

HB 1799-FN - AS INTRODUCED

2026 SESSION

26-3078  
07/08

HOUSE BILL            **1799-FN**

AN ACT                relative to required state funding for providing an opportunity for an adequate education.

SPONSORS:            Rep. Ames, Ches. 13; Rep. Luneau, Merr. 9; Rep. Damon, Sull. 8; Rep. Preece, Hills. 17; Rep. Cornell, Hills. 22; Rep. Oppel, Graf. 9; Rep. Almy, Graf. 17; Sen. Altschiller, Dist 24; Sen. Fenton, Dist 10; Sen. Rosenwald, Dist 13

COMMITTEE:          Education Funding

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ANALYSIS

This bill:

I. Creates a new set of standards for what the legislature determines as the meaning of a constitutionally adequate education.

II. Includes a variety of staffing and personnel roles as pieces of an adequate education that should be funded appropriately.

III. Increases the costs associated with funding an adequate education.

IV. Requires the state and school districts to establish means and goals of addressing educational outcome disparities.

V. Creates a commission to study alternative methods of funding public schools besides property taxes.

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Explanation:          Matter added to current law appears in **bold italics**.  
                         Matter removed from current law appears ~~[in brackets and struck through]~~.  
                         Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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                   relative to required state funding for providing an opportunity for an adequate education.

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

1           1 Taxation; Apportionment, Assessment and Abatement of Taxes; Commissioner's Warrant.  
2 Amend RSA 76:8, II to read as follows:

3           II. The commissioner shall issue a warrant under the commissioner's hand and official seal  
4 for the amount computed in paragraph I to the selectmen or assessors of each municipality by  
5 December 15 directing them to assess such sum and pay ~~[it to the municipality for the use of the~~  
6 ~~school district or districts]~~ ***all revenue received to the department of revenue administration***  
7 ***for deposit in the education trust fund established in RSA 198:39 for use by the state for***  
8 ***making education grants pursuant to RSA 198:41 and property tax homeowner relief***  
9 ***payments pursuant to RSA 198:57. Such payments by municipalities shall be made in 4***  
10 ***quarterly installments in accordance with schedules, standards, and procedures***  
11 ***established by rules adopted by the department of revenue administration, after***  
12 ***consultation with the commissioner of the department of education, in accordance with***  
13 ***RSA 541-A.*** Such sums shall be assessed at such times as may be prescribed for other taxes  
14 assessed by such selectmen or assessors of the municipality.

15           2 Education; Adequate Public Education; Policy and Purpose. RSA 193-E:1 is repealed and  
16 reenacted to read as follows:

17           193-E:1 Policy, Findings, and Purpose. The legislature makes the following declarations:

18           I. It is the duty and policy of the state of New Hampshire that public elementary and  
19 secondary education shall provide all students with the opportunity to acquire the knowledge and  
20 skills necessary to prepare them for successful participation in the social, economic, scientific,  
21 technological, and political systems of a free government, now and in the years to come, regardless of  
22 where the students live.

23           II. New Hampshire's long history of authorizing local governments, in the form of local  
24 school districts, to develop and administer public schools pursuant to a set of minimum standards  
25 established by the state, including authorizing school districts to raise funds using local property  
26 taxes to levels above minimum levels established by the state for adequacy funding, has successfully  
27 achieved, on average across the state, high-quality educational outcomes and high levels of total  
28 statewide spending in support of public schools.

29           III. Data and academic research demonstrate an unacceptably wide range of achievements,  
30 student outcomes, educational programming, and per pupil spending in schools across the state, both

1 within school districts and from one district to another. These differences are a direct consequence  
2 of the state's excessive reliance for public school funding on local property tax revenues, which are  
3 constrained and vary widely unrelated to student needs due to great disparities in the value of  
4 locally taxable property, in local student educational needs, and in proportions of local students  
5 living in poverty, needing special education, and needing English language services. The general  
6 court recognizes and concurs with a long line of state court decisions in which the constitutional  
7 infirmities of these differences and disparities have been identified and affirmed.

