



NH SCHOOL
Funding Fairness
Project

NH School Funding Fairness Project

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

Gilford, March 5, 2026

Your Schools are Worth Celebrating

- Gilford and Gilmanton strong relationship - AREA agreement since 1973;
- Fourth grade wrote and illustrated a book "Amber's season of sweetness" to sell at pancake breakfast at elementary school.
- Elementary school has a working sugar shack.
- Unified sports and clubs at middle and high school.
- 7th and 8th grade mathletes are first in their division.
- High school students mentoring elementary students
- Music in our schools month celebration - middle school band and chorus concerts
- Middle and high school students traveled to the scholastic art awards - recognized for their art work
- High school nurse Meg Jenkins named NH nurse of the year
- K-12 Portrait of a Learner - attributes = collaborate, innovate, critical thinking, and self direct
- Spring 2025 110 sophomores had a job shadow experience across 45 local businesses
- DECA is sending 6 high school students to the international career development conference

Public Schools Serve Whole Communities



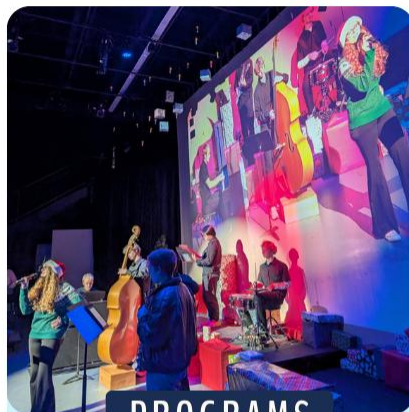
STUDENTS

Serving NH children, from the very youngest through the most formative developmental years of our human experience, schools strive to meet diverse needs. At Pembroke Hill Elementary, students' access to opportunity is top priority.



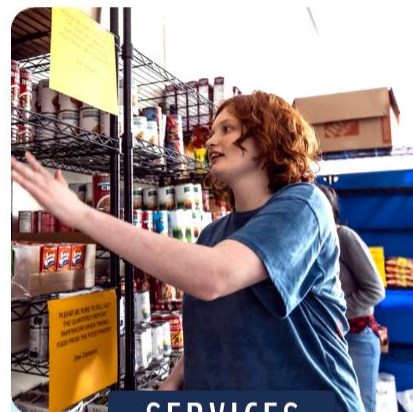
LEADERSHIP

Teachers, administrators, and school staff routinely go above and beyond for their students and community. Pictured above are two Dover NH admins who served up a community Thanksgiving dinner.



PROGRAMS

From the stage, to the fields, to the lab, to the hands-on training of CTE programs, public schools offer myriad programs that create cohesion and pride for their communities. A live show in the Black Box Theatre at Somersworth HS welcomes community members.



SERVICES

Students, teachers, and school staff all over NH provide community-facing services such as this combined food pantry and thrift shop at Merrimack Valley High.

TOP STORY

Jaffrey-Rindge avoids déjà-vu amid effort to slash budget

By Noah Diedrich Sentinel Staff Feb 5, 2026 Updated Feb 5, 2026

The Keene Sentinel

At an educational crossroads, Pittsfield debates future of schools amid funding challenges

CONCORD MONITOR



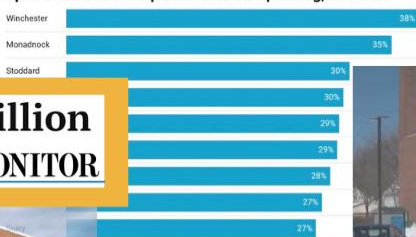
TOP STORY

Cost of special ed causes conflict in small towns

By Abigail Ham Sentinel Staff Feb 19, 2026

The Keene Sentinel

Special education as percent of total spending, 2023-24



Concord School District grapples with \$17 million budget shortfall

CONCORD MONITOR



Manchester schools could slash \$15 million from budget to comply with tax cap

By Paul Feely Union Leader Staff Feb 12, 2026 Updated Feb 14, 2026

NEW HAMPSHIRE UNION LEADER



ROCHESTER SCHOOL BOARD WEIGHING OPTIONS AFTER \$4.5 DEFICIT; CONSIDERS CLOSING ELEMENTARY SCHOOL

WMUR9

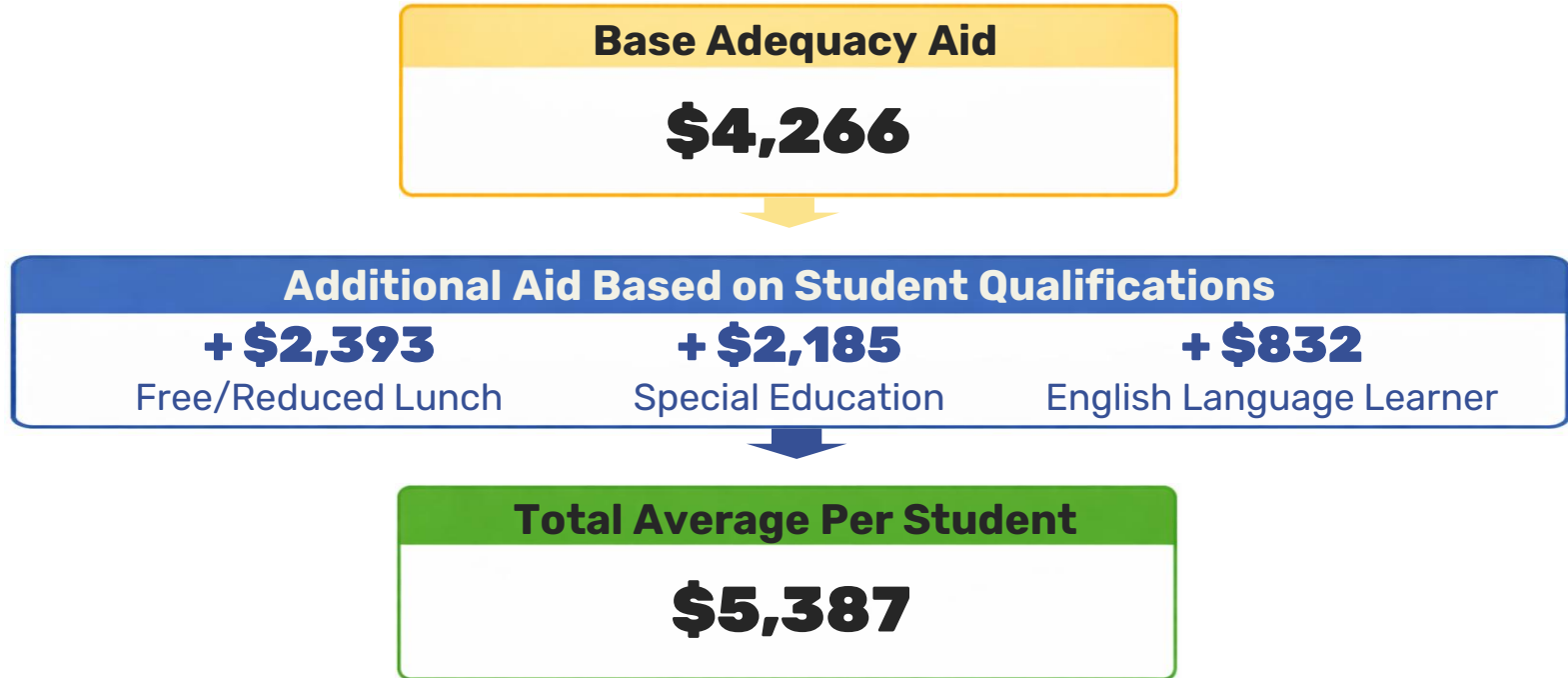
Facing \$4.5M deficit, Rochester officials say they may need to close school, cut jobs

