



PRESS RELEASE: Court Rules State Education Funding and Unequal Property Taxes Unconstitutional

August 19, 2025: In a major win for public schools and property tax payers, the Superior Court issued a decision in the *Rand* school funding lawsuit. The Court again found that the State’s funding for education is unconstitutionally low, and that New Hampshire’s wildly varying education property tax rate violates Part II, Article 5 of the NH Constitution. Coming less than two months after the NH Supreme Court ruling in the ConVal lawsuit – which upheld the “minimum, conservative threshold” of \$7,356.01 for base adequacy – this decision from Judge Ruoff in the Superior Court ruled on the insufficient funding provided by the state for special education services and the unequal property tax rates paid to cover that gap.

“This is a huge win for New Hampshire students and taxpayers,” said Zack Sheehan, NH School Funding Fairness Project Executive Director. “The court once again found that the State is failing its constitutional duty. The overall adequacy funding levels from the State are unconstitutionally low, special education is severely underfunded, and taxpayers are forced to pay wildly different property tax rates that violate our rights.”

This ruling from Judge Ruoff differs from the ConVal ruling in two important ways. First, the *Rand* suit was brought by taxpayer plaintiffs, not school districts. They successfully argued that the ridiculously low levels of funding from the State result in extremely different property tax rates needed to provide an adequate education for our public-school students. For example, in FY 2023, New Castle’s school property tax rate was just \$0.19 per \$1,000 of value — while Brookline’s was \$14.98.

Second, the *Rand* case attacked the levels of special education differentiated aid provided by the State, not just base adequacy. In this regard, they were again successful. At the time of filing, the State provided an additional \$2,100 per student for special education services. The plaintiffs proved that evaluations alone averaged \$1,667 per student — leaving almost nothing for actual services. As Judge Ruoff put it: “The math does not lie.” In 2024, local property taxes funded 83% of special education services. That same year, 40% of school districts (70 total) spent over 25% of their budgets on special education related services, up 10 districts from 2023.

During the trial, the taxpayer plaintiffs presented a stream of witnesses who spoke to the inability of school districts to educate their students with only adequacy aid, and the financial realities of running a school district and providing necessary and mandated services to students. In particular, the testimony on funding for special education, which the State clearly believes is necessary for an adequate education because it accounts for it in the adequacy formula, showed that the aid being provided by the State was insignificant when compared to the actual cost of fulfilling IEP services for students.

“I said it with the ConVal ruling, and I will say it again: it is past time for the legislature to act,” Sheehan said. “What will they do? What is their plan to comply? The legislature has a duty to fix our school funding system to ensure that every child, regardless of their zip code or family income, has access to a high-quality public education and that taxpayers are treated fairly.”

On Background:

- Our [School Funding and Special Education Update with Latest 2023-2024 School Year Data](#) report outlines helpful data on special education funding.
- This ruling undermines [a proposal](#) being discussed by top state leaders to eliminate differentiated aid categories and reclassify them as base adequacy to satisfy the ConVal ruling.