



FOR IMMEDIATE RELEASE
November 18, 2020

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COMMISSION TO STUDY SCHOOL FUNDING OFFERS REASON TO HOPE, CAUSE FOR CONCERN

The NH School Funding Fairness Project (NHSFFP) issued the following statement in advance of this afternoon's meeting of the Commission to Study School Funding to receive public comment:

NHSFFP is extremely grateful to the members of the Commission to Study School Funding for the countless insights they have brought to the task before them over the past ten months and for the innumerable hours they have sacrificed in service to our state. Their deep and personal devotion to building a better future for New Hampshire's schoolchildren and taxpayers has been evident throughout the Commission's deliberations.

Indeed, for Granite Staters struggling in the face of inequitable educational opportunities and disparate property tax rates, the Commission's work to date does offer some hope for progress.

The materials presented to members of the Commission earlier this week articulate several important principles, including the concept of "fiscal neutrality," which stipulates that the level of expenditures a district makes on behalf of its students should not be related to the level of property wealth available in that district. Similarly, they espouse the notion that, should New Hampshire rely upon a statewide property tax to help meet its educational obligations under the Constitution, such a tax should be remitted in full to the state treasury. Moreover, in recognition of the undue burdens school property taxes place on low- and moderate-income homeowners, the Commission materials repeatedly emphasize the need for a robust property tax relief program.

Further, in its draft materials, the Commission accepts the innovative approach to school funding developed for it by the American Institutes for Research (AIR), an approach that would move New Hampshire from funding public schools on the basis of inputs to one centered on outcomes. AIR's approach demonstrates quite clearly that it is possible to comply with constitutional mandates requiring that the state provide an adequate education to every child and that the state pay for such an education with a uniform tax rate, while also targeting school funding to those students and those districts most in need of greater assistance.

Finally, the Commission's draft materials acknowledge New Hampshire's failure to provide sufficient support for special education, school building aid, and early childhood education, each of which is vital to ensuring that every child has the opportunity to receive a constitutionally adequate education, and outlines steps to remedy those failings.

Unfortunately, though, the Commission's work to date also raises serious concerns.

Of note, the materials presented to members of the Commission this week lack the degree of specificity necessary to guide future efforts to improve school funding, neglecting even to include

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the dollar figures associated with the new funding formula developed by AIR. Likewise, while the Commission may be prepared to endorse substantial improvements in state and local property tax relief measures, it has yet to detail what those changes might entail.

Even more troubling is the Commission's apparent position on the sources of revenue associated with school funding in New Hampshire. Though the Commission had pledged to do so, it ultimately failed to consider a full array of options for financing the state's obligation to provide an adequate education, leaving the Commission, much as New Hampshire is today, almost entirely reliant upon the property tax.

Worse still, the Commission appears poised to deem disparities in school property tax rates among different communities as "acceptable," a position that contradicts both multiple Supreme Court rulings and the views of the general public expressed via the Commission's engagement activities. It also appears ready to endorse a funding mechanism, described as "mandatory local minimum contributions," that would perpetuate the inequities of New Hampshire's current system for financing public schools, as it would function in a manner quite similar to the existing statewide education property tax (SWEPT) and effectively allow property-wealthy cities and towns to "contribute" at lower tax rates than other localities.

NHSFFP strongly urges the Commission to address these concerns in its final report and remains optimistic that the work of the Commission will come to represent a significant step forward on the road to fairness for students and taxpayers. Even so, a great distance on that road is still to be travelled. NHSFFP looks forward to continuing that journey with the members of the Commission and the incoming legislature in the months ahead.

The NH School Funding Fairness Project (NHSFFP) is a nonprofit advocacy organization that seeks to educate the public and elected officials about the system by which New Hampshire's public schools are financed and to raise awareness about the flaws of that system and how they might be remedied. Over the past two years, NHSFFP has delivered presentations on school funding and property taxes to nearly 80 different audiences across the Granite State and was a driving force in persuading the legislature to bolster school funding as part of the FY 2020-21 budget. To learn more about NHSFFP and its work, please visit www.fairfundingnh.org.