WMUR9 abc



NH SCHOOL Funding Fairness Project

How NH Calculates the Cost of an Adequate Education



New Hampshire School Funding 2024-2025

NH Relies Overwhelmingly on Local Property Taxes to Fund Public Education

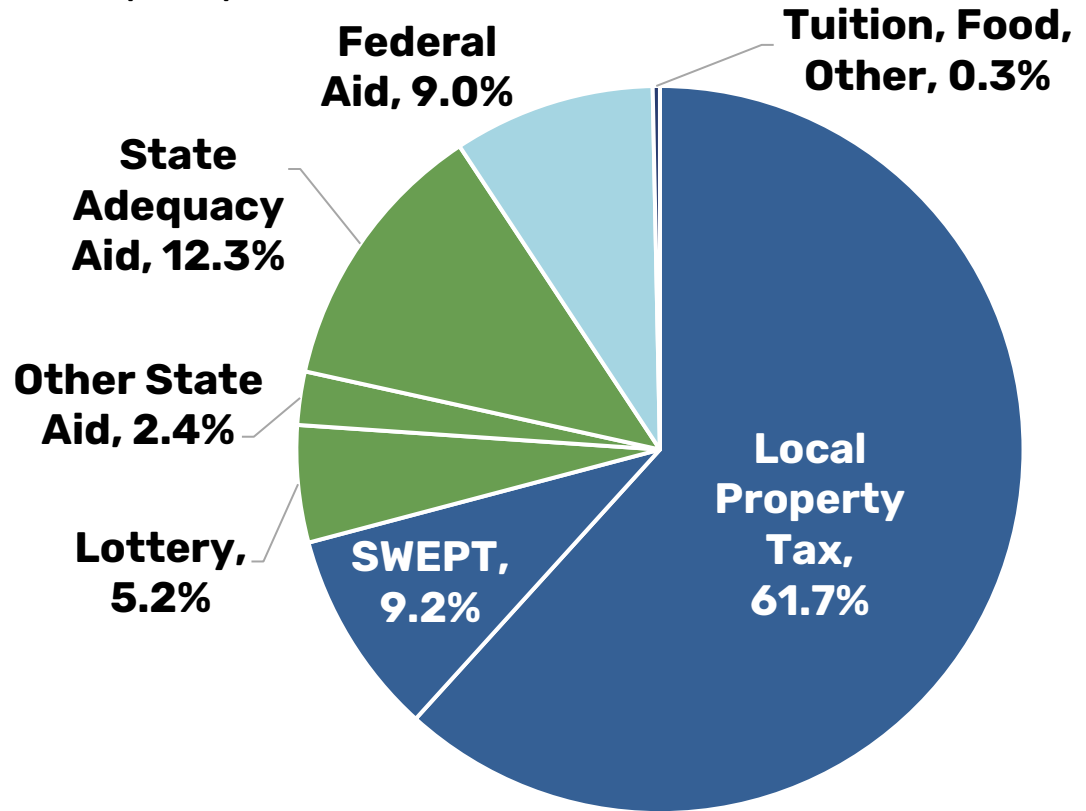
Current System:

