COMMISSION TO STUDY SCHOOL FUNDING 2020

Compiled by New Hampshire Listens for the Commission Engagement Workgroup, October 26, 2020

CROSSWALK OF POINTS FROM PUBLIC COMMENTS AND ENGAGEMENT ACTIVITIES (JANUARY – OCTOBER 2020) – DRAFT 3

1. What are the major themes that stand out across our engagement activities?

Communities that are

property-rich have the ability

to do even more for students:

social and emotional learning;

basic education requirements;

college preparation; updated

support that goes beyond

- 2. What types of outreach may be needed after the Commission completes its study?
- 3. Review the Commission's charge on page 3 after reading public concerns. What questions or thoughts persist in your mind as you read these comments and points?

Costs

Access to Technology varies

for students and schools

• Leaders are concerned about

Special Education and

and is increasingly important

Unanticipated Out of District

from the public schools in NH

We need assurances that the

education system as it stands

must be more expansive for

people of color so that they

can reach their full potential

4. The goal is to reduce this crosswalk to themes, key points, notable unique considerations, and then form key principles and recommendations for a final report – our due date for a draft is due on November 9th.

 6. Revisit the <u>CHAPTER 193-E: ADEQUATE PUBLIC EDUCATION</u> – to keep a frame for what we must consider in terms of offering and costing out the opportunity for an adequate public education. 7. Review the Commission's charge at the bottom of this document 						
Public Comments (via email, at meetings, and the comment form – through 10/7)	Education Leader Stakeholder Meetings (March and September 2020)	Municipal and School Leader Focus Groups and Reprise (6 focus groups with ~50 participants in June 2020; Reprise Oct. 27,)	School and District Employee Survey (~1700 responses across the state)	Young People Focus Group and Public Comment	Taxpayer Association Focus Group	Senior Residents Focus Groups
 The reliance on property taxes and a need to slow the burden placed on property owners Persons with higher property values should have a higher burden of the tax – only equitable way How will the new formula affect teacher pay? Where teachers want to work? How will this affect homeschool or private school students, if any? Pushback on the "adequacy" rhetoric Opportunities for non-high school graduates and high school graduates who enter the work force Confusion as to where the money is coming from: is bringing businesses to different districts realistic: "So that folks from other towns will Pay for our kids schooling" – ethics are troubling How can the funding of schools be set upon a firmer foundation? Update the low-and-moderate 	 Start with the Realities and Basics Unification, Sustainability and Equitable Solutions for Students and Taxpayers Name Disparities, Challenges, and Definition of Adequacy Identify funding streams and contributors Keep in mind politics of communication and clarity of purpose/decisions Make creative and thorough solutions September 2020 Concerns about addressing the politicization of school funding and taxation Having a district balance on a state versus local property tax is not practical In the outcome approach, how performance targets could/would impact funding for a district? Has the Commission discussed excess funds raised through 	 school and district Specialists Require Creative Local Funding (Mental Health, Wellness, and Safety) Social and Emotional Services and Curricula has become increasingly important Access, to Electives and Extra Curriculars Varies by Community, College and Career Readiness, 	 Respondents saw racial and socioeconomic disparities as a substantial barrier to an opportunity for an adequate education, meaning, in low-income communities, districts, towns, schools, and families – multiple levels of the system People also want to see adequate funding for students, so they can have opportunities to learn equitable when compared to peers in other districts Choosing how and what to fund in communities remains challenging as more people live on fixed incomes or incomes that do not match the rising costs of living in the state Smaller and more rural districts accrue extra costs in a variety of ways that may include transportation and professional development The dependence on property taxes in poorer towns creates inequity that is noticeable among residents and school or 	supplies; access to choices for classes and extracurriculars • Enough funding for school resources for all students to have the opportunity to thrive and find passion. — • More after school activities; sports programs , Cultural activities, especially at schools where students have a lot to learn about each other • Concern for better internet, sports, textbooks, language opportunities, and food • Amount of languages and dialects spoken at Manchester does not match the translator and language resources of the school • Students at all schools deserve to have the same access to resources and funding the	 Taxpayer Associations School Funding Related to Student Outcomes Needs Clarity Per pupil funding is different from one community to another. It is difficult to tell what the metric is for an adequately taught student across communities. A participant skilled in data analysis was especially concerned about misinformation and misunderstanding between understanding achievement and school funding. There's absolutely no correlation between spending and outcomes. The only variable that does correlate strongly is poverty. That is well known and established across the country. The problem is a blanket assumption that funding equals outcomes — funding equals adequacy is demonstrably untrue. Looking at what we want outcomes to be is an important piece that's missing 	Inequities Amongst Taxpayers and Communities are a Major Concern • We need to clarify the difference between equality and equity. Come up with an equitable and progressive way to determine resident and home owner taxation. • The need to pay based on property tax is unfair and it drives a lot of inequalities in communities. • The basis for which we raise our money for education is wrong and needs to be changed. • We need to look at the income of individuals and businesses that own property. • The state's adequacy base aide is too low. Not everyone in the wealthy areas (like Rye or Newcastle) are wealthy. There is tension of how to fund students equitably while helping older residents to stay in their home. • The problem with relying on

