



NH SCHOOL
Funding Fairness
Project

NH School Funding Fairness Project

Advocating to make school funding more
equitable for students & taxpayers alike

Jaffrey Rindge: October 16, 2025

AGENDA

We view these challenges in 3 core tenets:

- 1. Taxpayers and Students are not treated equitably or fairly**
- 2. The problem continues to get worse**
- 3. The current system is unconstitutional**

1 | THE CHALLENGE

Taxpayers and Students are not treated equitably

2 | AN ADEQUATE EDUCATION

The constitutional requirements and the specific components

3 | UNEQUAL TAXES

The current property tax system aggravates inequality for students and taxpayers, because of great disparities in property wealth across the state

4 | ADVOCACY IN COURT AND IN THE LEGISLATURE

Two lawsuits, legislation, and state leaders that may impact school funding and property taxes

5 | ACTIONS YOU CAN TAKE

How can you support school funding reform?

THE CHALLENGE

We value and invest in our public schools

In 2024, NH was 8th in the country for cost-adjusted per-pupil funding according to the Education Law Center.

"If you look at our education funding and combine the state and the local funding, we're in the top 10 funding in the nation... what we need to do is make sure that we're spending those dollars effectively."

- Governor Kelly Ayotte

New Hampshire School Funding

NH Relies Overwhelmingly on Local Property Taxes to Fund Public Education

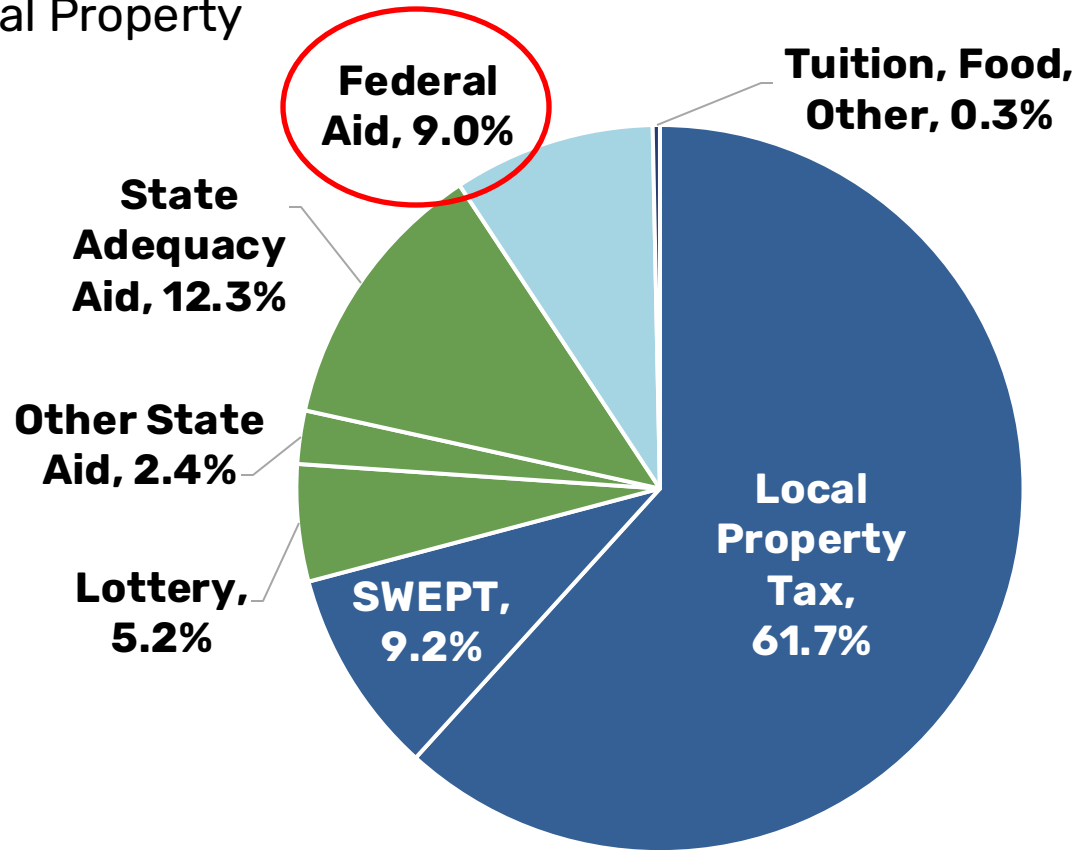
Current System:

\$4B in Total Revenue

Federal Aid: 9%

State Revenue: 19.9%

Property Taxes: 70.9%



AN ADEQUATE EDUCATION

The Claremont Rulings

In the 90s, 5 school districts came together to sue the state to fight for education funding equality

School Districts including **Claremont, Pittsfield, Lisbon Regional, Franklin, and Allenstown** as well as 8 taxpayers & parents and 5 students all came together to sue the state of New Hampshire.



The Claremont Rulings

In the 90s, 5 school districts came together to sue the state to fight for education funding equality

After 7 years, the Plaintiffs come out victorious. The ruling can be summarized into 2 key factors:

1. The State of New Hampshire has a duty to pay for the cost of a **constitutionally adequate** education for every K-12 student.
2. The taxes that the State uses to pay for this education must have a **uniform rate** across the state.

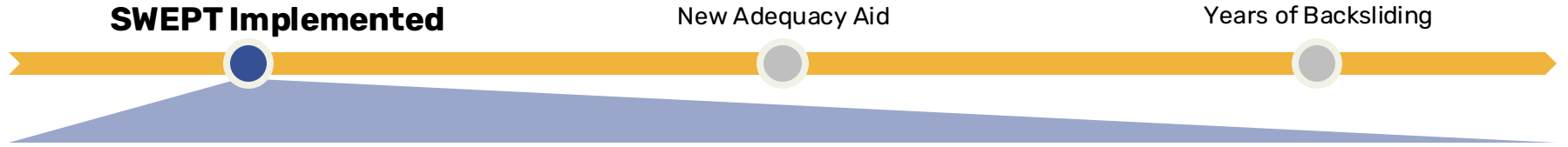


The Scope of an “Adequate Education”: Expansive and Future-Oriented

“Mere competence in the basics—reading, writing, and arithmetic—is insufficient in the waning days of the twentieth century to insure that this State's public school students are fully integrated into the world around them. A broad exposure to the social, economic, scientific, technological, and political realities of today's society is essential for our students to compete, contribute, and flourish in the twenty-first century.”