\$4B in Total Revenue

Federal Aid: 9%

State Revenue: 19.9%

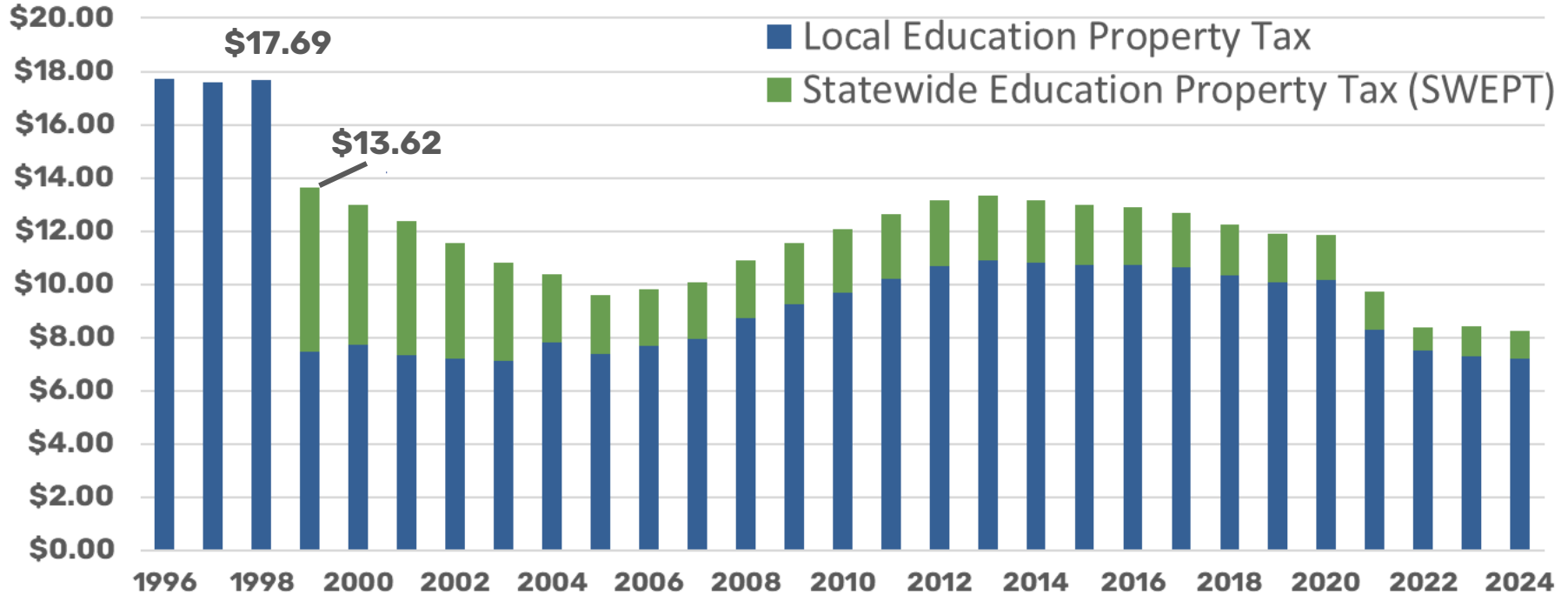
Property Taxes: 70.9%



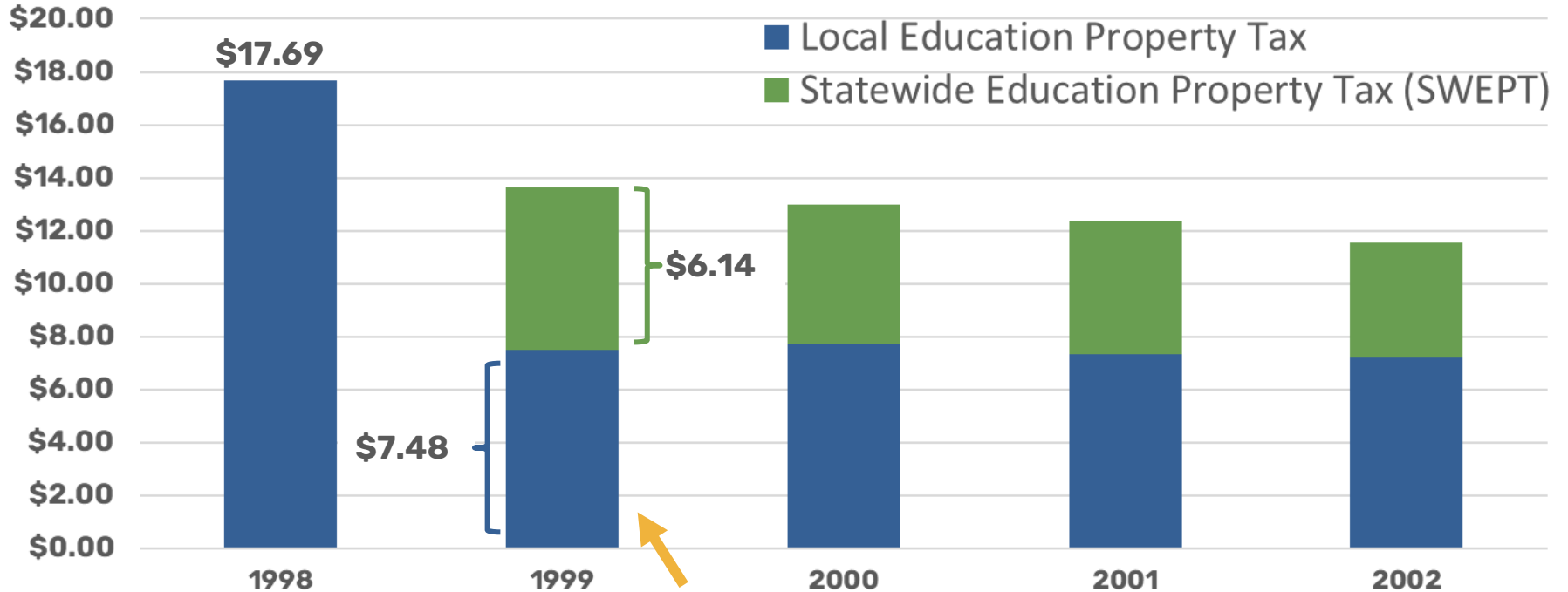
Costs Are Outpacing Wage Increases

- Since June 2020, median sale price for a single-family home jumped from **\$340k to \$565k**.
- Since 2018, median rent for 2BR apartment jumped from **\$1,296 to \$2,024**.
- Median household income in New Hampshire did not cover basic costs for a four-person family in 2024, **falling nearly \$2,000 short**.
- Compared to a 2015 four-person family, a 2024 family had **over \$17,000 less in surplus income annually**.

NH Average Education Tax Rates 1996-2024/25

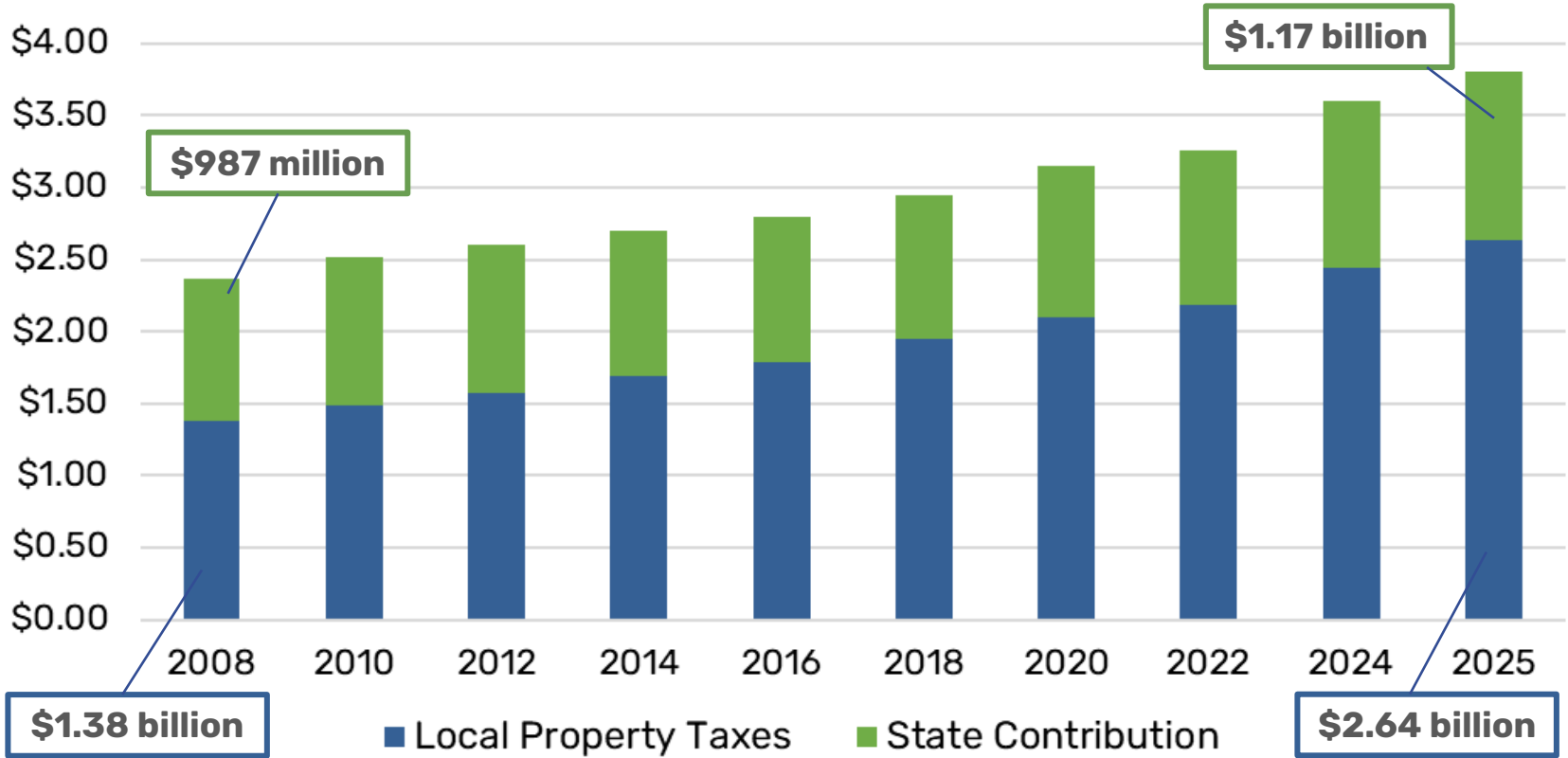


NH Average Education Tax Rates 1996-2024/25



First year of new SWEPT & + \$825 million from the State for adequacy funding

Local and State Public Education Contributions in Billions



Property Taxes Vary Wildly Across the State

	Median Household Income	Equalized Education Property Tax Rate	Amount Raised per pupil by education property taxes	Education Property Bill on \$500k House
Gilford	\$115,423	\$5.31	\$27,077	\$2,655
Gilmanton	\$114,484	\$10.61	\$21,390	\$5,305
Manchester	\$77,415	\$6.18	\$10,494	\$3,090
Laconia	\$68,427	\$6.26	\$18,354	\$3,130
Meredith	\$70,069	\$4.98	\$37,791	\$2,490
New London	\$94,318	\$7.10	\$58,195	\$3,550

The Claremont Rulings

In the 90s, 5 school districts sued the state to fight for education funding equality

The State must fund a **constitutionally adequate** education using a **uniform rate** across the state.



Recent Rulings

Two new lawsuits have affirmed the State's responsibility to fund public education

ConVal lawsuit:

Filed in 2019 and concluded with July 2025 NH Supreme Court Ruling in favor of the school districts.

Rand lawsuit (2022):

Filed in 2022, recent August 2025 ruling in favor of the tax payers. State appealed to NH Supreme Court.

July 2025 - ConVal 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”.

