BACKGROUND FOR PARTICIPANTS

As part of the final budget resolution enacted by the New Hampshire General Court at the end of the 2019 legislative session, RSA 193-E was amended to create a commission to study school funding. The Court recognized that the long-time challenge of funding New Hampshire’s public schools, resulting in both legislative and judicial efforts to assure proportional and equitable financing, demands intensive study to create legal and sustainable solutions. The Commission builds on the work of prior study and oversight committees to develop policy recommendations for consideration during the legislative session beginning in January 2021. The primary purpose of the Commission is to “review the education funding formula and make recommendations to ensure a uniform and equitable design for financing the cost of an adequate education for all public school students” (RSA 193-E:2-e). Further, the Commission is charged with developing school funding policy that complies with court decisions calling for uniform revenue sources and fulfillment of the Constitutional requirement for a state-funded opportunity for an adequate education for all students. The Commission consists of 16 members appointed by the Speaker of the House, the President of the Senate, the Governor, and the Commission chair. Six of these are public members (not currently serving legislators). Visit the School Funding website to learn more: https://carsey.unh.edu/school-funding-study.

THE PROBLEM BEING ADDRESSED

The Commission understands that New Hampshire on average spends among the highest levels per pupil in the US. And New Hampshire students achieve at among the highest levels in the US. Overall, there appears to be sufficient funds available to support public schools when looking at the state as a whole. The problem the Commission is addressing is how to assure that all students, regardless of where they live or what their challenges are, have a fair and reasonable opportunity to achieve at the same level as their peers. This will require that some students, and the districts where they are educated, have access to differential resources that can “level the playing field.” At the same time, Constitutional requirements for uniform and proportional taxes (in this case the property tax) must be a part of any school funding formula. Thus, the Commission is working to achieve greater fairness in outcomes for students and greater fairness for taxpayers who live in communities with a wide range of property values.

A CORE ASSUMPTION

The Commission understands that New Hampshire on average spends among the highest levels per pupil in the US. And New Hampshire students achieve at among the highest levels in the US. Overall, there appear to be sufficient funds available to support public schools when looking at the state as a whole. The Commission does not anticipate calling for a significant increase in the total amount of dollars available to local districts. The problem the Commission is addressing is how to assure that all students, regardless of where they live or what their challenges are, have an equitable opportunity to achieve at the same level as their peers. This will require that some
students, and the districts where they are educated, have access to differential resources that can “level the playing field.” At the same time, Constitutional requirements for uniform and proportional taxes (in this case the property tax) must be a part of any school funding formula. Thus, the Commission is working to achieve greater equity in outcomes for students and greater equity for taxpayers who live in communities with a wide range of property values. The current arrangement is structurally regressive. The design and size of the statewide portion of property taxes therefore is a critical element of a funding formula that achieves both equity and adequacy.

**RESEARCH**

The Commission also received a report from the American Institutes for Research (AIR) who analyzed the effects of the school current funding formula and reviewed the cost and revenue models aimed at creating greater student and taxpayer equity. Following the analysis provided by AIR, the Commission is examining the value of shifting from an input-based cost model for adequacy to an output/performance-based model. The former is currently codified in RSA 193:E2. “The general court shall make an initial determination of the necessary specific resource elements to be included in the opportunity for an adequate education.” The AIR analysis suggests that a funding formula that leads to high levels of student achievement (outcomes) is more empirically accurate and justifiable than the input-focused approach. An outcomes/performance approach begins with the statewide average level of student achievement and then uses a regression analysis to identify the district-level resources needed for students to achieve that average. Adjustments in local per pupil spending are made to assure the resources are available to achieve the statewide average. These adjustments can include differential aid for poverty (F&RL), special education, English language learners, school district size, and grade level. This approach is attractive because it is more rational and measurable than the current input costing formula. It allows for local control relative to determining the nature of program, curriculum, staff assignments, etc. while establishing performance targets that are linked to college and career readiness and success in the workforce.

**PUBLIC AND PROFESSIONAL INPUT**

The Commission has received input from a wide range of stakeholders. The public engagement activities have included: a survey of public school staff, public commenting sessions, questions on the Granite State Poll, and a number of focus groups – local leaders, students, senior residents, and taxpayer associations. The Commission has also heard from a number of professionals. All Commission presentation, reports, and related resource materials received by the Commission are available at https://carsey.unh.edu/school-funding-study/resources. Visit the following link to find Commission meetings and public commenting sessions: https://carsey.unh.edu/school-funding/calendar. Questions and comments may be submitted through https://unh.az1.qualtrics.com/jfe/form/SVe4gwYUyg0FHQNyP.
**DISCUSSION GUIDE**

Overall, the New Hampshire Commission to Study School Funding is focused on developing school funding policies that are fair for school-aged young people across the state as well as taxpayers. This group needs to make sure the system of funding education is legal and constitutional. The Commission partnered with the University of New Hampshire Carsey School of Public Policy and its public engagement program New Hampshire Listens to hear from local stakeholders.

In June 2020, New Hampshire Listens and Carsey School of Public Policy staff facilitated 12 focus groups with approximately 50 local leaders; over 100 leaders registered. The purpose of this convening is to offer municipal and school leaders who participated in the focus groups, and those who registered and were unable to attend, another opportunity to discuss public school funding as a group to inform the Commission as it carries out its last weeks of work. You will not be recorded, but your thoughts will be noted by our facilitators and notetakers.

**GROUP AGREEMENTS**

For the next hour or so, you will participate in a group discussion. We ask everyone to adhere to the following group agreements.

- Listen to each other
- Be open to another perspective
- It’s okay to disagree, but don’t personalize it. Focus on the idea, not the person.
- If you disagree, consider asking a question rather than arguing to prove your point.
- Share airtime.
- We all share responsibility for making the group productive.

**INTRODUCTIONS**

Introduce yourself. Where you are calling in from, and what role(s) you represent (ex. taxpayer, parent, property owner, grandparent, home owner, business owner etc.)

**POTENTIAL QUESTIONS TO SUPPORT DISCUSSION**

- What do you think are the necessary elements of a public school funding policy that is bi-partisan and able to solicit wide-spread support so school-aged young people in NH can have an equitable opportunity for an adequate public school education?

- Is total statewide spending enough for an opportunity for adequate/comparable outcomes? *Thinking about: How would you describe a student who has had a positive outcome in NH public schools? What components of public schooling supports students’ positive outcomes later in life?*

- What do you need to know about the Commission’s recommendations based on your role in your community?
How can students’ needs be addressed in the funding formula, especially with respect to the number of students from low-income families, English language learners, and receiving special education services?

What issues need to be addressed relative to categorical programs (CTE, early childhood, catastrophic aid, transportation, building aid, charter schools)?

What does the Commission need to consider in terms of school administrative structure in the final report (e.g., consolidation, regionalization)?

How do policy-makers need to address instructional technology costs and other COVID-related expenses, either one-time or recurring?

• What might be the best way to phase-in a new funding formula? Over what period of time? What kinds of recommendations need to be made to local legislators post-December 2020? When local school leaders and state leaders/advocates start thinking about accountability and shifts in how public school funding is raised and distributed compared to the current model

CLOSING THOUGHTS, NEXT STEPS, AND QUESTIONS

After the November 3 election, we will offer an information and discussion webinar to newly elected and continuing legislators regarding the Commission’s charge and emerging findings. By mid-November, the Commission will be deliberating the policy recommendations it will submit to the General Court on December 1st, 2020.

• Final thoughts
• What questions do you have for the Commission?