statewide resources and

equitable funding need to be

considered to remove cross-

town disparities – rural and

People expressed that

urban settings

parts of our state. Students' and School Needs go **Beyond the Current Direct Costs per** Pupil

religious backgrounds, dietary

schools with businesses and

• Collaborative programs in

restriction)

colleges

• It is a challenge to find good local employees. We need an educated workforce where

- done by town, and people's ability has nothing to do with wealth – this and property value changes throughout people's lives.
- The issue of paying property taxes is not just an issue for people who are retired. There is a big issue in terms of

- technology really helped with Covid response
- Adequacy isn't enough extracurricular opportunities for students
- Covid exacerbated / revealed many of the issues in what students are lacking – education is changing
- Need for solid infrastructure right now, so many schools can barely meet basic needs of students let alone budget for other things needing to be done
- "Some students get an exceptional education and some students only get the bare minimum"
- Issues with the accuracy of census data – Title I formula relies on American Community Survey data
- "Folks are acting out of fear of losing their homes"
- People don't like the feeling of how the cost is being spread out --> money is going to school districts, not individual students, which doesn't encapsulate different types of "nontraditional" students
- Funding needs to be decentralized
- Property tax vs Land value tax
- People feeling just generally discouraged by the whole system – shifting one thing about it won't address these issues
- Adequate education needs to include educational opportunities for all students – average cost per student is way higher than just meeting the basics This is a big concern across the board
- Unclear as to the requirements of funding and implementation
- Confusion about the funding formula
- Folks want experts to really be able to explain this in the simplest way possible
- Folks do not understand where the money is going: the cost of programs, do not have a budget that delineates what

- Wanting an open and candid look at the issue rather than a narrow discussion
- Focusing SWEPT as part of the solution may be a distraction from appropriately addressing the issue at hand
- Performance targets on an outdated system won't work Moving to competency-based system
- Applauding the work of the Commission overall
- It will take courage to make meaningful change that is right, logical, and practical
- Ensuring specific types of special education data is reviewed
- Special education issues in terms of equity
- Wondering about extra funding for districts to become coops – funding dried up
- Administer it in a constitutional way
- Utilize public engagement opportunities
- Concerns about Medicaid and special education aid, and building aid decreases
- Impacts of the current crises on marginalized students and students in need
- Core moral and legal responsibility for our kids education doesn't stop at town boundaries There is still confusion and resistance here
- Crafting a clear and consistent message
- The start of a new conversation about school funding in NH

- Views vary on Student
 Outcomes and Assessment as
 well as measures of teacher
 quality
- Economic Factors in Communities/Schools – Need to Compare Spending and Assess Equity
- Attention to the Economic Disparity among students --Poverty and Low-Income Students
- Access to English as a Second Language services and supports for students
- Outcomes College and Career Readiness are a focus for leaders
- Costs of Funding per Student and Overall
- Problems with the Focus on Property Taxes
- Reliance on Grants for Programmatic Improvements Reduces Long-Term Planning Opportunities and also hide true Costs
- Smaller Communities and Disparities in Property Available or Building Capacity
- Options for State-Based
 Funding and Reduced Reliance
 on Property Taxes is desirable
 to some
- Unfunded mandates made by the DOE or the Legislature put a burden on local
- There is a need for creative or alternative models, collaborations, regional/county solutions
- A Better and Equitable Future for Students in NH -Communities are Unique in their Needs and Resources
- Community, Family, and Supports Matter, Need for Local Engagement and Decision-making, Education for Community