Gilford would have seen an increase of **\$2,662,179** and Gilmanton **\$1,597,836**

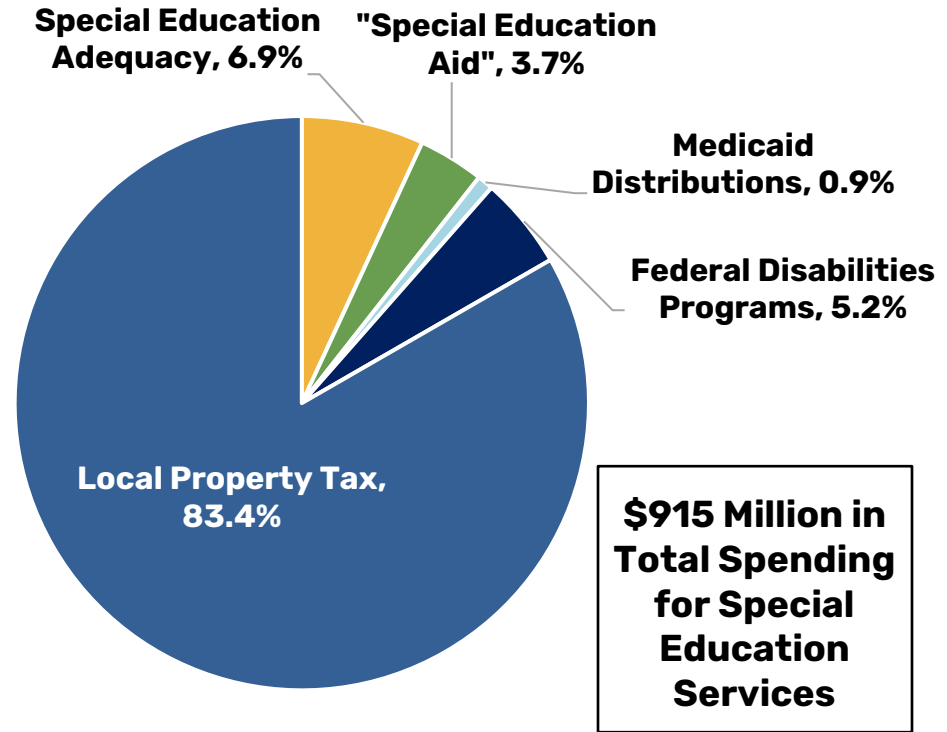
August 2025 Rand Superior Court Ruling - "The Math Does Not Lie"

Major Elements in Landmark Ruling

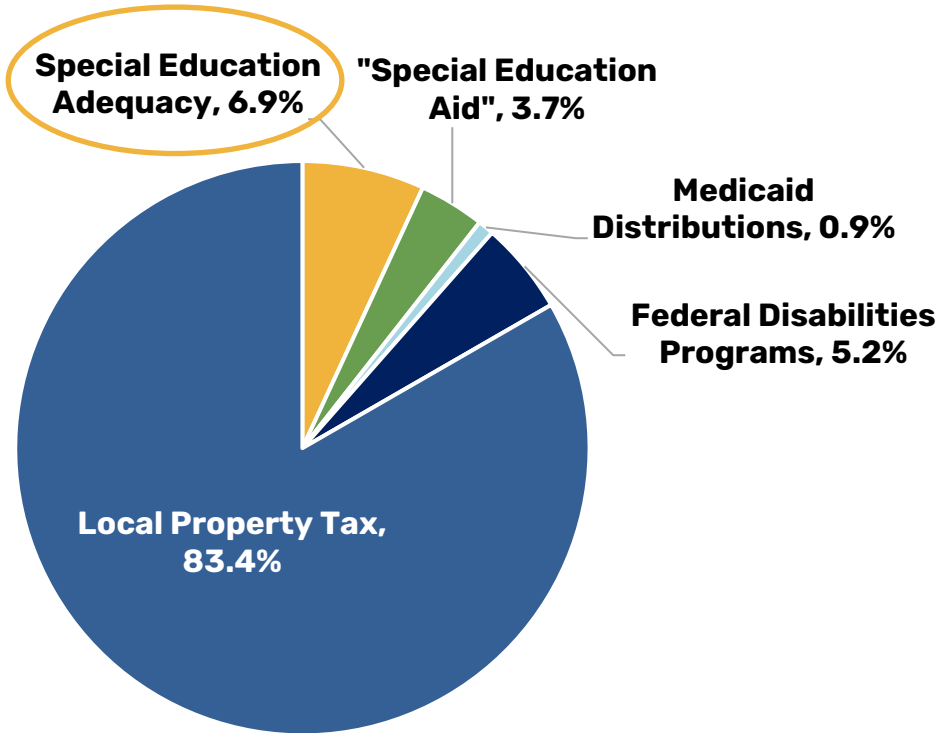
Minimal adequacy funding from the state, especially for **special education services**, is unconstitutional.

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.



The Consequences of Underfunding Special Education



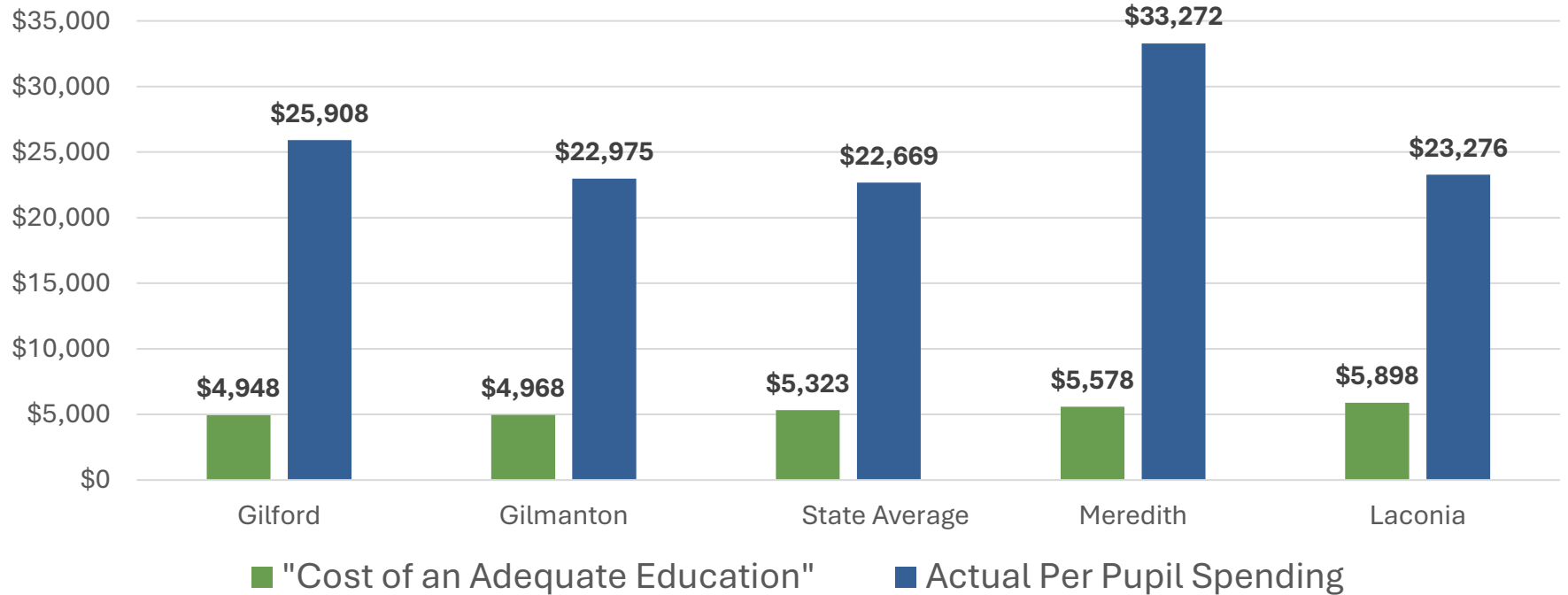
What happens when local residents must pay for most of these federally required services?

