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**THE UGLY, THE BAD,
AND THE NOT TOO BAD
NEW HAMPSHIRE FINANCE LAWS FROM 2026**

Bradley F. Kidder Law Conference

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I. ADOPTION OF SAU BUDGETS

Adoption of SAU Budgets Including Single District SAUs
House Bill 564, Chapter 153

SUMMARY

Chapter 153 amends RSA 194-C:3, 9 and 10 and RSA 32:5-e, IV(c)(1) became effective August 18, 2026. It will apply to next year's SAU budgets and any SAU fund balance at the end of FY2027.

All districts with a school district meeting are required to include a separate warrant article to approve their SAU budget. The question for the warrant article is set out in the statute. If the article fails an “adjusted budget” based on the previous year budget, “adjusted” for continuing contracts, but excluding any pay increases or benefit increases associated with those pay increases or any new positions or new services that were not in the prior year's budget will be in place for the “SAU.”

Also, multi-district SAUs will no longer be able to retain unassigned funds. At the end of the fiscal year, any fund balance must be apportioned and returned to the constituent SAU school districts. Single district SAU’s never could retain an “SAU” fund balance.

DETAILS AND QUESTIONS RAISED

1. Placement of SAU Budget Adoption Question on the District’s Warrant

For districts that already have or which adopt a budget cap under RSA 32:5-e, IV(c)(1) in the future, the SAU budget question must appear first in the warrant after any articles proposing bonds or notes. **Please note:** this requirement for the placement of the question does not apply in districts that have not adopted or which do not adopt a budget cap under RSA 32:5-c.

2. Law Applies to Single District SAUs

The new law applies to single district SAUs. Single districts which have until now been exempt from the SAU law (except for its requirement to provide superintendent services). Single District SAUs will now need to adopt a budget and conduct SAU budget voting pursuant to RSA 194-C:9 (as amended). The Board will need to conduct a public hearing in accordance with RSA 194-C:10 on the budget proposed by the School Board. After the hearing the School Board must adopt the SAU budget on or before January 1.

3. What goes into a SAU Budget?

Please note a “SAU budget” is undefined in the new law. At a minimum, it must include “the expenses necessary for the operation of the SAU”. Superintendents, assistant superintendents, business administrators, teacher consultants, and regularly employed office personnel shall be deemed employees of the SAU.

4. What is out of the “Adjusted Budget”?

The previous year budget, “adjusted” for continuing contracts, but excluding any pay increases or benefit increases associated with those pay increases or any new positions or new services that were not in the prior year's budget will be in place for the “SAU.”

5. Multi-District SAU Budget Adoption and Apportionment

A multi-district SAU's budget preparation and the apportionment of the budget between districts in the SAU has not changed from existing law.

6. Budget Approval Process for Single District and Multi-District SAUs

- a. The warrant article to approve the SAU budget shall read:

“Shall the voters of _____ (name of school district) _____, adopt a school administrative unit budget of \$ _____ for the forthcoming fiscal year in which \$ _____ is assigned to the school budget of this school district? This year's adjusted budget of \$ _____, with \$ _____ being assigned to the school budget of this school district, will be adopted if the article does not receive a majority vote of all the school district voters voting in this school administrative unit.”

- b. No amendment.

The warrant article cannot be amended prior to the vote at the annual District meeting.

- c. Announcing the results

The Moderator shall conduct a vote by paper ballot and announce the results at the annual meeting. It is unclear how that happens in a multi-district SAU or in an SB2 district. Since there is no indication that RSA 40:13 (SB2) has been amended by this new law and RSA 40:13, I states clearly that “notwithstanding any other provision of law” a district adopting the SB2 “shall use official ballot voting on all issues before the voters,” it appears the vote on the SAU budget in a SB2 district will be by official ballot voting just like the voting on all other warrant articles.

