Commission to Study School Funding (RSA 193-E:2-e)

Meeting Minutes November 12, 2020, 2-4 pm

Website: https://carsey.unh.edu/school-funding

http://www.gencourt.state.nh.us/statstudcomm/committees/1506/

<u>Commission Attendance:</u> Dave Luneau, Susan Huard, Corinne Cascadden, Jane Bergeron-Beaulieu, Val Zanchuk, Mel Myler, Barbara Tremblay, Dick Ames, Chris Dwyer, Mary Heath, Iris Estabrook, Bill Ardinger, Dave Ryan, Jay Kahn, Jon Morgan. Absent: John Beardmore, Rick Ladd. Also Present: Bruce Mallory, Jordan Hensley, Carrie Portrie. 14 attendees from the public listening in.

Welcome/Call to order/Tech check/Chair's comments:

Just after 2pm Dave welcomed attendees and called roll. Dave briefly discussed his thoughts from Monday's work group meetings. Minutes from 11/2's meeting were approved by all members present, except for abstentions from Jon Morgan and David Ryan.

Draft Contract Addendum

Dave introduced a contract addendum ensuring that the Carsey school will support ongoing Commission work through June 2021. Bruce described the details of the contract addendum to the Commission. Some discussion was had about the nature of the Commission post Dec. 1, continuation of the Commission website, legal requirements for the contract addendum, and ways to give some flexibility in the Carsey School's ongoing support for the Commission.

Work Group Principle Discussion

Bruce began with an overview of the calendar moving forward for the Commission and some possible changes forthcoming. Discussion was also had on the status of the report currently and how it will be constructed moving forward.

The group began with an overview of the engagement work group's draft report and the principles and findings within. Corinne noted that equal opportunity for all students was a highlight, and pulled out a comment from the senior focus group that young people are the economic future of the state. Mel reiterated the need for property tax relief.

Chris – two points: the first is that the property tax burden cuts across communities, and that engagement's findings are qualitatively different than the fiscal policy and adequacy recommendations – these are findings from public engagement, and as such they deserve to be treated differently.

Barbara – should be at the beginning, which sets up what will eventually be recommended via fiscal policy and adequacy. Suggests a foundation for the rest of the report.

Dick – given the findings against the property tax but lack of support for other revenue, how do we treat money coming into the education system from various places? Mel – there are some who are aware of how schools are funded, but no consensus. Bruce – this Commission had to

go through its own education process about how to discuss/refer to various taxes and funding sources, which was something that was shown the Granite State Poll results as well.

Mel – I explained in another setting input vs output models and how it is student centered, and there were a lot of "aha!" moments, and there is a need to have conversations with a lot of people, including legislators, about the Commission's work and the paradigm shift.

Corinne – we had a survey question asking suggestions for various revenue sources, but little to no appetite for new revenue sources.

Barbara – listened in on some of the engagement efforts, and one of my takeaways is our duty as a Commission to help provide clarity on school funding and the system in NH, as well as what the Commission is recommending. Need to be clear with visuals and language.

The Commission then moved to a discussion of adequacy's principles. Jay described the definition of the cost of an adequate education, how to link adequacy's work with the AIR report's findings, how adequacy fits into RSA 193, and the shift from an input to outcome driven model. Accountability was also discussed, as was the education cost model (ECM) developed by AIR and recommendations around the several categorical aid programs under consideration. Reference was made to the 2008 adequacy study and the ways that the Commission report can "crosswalk" from that report to the current report in progress. Corinne – on CTE, thought there was discussion of a weight to add to the ECM. How have we landed on that as categorical vs inside the ECM? Jay – we have elected not to add a weight, based on the conversation with the work group and full Commission. But suggesting that a flat dollar amount per pupil can help achieve the workforce goals NH is striving for, and increasing the number of students participating in CTE.

Iris – two questions: each of these categorical aid pieces, will we be adding the briefs written? (Answer is yes). Second is on the definition of adequacy, with somewhat scary to have judicial review added at the bottom of the definition. Jay – I agree.

Bruce – over time, various members of the Commission have sent language around judicial review.

Bill – has not been discussed at the work group, but something provided as a concept. In the court cases, the court has said that one of the key things about determining the definition for adequacy is that the definition must facilitate judicial review, because a standard that does not allow a party to seek judicial review of whether the duty of adequate education is being met is not good enough.