- Taxpayers and districts are at odds
- Students become budget line items. Special education is viewed as a burden, not a protected right.
- Meeting student needs often means cutting the budget elsewhere
- Mid-year enrollments or changes make accurate budgeting difficult

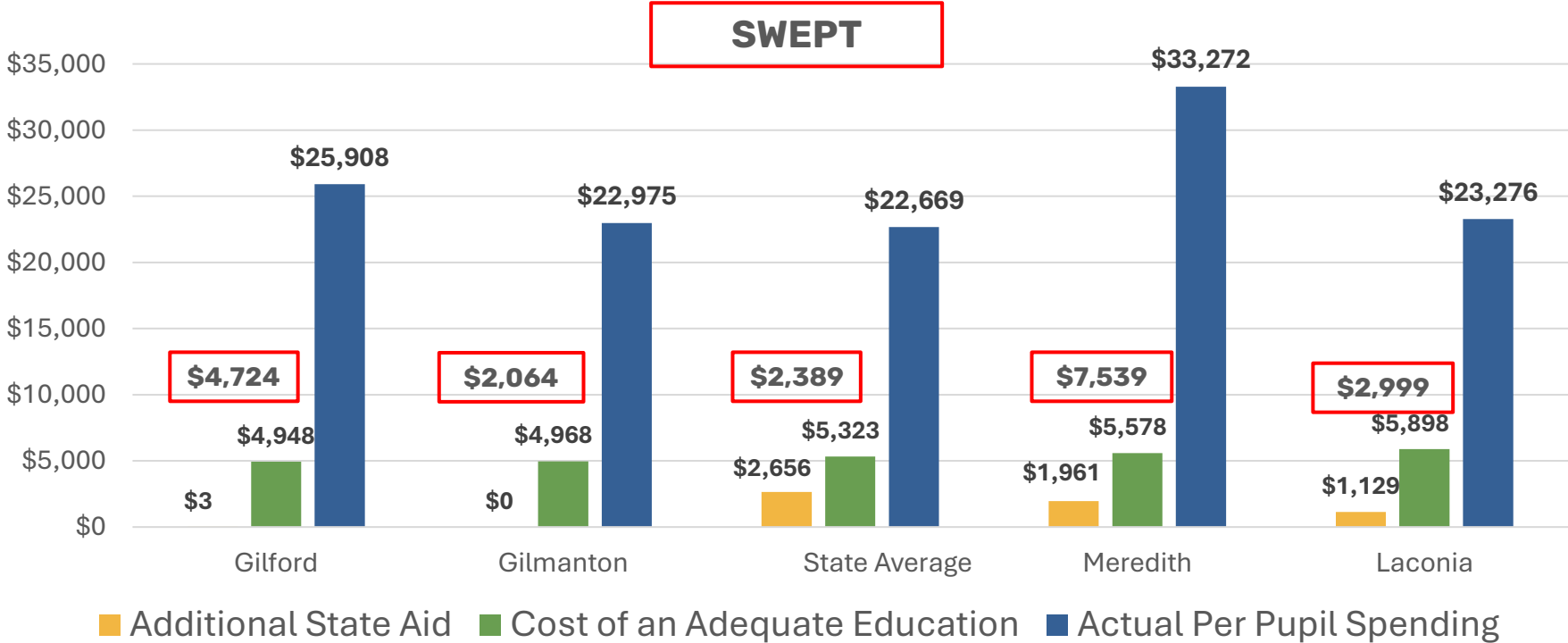
NH Appeal to Supreme Court – “Overturn Claremont”

- Ask the Court to overturn the Claremont decisions.
 - “Whether this Court should overrule ...(Claremont I), ...and hold that Part II, Article 83 **does not mandate a qualitative standard of education** that must be met and **does not impose a financial standard** or arrangement that must be met.”
- “Whether this Court should overrule ...(Claremont II)
 - Reject the Court’s authority to **require a statewide, constitutional funding system.**
- Argue that education funding is a “political question.”

“Cost of an Adequate Education” vs Actual Spending



Full State Payments vs Actual Spending

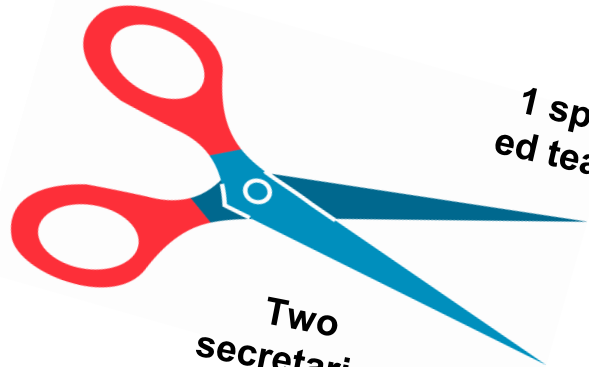


Is the state's contribution enough to run a school district in the real world?

The 2023 Allenstown School District budget was **\$12.24 million**. This worked out to be about **\$24,200** per student. The State of NH only provided **\$2.42 million** to fund an adequate education.

We asked Allenstown school administrators to create an imaginary school budget using **only this money from the state**.

This is what they had to cut to make the numbers work...



1 special ed teacher

Reading specialist

Speech/language pathologist

3 of 4 custodians

Substitute teachers

Behavior teacher

Art, music & gym teachers

Two secretaries

Library specialist

Guidance counselors

Special ed contractors (OT, PT, etc)

2/17 paraeducators

1 of 2 nurses

Assistant principal

English Language Learner support

Building bonds (resulting in loan default)

Special ed secretary

Out-of-district placements

Art, music and gym equipment

Superintendent & all administrative staff

Special ed appraisals

School board stipends & fees

Attorney & audit fees

Crossing guards

Chromebooks & software

Technology support

Clubs & sports

Summer programs

Plumbing & heating repairs

Textbooks

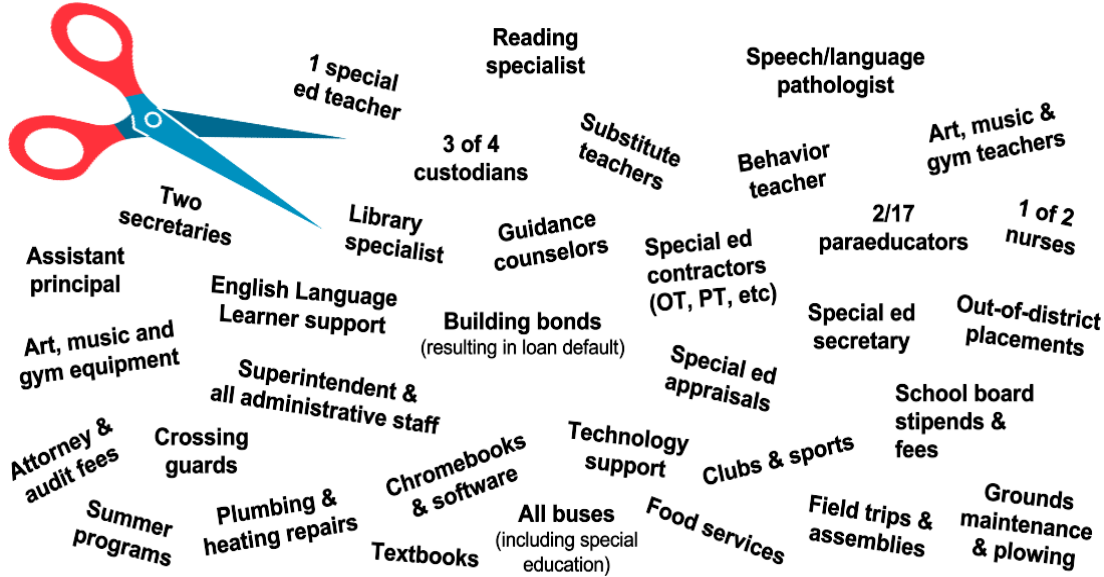
All buses (including special education)

Food services

Field trips & assemblies

Grounds maintenance & plowing

It still wasn't enough.



What's left?

Eliminate high school altogether. An "adequate" education in Allenstown ends in the 8th grade.

Cut teachers until:

**K-4 grades have
29 students/teacher ratio**

**5-8 grades have
38 students/teacher ratio**

How State Legislation Plays a Role

Share an example when a state-level policy decision impacted your life.