7. Vote Tabulation

- a. Counting Ballots on SAU Budget in a Single District SAU

In a single district SAU, the Moderator delivers ballots to the “Secretary of the SAU”. The trouble is a single district SAU does not elect a Secretary of the SAU

in the same way that a multi-district SAU does. See RSA 194-C:5, I. The statute requiring a Secretary of SAU does not even apply to a single district SAU. See RSA 194-C:3 as amended by Chapter 153. As a result, it is unclear whether the law modifies how the Moderator currently handles ballots.

b. Counting Ballots on SAU Budget in a Multi-District SAU

The new law indicates the moderator of a district in a multi-district SAU turns ballots over to the Moderator of the District with the latest chronological annual meeting and that Moderator counts the ballots and announces the results. For SB2 districts with official ballot voting, this provision appears to be in direct conflict with RSA 671:30, RSA 669:25 and RSA 659:95-98 regarding the moderators' duties to seal, preserve, and certify ballots.

Furthermore, the statute is silent about what happens if all districts in a SAU are SB2 districts which vote on the same day, or if the districts in a multi-district SAU hold their meetings on the same day. (Presumably, vote tallies from each district will be shared and be tabulated by cooperation of the Moderators of the SAU districts.)

However, these issues are resolved, once the Moderator determines the outcome, the statute requires that they then deliver the ballots to the Secretary of the SAU. The Secretary is required to place them in a suitable container showing the contents and date of the vote. Ballots are required to be retained for a minimum of 60 days. Again, these provisions appear to be in direct conflict with the laws cited above about how ballots are handled in communities using the nonpartisan ballot system. As a result, these provisions raise many questions that will require further analysis to be resolved.

c. Recount of Ballots Cast on SAU Budget Question in Single and Multi-District SAUs

Recounts can be requested no later than the Friday following "the latest annual meeting".

8. Retaining Unassigned Fund Balance in Multi District SAUs

At the end of the 2027 fiscal year and each year thereafter, unassigned general funds shall be apportioned "on the same basis used" by the SAU, and those funds will be returned to the constituent school districts. It appears a single District SAU still can retain funds from the SAU budget if it has adopted the provisions of the fund balance retention law RSA 198:4-b,II.

9. Districts Operating Under the Current Alternative Budget Adoption Procedures for SAUs (RSA 194-C:9-a)

Districts which have already adopted an alternative budget adoption procedure for the SAU under the provisions of RSA 194-C:9-a and RSA 194-C:9-b must switch to these new procedures because those statutes are repealed.

CHAPTER 153
HB 564 - FINAL VERSION

04/23/2026 1468s

2026 SESSION

25-0248
07/02**HOUSE BILL 564**

AN ACT relative to the adoption of school administrative unit budgets.

SPONSORS: Rep. Vose, Rock. 5; Rep. Andrus, Merr. 5; Rep. Harvey-Bolia, Belk. 3; Rep. Pauer, Hills. 36; Rep. Sellers, Graf. 18; Rep. Sheehan, Hills. 43; Rep. Creighton, Hills. 30; Sen. Avard, Dist 12; Sen. Ward, Dist 8

COMMITTEE: Education Policy and Administration

ANALYSIS

This bill revises the annual budget adoption procedure for school administrative units and repeals the alternative procedure.

Explanation: Matter added to current law appears in ***bold italics***.

Matter removed from current law appears ~~[in brackets and struckthrough.]~~

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

04/23/2026 1468s 25-0248
07/02

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT relative to the adoption of school administrative unit budgets.

Be it Enacted by the Senate and House of Representatives in General Court convened:

153:1 Municipal Budget Law; Preparation of Budgets; School District Budget Cap. Amend RSA 32:5-e, IV (c)(1) to read as follows:

(c)(1) School districts ~~[that have adopted the school administrative unit (SAU) alternative budget procedure under RSA 194-C:9-b]~~ shall place the warrant article for the SAU budget at the beginning of school district warrant, immediately after any warrant articles proposing bonds or notes.