Claremont II, 142 N.H. at 474

Post-Claremont Reform



State-
Wide
Education
Property
Tax

1999 - SWEPT (\$6.60)
implemented in the state
of New Hampshire

Post-Claremont Reforms

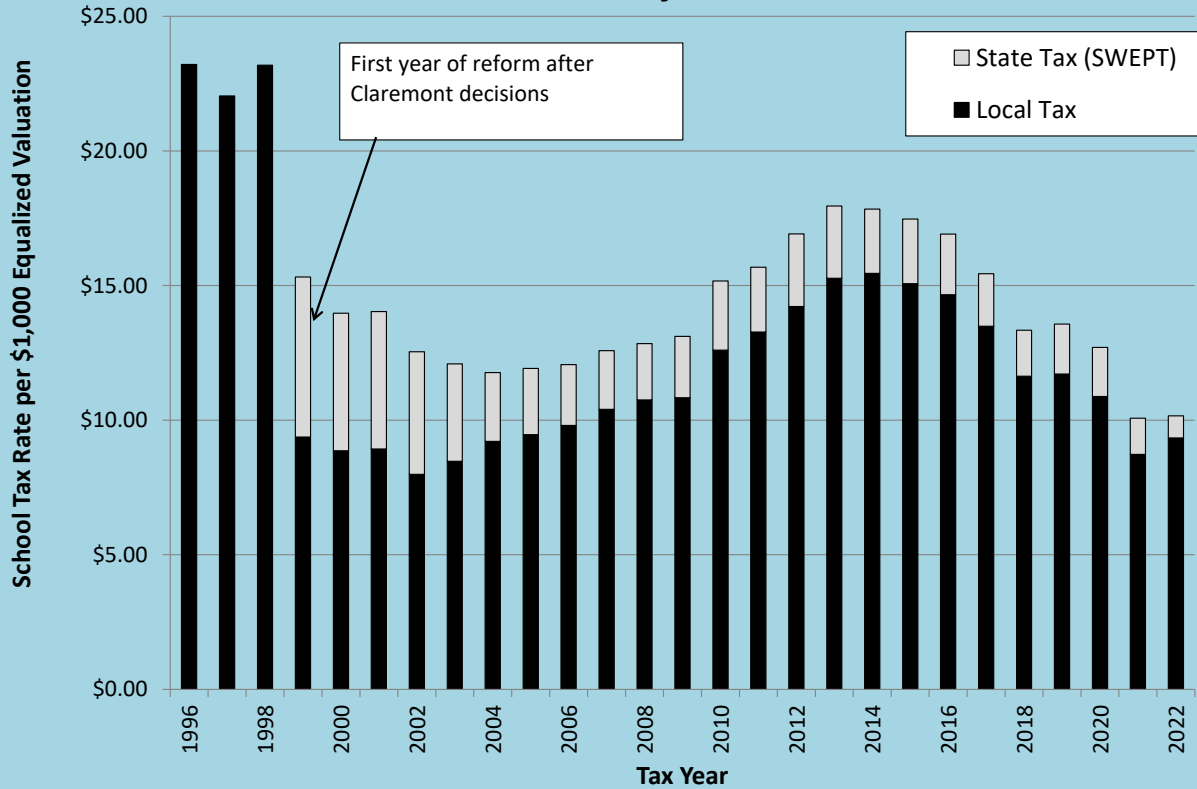


New 'adequacy aid' funding comes from the state.

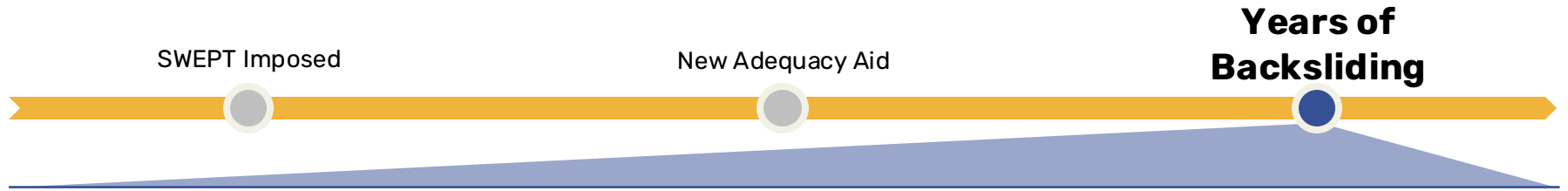
Local education property taxes decreased from \$17.68 in 1998 to \$7.22 in 1999. When combined with the new SWEPT rates, average total education property taxes still decreased to \$13.26.

Equalized Property Tax Rate for Schools by Year

Jaffrey



Post-Claremont Backsliding



- Coalition of property wealthy towns lobbied to change SWEPT to a local-only tax.
- From '12-'22, the burden on local property tax payers to fund public education increased by \$614M (compared to the State's \$47M increase)

Calculating the Cost of an Adequate Education

Every student receives **\$4,266** in 'Base Adequacy'

+ \$2,393

For each student eligible for free and reduced-priced meals

+ \$2,185

For each student receiving special education services

+ \$832

For each student who qualifies as an English Language Learner

\$5,387

Average Adequacy Aid Per Student

School Funding & Students with Disabilities

During the 2023-2024 school year, 30,964 (19.67%) students received services through an Individualized Education Program (IEP).

State and Federal Governments only paid 16.65% of costs associated with IEPs in 2024, which was one percent less than in 2023.

In 2024, 70 New Hampshire public school districts spent over 25% of their total expenditures on IEP-related expenses.

Special Education Spending at Jaffrey Rindge

Function	Amount
Instruction	\$5,979,438
Instruction Related	\$945,485
Administration	\$535,423
Legal	\$3,620
Transportation	\$657,559
TOTAL	\$8,121,527

In 2024, Jaffrey Rindge had 213 students with IEPs. On average, this was an additional \$38,129 per student.