125 New or Increased Fees Passed in 2025 State Budget

- New permits for maple syrup products
- Increased licensing fee per bed for nursing facilities
- Increased registration fees for cars, motorcycles, antique cars, antique motorcycles, vanity plates, mopeds, & more
- Increase registration fee for agricultural tractors, air compressors, log splitters, cement mixers, & more

HB 155 (2026) – Cutting the Business Enterprise Tax (BET)

- Average business paying BET would save estimated **\$47 per month**
*Excluding businesses with more than \$18 million in taxable compensation the average savings are only **\$28 per month***
- Almost half of BET filers do not owe any BET which means no savings
- Largest 306 filers (average tax base of \$61.5 million each) would save estimated **\$2,561 per month**
- Will reduce revenue to the State by **more than \$26 million annually**

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.”

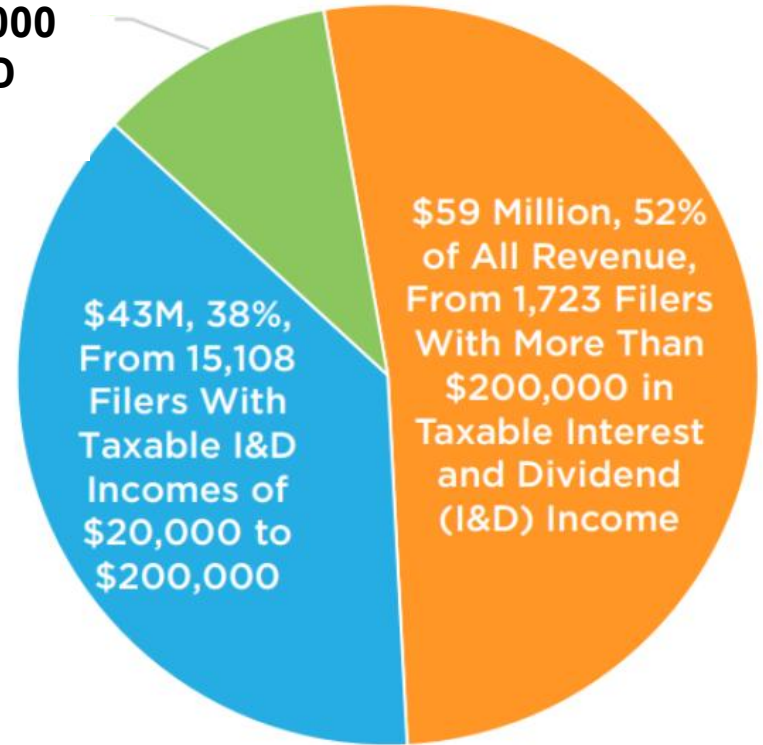
“Business Tax Rate Reductions Generated Net Revenue Loss, Not an Increase”

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

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

Repeal of Interest and Dividends Tax Disproportionately Benefits Wealthy NH Households

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



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

Education Freedom Accounts: a voucher by any other name

Vouchers come to NH

\$80k income threshold

1,635 students enrolled

\$8.0 million program cost

\$7.7 million over projection

Income threshold increased

\$105k threshold (family of 4)

4,552 students enrolled

\$23.8 million program cost

\$4 million over budget

Universal eligibility: SB295

No income restrictions

10,510 students enrolled

\$51.6 million program cost

\$12.3 million over budget

"This is really to help those less fortunate"

2021: Senator Denise Ricciardi, Bedford

2021

2022

The program grows

No additional income proof

3,110 students enrolled

\$15.2 million program cost

2023

Compliance review issues

25% of accounts have errors

5,765 student enrolled

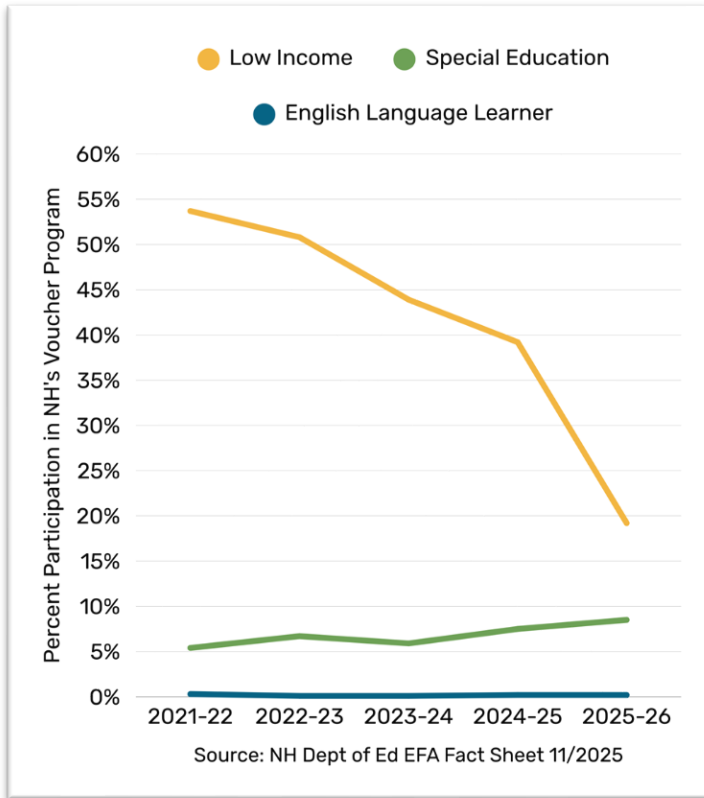
\$30.4 million program cost

\$10.6 million over budget

2024

2025

Who Are Vouchers Really For?



Legislators in 2021 originally pitched vouchers as a solution for lower income families who couldn't afford private school.

All income restrictions were eliminated in June 2025. The program doubled in size, driven mostly by wealthier families signing up for the first time.

92.8% of new voucher recipients this year were already in private or home school last school year. Because they weren't attending public school to begin with, these students represent \$21.6 million in new costs to taxpayers.

HB 651 – Killed by the NH House January 7, 2026

Base Adequacy Aid
\$7,356

Additional Aid Based on Student Qualifications

\$4,126	\$3,767	\$1,435
Free/Reduced Lunch	Special Education	English Language Learner

=

Gilford would have received an additional \$3.10 million per year which could have reduced property taxes on a \$500,000 home by up to \$354 per year

School Budget & Tax Caps

- **HB 675** – statewide mandated school budget cap that would remove local control, lock in inequities, and not allow communities to respond to variable costs. Framed as the “property tax firewall” bill.
 - Copycat amendment stripped from the budget in 2025 by the full NH House.
 - Full bill killed by the full NH House January 2026.
- **HB 1300** – last minute, unrelated amendment added that aims to put a tax cap ballot question on every town and city each two years. If enacted, these caps would be nearly impossible to remove.
 - Significant opposition from school and municipal leaders.

