

**Commission to Study School Funding  
November 18<sup>th</sup> Public Commenting Session Notes**

Attendees: Dave Luneau, Val Zanchuk, Bill Ardinger, Corinne Cascadden, Jordan Hensley, Bruce Mallory, Carrie Portrie. 29 public attendees listening in.

Dave welcomed attendees to the public comment period just after 4pm, explained the purpose of the public comment period, noted the Commission's group agreements, and called the roll.

Cheryl Linder, Nashua:

Nashua is projected to see a decrease of \$6mil from the state, from as far as they can tell, in the calculation for FRPL students. Nashua cannot absorb that, and funding for those students should be increased in these trying times. We consider you to reconsider how calculations are being done for this year.

Margaret Turner, Chair of Board of Selectmen in Waterville Valley:

I have seen several options discussed by the Commission that would more than double our tax rate. We support our community and take great pride in our community – leading to great property values and low tax rates. Our elementary school typically has a small enrollment, but it has tripled in 2020. Our main concern about proposed changes in school taxation is that it is a one issue approach, ignores retirees, and community businesses. It fails to reward past success and ignores looming infrastructure expenses like replacing wastewater treatment plant. This could push businesses to curtail operations or leave. We believe all NH communities should be incentivized to increase property values rather than a handout from the state.

Jeff McLynch, Project Director NHSFFP:

Expressed gratitude to members of the Commission for all their work and said some kind words. For Granite Staters, the Commission's work articulate several important principles, including fiscal neutrality and the notion that should NH rely on a statewide property tax, a state should be remitted in full to the state treasury. The commission materials also support a robust low and moderate income property tax relief program, which NHSFFP supports. The distribution formula created by AIR is supported by the NHSFFP as well. Recommend that Commission put AIR findings front and center. Encouraged by Commission's recommendations around categorical programs. Commission's work also raises concerns: materials lack the degree of specificity to improve school funding, like dollar figures from AIR. Needs more details on property tax relief program. Commission failed to consider fully all possible sources of revenue. Commission appears to deem differential tax rates acceptable, and a funding mechanism of mandatory local minimums that would function in a manner similar to existing SWEPT, which would allow wealthier Commissions to pay less. Optimistic the work of Commission will represent a step forward, but still a long way to go.

John Northrop, Lisbon:

Thanked Commission for the opportunity for public comment. Quoted some draft materials about differential property tax rates. This implication opens the already open door to punish property poor towns, like Lisbon, where more and more money to schools and less to services. We need to resolve this overarching issue. We pay proportionately more to fund schools than property rich towns and pay higher rates.

Paul Deschaine, Newington:

Wanted to clarify and amplify a comment made earlier – town of Newington will reserve right to comment on the report when it becomes available. Town of Newington as residents of NH do recognize that all school age children are our kids, as Rep. Myler has said before. Think there is a dichotomy of why the Commission is doing its work and how it will fund education. This is a matter of perception – no matter if you call property taxes a state tax it will be assessed locally, and addressed by local officials. Abatements and valuation will happen municipally. No provision right now where if there are abatements towns will be reimbursed. Not all people pay tax bills when due, and can sometimes be years before that is paid, but state will want money the town may not have. Will cause costs and administrative burdens. The administration of a statewide tax will be viewed as a local tax. If it is assessed, collected, and adjudicated locally it is a local tax. Thanked the Commission and in particular the discussions of property tax relief. If the success of all this work hinges on the perception that this is a state tax, this may be at your peril for the reasons stated.

Jane Ferrini, Portsmouth:

Applauded and thanked the Commission for its work on this issue. One of the most complex issues out there and thanked everyone. Used to do a lot of litigation and began everything with a story – if you can condense a concept into a story it works well. All the Commission members are like the character in the TV show House – a medical doctor who could figure out the craziest health problems. By the end he would diagnose rare diseases. You have diagnosed the problems in education funding, analyzing data, and understanding the gaps. Where the Commission is behind is the lack of the right medicine to treat the disease. Think that is the major problem you will run up against. Hearing a lot of agreement on that issue. Would be wonderful to have Commission 2.0, drilling down on the funding piece. I think if you leave it to the legislature it may result in a piecemeal approach ending us back where we started. One of the points in the drafts I have seen is that SWEPT would be remitted to state and redistributed. Would urge the Commission to strike that recommendation – fear that would lead to the return of a donor town system, don't think that would work toward Commission's goals. With COVID, one of the problems the state will have is administering tax collections, and one of the things this Commission has done well is include all constituencies in its scope. One of the problems that might come is the donor town situation. I think that is something this Commission should avoid if at all possible – a donor town would have to cut services or raise local taxes if paying more for education. Reiterate past comments about other sources of taxes. Thanked Commission.