- Access to technology was a consistent concern
- Curriculum: Employees talked about well-roundedness and access for all that meets diverse needs, not just standard courses but electives like Art, music, languages, CTE
- Supports that go beyond the school day
- Local control is desirable in some ways, but it has limits when considering the needs of students and equitable opportunities for positive outcomes
- Local knowledge, community engagement, voting and bureaucracy along with unfunded mandates from the legislature or NH DOE can limit decisions and further complicate school funding
- Distribution of funds can be very challenging when balancing multiple community needs
- Want for a state-tax and examination into additional revenue sources (lottery, marijuana, tobacco, keno)
- Employees talked about basic needs being met including food and practical skills for life that are not just about typical academics, cooking, managing money, data entry etc.
- Employees having a problem with the term "adequate" feeling like this means minimum
- A want for school choice
- Funding and resources for charter schools
- Class size is a major concern linked with teacher quality, professional development, and salaries
- Student performance in terms of supports that are focused on students' basic needs, mental/behavioral health, competency-based learning
- Sufficient financial resources in terms of updated instructional materials, access to technology,

- More teachers for a wider range of subjects and class options
- Access to enough guidance counselors/emotional support for students
- Enough transportation to get students to school
- School supplies students don't even have enough chairs in their classrooms; not enough computers for students to use
- people can remain here and not have to move to find a job.
- School choice is important.
 Students should be able to attend schools (charter, private, public) based on their needs funding per pupil should stay with the student.
 One size does not fit all.
 Charter and Catholic schools include many people of color who find these schools better for their children.
- the big-ticket items that get cut but keep students engaged in their learning process. Our formulas other driving factors that affect outcomes (ex. homelessness, home life, other social issues). Our schools are becoming central to providing social services.
- There are significant needs in Manchester that shift by zip code. There are wealthy and poorer areas that have significant differences in need and student outcome.
- We're all part of the state of New Hampshire – instead of saying every kid must get the same amount of money you start taking a look at the needs within the state.
- Manchester spends over ~\$13 million on debt service, ~\$6 million on transportation.
 Need to more broadly define what needs to be considered in the per pupil rate.
- Why is what any school district spends on teacher salaries, retirement, or health insurance a direct cost, but the costs to replace a roof or bus transport to school is not a direct cost?

Accounting for and Transparency of Local Costs as People have Affordability Concerns – Who Pays, Who Can Pay?

 Local taxpayers need budget and cost transparency. For instance, release the S.P.E.D.I.S. #s to the public like they were meant to be, no bottom line budgets - line

- affording a first-time home and to afford rent. The state minimum wage is \$7. Housing costs are going up. This is a struggle for all. We need scenarios that show people's lives because towns don't pay the taxes, it is the people.
- Need to resolve the inequities that exist in low and middle income people with limited income-- Not sure if the Commission can look at this.
- Looking at DRA property taxes across the state, there are neighboring towns with notable differences. It is good to look at what others are paying and compare to get some perspective.

Small Towns and their Local Schools Face Higher Costs and Unique Challenges

- Public schools are important for local towns that want to be good places to live. Parents like having children nearby in lower grades as opposed to upper grades.
- Smaller schools preserve town identities and traditions. The fewer students may drive some consolidation. This may be more of a local issue than a state issue for distribution.
- Residents are expected to pay an undue portion of taxes. For example, in Plaistow, within the residential property taxes have increased by 40%, and retail on 125 went up 2.5%.
- Residents in Hill realize to provide an adequate education, they must make up the difference. For a small town, not on a lake, not a lot of tourism, residents pay a higher tax.
- Special education costs are a concern for small communities. They need help.
- Not wanting to consolidate means each town will have to pay for administrators, building maintenance, transportation, special education etc. That