HB 1815 & SB 659 – Coordinated Efforts

- Sponsored by former Chief Justice of the NH Supreme Court and the NH Senate President
- Came out of a committee formed by Governor Ayotte to respond to the school funding Court cases
- They do not increase funding from the state
- They do not reduce property taxes
- They assert that only the legislature can make policy decisions about schools and funding
- They create intentional ways for the State to **reduce education funding**

193-E:2-a Substantive Educational Content of an Adequate Education. –

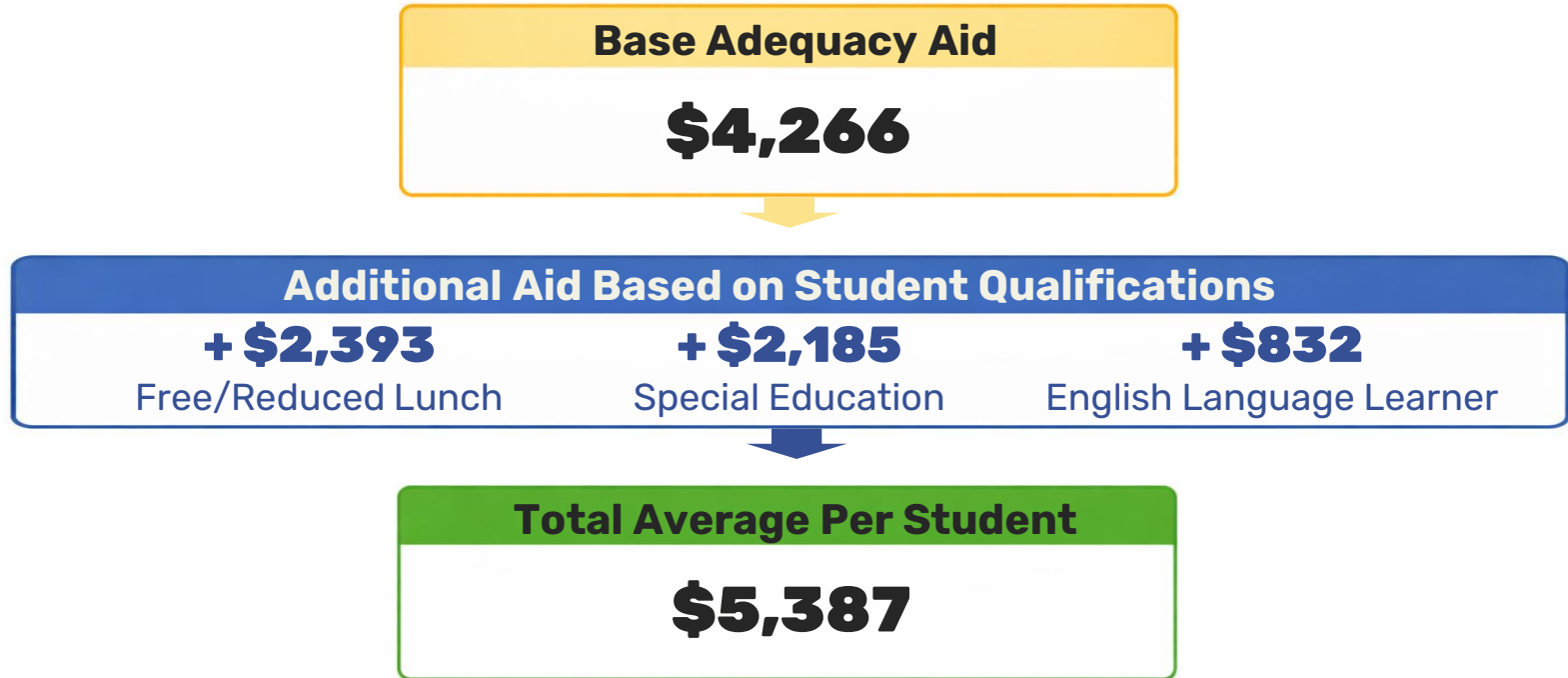
Beginning in the school year 2008-2009, and for each year thereafter, the specific criteria and substantive educational program that deliver the opportunity for An adequate education shall be defined and identified as the school approval standards in the following learning areas:

- (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.

(b) Teachers shall use academic and applied instruction to teach the learning areas under subparagraph (a). The following skills shall be integrated into the learning areas:

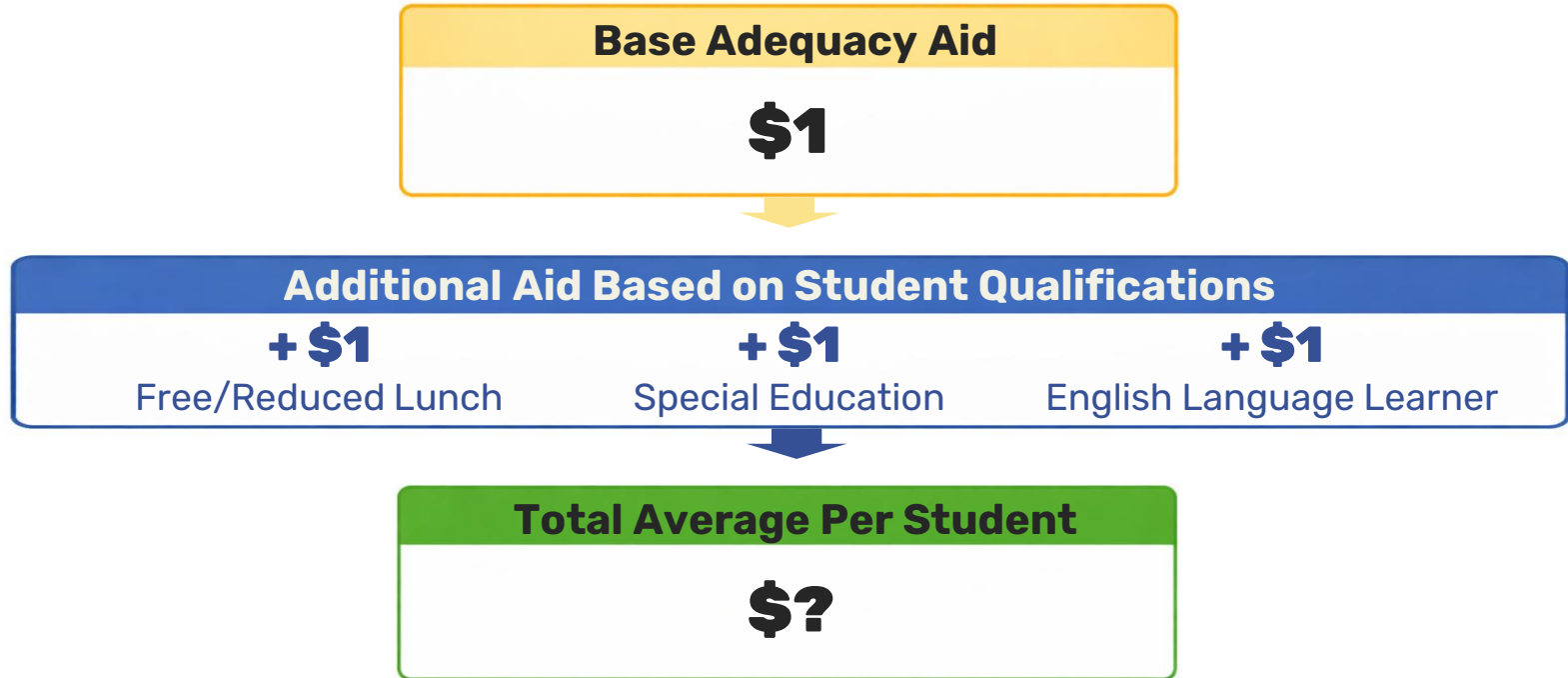
- (1) Computer use and digital literacy.**
- (2) Logic and rhetoric.**

III. The sum total calculated under paragraph II shall be **computed toward** the cost of an adequate education, **defined in RSA 193-E:2-a, including all differentiated aid.**



Current law = [this equation] **shall be the cost of an adequate education**

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Current law = [this equation] **shall be the cost of an adequate education**

Statewide Mandated Open Enrollment: SB101 and HB751

Proponents say:

- The program **offers families choice** to find the best school fit for their students
- Competition will prompt districts to become **more attractive to entice student enrollment**

Educators and school board members say:

- Families without transportation or extra tuition funds **can't access** this option
- **Local budgets can't predict or sustain** large tuition payments being sent to other districts
- Without any opportunity for a public hearing, **taxpayers and experts have been silenced**
- The bill **removes local control** from communities, forcing them to participate at potential great expense
- Poorer and rural districts may lose enough funds to **become insolvent**
- The students who remain in "undesirable" districts will have **fewer resources and less funding**
- **Taxes will go up** in communities that lose more students than they gain

