

Amendment to HB 1583-FN-A

1 Amend RSA 198:40-a, II(a) as inserted by section 1 of the bill by replacing it with the following:

2

3 II.(a) A cost of [~~\$4,100~~] **\$7,356.01** per pupil in the ADMR, plus differentiated aid as follows:

4

5 Amend the bill by inserting after section 5 the following and renumbering the original section 6 to  
6 read as 9:

7

8 6 Assessment; Education Tax. RSA 76:3 is repealed and reenacted to read as follows:

9

76:3 Education Tax.

10 I. For the fiscal year beginning July 1, 2024, Statewide base adequacy aid paid through the  
11 statewide education property tax shall be \$773,000,000.

12 II. Beginning July 1, 2025, the definition of statewide base adequacy aid shall be calculated  
13 by multiplying the total average daily membership in residence (ADMR) by the base aid amount in  
14 RSA 198:40-a, II(a) utilized in the previous fiscal year's adequacy calculation, multiplied by 68  
15 percent. The department of education shall provide the calculation of the amount to be raised by  
16 May 1 before the warrant is issued on December 15 pursuant to RSA 76:8, II.

17 III. Beginning July 1, 2025, the commissioner of the department of revenue administration  
18 shall set the education tax rate at a level sufficient to generate revenue to satisfy the statewide base  
19 adequacy aid paid through statewide education property tax pursuant to paragraph II, when  
20 imposed on all persons and property taxable pursuant to RSA 76:8, except property subject to tax  
21 under RSA 82 and RSA 83-F. The education property tax rate shall be effective for the following  
22 fiscal year. The rate shall be set to the nearest 1/2 cent necessary to generate the revenue required  
23 in this section.

24 7 Assessment; Commissioner's Warrant. Amend RSA 76:8, II-III to read as follows:

25 II. The commissioner shall issue a warrant under the commissioner's hand and official seal  
26 for the amount computed in paragraph I to the selectmen or assessors of each municipality by  
27 December 15 directing them to assess such sum and pay it to the municipality for the use of the  
28 school district or districts ***and, if there is an excess statewide education property tax payment***  
29 ***pursuant to RSA 198:47-a, directing them to assess the amount of the excess payment and***  
30 ***pay it to the department of revenue administration for deposit in the education trust fund.***

31 Such sums shall be assessed at such times as may be prescribed for other taxes assessed by such  
32 selectmen or assessors of the municipality.

1 II-a. At the time the warrant is issued pursuant to paragraph II, the commissioner shall  
2 report to the governor, the speaker of the house of representatives, the president of the senate, and  
3 the commissioner of education, a statement of the education tax warrants to be issued for the tax  
4 year commencing April 1 of the succeeding year.

5 III. Municipalities are authorized to assess local property taxes necessary to fund school  
6 district appropriations not funded by the education tax, by distributions from the education trust  
7 fund under RSA 198:39, or by other revenue sources.

8 ***IV. Prior to June 30, 2027, school district appropriation amounts, less facilities***  
9 ***acquisition and construction, authorized in paragraph III and reported pursuant to RSA***  
10 ***198:4-a, shall not be more than the previous year's appropriation, less facilities acquisition***  
11 ***and construction, times the previous 3 years average Consumer Price Index pursuant to***  
12 ***paragraph VI.***

13 ***(a) Beginning June 30, 2027, the school district appropriation amount, less***  
14 ***facilities acquisition and construction, authorized in paragraph III shall not be more than***  
15 ***the greater of the following:***

16 ***(1) The 3-year average percent change in ADMR used for the purposes of***  
17 ***calculating adequate education grants pursuant to RSA 198:40-a applied to the previous***  
18 ***year's appropriation, less facilities acquisition and construction; or***

19 ***(2) The 3-year average appropriation, less facilities acquisition and***  
20 ***construction.***

21 ***(b) School districts seeking appropriations, less facilities acquisition and***  
22 ***construction, to assess local property taxes in excess of paragraph IV, as applicable, shall***  
23 ***do so by a 2/3 vote of their legislative body on each vote or warrant article in excess of the***  
24 ***appropriation determined in paragraph V. The vote to exceed the excess shall not be a***  
25 ***voice vote.***

26 ***(c) Districts seeking emergency appropriations shall follow the provisions of***  
27 ***RSA 197:3.***

28 ***V. Within 45 days after the reported appropriation amounts are submitted***  
29 ***pursuant to RSA 198:4-a, the commissioner of the department of revenue administration***  
30 ***shall notify the school board of any excess appropriations not made in accordance with***  
31 ***paragraph IV and delete those appropriations when computing district taxation pursuant***  
32 ***to RSA 198:4-a, IV.***

33 ***VI. The previous 3 years average Consumer Price Index shall be calculated by using***  
34 ***the All Urban Consumers, Northeast Region, using the "services less medical care services"***  
35 ***special aggregate index, as published by the Bureau of Labor Statistics, United States***  
36 ***Department of Labor. The average annual change shall be calculated using the 3 calendar***  
37 ***years ending 18 months before the start of the fiscal year.***

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1           8 New Sections; Excess Statewide Education Property Tax Payment; Forms. Amend RSA 198  
2 by inserting after section 47 the following new sections:

3           198:47-a Excess Statewide Education Property Tax Payment.

4           I. Any statewide education property tax collected by a municipality pursuant to a warrant  
5 issued by the commissioner of the department of revenue administration pursuant to RSA 76:8 that  
6 exceeds the amount determined by the department of education to pay for an adequate education in  
7 that municipality shall be remitted to the department of revenue administration.

8           (a) The department of education shall calculate the amount of excess statewide  
9 education property tax above and beyond an adequate education as defined in RSA 198:40-a and  
10 report that calculation to the department of revenue administration by October 1st.

11           (b) The department of revenue administration shall submit an invoice with the total  
12 amount to be remitted to any municipality with excess statewide education property tax by January  
13 1st.

14           (1) The municipality shall be required to make a payment of 30 percent of the total  
15 amount due by February 1.

16           (2) The municipality shall be required to make a payment of the remainder of the  
17 excess statewide education property tax no later than 75 days following the issuance of the  
18 municipality's final tax bill notice of the fiscal year.

19           (3) No later than 75 days following the issuance of the municipality's final tax bill  
20 notice of the fiscal year, the municipality shall submit to the department of revenue administration a  
21 report of the total amount collected pursuant to RSA 76:3 by the municipality.

22           (c) The commissioner of revenue administration may petition the state treasurer to  
23 withhold all meals and rooms distribution under RSA 78-A:26 for a municipality delinquent on an  
24 excess education tax payment.

25           (d) The commissioner of the department of education may withhold any state education  
26 aid, including adequacy payments under RSA 198:42, to the school districts of any municipality the  
27 department of revenue administration reports as delinquent on an excess education tax payment.

28           II. The commissioner of the department of revenue administration shall collect from the  
29 municipality the excess tax and pay the excess tax over to the state treasurer for deposit in the  
30 education trust fund.

31           198:47-b Forms. The commissioner of the department of revenue administration shall approve  
32 and provide forms relative to the reporting and remitting of excess statewide education property tax  
33 by the municipalities.

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35 Amend the bill by replacing section 9 with the following:

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37           9 Effective Date. This act shall take effect July 1, 2024.

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2024-1005h

AMENDED ANALYSIS

This bill increases the base annual cost of providing an opportunity for an adequate education, establishes relief aid funding and fiscal disparity aid, and requires municipalities to remit excess SWEPT payments to the department of revenue administration.