Doug Hall, NHSFFP:

Thanked Commission. Noted Jeff's earlier comments. Said that he would submit comments regarding the data behind AIR and the Commission's work. Please make sure that all the data used in the work is open and available to the public in the most useful possible format. Our project is a multi-year effort, and we will outlast the Commission. My six comments are based on the AIR documents, simulator, and the most recent AIR report. Simulator spreadsheet should be made available in unlocked form, as many users will want to use that. Some other data spreadsheets have not been made available unlocked. Table 17 in the AIR report provides outcome measures/z-scores for five school districts. The table with all the districts with z-scores should be made available. AIR report notes that 11 years of each measure was used in correlation analysis, but discussion of how it was used/merged not available. All should be made public. Everyone should want to track changes in outcome measures, and need the baseline measures from which to do that. Those are made available on an annual basis, but they have been combined in various ways by AIR. A 4-5 year rolling average would be best, but if you don't have data can't do that. On page 23 of the report is a statement that there is no clear pattern of district size/grade patterns and outcomes, worried about inconsistency. The simulator effectively rewards smaller schools, and some districts are shown with zero middle school students which is incorrect. Need to look at this in more depth. AIR did do correlation with 4 income factors, and then rejected use of those census income factors – those are not useful for NH. Glad they rejected that. FRPL data much better at estimating income in our communities. Thanked Commission.

Leslie Want, Manchester:

Thanked Commission, echoed comments of previous two commenters. Would encourage Commission to be bold. On the right track talking about equity for all learners statewide. Traveling a fine line between telling the truth and the political reality in NH that many people don't want to address equity. Many towns and cities where valuations are different, but we are one state and students belong to all of us, as do the treasures of NH. It makes sense to me to do as you have proposed, collecting all the school taxes into one pot and distributing them more equitably based on what it costs to provide an adequate education in a particular community. I think that is a bold notion, and politically I am worried it will come up against a wall but it is the right thing to do. We all pay for the infrastructure and schools are part of that. Collect it all together and distribute it more equitable. Applaud the work you've done and the hours you have put in. I have never seen a Commission work as hard and thoughtfully as you have, and sure your work will continue past the Commission's existence. Continue to be bold despite the political landscape.

Jane Duarte, Brentwood:

Thanked Commission. Was reading some of the draft work and wanted to mention that I am interested in the child benefit services grant – RSA 198-22. Didn't see it mentioned in the categorical aid section and wanted to bring it to your attention and reinstate child benefit grants. It is a list of non-secular resources/services, approved by the NHSC and supported by RSAs. Wanted to bring that to your attention.

Carolyn Mebert, Dover:

Thanked Commission. I have some questions and concerns, in particular the accountability piece, and knowing that more funds are going to districts with higher numbers of FRPL students. From 2012-present not much of a change in student performance, and curious as to how the Commission wants to deal with it. Want to get everyone to average—a problem for overperforming districts—but how to get everyone up to standard. Worried about making data available, should be publicly available. The public owns it. I presented the AIR report to some people I knew, and they were unable to figure out what the regression analysis was done and how all data was included. The outcome z-score is sketchy to me in large part because many districts without high schools don't have graduation rates. The z-scores should have a mean value of zero and standard deviation of one, as they should. There are a lot of districts and municipalities that will balk at having their taxes raised. Worried about Franklin, and don't know how that would work with their tax cap. Dover also a tax cap community, and other communities would be worried about that. Hope resolution comes of all this.

Comment in Chat from John Northrop:

Thank you all for your work. This is a very sticky issue - in the end it comes down to equality and to proper and constitutionally required STATE funding of education (as opposed to LOCAL funding in either name or shape.) I will continue to watch your progress. John Northrop - Lisbon

A full recording of this public comment session can be found at: <https://carsey.unh.edu/school-funding/resources/meeting-documents-video>