Calculating the Cost of an Adequate Education

Every student receives **\$4,266** in 'Base Adequacy'

+\$2,393

For each student eligible for free and reduced-priced meals

+\$31,093

+\$2,185

For each student receiving special education services

+\$832

For each student who qualifies as an English Language Learner

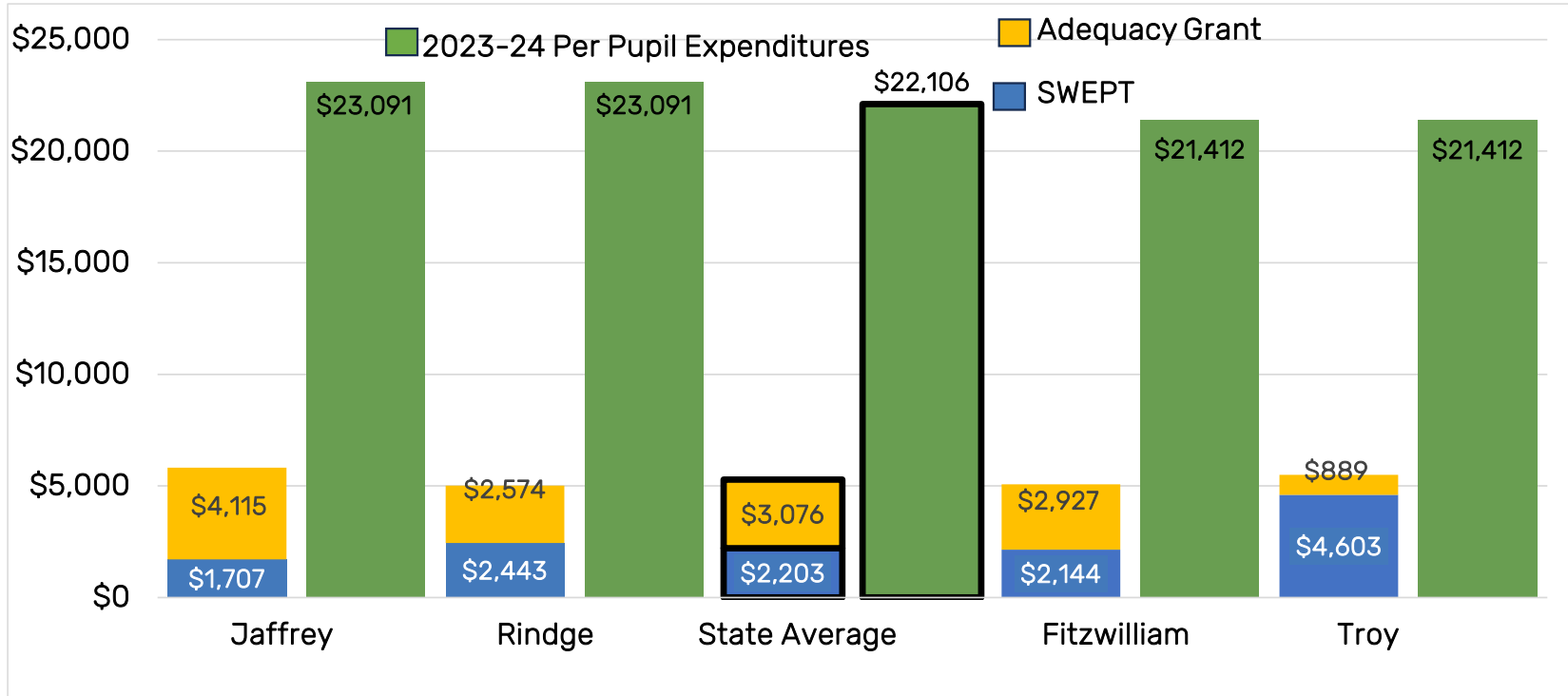
\$5,387

Average Adequacy Aid Per Student

\$22,106

Actual Average Cost Per Student

Current State Adequacy Grants Fall Well Short of Costs Communities Face in Educating Children



What does an 'Adequate' K-12 Education Cost?

An Example...

The State of New Hampshire said that, for Allenstown's 511 students, an adequate education should cost **\$2,418,121** or **\$4,980** per student in 2022-23.

The Allenstown School District budget for 2022-23 was **\$12,243,949** or **\$24,197** per student.

Let's see what we must pare down to reach the adequate education target budget...

Eliminate...

- X all busing (including special education busing)
- X all supplies, copier machines, liability insurance, plumbing and heating repairs
- X all educational materials (including new textbooks)
- X all art, music, and PE equipment
- X all Chromebook technology and software contracts
- X all payments on the school building bond (*resulting in default*)
- X all food services
- X grounds maintenance (including plowing)
- X SAU 53 costs (including the superintendent and staff) and fees for audits and attorneys

Eliminate...

- X all English Language Learner support
- X all special education contracted services
- X all special education appraisal services
- X all special education out-of-district placements
- X all co-curricular clubs, sports, field trips, and student assemblies
- X all summer programs
- X two secretaries
- X three of 4 custodians
- X all school board stipends and fees
- X one of the 2 nurses
- X both guidance counselors
- X both street crossing guards
- X technology support personnel
- X the assistant principal
- X 2/17 special education paraprofessionals (special education coordinator cut to half-time)

Eliminate...

- X all substitute salaries
- X the reading specialist
- X the special education secretary
- X the library media specialist
- X the speech language pathologist
- X reduced library aid to half-time
- X the music teacher
- X the physical education teacher
- X the behavior teacher
- X one of 7 special education teachers

What about High School?

In addition, cut all tuition payments for 147 High School students

- Allenstown budgeted \$2.2M for tuition to Pembroke Academy
- There is no way to control this line item, so it had to be cut

What does an 'Adequate' K-12 Education Cost?

In order to reach the State's "adequacy" level of \$2,418,121 and given everything else that has been cut, the remaining items involve teaching staff

- Grades K-4 would have 29 students / teacher ratio
- Grades 5-8 would have 38 students / teacher ratio
- An "adequate education" would need end in the 8th grade...

**How does anyone believe
that this will provide an
adequate education for
Allenstown's
511 students?**

Not Just in Theory – Kearsarge Regional School District Budget Cap Vote

- A small number of residents utilized a new law (SB 383 signed into law 2024) to propose a dramatic spending cap on the Kearsarge Regional School District in January, 2025.
- The cap would have cut the school district's budget by about 17%.
- More than 1,500 people attended the deliberative session to vote on the spending cap.
- 92% voted against the cap and in support of their public schools.

