, Dist 13; Sen. Watters, Dist 4; Sen. Fenton, Dist 10; Sen. Perkins Kwoka, Dist 21; Sen. Long, Dist 20; Sen. Prentiss, Dist 5; Rep. Balboni, Rock. 38; Rep. Manos, Rock. 12

COMMITTEE:      Education Finance

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ANALYSIS

This bill increases the base cost of an adequate education and expands the definition of an adequate education.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty-Six*

AN ACT modifying the base cost of an adequate education.

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

1 1 Cost of an Opportunity for an Adequate Education. Amend RSA 198:40-a, I-II(a) to read as  
2 follows:

3 I. For the biennium beginning July 1, [2023] **2027**, the annual cost of providing the  
4 opportunity for an adequate education as defined in RSA 193-E:2-a shall be as specified in  
5 paragraph II. The department shall adjust the rates specified in this paragraph in accordance with  
6 RSA 198:40-d.

7 II.(a) A cost of [~~\$4,100~~] **\$7,356.01** per pupil in the ADMR, plus differentiated aid as follows:

8 2 Cost of an Adequate Education. Amend RSA 193-E:2-b, I to read as follows:

9 I. The general court shall use the definition of the opportunity for an adequate education in  
10 RSA 193-E:2-a to determine the resources necessary to provide essential programs, considering  
11 educational needs. The general court shall make an initial determination of the necessary specific  
12 resource elements to be included in the opportunity for an adequate education. ***The necessary***  
13 ***specific resource elements shall include the costs for teachers, teacher benefits, student***  
14 ***teacher ratios, principals, administrative assistants, school counselors, library-media***  
15 ***specialists, technology coordinators, custodians, nurse services, instructional materials,***  
16 ***technology, professional development, facilities operation and maintenance, and***  
17 ***transportation. The general court shall update the cost of an adequate education at least***  
18 ***every 2 years. The general court shall use evidence from actual costs from all approved***  
19 ***schools to determine the cost of an adequate education.***

20 3 Effective Date. This act shall take effect July 1, 2027.

**SB 582-FN- FISCAL NOTE**  
**AS INTRODUCED**

AN ACT modifying the base cost of an adequate education.

**FISCAL IMPACT:**

| Estimated State Impact |                      |         |                                                                                              |         |
|------------------------|----------------------|---------|----------------------------------------------------------------------------------------------|---------|
|                        | FY 2026              | FY 2027 | FY 2028                                                                                      | FY 2029 |
| Revenue                | \$0                  | \$0     | \$0                                                                                          | \$0     |
| Revenue Fund(s)        | None                 |         |                                                                                              |         |
| Expenditures*          | \$0                  | \$0     | Indeterminable Increase<br>(Approximately \$500M Per Year)                                   |         |
| Funding Source(s)      | Education Trust Fund |         |                                                                                              |         |
| Appropriations*        | \$0                  | \$0     | Statutory Open Warrant Exists for<br>Adequacy Grant, Charter School,<br>and EFA Expenditures |         |
| Funding Source(s)      | Education Trust Fund |         |                                                                                              |         |

\*Expenditure = Cost of bill

\*Appropriation = Authorized funding to cover cost of bill

| <b>Estimated Political Subdivision Impact</b> |                |                |                                                            |                |
|-----------------------------------------------|----------------|----------------|------------------------------------------------------------|----------------|
|                                               | <b>FY 2026</b> | <b>FY 2027</b> | <b>FY 2028</b>                                             | <b>FY 2029</b> |
| <b>Local Revenue</b>                          | \$0            | \$0            | Indeterminable Increase<br>(Approximately \$433M Per Year) |                |
| <b>Local Expenditures</b>                     | \$0            | \$0            | \$0                                                        | \$0            |

**METHODOLOGY:**

This bill, effective FY 2028, increases the Base ADM adequacy rate from \$4,439 to \$7,356.01. The Department of Education states it can only make a reasonably accurate forecast one year in advance, relative to student and property data impacting the funding formulas. Therefore, the Department has calculated the impact on District Adequacy, Charter School State Aid, and Education Freedom Accounting State Aid as if this bill was effective FY 2027. Under this methodology, the fiscal impact is estimated to be \$500 million a year starting in FY 2028 and each year after.

|                                                 | <b>Net Increase Using Estimate<br/>FY 2027 Student Data &amp;<br/>FY 2027 Formula</b> | <b>Factors Applicable to FY 2028<br/>That May Impact These<br/>Estimates</b> |
|-------------------------------------------------|---------------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| <b>District Adequacy<br/>(148,918 Students)</b> | <b>\$433.3 Million</b>                                                                | <b>Student Enrollment Will<br/>Likely Decrease in FY 2028 –</b>              |

|                                               |                                             |                                                                                              |
|-----------------------------------------------|---------------------------------------------|----------------------------------------------------------------------------------------------|
|                                               |                                             | <b>Lowering Fiscal Impact</b>                                                                |
| <b>Charter State Aid<br/>(7,866 Students)</b> | <b>\$23.6 Million</b>                       | <b>Student Enrollment Will<br/>Likely Increase in FY 2028 –<br/>Increasing Fiscal Impact</b> |
| <b>EFA State Aid<br/>(12,500 Students)</b>    | <b>\$37.5 Million</b>                       | <b>Student Enrollment Will<br/>Likely Increase in FY 2028 –<br/>Increasing Fiscal Impact</b> |
| <b>Total</b>                                  | <b>Approximately \$500 Million Per Year</b> |                                                                                              |

The Department has a statutory open warrant to make required adequate education grant, charter school grant, and education freedom account payments. For informational purposes, the education trust fund balance as of June 30, 2025, was approximately \$101.2 million and the state revenue stabilization (rainy day) fund was approximately \$225.2 million.

**AGENCIES CONTACTED:**

Department of Education