8 IV. Respecting New Hampshire's long tradition of community involvement in which local  
9 school districts have responsibility and flexibility in implementing diverse educational approaches to  
10 instruction and curriculum tailored to meet student needs, and further recognizing that fiscal  
11 capacities and educational needs vary greatly from community to community across the state, it is  
12 the purpose of this act to recognize, affirm, and establish an integrated system of shared  
13 responsibility between state and local government that will guarantee a period of transition leading  
14 to fully funding and delivering a constitutionally adequate education to all children, regardless of  
15 where they live.

16 3 Education; Adequate Public Education; Cost of an Adequate Education. Amend RSA 193-E:2-  
17 b, I to read as follows:

18 I. The general court shall use the definition of the opportunity for an adequate education in  
19 RSA 193-E:2-a to determine the resources necessary to provide essential programs, considering  
20 educational needs. ~~[The general court shall make an initial determination of the necessary specific~~  
21 ~~resource elements to be included in the opportunity for an adequate education.]~~ ***For the biennium***  
22 ***beginning July 1, 2026, the necessary resource elements to be included in the cost of***  
23 ***providing an opportunity for an adequate education shall include costs for teachers,***  
24 ***teacher benefits, student-teacher ratios, superintendents, principals, administrative***  
25 ***assistants, school counselors, library-media specialists, technology coordinators,***  
26 ***custodians, nurse services, instructional materials, technology, professional development,***  
27 ***facilities operation and maintenance, and transportation.***

28 ***I-a. The general court shall update the cost of providing an opportunity for an***  
29 ***adequate education at least every 2 years. The general court shall use evidence from***  
30 ***actual costs from all approved schools to determine the cost of an adequate education.***

31 4 New Section; Oversight of Disparities in Achievement. Amend RSA 193-H by inserting after  
32 section 5 the following new section:

33 193-H:6 Oversight of Disparities in Achievement.

34 I. The commissioner shall establish statewide public school targets for identifying and  
35 addressing persistent disparities in achievement among student subgroups in the aggregate and  
36 within subcategories, including subject matter and relevant grade levels. The targets shall include  
37 annual benchmarks on the progress expected to be achieved in the aggregate and by subcategory.

1           II. Each public school district shall establish targets for addressing persistent disparities in  
2 achievement among student subgroups consistent with the targets established by the department.  
3 Each district shall develop an evidence-based, 3-year plan to meet its targets. Each district's plan  
4 shall be developed by the superintendent in consultation with the school board and shall consider  
5 input and recommendations from parents and other relevant community stakeholders, including  
6 special education and English learner parent advisory councils, school improvement councils, and  
7 educators in the school district.

8           III. The 3-year plan shall be submitted in a form and manner prescribed by the department  
9 and shall include:

10           (a) A description of how the approved district budget will be allocated among schools in  
11 the district to be used in support of the plan, including how other local, state, federal, and grant-  
12 based funding sources will be used; provided, however, that the description shall include an  
13 explanation of the relationship between the allocation of the funds and the educational needs of  
14 English learners and low-income students;

15           (b) A description of the evidence-based programs, supports, and interventions that the  
16 school district will implement to address persistent disparities in achievement among student  
17 subgroups, including:

18                   (1) Expanded learning time in the form of a longer school day or school year;

19                   (2) Increased opportunity for common planning time for teachers;

20                   (3) Social services to support students' social-emotional and physical health;

21                   (4) Hiring school personnel that best support improved student performance;

22                   (5) Increased or improved professional development;

23                   (6) Purchase of curriculum materials and equipment that are aligned with the  
24 statewide curriculum frameworks;

25                   (7) Expanding early education and pre-kindergarten programming within the  
26 district in consultation or in partnership with community-based organizations;

27                   (8) Diversifying the educator and administrator workforce;