Further discussion was had about how a performance-based definition can allow judicial review, because it is a clearer standard than an input model.

Corinne - Under performance should come under review of the DOE for additional support and/or training and/or consultation.

David Ryan - To Corrine's point, would it not become a minimum standards issue? Barbara – should have DOE review and support for school districts, discussion has been had before on that.

Bill – Any district/student/family has the right to bring an action against the state or district for failing to deliver on the duty. By deleting that sentence we are not saying only recourse is executive branch – agree with Iris.

Jay – supportive rather than punitive measures should be a focus, rather than just criticizing underachieving districts.

Chris – Suggest we stay away from performance-based – it's the system that comes under judicial review, not the performance. We haven't set the performance targets for everyone at average, only using to determine costs. Run the risk of being misunderstood if language is not clear.

Dave provided some discussion of how the ECM fits in with adequacy and the need to be clear and focus on the bigger picture.

Dave then gave an overview of the principles/recommendations section of the draft fiscal policy report section. Some particular emphasis was given to the principle of fiscal neutrality. Dick also provided some alternative draft points and principles.

Iris – in relation to some comments about the ECM and spending some share of the full costs, that is a rejection of the first/last dollar rule.

Dick – I don't think that is necessarily so, because the vehicle MA uses to gather local tax dollars is a method that may well satisfy our court as within the orbit of what adequacy is enabling, different than the local property tax revenue the court has considered before.

Dave – do want to be careful on that. First/last is a funding approach, MA Ch 70 is a funding approach, and need to be able to address the principles of equity. Legislative policy can be debated in the house and senate.

Jay – Want to raise the concepts of "reasonable" and proportionate as useful concepts, and we should include a link between that concept and our work. Neutrality and equity definitions are comparable, but link should be more apparent.

Bill – two findings I'd like to see in a final report to help education the general public is that a) AIR provided us with a conclusion that NH as a state is spending highly on education compared to other states, and b) NH is general, on average, is achieving high quality in education. Should express those conclusions as part of the proceedings of the Commission.

Dick – also should discuss the inequities, and the averages conceal a lot. What they conceal in NH is that in some districts the resources needed by students are not provided. That is also a key finding by AIR.

Bill – Agree, and targeting aid to communities should be expressed in the report. Mel made the point to me that the findings should include that incredible AIR graph comparing the progressivity in New England states. Back to our methodology, defining the problem – the core problem is that resources are not being distributed correctly.

Chris – that is something that concerns me about saying that there is enough money in the system currently. Dave – talked about that before - \$340 million dollars that districts might raise above. Need to push districts to improve.

Mel – one thing I don't think I saw is that with the introduction of AIR that this is the first time in 35-40 years that this work has been done by an outside research group.

Public Comments:

Jeff McLynch, Project Director at NHSFFP: Three points for consideration:

- Speaking to the findings of the AIR report, would encourage the Commission to incorporate the findings about the inequities for students and taxpayers.
- With the website, it will be absolutely critical for all of the data that AIR has compiled and all the analyses conducted to be made available on a public basis, not just state agencies. Some of that is available (ex: simulator), but there is a core of data behind that that will be extremely valuable.
- In the discussions on Monday and today, providing funding at 75% or 85% of the funding. It seems to me that AIR went to great length that the R value for its overall model was high, suggesting that it accounts for a very high degree of the total costs. Also concerned that if you do not provide funding sufficient to achieve average statewide outcomes it will disproportionally impact the districts that are already struggling. If you are to assume an 18% reduction, you would end up with a situation where some communities would have to have local property tax increases of >\$5 to get to a statewide average outcome, while wealthier communities would be able to get there for less than a dollar, perpetuating the inequities that already exist.

Paul Deschaine, Newington: It concerns me that the two remaining public comment periods are probably going to occur before we have a solidified draft of the report. As a member of the public I am not being able to look at the document as a whole and comment on that. I don't want the lack of public comment on the report to make it seem like there is indifference.

Bill noted the need to provide clarity that comments are welcome even after the final report is finished for the website.

Direct further public comments to Commission Chair David Luneau at schoolfunding.commission@unh.edu

Next open public comment period: Wednesday, November 18, 4-5 pm

Next Commission meeting will take place on MONDAY, November 16.

<u>Adjourn</u>

Documents:

Documents for this meeting can be found on the Commission website under 11/12 materials - https://carsey.unh.edu/school-funding/school-funding-study/resources/meeting-documents-video