HB 675-FN-A-LOCAL - AS AMENDED BY THE HOUSE

13Mar2025... 0548h

2025 SESSION

25-0505

02/05

HOUSE BILL

675-FN-A-LOCAL

AN ACT

limiting the authority of school districts to make certain appropriations.

SPONSORS:

Rep. Sweeney, Rock. 25; Rep. Osborne, Rock. 2

COMMITTEE:

Education Funding

AMENDED ANALYSIS

This bill establishes a tax cap for local school districts.



Unequal Taxation

Basing School Funding on Property Tax results in inequity based on Property Value

Property Value	Tax Rate (per Thousand)	Revenue Raised
\$1,000,000	\$10.00	\$10,000
\$400,000	\$10.00	\$4,000

Basing School Funding on Property Tax results in inequity based on Property Value

Property Value	Tax Rate (per Thousand)	Revenue Raised
\$1,000,000	\$10.00	\$10,000
\$400,000	\$10.00	\$4,000
<i>For a community with lower property value, to raise the target \$10,000, a significantly higher tax rate would be required</i>		
\$400,000	\$25.00	\$10,000

Town	Pupils	Equalized Value Per Pupil	Equalized School Tax Rate	Amount Raised Per Pupil
Berlin	940	\$959,957	\$10.10	\$9,696
New Ipswich	628	\$1,181,734	\$12.24	\$14,464
Jaffrey	608	\$1,441,026	\$10.38	\$14,958
Sharon	43	\$1,804,958	\$11.33	\$20,450
Peterborough	641	\$2,012,103	\$11.86	\$23,864
Rindge	542	\$2,020,802	\$10.12	\$20,451
New Hampshire	151,990	\$2,082,222	\$8.61	\$17,928
Hancock	144	\$2,730,163	\$10.60	\$28,940
Dublin	136	\$3,336,937	\$9.55	\$31,868
Newbury	201	\$10,000,997	\$3.78	\$37,804

Which Home Has the Larger Property Tax Bill?



It's one of those homes that just feels good the second you walk in. It's got five bedrooms and plenty of space, so whether you need a home office, a playroom, or just room to spread out, it works. The hardwood floors are gorgeous, and the layout flows really nicely—plus there's a first-floor office if you're working from home.



This beautifully maintained 2-bedroom, 2-bathroom home is nestled on 1.18 acres of landscaped yard in a quiet cul-de-sac, offering the perfect blend of peace and privacy. Just a short walk or golf cart ride brings you to your own 24' deeded dock on Lake Winnepesaukee.

Which Home Has the Larger Property Tax Bill?