153:2 School Boards, Superintendents, Teachers, and Truant Officers; School Census; Mandatory Reports to Voters; Reference Removed. Amend RSA 189:76, I to read as follows:

I. Before any meeting at which any school district adopts a school budget, ~~[whether or not the district has adopted the provisions of RSA 194-C:9-b]~~ a mandatory report to voters must be posted in at least 3 appropriate places, 2 of which must be places of business or other public locations, and one of which shall be the local newspaper or, if a local newspaper is not available, the district's website. The report must be posted at least 7 days, excluding Sundays and legal holidays, prior to the meeting.

153:3 Single District School Administrative Units; Exemption. Amend RSA 194-C:3 to read as follows:

194-C:3 Single District School Administrative Units; Exemption. Single district school administrative units shall be considered the same as a single school district and shall be exempt from meeting the requirements of this chapter, except that they shall provide superintendent services pursuant to RSA 194-C:4[-], ***adopt a budget, conduct budget voting pursuant to RSA 194-C:9, and conduct public hearings under RSA 194-C:10.***

153:4 School Administration Units; Budget Adoption. Amend RSA 194-C:9 to read as follows:

194-C:9 Budget.

I. At a meeting held before January 1, the school administrative unit board, *or school board for single-district school administrative units*, shall adopt a budget required for the expenses of the school administrative unit for the next fiscal year, which budget may include the salary and expenses of supervisors of health, physical education, music, art, and guidance, and any other employees, and shall include the expenses necessary for the operation of the school administrative unit. Superintendents, assistant superintendents, business administrators, teacher consultants, and the regularly employed office personnel of the school administrative unit office shall be deemed employees of the school administrative unit for the purposes of payment of salaries and contributions to the employee's retirement system of the state of New Hampshire and workers' compensation.

II. *The provisions of this paragraph shall apply to school administrative units with 2 or more districts.* The school administrative unit board shall apportion the total amount of the budget among the constituent school districts in the following manner: the apportionment shall be based 1/2 on the average membership in attendance for the previous school year and 1/2 on the most recently available equalized valuation of each district as of June 30 of the preceding school year. Prior to January 15 in each year, the board shall certify to the chairperson of the school board of each constituent school district the amount so apportioned. Each district within a school administrative unit shall raise at the next annual district meeting the sum of money apportioned to it by the school administrative unit board for the expenses of services which each district received in connection with the school administrative unit office. The school administrative unit board in adopting the budget shall not add any new service to the school administrative unit budget unless a majority of the school districts in the school administrative unit representing not less than 60 percent of the total pupils in the school administrative unit have voted favorably upon the establishment of the service. A vote to accept a new service shall not be construed as a vote to raise and appropriate money within the meaning of RSA 197:3.

~~III. The provisions of paragraph I shall not apply to school administrative units comprising only one district. The budget for these units shall be a part of the school district budget and subject to the vote of the annual school district meeting or, for those districts without an annual meeting, by the legislative body.~~

~~III. Paragraph I of this section shall not apply to school districts which have adopted the provisions of RSA 194-C:9-a.~~

IV. In addition to the method of apportionment set forth in paragraph I, the school administrative unit board may consider other methods. Any method of apportionment to be used shall have been approved by the constituent school districts pursuant to RSA 194-C:9 ~~[or RSA 194-C:9-a]~~, except that the proposed method of apportionment shall be adopted only if there is a majority affirmative vote in each school district within the school administrative unit.

IV. *The provisions of this paragraph apply to districts with an annual meeting.*

(a) *The school administrative unit budget adopted according to RSA 194-C:9, I and II, shall be placed before the voters of each school district of that school administrative unit in a separate warrant article at the annual school district meeting.*

Wording of the warrant article shall be as follows:

"Shall the voters of _____ (name of school district) _____ adopt a school administrative unit budget of \$ _____ for the forthcoming fiscal year in which \$ _____ is assigned to the school budget of this school district? This year's adjusted budget of \$ _____, with \$ _____ assigned to the school budget of this school district, will be adopted if the article does not receive a majority vote of all the school district voters voting in this school administrative unit."

