

Amendment to HB 2-FN-A-LOCAL

1 Amend the bill by replacing sections 248-249 with the following:

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3 248 School Money; Additional Aid Based on Free or Reduced Price Meals; Fiscal Capacity
4 Disparity Aid. RSA 198:40-b and RSA 198:40-c are repealed and reenacted to read as follows:

5 198:40-b Additional Aid Based on Free or Reduced-Price Meals.

6 I. In a school district in which 48 percent or more of the ADMA is eligible to receive a free
7 or reduced-priced meal, an additional \$350 for each pupil in the ADMA who is eligible for a free or
8 reduced-priced meal.

9 II. In a school district in which at least 12 percent but less than 48 percent of the ADMA is
10 eligible to receive a free or reduced-priced meal, an amount equal to \$87.50 plus \$0.0729 for each
11 0.01 percent that its free or reduced-priced meal eligibility rate exceeds 12 percent, for each pupil in
12 the ADMA who is eligible for a free or reduced-priced meal.

13 III. A school district in which less than 12 percent of the ADMA is eligible to receive a free
14 or reduced-priced meal shall receive no additional aid under this section.

15 198:40-c Fiscal Capacity Disparity Aid.

16 I. In addition to aid for the cost of the opportunity for an adequate education provided
17 under RSA 198:40-a, each biennium the commissioner shall calculate fiscal capacity disparity aid
18 and provide that amount of aid in each year of the biennium to a municipality's school districts as
19 follows:

20 (a) A municipality with an equalized valuation per pupil of \$350,000 or less shall
21 receive \$1,750 per pupil in the municipality's ADMA.

22 (b) A municipality with an equalized valuation per pupil between \$350,001 and
23 \$999,999 shall receive a grant equal to \$0.0027 for each dollar of difference between its equalized
24 valuation per pupil and \$1,000,000, per pupil in the municipality's ADMA.

25 (c) A municipality with an equalized valuation per pupil of \$1,000,000 or more shall
26 receive no fiscal capacity disparity aid.

27 II. Fiscal capacity disparity aid shall be distributed pursuant to RSA 198:42.

28 III. In this section, "equalized valuation per pupil" means a municipality's equalized
29 valuation, including properties subject to taxation under RSA 82 and RSA 83-F, as determined by
30 the department of revenue administration, that was the basis for the local tax assessment in the
31 determination year, divided by the school district's kindergarten through grade 12 ADMA in the

1 determination year.

2 249 School Money; Consumer Price Index Adjustment. Amend RSA 198:40-d to read as follows:

3 198:40-d Consumer Price Index Adjustment.

4 *I. Beginning July 1, 2017 and every biennium thereafter, the department of education shall*
5 *adjust the cost of an adequate education under RSA 198:40-a based on the average change in the*
6 *Consumer Price Index for All Urban Consumers, Northeast Region, using the "services less medical*
7 *care services" special aggregate index, as published by the Bureau of Labor Statistics, United States*
8 *Department of Labor. The average change shall be calculated using the 3 calendar years ending 18*
9 *months before the beginning of the biennium for which the calculation is to be performed.*

10 *II. Beginning July 1, 2021 and every biennium thereafter, the department of*
11 *education shall adjust the additional aid based on free or reduced-price meals as*
12 *provided in RSA 198:40-b based on the average change in the Consumer Price Index for All*
13 *Urban Consumers, Northeast Region, using the "services less medical care services"*
14 *special aggregate index, as published by the Bureau of Labor Statistics, United States*
15 *Department of Labor. The average change shall be calculated using the 3 calendar years*
16 *ending 18 months before the beginning of the biennium for which the calculation is to be*
17 *performed.*

18 250 Determination of Adequate Education Grants. Amend RSA 198:41, I(b) to read as follows:

19 (b) Subtract the amount of the education tax warrant to be issued by the commissioner
20 of revenue administration for such municipality reported pursuant to RSA 76:8 for the next tax
21 year[-]; *and*

22 (c) *Add the municipality's additional aid for free or reduced-price meals*
23 *pursuant to RSA 198:40-b and fiscal capacity disparity aid pursuant to RSA 198:40-c.*

24 251 Determination of Education Grants. Amend RSA 198:41, IV(d) to read as follows:

25 (d) For fiscal year 2017 and each fiscal year thereafter, the department of education
26 shall distribute a total education grant to each municipality in an amount equal to the total
27 education grant for the fiscal year in which the grant is calculated plus a percentage of the
28 municipality's fiscal year 2012 stabilization grant, if any, distributed to the municipality; the
29 percentage shall be 96 percent for fiscal year 2017, ~~and shall be reduced by 4 percent of the amount~~
30 ~~of the 2012 education grant for~~ *92 percent for fiscal year 2018, 88 percent for fiscal year 2019,*
31 *and 100 percent for fiscal year 2020 and* each fiscal year thereafter. No stabilization grant shall
32 be distributed to any municipality for any fiscal year in which the municipality's education property
33 tax revenue collected pursuant to RSA 76 exceeds the total cost of an adequate education or to any
34 municipality for any fiscal year in which the municipality's ADMA is zero.

35 Effective Date. Sections 248-250 of this act shall take effect July 1, 2020.