Jaffrey

2024 market price: \$549,000
Total School Tax Rate: \$10.38

2024 School Property Tax: **\$5,698**



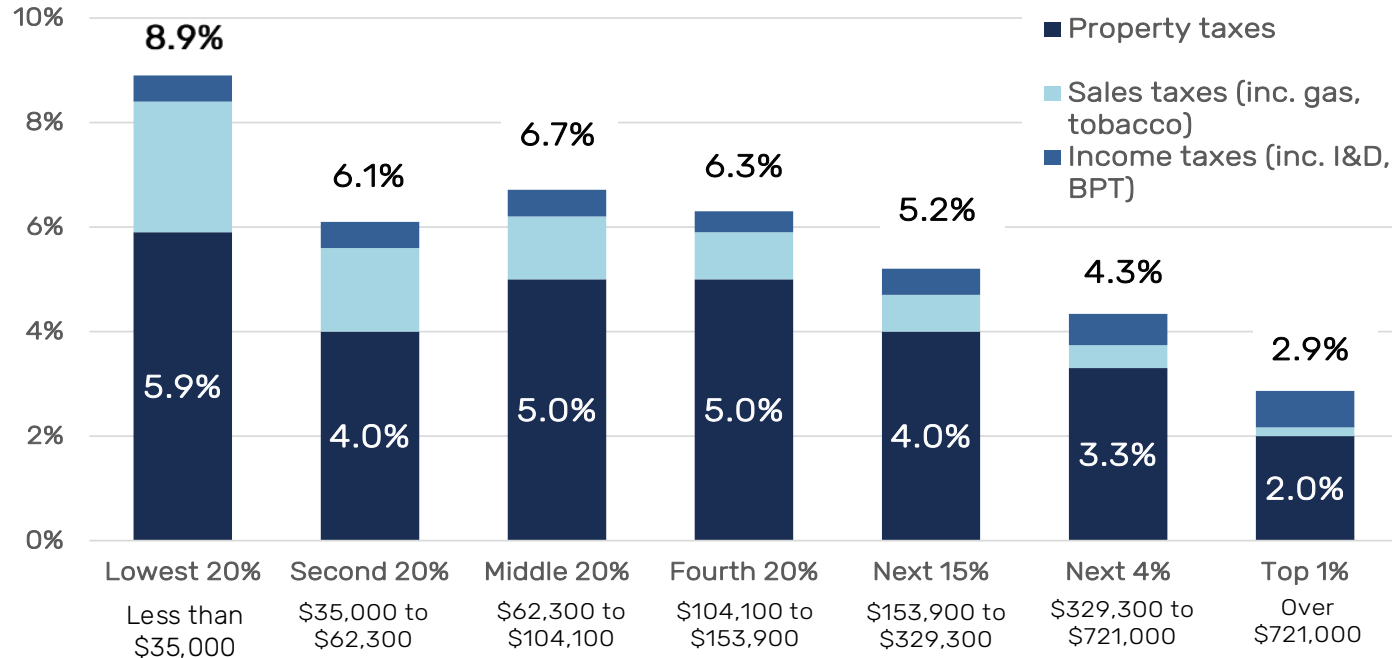
Meredith

2024 market price: \$944,000
Total School Tax Rate: \$5.15

2024 School Property Tax: **\$4,862**

Property Tax Reliance Adds to Regressivity of New Hampshire's Tax System

Taxes as a Share of Income, by Income Group, 2024

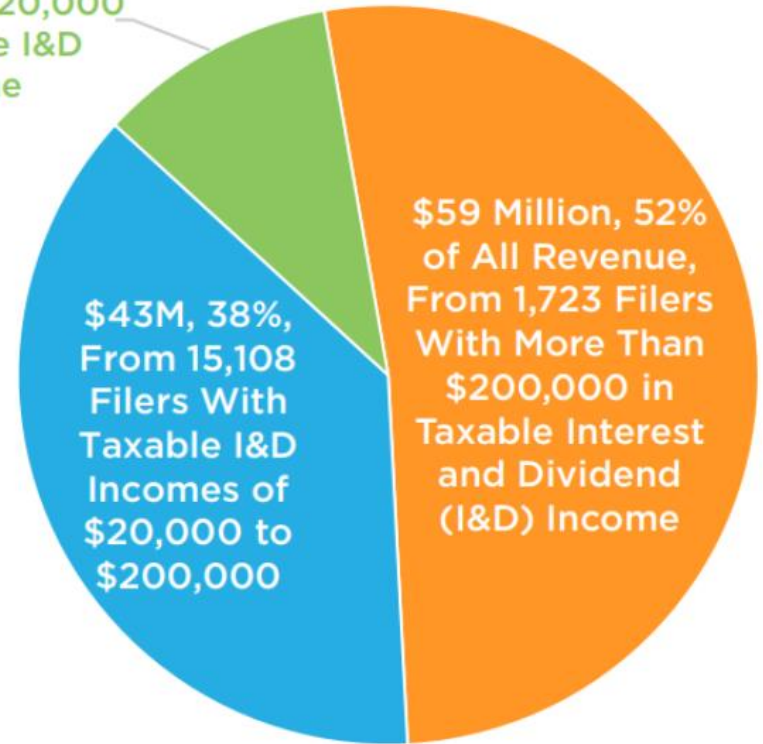


Source: Institute on Taxation and Economic Policy

Repeal of Interest and Dividends Tax Disproportionately Benefits Wealthy NH Households

I&D brought in \$184.3 million in fiscal 2024, according to unaudited figures from the Department of Administrative Services.

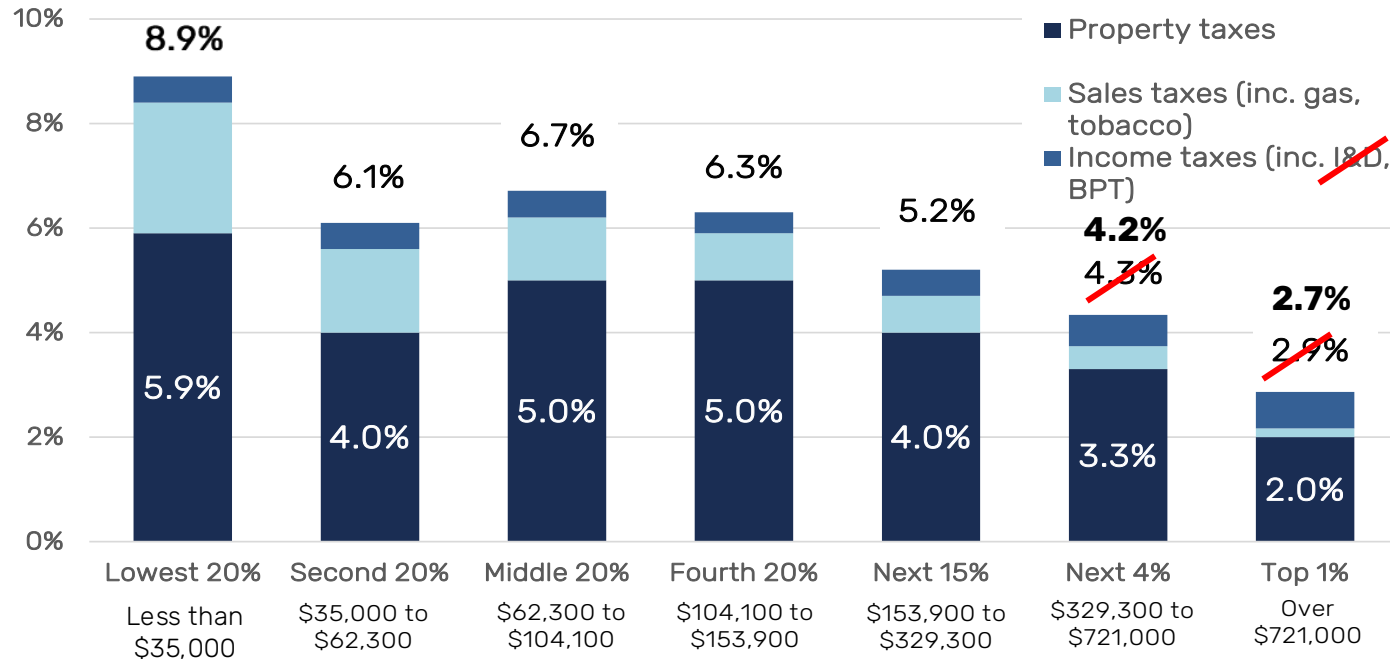
\$12M, 10%, From
51,833 Filers With
Less Than \$20,000
in Taxable I&D
Income



Source: New Hampshire Department of Revenue Administration, 2022 Annual Report

Property Tax Reliance Adds to Regressivity of New Hampshire's Tax System

Taxes as a Share of Income, by Income Group, 2024



Source: Institute on Taxation and Economic Policy

Business Tax Rate Reductions Led to Between \$795 Million and \$1.17 Billion in Forgone Revenue for Public Services Since 2015

“Prior research provides no evidence that reducing these tax rates increased revenue.”