(b) *The adjusted budget in the warrant article shall be that of the previous year, adjusted for continuing contracts, but shall not include any pay increases, any benefits cost increases associated with pay increases, any new positions, or any new services that were not in the previous year's approved budget. Notwithstanding RSA 32 and RSA 40:13, the budget adopted by the school administrative unit board, or the school board for single-district school administrative units, shall not be amended or changed in any way prior to the vote. The school district moderator shall conduct a vote by paper ballot, record the number of yeas and nays, and announce the result at the annual meeting.*

(1) *For single-district school administrative units, the moderator shall deliver the ballots to the secretary of the school administrative unit.*

(2) *For school administrative units comprising 2 or more districts, the ballots shall be delivered to the moderator of the school district with the latest chronological annual meeting. The moderator of the latest annual meeting shall record the*

total number of yeas and nays, announce the results of the final vote on adopting the school administrative unit budget, and deliver the ballots to the secretary of the school administrative unit.

(c) A majority of voters voting in favor shall result in the adoption of the budget proposed by the school administrative unit board. If the article receives less than a majority vote, the accepted budget amount shall be that of the previous year, adjusted for continuing contracts (adjusted budget). After a vote on the school administrative unit budget, the secretary of the school administrative unit shall place the ballots and all envelopes or wrappings that previously contained them in a suitable container, showing the contents and the date of the vote. The ballots shall be retained for 60 days from the date of the vote or any recount unless further preservation is necessary or unless disposal is enjoined by the superior court. Any registered voter who resides in a school district within the school administrative unit may, in writing, petition the secretary of the school administrative unit for a recount of the vote no later than the Friday following the latest annual meeting of school districts in the school administrative unit. The secretary shall schedule a recount, to be conducted by the school administrative unit, not earlier than 5 days nor later than 10 days after receiving the petition.

153:5 New Section; School Administrative Units; Unassigned Funds. Amend RSA 194-C by inserting after section 9-b the following new section:

194-C:9-c Unassigned Funds. At the end of the fiscal year, any unassigned general fund balance shall be apportioned and returned to the constituent school districts. The apportionment shall be on the same basis used by the school administrative unit and certified to the constituent districts for the purpose of raising the funds at the preceding annual district meetings.

153:6 Repeal. RSA 194-C:9-a and RSA 194-C:9-b, relative to SAU alternative budget adoption procedure, are repealed.

153:7 Applicability. RSA 32:5-e, IV (c)(1), as amended by section 1 of this act, shall apply to school district budget caps adopted prior to the effective date of this act and shall not require local amendment or re-adoption by a school district.

153:8 Effective Date. This act shall take effect 60 days after its passage.

Approved: June 19, 2026

Effective Date: August 18, 2026

II. Mandatory District Tax Cap and SAU Budget Cap

(Voted on November 2026 and 2028)

HB 1300/CHAPTER 324
NOVEMBER VOTE ON DISTRICT TAX CAP AND FIXED 6% CAP ON SAU
ADMINISTRATIVE EXPENSES

August 4, 2026

By Gordon B. Graham

INTRODUCTION

Until this year, voters in school districts with school district meetings (typically in March) determined either by official ballot vote or at a traditional meeting whether they wished to adopt an optional tax cap or budget cap. Meanwhile, in cities, either a city's charter commission and voters or its legislative body (council or alderman) decided whether to adopt a tax cap. This year, the Legislature decided voters who vote during the State and Federal election in November should be asked a local question on whether to adopt a district only tax cap and a fixed cap on administrative expenses. As a result, voters who show up to vote in the State and Federal elections this November will be asked to chime in on a totally unrelated municipal matter.

In addition, the Legislature chose to prescribe the question to be asked of voters on whether to adopt the new law. Although there are provisions of this new law that are internally inconsistent that will be discussed below, it appears that a portion of the prescribed question to be asked of voters in November is misleading. It states in part:

“These caps apply only to administrative operations of the SAU central office and do not affect classroom instruction, school-based services or other municipal expenditures.”

Welcome to House Bill 1300 which is chapter 324 of the 2026 Legislative session.