- we offer and what it costs to provide those programs --> better understanding of how and what is being spent
- Lack of uniformity in funding impedes economic development
- We have a system where young families don't want to move into the state
- Wealth discrepancy in towns with popular/expensive tourist spots (re: ski areas), but lowincome levels
- How do we build a better school system that folks want to put money into? – Broad, structural changes
- People want clear changes in the school system before justifying huge funding increases
- Voluntary funding vs coercion funding (?)
- Let's get back to the importance of public schools: essential, who we are, the future of NH; "The place to build a future with opportunities for everyone in NH to be their best selves"
- Concern that there isn't even enough property to pay for this kind of high-level property tax
- Covering the base needs of all students doesn't even touch on: students with IEPs, ELL students, homeless students
- Funding is a major challenge in Manchester
- With property tax, funding education is important but so is the ability for seniors to be able to afford their homes in towns with older populations
- Adding an additional tax burden is a lot to ask
- Technology issues have been very clear since COVID; students and teachers need the materials to effectively teach and learn
- Cultural and linguistic diversity in Manchester also requires more resources to equitably serve the needs of each individual student

- Concerns about how COVID-19 pandemic impacts learning and access to materials and learning
- Concerned about education while also in smaller workingclass communities being unable/unwilling to keep raising property taxes
- Challenges with affordable housing and meeting basic needs
- Expecting more from teachers or the community resources than what can be funded – leading to teacher burnout and overwrought expectations
- Passing unfunded mandates when funding is unavailable or lacking for fulfillment
- Staff sufficiency focused on the need for more paraprofessional support in the classroom
- Students' who just need their basic needs met is a barrier to an adequate education
- No barriers in the school/district they worked in
- Consistent work for parents and graduates
- Special Education: concerned with adequate support staff and funding that met student's needs with some reference to the need to account for highcosts in local budgets in some cases
- Respondents wanted leaders and people who influence school funding and curricula/operations/staffing to think about the whole child and how the community, school, and families work together to support students

- items so voters have a choice, and no secret payoffs to Superintendents.
- Don't really care whether the dollars are going to the football team or the school counselor or the heating and air conditioning. All residents care about is I can't afford to live here anymore. Older residents are being pushed out of their homes, and potentially their long-time communities because of higher tax bills.
 What are the protections?
- Taxpayers are concerned about the direction of funding.
 Hampton taxpayer association is concerned about the budgets especially now with the pandemic. It is necessary to cut costs when the revenue coming into town is much less than before the pandemic.
- Want to see an accounting of everything that goes into educating the child including capital and overhead. A taxpayer association is going to be focused on how much taxpayers are paying.
- More revenue or different revenue sources, are not going to solve this problem.
- Investments in new buildings or increases in local school funding leaves residents concerned.
- Discussion regarding tiered property taxes – other states do this to help with allocation.
- If people are saying let's find a way to tax people from out of town, out of state – they have their second home and should pay more. But there are arguments on both sides.
- The commercial properties (in Hampton) have gone up about half of the residential has, and it was almost biased to be totally unfair to the residential taxpayer.
- It's not about the cost. It's about how we allocate those dollars to our public-school systems.

makes it expensive for small towns.

Residents are Concerned about Student Needs and the State's Future, Its Workforce

- School choice is important as is parent involvement.
- Many people in Freedom both parents are working, parents and community members volunteer at the school.
 Community involvement is important. The guidance counselor is essential.
- The formula needs to be finetuned to make it functional for the number of students with needs.
- High property tax towns may pay teachers less, and therefore staff do not settle in the communities. People move on because they need to make more money or they live elsewhere.
- There is not enough auto mechanics, plumbers. There are not enough people to take over businesses and work in these jobs. Community college credits in high school makes it easier.
- College and sats are not for everyone. The CTE part of the funding is important. This could also cause the costs to go up due to the costs of building CTE centers – it's the right thing to do.
- Would like to see a tool on the web where people can send in their incomes and tax rates and see what's in it for them. The wealthiest will get the biggest hit, but they are not the majority. The ones who can pay have reaped a lot from society and the next generation deserves the same.
- Don't just look at scores or budgets, and costs per pupil.
 Look at the long-range challenges of under-educating our kids. The benefit overrides the cost in the long run.