“Business Tax Rate Reductions Generated Net Revenue Loss, Not an Increase”

“No Significant Statistical Relationship Exists Between Business Profits Tax Rates and Job Growth”

ADVOCACY IN COURT AND THE LEGISLATURE

Contoocook Valley School District vs. New Hampshire

Started by the Contoocook Valley School District (ConVal) in 2019, the lawsuit argued that the amount of adequacy money is insufficient to provide an opportunity for an adequate education

Other school districts representing 25% of all public-school students joined

- Winchester
- Mascenic
- Monadnock
- Fall Mountain
- Claremont
- Newport
- Hillsboro-Deering
- Grantham
- Oyster River Cooperative
- Manchester
- Windham
- Derry Cooperative
- Hill
- Mascoma Valley Regional
- Nashua
- Lebanon
- Hopkinton
- Plainfield

Contoocook Valley School District vs. New Hampshire

Started by the Contoocook Valley School District (ConVal) in 2019, the lawsuit argued that the amount of adequacy money is insufficient to provide an opportunity for an adequate education

"What is the base cost to provide the opportunity for an adequate education 239 years after that fundamental right was ratified in our Constitution...the base adequacy cost can be no less than **\$7,356 per pupil per year and the true cost is likely much higher than that.** At a minimum this is an increase of \$537,550,970 in base adequacy aid to New Hampshire Schools. **Thus, the current allocation of \$4,100 per pupil is unconstitutional.**"

-2023 Decision in *ConVal v. State of New Hampshire*

July 2025 - Massive NH Supreme Court Ruling

NH Supreme Court ruled that the State needs to provide at least \$7,356.01 per student as a “conservative minimum threshold”.

Case closed...so what will the NH Legislature do to address the \$500 million shortfall and reduce the pressure on property taxes?

'23 - '24 Revenue Breakdown of NH School Districts

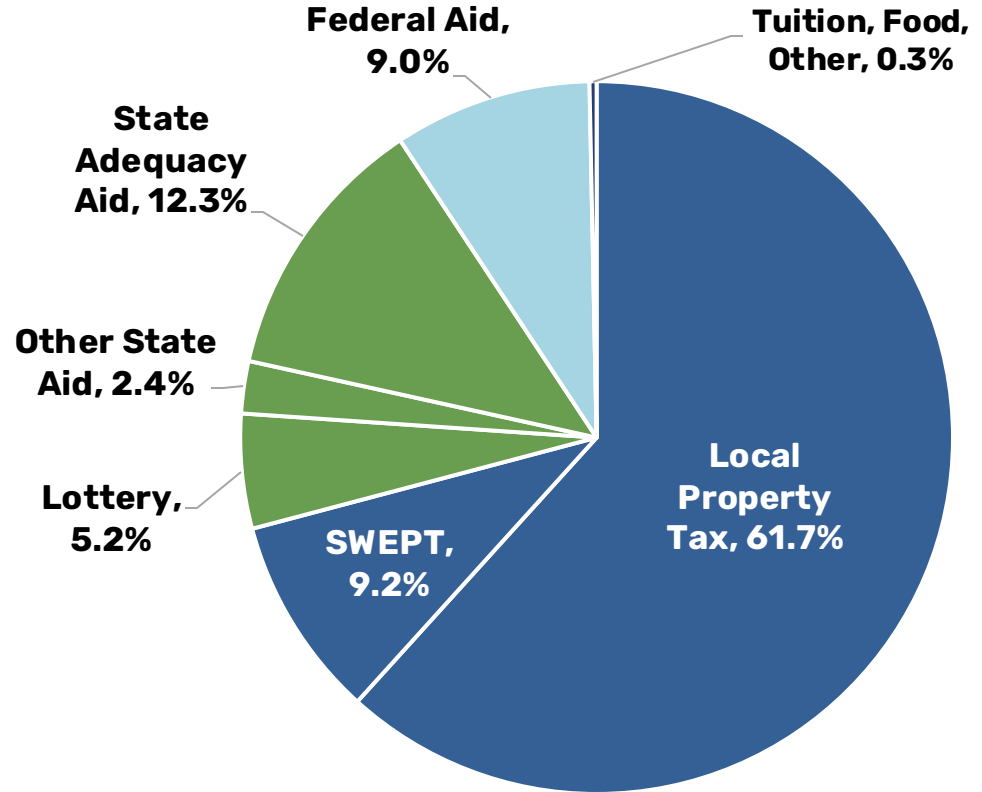
Current System:

\$4B in Total Revenue

Federal Aid: 9%

State Revenue: 19.9%

Property Taxes: 70.9%



'23 - '24 Revenue Breakdown of NH School Districts

System with ConVal Ruling:

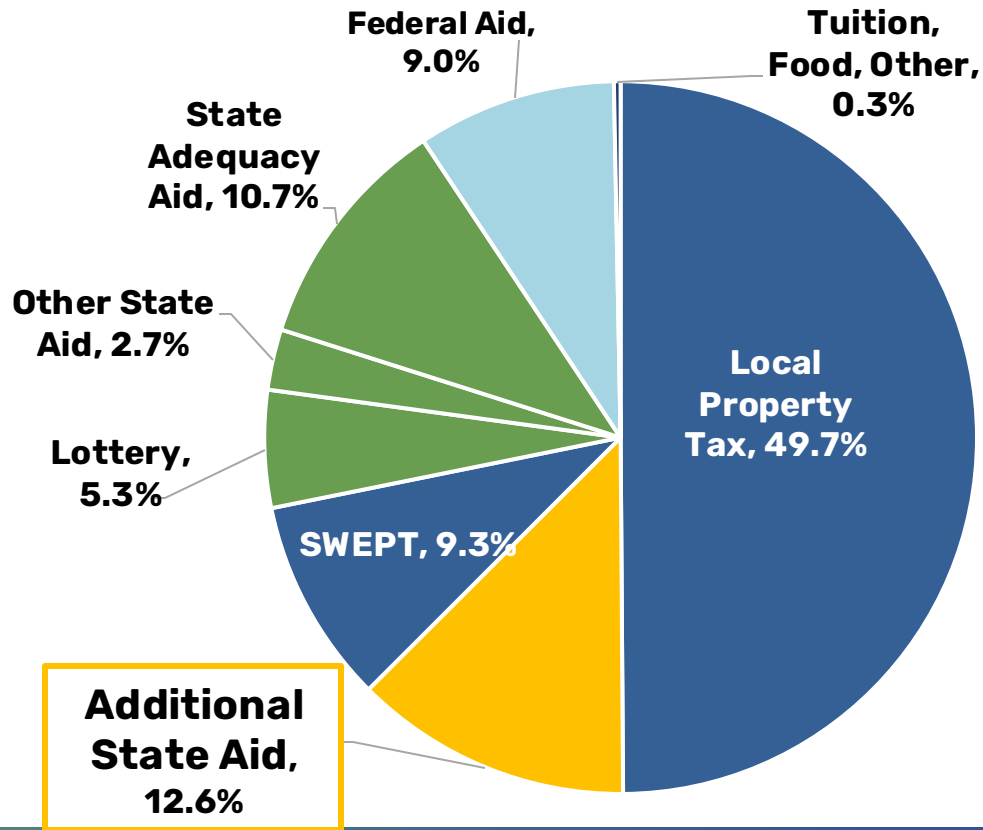
\$4B in Total Revenue

Federal Aid: 9%

State Revenue: 19.9%

Property Taxes: 59.2%

Additional State Aid: 12.6%



Voucher “Education Freedom Account” Expansion

Senate Bill 295 passed, phasing out the income cap so every family regardless of income is now eligible to receive a voucher.