THE DETAILS OF THE LAW

House Bill 1300, Chapter 324 adopted in 2026 inserts a new subsection in RSA 32 entitled “School District Tax Cap and School Administrative Fixed Cap on Central Office Administrative Budgets”. See RSA 32:5-i.

In November 2026 and November 2028, during the general election, a question on the adoption of a school district only tax cap as well as a 6% fixed budget cap on central office expenses will be presented to voters during the State's general election on ballots prepared by the Secretary of State. The question is:

“Shall the [name of municipality] limit property tax growth for [name(s) of school district(s)] under RSA 32:5-i? If adopted for a two-year period: (1) the local property tax levy may not grow beyond the prior year's amount, adjusted for inflation and new construction; (2) SAU central office spending may not exceed

6% of total school district appropriations; and (3) bonded capital costs are excluded from both limits. *These caps apply only to administrative operations of the SAU central office and do not affect classroom instruction, school-based services, or other municipal expenditures.* These limits may be overridden as provided in RSA 32:5-i. Adoption requires a three-fifths (3/5) majority vote.”

See RSA 32:5-i, V.

If a 3/5 majority of “...voters voting in the municipalities and wards served by the *school district* approve the question...” the “local” (i.e. not SWEPT) tax cap is adopted. Meanwhile, if a 3/5 majority of “...voters voting in the municipalities and wards served by the *school administrative unit* approve the question, then the SAU fixed cap for the SAU central administrative budget...” is adopted. See RSA 32:5-i, VI(a) and (b). ¹

THE TAX CAP

If adopted by the required majority, the tax cap limiting the amount the district can raise and, therefore, spend is set forth in RSA 32:5-i, VIII(a).

¹ The majority vote required is 3/5 of the “voters voting” in those municipalities and wards served by either the school district, for the tax cap, or served by the SAU, for the central office budget cap. Please note, unlike all the other provisions of the tax-cap laws that already exist (see RSA 32:5-c, I; RSA 32:5-f, I; RSA 32:5-h, I), the provisions determining the majority needed to adopt the new law, RSA 32:5-i (RSA 32:5-i, VI(a) and (b)) do not state that only the votes of those voting on “the question” will be tabulated to determine the 3/5 majority or that only votes in the affirmative or negative will be counted to determine adoption of the law. Rather, the new law sets the majority required as “3/5 of **voters voting**”; i.e. 3/5 of those who show up at the polls and cast a ballot regardless of whether they vote on the adoption question. Furthermore, elsewhere in RSA 32:5-i, the law states a different threshold for the majority votes needed to override the tax cap, or the fixed cap, as 3/5 of “those voting **on the question**” and specifically provides that “only votes in the affirmative or negative shall be included in the calculation of the 3/5 majority...”. See RSA 32:5, I, X(a). Because the legislature has demonstrated in all these statutes that it knows how to limit the count of those determining the majority required to those voting yes or no on the question, the omission of the language limiting the tabulation of a 3/5 majority to those voting yes or no on the question in the provisions relating to the adoption of RSA 32:5-i appears to be intentional. As a result, that express omission would overcome the common law presumption that it is only those who actually vote on a question who determine whether the majority required is obtained. Thus, it appears that a 3/5 majority vote of all those who vote in the election is required to approve a tax cap or SAU budget cap (i.e. all those who vote in the election, but who do not vote on the question will count against the majority needed to adopt the law).

The maximum allowable levy shall equal the “*prior fiscal year property tax levy*” (excluding bonded capital costs...) x (1+ inflation + net new taxable property growth).