Change Needs to Occur instead of History Repeating Itself



- Cuts to science and business courses restricts students' goals of engaging in STEM paths
- Safety concerns: at students' homes and in their travel to school
- Issue of the property tax cap in Manchester – limits investments in education
- The lack of funding, and therefore lack of opportunity, limits students' ability of achieving their goals

Concerns about the Definitions of Adequacy, Distribution, and Cherish Remain

- Our Constitution speaks of an adequate education. There needs to be a better definition for today's society. Our state Constitution speaks of proportional and reasonable taxes. It doesn't specify the distribution being proportional and reasonable. There seems to be a misalignment among definitions. The Commission needs to consider this in their recommendations.
- The General Court should put in an amendment with Webster's definition of the word "Cherish" as a way of circumventing the court's definition of "Cherish." This has got to be decided by the people through their elected representatives and not the court.

- 35 years-ago when I began to work at the NH DOE, my first assignment was to create a funding distribution based on the Augenblick formula. The state was supposed to keep 8%. This has gone on for years. We are never going to get anywhere unless we address the revenue side.
- Nothing happens in NH
 without a lawsuit
 unfortunately. COVID has
 opened up a lot of
 weaknesses, and we are
 learning. Maybe we can do
 something without another
 lawsuit.
- Start with what proportionality does not allow us to do and figure out what constitutionality will do it – consideration of a graduated income tax or another tax.
- Unless the court speaks we are going to have a challenge to change the formula.
- It is not a question about whether your community is a winner or loser but rather will our students be winners or losers – this will be the rallying cry.
- We need education for the state as a whole, for the intangible benefits we reap for a good solid education for our children. There should be a push on that front so people are willing to pay more in taxes for the good of the state.

HB2 language regarding Commission June 12, 2019

244 New Section; Commission to Study School Funding Amend RSA 193-E by inserting after section 2-d the following new section:

193-E:2-e Commission Established

I There is established a commission to study school funding

- II The members of the commission shall be as follows:
- (a) Four members of the house of representatives, appointed by the speaker of the house of representatives
- (b) Two members of the senate, appointed by the president of the senate
- (c) Six members of the public, 3 of whom shall be appointed by the president of the senate and 3 of whom shall be appointed by the speaker of the house of representatives
- (d) One member appointed by the governor
- (e) Three members appointed by the chairperson of the commission pursuant to paragraph V
- III Legislative members of the commission shall receive mileage at the legislative rate when attending to the duties of the commission
- IV The commission shall:
- (a) 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 in pre-kindergarten through grade 12 in the state
- (b) Determine whether the New Hampshire school funding formula complies with court decisions mandating the opportunity for an adequate education for all students in pre-kindergarten through grade 12, with a revenue source that is uniform across the state
- (c) Identify trends and disparities across the state in student performance in pre-kindergarten through grade 12 based on current school funding options
- (d) Re-establish the baseline for the costs, programs, staffing, and facilities needed to provide the opportunity for an adequate education
- (e) Act as an independent commission
- (f) Study and produce recommendations regarding all costs and existing funding for special education, including listing any currently unfunded special education mandates issued to date by the state department of education
- (g) Study integrating into the education funding adequacy formula a factor that accounts for the number of Class A, B, and C properties in a community, and the distribution of education funding costs across those numbers and classes of properties
- (h) Consider other policy issues as the committee deems necessary The commission may consult with outside resources and state agencies, including but not limited to the department of education, the department of revenue administration, and the legislative budget office

V The members of the study commission shall elect a chairperson from among the members. The chairperson shall appoint 3 individuals to be members of the commission. The first meeting of the commission shall be called by the first-named house member. The first meeting of the commission shall be held within 60 days of the effective date of this section. Eight members of the commission shall establish a calendar to meet on a regular basis.

VI The commission shall establish a budget and hire staff with an understanding of school finance options. Such staff shall be independent of government agencies

VII The commission shall make an initial report to the speaker of the house of representatives, the president of the senate clerk, the governor, and the state library 9 months after its first meeting, with a subsequent report to the house clerk, the senate clerk, the governor, and the state library on or before September 1, 2020 The commission shall remain active until and when the general court addresses its recommendations

Appropriation The sum of \$500,000 for the biennium ending June 30, 2021 is hereby appropriated to the commission to study school funding established in RSA 193-E:2-e for the purpose of administration, staffing, and the utilization of independent school finance experts. Notwithstanding restrictions on the use of moneys in the education trust fund in RSA 198:39, said appropriation shall be a charge against the education trust fund and shall be nonlapsing.

