

RELEASE: HOUSE REPUBLICAN BUDGET FAILS TO ADDRESS ANTICIPATED \$90 MILLION DECLINE IN STATE EDUCATION AID

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HOUSE REPUBLICAN BUDGET FAILS TO ADDRESS ANTICIPATED \$90 MILLION DECLINE IN STATE EDUCATION AID

CONCORD, NEW HAMPSHIRE – Today, House Republicans blocked amendments to House Bill 2 that would have provided targeted educational aid to communities and school districts with the most need. After the votes, **Representative Mary Heath (D-Manchester)** released the following statement:

“House Bill 2 as amended by Republicans on the House Finance Committee and passed on the floor today fails our schools. It underfunds state education aid for our communities and school districts by an anticipated \$90 million at the worst possible time as they are struggling to recover from the pandemic. It also uses \$100 million for reduction in the statewide education property tax (SWETP) that would barely be felt by our citizens and could have been used in smarter, more equitable ways.

We do not know all the ramifications or restrictions of the American Rescue Plan and reducing SWEPT could very well jeopardize New Hampshire’s ability to receive federal aid. We should have sent money back to communities for target education aid, using indicators like fiscal disparity aid, free and reduced lunch numbers, and the property wealth of specific districts. This budget fails our schools and more importantly fails our students at a time when what they need most is for us to step up, do the work, and deliver for them and their futures.”

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On Background:

- Amendment 2021-1073h to HB 2-A, (Pg 101 of House Calendar 1B) would have reallocated the \$100 million that was used for a reduction in the statewide education property tax (SWEPT) to address the looming \$90 million decline in state aid coming in 2022.
 - The Governor’s budget underfunded education aid by almost \$90 million ([NHSFFP report here](#)).
 - This reduction in SWEPT will not help our communities and school districts most in need of additional aid. ([NHSFFP report here](#)).
 - If the \$90 million decline is not addressed, communities could be forced to move forward with huge cuts or local property tax increases.
 - This amendment was defeated on the floor

- Amendment 2021-1062h to HB 2-A, (Pg 100 of House Calendar 1B) would have made explicit that in the event that the state has more revenue in the Education Trust Fund at the end of 2022-2023 than was in the revenue estimates, or if federal funds become available, we would first use these funds in the following ways to begin to restore in steps the aid that was already provided to school districts in 2021.
 - To modify the calculation of the cost of an opportunity for an adequate education
 - Increase funding for fiscal disparity aid,
 - Increase funding for free and reduced lunch in 2021
 - This amendment was defeated on the floor

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