

Rand, et. al v. State of New Hampshire

Taxpayers (individuals
and businesses) from

- Plymouth
- Penacook
- Hopkinton
- Newport

**State funding of education is
insufficient**



Taxes are not uniform

Complaint

1. This is an action in which the petitioners, all of whom own real property in New Hampshire and pay local school property taxes to fund kindergarten through twelfth grade public education, seek a declaratory ruling that the State of New Hampshire improperly relies upon local taxpayers, including Petitioners, to raise the funds necessary to provide students with a constitutionally adequate education as required by Part II, Article 83 of the New Hampshire Constitution, because the State's own funding falls far shy of that amount. As a result, the funding for a constitutionally adequate public education is largely paid for by taxes that are not uniform in rate as required by Part II, Article 5 of the New Hampshire Constitution.

2. Petitioners also seek a permanent injunction that requires New Hampshire to discontinue its unconstitutional public education funding scheme, and for such other relief as is just and proper.

Complaint

80. Petitioners seek a declaratory judgment from this Court that finds and declares the following:

The State does not currently guarantee funding sufficient to cover the cost of an adequate education. As a result, New Hampshire must rely on local school taxes to bridge the gap. These local school taxes violate Part II, Article 5 of the New Hampshire Constitution because they are not uniform in rate.



81. Petitioners also seek permanent injunctive relief requiring New Hampshire to discontinue its unconstitutional public education funding scheme because they suffer irreparable harm, any harm suffered by the State is outweighed by the harm that Petitioners suffer and, finally, because an injunctive ruling for Petitioners is in the public interest.

82. Petitioners further seek an order, directing the State to adopt a revised cost determination, which accounts for the full cost of providing constitutional adequacy to all school districts and amounts to no less than the average state expenditure per pupil, with allowances for demographic and geographic diversity and that includes consideration of the costs of transportation, capital costs, and debt.

Answer

Eighth Affirmative Defense

The State alleges that school districts expend significant funds due to the provision of constitutionally unnecessary programs and services, that school districts expend significant funds on matters of local district choices, local district philosophies, and local district accounting practices, and/or that school districts expend significant funds on infrastructure and other resources that are not needed or are inefficient and/or obsolete.

14. The State admits the first sentence of this paragraph. With respect to the second sentence of this paragraph, the State admits only that the document available at the link cited in this paragraph reflects that during the 2020-2021 school year “equitable education aid” accounted for approximately 28.6% of school districts’ total net revenues. The State denies all other allegations, characterizations, or assertions contained in the second sentence of this paragraph. The State further denies that a school district’s total actual expenditures in any way reflect the cost of delivering a constitutionally adequate education.

Timeline for Cases

ConVal

- Filed: March 2019
- First trial court decision: June 2019
- Appeal argued: Sept 2020
- Appellate decision: March 2021
- Trial: April/May 2023

- Trial court decision:?

- Appellate decision:?

Rand

- Filed: June 2022
- Summ Judgment (SWEPT): Dec. 2022 and Feb. 2023
- SWEPT Hearing: July 12, 2023
- State- Summ Judgment (Adequacy): July 27, 2023

- SWEPT court decision: ?
- Trial: Sept/Oct 2023*

- Appellate decision(s): ?

2021-2022 Negative Tax Rate Communities

Table 3

Sources of data ----->	A	B	C	D	E	F	G	H	I
	NH DRA	NH DRA	NH DRA	NH DRA	NH DRA	NH DRA	NH DRA	Calculated	NH DOE
Locations	Equalized SWEPT Taxable Property Value	Locally Stated SWEPT Tax Rate	Equalized SWEPT Tax Rate	Amount Raised by SWEPT	Locally Stated Local School Tax Rate	Equalized Local School Tax Rate	Amount Raised by Local School Tax	Net Amount Raised for Schools (SWEPT+Local)	Total Calculated Cost of an Adequate Education
Atkinson & Gilmanton Academy Grant	\$996,035	\$1.95	\$1.66	\$1,652.00	-\$1.95	-\$1.66	-\$1,652.00	\$0.00	\$0.00
Bean's Grant	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Bean's Purchase	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cambridge	\$11,097,430	\$2.01	\$1.68	\$18,653.00	-\$1.64	-\$1.37	-\$15,653.00	\$3,000.00	\$0.00
Chandler's Purchase	\$44,424	\$2.11	\$1.76	\$78.00	-\$1.97	-\$1.64	-\$78.00	\$0.00	\$0.00
Crawford's Purchase	\$275,456	\$2.11	\$1.76	\$485.00	-\$2.11	-\$1.76	-\$485.00	\$0.00	\$0.00
Dix's Grant	\$1,267,208	\$1.91	\$1.62	\$2,047.00	-\$1.91	-\$1.62	-\$2,047.00	\$0.00	\$0.00
Dixville	\$10,132,547	\$1.92	\$1.61	\$16,276.00	-\$1.88	-\$0.49	-\$16,276.00	\$0.00	\$0.00
Erving's Location	\$69,382	\$1.59	\$1.38	\$96.00	-\$1.59	-\$1.38	-\$96.00	\$0.00	\$0.00
Green's Grant	\$9,595,397	\$2.09	\$1.73	\$16,572.00	-\$2.05	-\$1.70	-\$16,572.00	\$0.00	\$0.00
Hale's Location	\$96,305,287	\$1.82	\$1.53	\$147,484.00	-\$1.82	-\$1.52	-\$147,484.00	\$0.00	\$3,786.66
Kilkenny	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Livermore	\$136,600	\$1.82	\$1.82	\$249.00	-\$1.82	\$0.00	-\$249.00	\$0.00	\$0.00
Martin's Location	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Millsfield	\$10,420,678	\$2.13	\$1.78	\$18,572.00	-\$2.06	-\$0.19	-\$18,355.00	\$217.00	\$19,077.07
Odell	\$3,450,091	\$2.50	\$1.67	\$5,772.00	-\$2.50	-\$1.67	-\$5,772.00	\$0.00	\$0.00
Pinkham's Grant	\$4,983,267	\$3.02	\$1.69	\$8,438.00	-\$2.80	-\$1.61	-\$8,438.00	\$0.00	\$0.00
Sargent's Purchase	\$2,264,424	\$2.11	\$1.76	\$3,984.00	-\$2.11	-\$1.76	-\$3,984.00	\$0.00	\$0.00
Second College Grant	\$1,823,706	\$1.80	\$1.53	\$2,796.00	-\$1.80	-\$1.53	-\$2,796.00	\$0.00	\$0.00
Success	\$15,451,984	\$2.17	\$1.72	\$26,594.00	-\$2.15	-\$1.71	-\$26,594.00	\$0.00	\$0.00
Thompson & Meserve's Purchase	\$7,952,944	\$1.91	\$1.51	\$11,988.00	-\$1.90	-\$1.50	-\$11,988.00	\$0.00	\$0.00
Wentworth's Location	\$9,188,145	\$2.06	\$1.72	\$15,813.00	-\$2.02	-\$1.69	-\$15,813.00	\$0.00	\$0.00
TOTAL	\$185,455,005			\$297,549.00			-\$294,332.00	\$3,217.00	\$22,863.73

Data sources

<https://www.revenue.nh.gov/mun-prop/property/equalization-2021/documents/tax-rate-comparison.xlsx>

<https://www.education.nh.gov/sites/g/files/ehbemt326/files/inline-documents/sonh/adequacy-fy-22-muni-summary.xlsx>