There was a “cap” put on the program, but it has an automatic trigger that increases when hit.

The money to pay for increased vouchers was put in the budget **instead of a proposed \$27 million increase to special education funding** for public schools.

Missed Opportunities in the 2025 Session

In 2025, there were multiple legislative proposals that would have significantly increased state adequacy funding to the Jaffrey-Rindge Cooperative School District, but none of them moved forward or were incorporated into the state budget.

- **HB 550** would have increased funding by an **estimated \$3.3 million** to the district through in line with the ConVal Supreme Court decision.
- **HB 651** would have increased funding by an **estimated \$4.3 million** to the district.
- **HB 603** would have increased funding by an **estimated \$6.6 million** to cover special education services.

Possible Revenue Sources

INCREASE CONTRIBUTION FROM SWEPT

Example revenue estimates:

- ConVal lawsuit base adequacy amount (\$9,929 per pupil)
 - SWEPT of about \$9** per \$1,000
- ConVal Superior Court ruling base adequacy minimum (\$7,356.01) – SWEPT rate of about \$5** per \$1,000

** Would **dramatically offset** local property taxes for most communities

Existing Low and Moderate Income Property Tax Relief Program

- In 2003, there were 27,207 claims granted (\$7.5 million)
- In 2021, just 5,572 claims averaging only **\$236** were granted
- In 2022 the total amount of relief provided for the entire state was only \$1.4 million
- The average property tax bill for Granite Staters was about **\$7,470** in 2021

Possible Revenue Sources

INTEREST & DIVIDEND TAX

Reinstate the interest & dividend tax ~\$185M

BUSINESS TAXES

The NH Fiscal Policy Institute estimated the state lost between ~\$795M and \$1.17 Billion from 2015-2022 due to cutting business taxes

CAPITAL GAINS TAX

Rand vs. the State of New Hampshire (2022)

Group of taxpayers from Plymouth, Newport, Penacook, and Hopkinton.

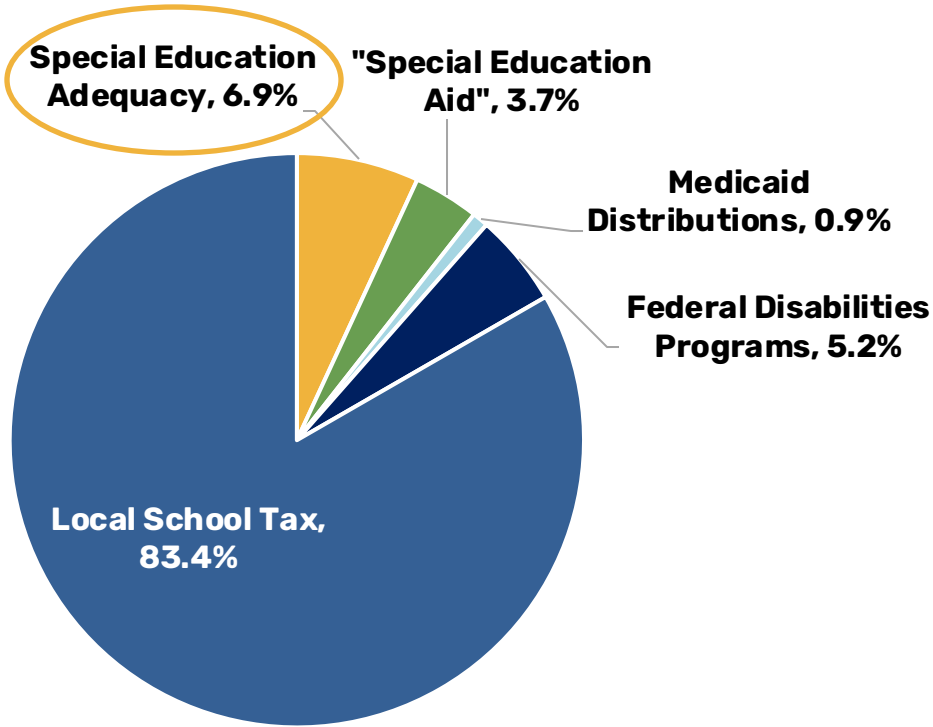
- Rand argues that local property taxes, used to fund the bulk of the State's funding obligation for public education, are **not uniform in rate**, which is a violation of standard defined in the Claremont rulings.
- The plaintiffs challenge both base adequacy aid and differentiated aid, contending that the State's obligation should be closer to average spending in the state (roughly \$18,400 plus transportation when filed).

Rand vs. the State of New Hampshire – NHSC 2025

1. The State allowing municipalities to retain excess SWEPT revenues is constitutional.
2. The NH Department of Revenue Administration approving **negative local education tax rates** to offset the payment of SWEPT is unconstitutional.

"The Math Does Not Lie" – Rand Ruling August 2025

\$915 Million in Total Revenue for Special Education Services



Major Elements in Landmark Ruling

Minimal adequacy funding from the state, especially for **special education services**, is unconstitutional.

The lack of funding forces different property taxes across the state which is also unconstitutional.

State should **at least double** funding to districts to address these violations.

Summary

- Neither taxpayers nor students are treated equitably or fairly.
- State leaders are intentionally shifting dollars and blame to local schools, school boards, and property tax payers
- **\$2.8 Billion** is downshifted to local property tax payers each year.
- The current system is unconstitutional.
- The solution lies with state level lawmakers, but we need to engage with them to push for change and progress.



NH SCHOOL
Funding Fairness
Project

We can't afford another year of missed opportunities.

The stage is set and it's time for the legislature to act.






