



PRESS RELEASE: Senate Reduces House Increase to Special Education Funding and Advances Budget that Does not Adequately Fund Public Education

June 6: Yesterday, the Senate passed HB 1 and HB 2, finalizing its proposed budget which cut the modest increases for special education funding included in the House’s version of the budget. Instead of boosting funds for public education, the Senate advanced an expansion of the school voucher program to universal eligibility.

“At this point in the process, both chambers have failed to do anything to meaningfully address the State’s chronic underfunding of public education,” said Zack Sheehan, NHSFFP Executive Director. “Now, the Senate even decided to cut the small increase to funding for special education differentiated aid originally included in the House’s version of the budget. Instead, it will go ahead with spending public money at private schools that do not have to provide services to students with disabilities, or even accept them.”

During the 2023-24 School Year, the [State contributed an average of \\$3,285 per student](#) receiving special education services through their Individualized Education Program (IEP). The actual additional cost of providing students with IEP related services was \$31,093 per student. Local property taxes paid for 83.35% of these critical and legally required services, totaling over \$815 million being downshifted onto local tax payers.

Cutting the House’s proposed increase to special education funding reduces the amount that would have gone to schools by roughly \$27 million, the same amount of excess Statewide Education Property Tax (SWEPT) revenue being retained by municipalities around the State. Excess SWEPT revenue is when a municipality collects more than what the State has determined its cost of an adequate education is. In 2023, [excess SWEPT retention was ruled unconstitutional](#) by a NH Superior Court because it allows those places to effectively pay a lower rate than communities that do not collect excess SWEPT. That ruling is currently on appeal to the NH Supreme Court with a decision potentially being handed down any day.

The House did not include a provision for ending excess SWEPT retention in its budget, but passed a bill, HB 739, that did, and accounted for the additional revenue in their budget. The Senate voted HB 739 inexpedient to legislate and removed that revenue from the budget through this reduction to special education funding.

Instead of reducing that local property tax burden, the Senate’s decision to expand the State’s voucher program to universal eligibility will cost taxpayers money. Universal eligibility could [cost the State over \\$100 million a year](#), with most of it representing a new expense for the State, as roughly 75% of all students who have enrolled in the voucher program are already enrolled in a private or religious school, or homeschooled.

During the Senate Finance Committee’s public hearing on the budget, they received a letter [signed by 438 local elected leaders](#) calling for a budget that prioritizes public education. These local elected leaders represent 145 cities and towns and 71.1% of public school students. The



Committee was also presented with a [petition signed by 1,931 Granite Staters](#) asking for the same.

“Throughout this year we have seen Granite Staters standing up in support of their public schools and calling on the State to do its part and adequately fund public education, but the Senate hasn’t listened,” Sheehan said. “With the decisions coming down in the ConVal and Rand lawsuits any day now, this budget puts the State on the back foot and does not bring us closer to adequate funding and fair treatment of students and taxpayers in every district in New Hampshire.”