28                   (9) Developing additional pathways to strengthen college and career readiness; and

29                   (10) Any other program determined to be evidence-based by the commissioner;  
30 provided, however, that if a district elects not to implement the evidence-based programs described  
31 in subparagraphs (1)-(9), the district plan shall specify the reasons for electing not to implement said  
32 programs including a description of why said programs would not effectively address persistent  
33 disparities in achievement among student subgroups;

34           (c) Identification of outcome metrics to be used by the district to measure success in  
35 addressing persistent disparities in achievement among student subgroups; provided, however, that  
36 the department shall develop standard metrics that may be incorporated in district plans and may  
37 include:

- 1 (1) Results from the statewide student assessment including student growth;  
2 (2) Results from the English proficiency assessment administered to English  
3 learners;  
4 (3) Grade-level completion and attendance data;  
5 (4) Participation in advanced coursework;  
6 (5) Other indicators of district and school climate, diversity and performance; and  
7 (d) A description of how the district will effectuate and measure increased parent  
8 engagement, including, but not limited to, specific plans targeted to parents of students eligible for  
9 free and reduced price lunch, English language learners and students with disabilities.

10 IV. Each district shall submit its plan to the department every 3 years. Upon receipt of a  
11 district plan, the commissioner shall review the plan to ensure that it sets forth clear and achievable  
12 goals and measurable standards for student improvement that comply with the requirements of this  
13 section; provided, however, that the district shall amend any plan deemed not to conform with the  
14 requirements of this section. Following the submission of a 3-year plan, each district shall annually,  
15 not later than April 1, submit to the department:

16 (a) Relevant data, pursuant to its plan, to assess success in addressing persistent  
17 disparities in achievement among student subgroups; and

18 (b) Amendments to the plan that reflect changes deemed necessary to improve district  
19 performance in meeting plan goals. Each plan shall be made publicly available on both the  
20 submitting district's website and the department's website.

21 V. Annually, no later than December 31, the commissioner shall submit a report to the  
22 clerks of the house of representatives and the senate and the chairs of the house and senate  
23 committees on education on the progress made in addressing persistent disparities in achievement  
24 among student subgroups in the aggregate and within subcategories on a statewide basis; provided,  
25 however, that district and school-level data shall be made available on the department's website  
26 along with the report.

27 5 Education; School Money; Cost of an Opportunity for an Adequate Education. Amend RSA  
28 198:40-a, I and II to read as follows:

29 I. For the biennium beginning July 1, ~~[2023, the annual cost of providing the opportunity for~~  
30 ~~an adequate education as defined in RSA 193-E:2-a shall be as specified in paragraph II. The~~  
31 ~~department shall adjust the rates specified in this paragraph in accordance with RSA 198:40-d]~~  
32 **2027, and based on the definition of the opportunity for an adequate education in RSA 193-**  
33 **E:2-a and specific resource elements identified in RSA 193-E:2-b, and subject only to any**  
34 **necessary transition adjustments determined by the general court as part of the state's**  
35 **biennial budget for fiscal years 2028 and 2029, the annual cost of providing the**  
36 **opportunity for an adequate education shall be as specified in paragraph II.**

1           II. *The department shall adjust the rates specified in this paragraph in accordance*  
2 *with RSA 198:40-d.*

3           (a) A cost of [~~\$4,100~~] **\$7,379.56** per pupil in the ADMR, plus differentiated aid as  
4 follows:

5           (b) An additional [~~\$2,300~~] **\$4,139.75** for each pupil in the ADMR who is eligible for a free  
6 or reduced price meal anytime during the determination year; plus

7           (c) An additional [~~\$800~~] **\$1,439.91** for each pupil in the ADMR who is an English  
8 language learner anytime during the determination year; plus

9           (d) An additional [~~\$2,100~~] **\$5,680.58** for each pupil in the ADMR who is receiving special  
10 education services anytime during the determination year.