The Stakes Are High

- **Last year:** 9 key chances to act — and the legislature didn't.
- **Missed opportunities** = millions lost in every community.
- **Court rulings + statewide school struggles** = a moment we can't waste in 2026.

We Have Momentum

Our 2025 Advocacy Effort



-  **9,000+** contacts to legislators
-  **30,107** sign-ins opposing HB 283* (most in NH history)
**this bill would have gutted the definition of an adequate education*
-  **23** in-person testimonies statewide
-  **14** Letters to the Editors in 6 publications
-  **1,931** petition signatures from >200 NH cities & towns

Local Leaders Are Stepping Up



438 local officials from **145 towns** signed on in 2025






Representing **71% of NH students**



Nearly **3x more signers** than in previous cycles

How You Can Take Action

-  Sign up to stay informed
-  Share and mobilize your community
-  Add your name to our petition



JOIN OUR JAFFREY-RINDGE STRATEGY GROUP & JOIN THE CONVERSATION ABOUT HOW WE CAN GET THE WORD OUT IN YOUR COMMUNITY, SPECIFICALLY.



NH SCHOOL
Funding Fairness
Project

THANK YOU

Not Just in Theory – Proposed Bill Would Gut Adequacy

HB 283 - AS INTRODUCED

2025 SESSION

25-0633

02/08

HOUSE BILL **283**

AN ACT relative to the list of subjects that comprise an adequate education.

SPONSORS: Rep. D. McGuire, Merr. 14

COMMITTEE: Education Policy and Administration

ANALYSIS

This bill reduces the list of subjects which comprise an adequate education.

Current law

Beginning in the school year 2008-2009, and for each year thereafter, the specific criteria and substantive educational program that deliver the *opportunity for an adequate education* shall be defined and identified as the school approval standards in the following learning areas:

- (1) English/language arts and reading.
- (2) Mathematics.
- (3) Science.
- (4) Social studies, including civics, government, economics, geography, history, and Holocaust and genocide education.
- (5) Arts education, including music and visual arts.
- (6) World languages.
- (7) Health and wellness education, including a policy for violations of RSA 126-K:8, I(a).
- (8) Physical education.
- (9) Engineering and technologies including technology applications.
- (10) Personal finance literacy.
- (11) Computer science.

HB 283 proposed cuts

Beginning in the school year 2008-2009, and for each year thereafter, the specific criteria and substantive educational program that deliver the *opportunity for an adequate education* shall be defined and identified as the school approval standards in the following learning areas:

- (1) English/language arts and reading.
- (2) Mathematics.
- (3) Science.
- (4) Social studies, ~~including civics, government, economics, geography, history, and Holocaust and genocide education.~~
- (5) ~~Arts education, including music and visual arts.~~
- ~~(6) World languages.~~
- (7) Health and wellness education, including a policy for violations of RSA 126-K:8, I(a).
- (8) Physical education.
- ~~(9) Engineering and technologies including technology applications.~~
- ~~(10) Personal finance literacy.~~
- ~~(11) Computer science.~~

Opposition to HB 283

- 30,107 people from **every single city and town in New Hampshire** submitted opposition online.
- This is the most engagement on any bill ever. Only 71 were in support.



Universal Opposition Turns Out for Change to Adequate Education



Epsom administrators say state rep misrepresented meeting cited as prompting bill that would diminish curriculum requirements

Misinterpretation of ConVal Ruling

“A recent decision by Judge Ruoff in the Con-Val Lawsuit would mandate a \$500 million annual increase in Base Adequacy payments. This ruling has been appealed to the New Hampshire Supreme Court, where I believe it will be overturned. But if upheld, increasing Base Adequacy for every New Hampshire student to \$7,536.01 would likely force the Legislature to forego efforts to target additional aid to serve students with greater financial and education needs, such as those in poorer communities and with special education requirements.” – Chair of Senate Education Committee

Misinterpretation of ConVal Ruling

“Defeat any attempts to undermine our Student-Centered Education Funding Formula and will continue to fight against judicial overreach that mandates the spending of over half a billion dollars that would have resulted in an income tax, sales tax, or both” – NH Senate Majority 2025 Policy Platform

2024 School Funding Legislation Died in the Senate

- HB 1583 as introduced increased base adequacy to \$10,000 per student.
- Was amended down to ~\$100 million over 2 years
- Kearsarge would have received an increase of:
- **\$202,992** in FY 25 (this year) and **\$316,603** in FY 26

Defining an Adequate Education

Per 193-E:2-a the specific criteria & substantive educational program that deliver the opportunity for an adequate education shall be defined & id'd as the school approval standards in the following

- (1) English/language arts and reading.
- (2) Mathematics.
- (3) Science.
- (4) Social studies, including civics, government, economics, geography, history, and Holocaust and genocide education.
- (5) Arts education, including music and visual arts.
- (6) World languages.
- (7) Health and wellness education, including a policy for violations of RSA 126-K:8, I(a).
- (8) Physical education.
- (9) Engineering and technologies including technology applications.
- (10) Personal finance literacy.
- (11) Computer science.

What the State Thinks You Need to Provide an “Adequate” Education

Requirement	Cost (2008)
1 Teacher per 25 students K-2, per 30 students 3-12	
1 Specialist teacher for every 5 teachers	
1 Principal per 500 students	
1 Principal admin Assistant per 500 students	
1 Guidance Counselor per 400 students	
1 Library Media Specialist per 500 students	
1 Technology Coordinator per 1,200 students	
1 Custodian per 500 students	
Instructional Materials	
Technology	
Teacher Professional Development	
Facilities Operation and Maintenance	
Transportation	

What the State Thinks You Need to Provide an “Adequate” Education

Requirement	Cost (2008)
1 Teacher per 25 students K-2, per 30 students 3-12	\$47,267
1 Specialist teacher for every 5 teachers	\$47,267
1 Principal per 500 students	\$101,014
1 Principal admin Assistant per 500 students	\$42,177
1 Guidance Counselor per 400 students	\$51,867
1 Library Media Specialist per 500 students	\$47,267
1 Technology Coordinator per 1,200 students	\$47,267
1 Custodian per 500 students	\$36,628
Instructional Materials	\$250
Technology	\$75
Teacher Professional Development	\$20
Facilities Operation and Maintenance	\$195
Transportation	\$315