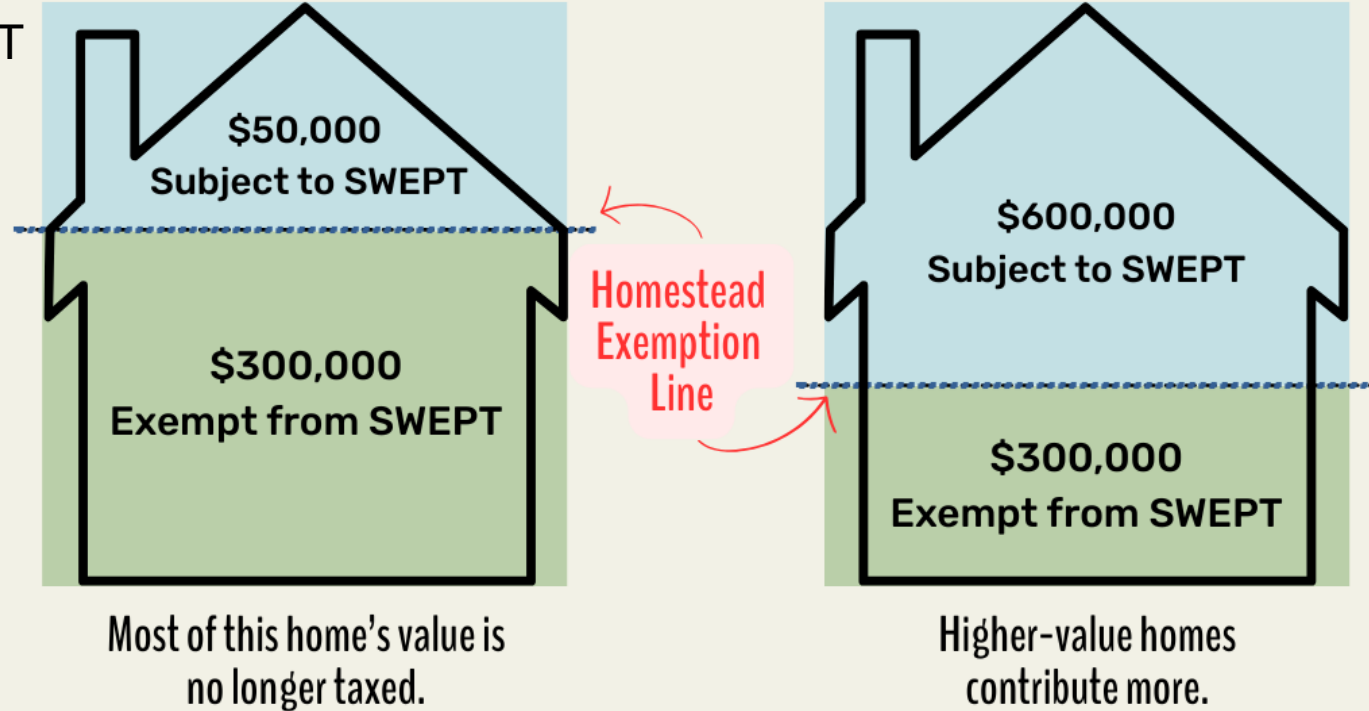
How do we raise money?

Legislative options to research other revenue options

- **HB 1636** – Directs State Department of Revenue Administration to provide lawmakers with usable data for options by showing revenue potential, taxpayer impacts, and ways to protect low- and moderate-income households. **Killed by the NH House February 2026.**
- **HB 491** – Would have created a legislative committee just to begin discussing how to raise more revenue at the state level in order to reduce reliance on local property taxes. **Killed by the NH House January 2026.**

Statewide property tax – HB 1648

- Increases in SWEPT could provide significant funding
- Paired with a Homestead Exemption (like HB 1648) would shield most primary residents from any increases



Reinstate Previous Revenue Sources that have been cut or eliminated

- Reinstating the Interest and Dividends Tax: **\$185 million a year.**
- Business tax cuts implemented between 2016 and 2024 resulted in a loss of \$1 billion in revenues, but that's over eight years, so **\$125 million each year.**
- Increase SWEPT, paired with property tax relief or exemptions, could raise about \$360 million for each \$1.00 per thousand of valuation increase.

What would other sources of revenue raise?

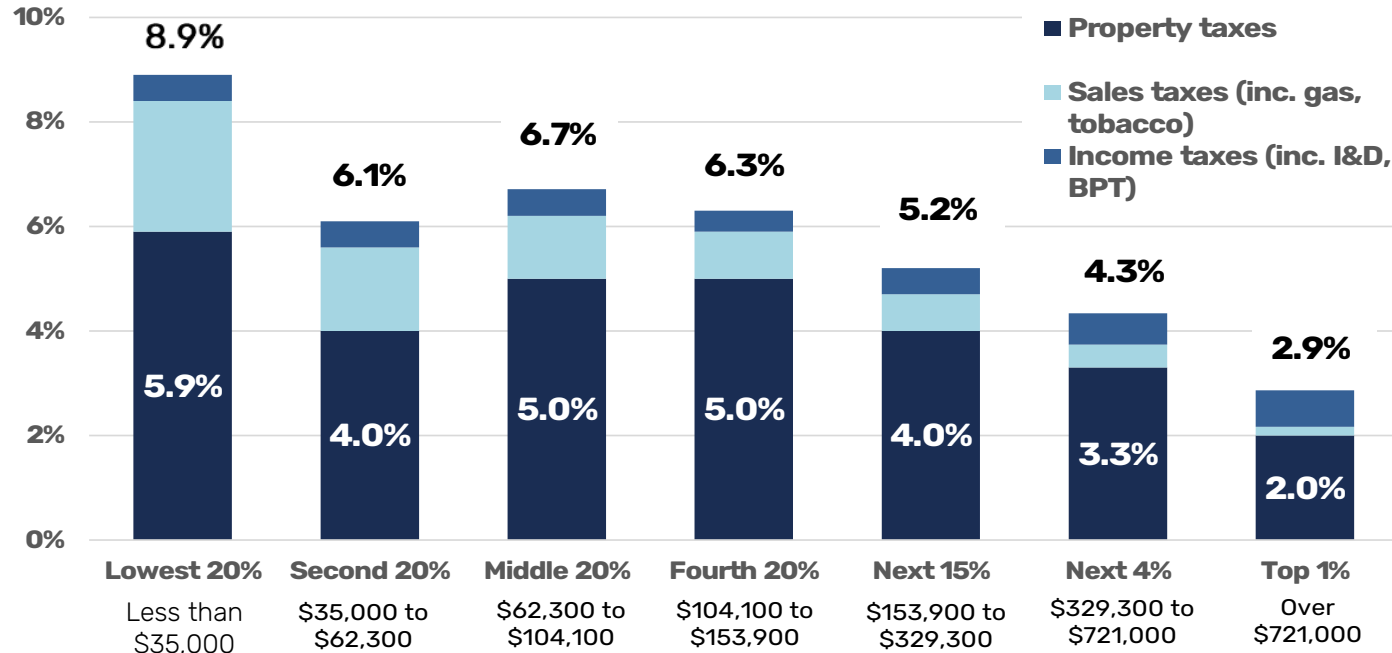
- Revenue available for each 1% tax on federal adjusted gross income: ~\$768 million (IRS 2022 data)
- Revenue available for each 1% of a general sales tax: ~\$300 million (2023 data)
- Revenue available for each \$1.00 equalized property tax rate: ~\$360 Million. (2024 data).
- Legalizing marijuana is projected to produce \$25 to \$35 million in new revenues each year.
- Revenue available for each 1% tax on Capital Gains: ~\$80 million (IRS 2022 data)

How do we raise money?

- If we need to raise about \$500 million for public schools, where should that money come from?
- What's the best option in your view?
- What's the worst option in your view?

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