11           6 Education; School Money; Determination of Education Grants. RSA 198:41, I-I-a is repealed  
12 and reenacted to read as follows:

13           I. Except for municipalities where all school districts therein provide education to all of their  
14 pupils by paying tuition to other institutions, the department of education shall determine the total  
15 education grant for the municipality as follows:

16           (a) Add the municipality's adequacy grant which shall equal the total amount of per  
17 pupil costs of providing the opportunity for an adequate education for which each pupil in the  
18 municipality's ADMR is eligible pursuant to RSA 198:40-a, I-III;

19           (b) Add the municipality's extraordinary need grant pursuant to RSA 198:40-f; and

20           (c) Add the municipality's fiscal capacity disparity aid grant pursuant to RSA 198:40-g.

21           I-a. For municipalities where all school districts therein provide education to all of their  
22 pupils by paying tuition to other institutions, the department of education shall determine the total  
23 education grant for each municipality as the lesser of the 2 following calculations:

24           (a) The amount calculated in accordance with paragraph I of this section; or

25           (b) The total amount paid for items of current education expense as determined by the  
26 department of education.

27           7 New Section; Education; School Money; Adequate Education Funding Commission. Amend  
28 RSA 198 by inserting after section 39 the following new section:

29           198:39-a Adequate Education Funding Commission.

30           I. There is established a commission to study and identify, consistent with RSA 193-E:1,  
31 transition and revenue options other than local property taxes for the full funding of state grants to  
32 public schools for consideration and action by state officials involved in the development of the state  
33 budget for fiscal years 2028-2029.

34           II. The members of the commission shall be as follows:

35           (a) Seven members of the house of representatives, with four members of the majority  
36 party and three members of the minority party, appointed by the speaker of the house of  
37 representatives.

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1 (b) Three members of the senate, with two members of the majority party and one  
2 member of the minority party, appointed by the president of the senate.

3 (c) The commissioner of the department of education, who shall be a non-voting member.

4 (d) The commissioner of the department of revenue administration, who shall be a non-  
5 voting member.

6 III. Legislative members of the commission shall receive mileage at the legislative rate when  
7 attending to the duties of the commission.

8 IV. The commission shall:

9 (a) Review, research and report on the pros, cons, fiscal impacts and time required for  
10 implementation of alternative revenue sources, exclusive of local property taxes, with potential for  
11 helping meet the state's obligation for public school grants as set forth in RSA 198:41, I(a)-(c).

12 (b) Consider a full range of potential revenues that could be realized from state levies on  
13 or state revenue sharing from distinct classes of property, income and enterprise.

14 (c) Consider and make recommendations regarding transition periods that may be  
15 needed to raise, receive and transfer revenues from potential revenue sources.

16 V. The members of the study commission shall elect a chairperson from among the  
17 members. The first meeting of the commission shall be called by the first-named house member.  
18 The first meeting of the commission shall be held within 45 days of the effective date of this section.  
19 Seven members of the commission shall constitute a quorum.

20 VI. The commission shall report its findings and any recommendations for proposed  
21 legislation to the speaker of the house of representatives, the president of the senate, the house  
22 clerk, the senate clerk, the governor, and the state library on or before November 1, 2026. A  
23 minority report may be included in the commission's report if a consensus supporting the  
24 commission's report is not achieved.

25 8 Repeal. RSA 198:39-a, relative to the adequate education funding commission, is repealed.

26 9 Effective Date.

27 I. Section 8 of this act shall take effect November 1, 2026.

28 II. The remainder of this act shall take effect upon its passage.

**HB 1799-FN- FISCAL NOTE**  
AS INTRODUCED

AN ACT relative to required state funding for providing an opportunity for an adequate education.

**FISCAL IMPACT:** This bill does not provide funding, nor does it authorize new positions.

Estimated State Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
<b>Revenue</b>	\$0	\$0	\$0	\$0
<i>Revenue Fund(s)</i>	None			
<b>Expenditures*</b>	\$0	<u>Adequacy Payments</u> Approximately \$675M Per Year  <u>DOE Position Costs</u> \$411K in FY 27, \$423K in FY 28, and \$444K in FY 29  <u>DRA Costs</u> \$300K in FY 27		
<i>Funding Source(s)</i>	General Fund and Education Trust Fund			
<b>Appropriations*</b>	\$0	Statutory Open Warrant Exists for Adequacy Payments		
<i>Funding Source(s)</i>	Education Trust Fund			

\*Expenditure = Cost of bill

\*Appropriation = Authorized funding to cover cost of bill

Estimated Political Subdivision Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
<b>Local Revenue</b>	\$0	Approximately \$600M Per Year		
<b>Local Expenditures</b>	\$0	\$0	\$0	\$0

**METHODOLOGY:**

This bill relates to state funding for an opportunity for an adequate education.

- Section 1: Requires municipalities to quarterly transmit all statewide education property tax (SWEPT) collected to the Department of Revenue Administration (DRA) for deposit in the education trust fund (ETF) as directed in the warrant issued by the DRA Commissioner, and permits DRA to adopt schedules, standards, and procedures in rule in consultation with the commissioner of the Department of Education (NHED). This provision contains no applicability date, and the proposed legislation would be effective upon passage. The DRA interprets this provision to be applicable to property tax year

2027, which begins April 1, 2027, and continues through March 31, 2028. SWEPT warrants for this tax year will be issued in the fall of 2026.

- Sections 2 and 3: Make findings and modify the definition of the opportunity for an adequate education under RSA Chapter 193-E.
- Section 4: Requires the commissioner of the NHED to establish public school targets for identifying and addressing persistent disparities in achievement among student groups, requiring school districts to develop and submit 3-year plans to meet their targets, and requiring the commissioner to report to legislative leadership regarding progress made.
- Section 5: Increases the annual cost of the opportunity for an adequate education as set forth in RSA 198:40-a, I and II for the biennium beginning July 1, 2027.
- Section 6: Eliminates SWEPT (formerly retained by municipalities) from the calculation of education grants.
- Section 7: Creates a study commission to investigate transition and revenue options other than local property taxes for the full funding of state grants to public schools and report its findings and any recommendations by November 1, 2026.

The Department of Education states this bill increases the funding formula rates for district adequacy, charter school state funding, and education freedom accounts. The bill requires all statewide education property taxes (SWEPT) be sent to the state and ceases the practice of SWEPT being retained locally. The bill also requires the Department to establish targets to identify disparities in achievement, requires districts submit plans to achieve targets, and requires the Department to track and report on progress made towards those plans.

The Department states the modification of the state funding formula rates and changes to the SWEPT grant would result in an increase in state funding to districts of approximately \$600 million in FY 2027. For charter schools and education freedom accounts, state funding in FY 2027 would increase by approximately \$75 million. Approximately \$675 million in additional state spending on education programs would come from the education trust fund in FY 2027 and similar levels of funding would be needed each fiscal year thereafter. It should be noted that this bill would significantly increase education trust fund expenditures beyond anticipated balances in the fund, as well as the state's general fund and revenue stabilization account (rainy day fund).

To develop educational achievement targets and process and review district plans to address disparities, the Department states it would need to hire three instruction coordinators (SOC 13-09, starting step 5), at an estimated cost of \$411,000 in FY 2027, \$423,000 in FY 2028, and \$444,000 in FY 2029. This bill provides neither authorization nor appropriation for new personnel.

The Department of Revenue Administration states it could administer section 1 of the proposed legislation without any new positions. However, there would be an indeterminable cost associated with developing forms and modifying systems as described including implementing the electronic filing and payment mechanism that would be required to facilitate payment of the SWEPT over to DRA. Therefore, the DRA estimates a cost of \$300,000 to be incurred in FY 2027.

**AGENCIES CONTACTED:**

Department of Education and Department of Revenue Administration