- a. “Prior fiscal year property tax levy” appears to refer to the levy in the year prior to effective date of the cap. So, for a cap that goes into effect for fiscal year 2028 (July 1, 2027 – June 30, 2028) the prior fiscal year tax levy is the district’s tax levy for fiscal year 2027.
- b. “Bonded capital costs” are “principal or interest on bonds or notes” if issued for “the acquisition, construction, or major structural renovation of real property.” See RSA 32:5-i, XVI(a). The Department of Revenue Administration shall certify annually the portion of debt service that qualifies for exclusion. The law does not say, however, when that calculation will be made. Bonded capital costs shall be excluded from the prior fiscal year property tax levy and from the maximum allowable levy that is calculated by following the statute. No amount attributable to bonded capital costs shall be included in the prior fiscal year levy for the purpose of calculating the maximum allowable levy in any subsequent year. See RSA 32:5-i, VIII(a).
- c. “Inflation” is the one-year percentage change in the Consumer Price Index for All Urban Consumers, Northeast Region, as published by the BLS, USDOL using the amount published in March “in the prior fiscal year.” (See RSA 32:5-i, VIII(b)). Prior fiscal year is not defined. Since the adoption of the tax cap in November 2026 would limit the amount that can be raised in fiscal year 2028 (July 1, 2027-June 30, 2028), it appears that the prior fiscal year referred to will be March 2027. The problem is that any districts which adopt the law in November 2026 will not know what the inflation factor is when they vote at their March 2027 district meetings because the inflation factor will not have been determined yet.
- d. “New net property growth” is the percentage increase in assessed valuation from the prior year attributable to...” new construction, physical expansion, or improvement of structures, subdivisions, or redevelopment of land, conversion from exempt to taxable status, or any fiscal change increasing taxable value. It is not general market appreciation, reevaluation values, or change in assessment methodology. Again, prior year is not defined. Is it the prior tax year or the fiscal year? DRA certifies this factor annually so it will have to decide which it is. We do not know when the certification will occur. See RSA 32:5-i, VIII(d).

THE FIXED CAP ON “SAU CENTRAL OFFICE ADMINISTRATIVE BUDGETS”

The central office administrative budget cap shall be 6% of “the sum of the total school district appropriation amounts,” except costs of bonded capital projects (same definition as the tax cap) in all the school districts comprising the SAU. See RSA 32:5-i, IX.

The “school administrative unit central office administrative budgets means expenditures for the general management and administration of a school administrative unit. These expenditures include superintendent services; assistant or deputy superintendent services; business administration; human resources; finance; payroll; purchasing; district-level information technology administration; legal services; public relations; and other non-school-based administrative functions, regardless of physical location or building assignment. The term also includes district-level curriculum directors, directors of instruction, or similarly titled positions who are not employed under a collective bargaining agreement or who do not provide direct classroom instruction for more than 50% of their work time, as well as any personnel reported to the department of education as employed by the central office. *The term does not include school-based administrative staff; classroom instruction; instructional support services; special education services; transportation; food services; or facilities operations and maintenance.*”

In a multi-district SAU, the cap on central office administrative budgets is 6% “of the sum of the total of school district appropriation amounts.” See RSA 32:5-i, IX.

Please note, the definition of central office expenses excludes special education services, transportation, food service, and facilities operation and maintenance, among other things. It is not clear whether that means the Special Education Director, Transportation Coordinator, Food Service Director, and Facilities Manager, along with their respective support personnel are excluded from the calculation or whether they are all “personnel reported to the DOE as employed in the central office” and therefore included. Furthermore, this definition means that the “school administrative unit central office administrative budget” may end up being different than the budget for the school administrative unit that is presented to voters pursuant to RSA 194-C:9 as required by House Bill 564, Chapter 153 (2026 legislation). In other words, due to the exclusion of certain “services” and personnel who may otherwise be included in the “SAU budget”, it is likely that the school administrative unit central office administrative budget” will be less than the “SAU budget” presented to voters.

OVERRIDE

The local tax cap may be overridden by a 3/5majority vote on a budget question. Only votes in the affirmative or negative are included in the calculation of the 3/5 majority or supermajority required by charter. See RSA 32:5-i, IX. To exceed the tax cap, voting on a question must be by ballot in a traditional meeting and will be by official ballot in a Senate Bill 2 meeting. In communities without an annual meeting, the legislative body will adopt the school district budget, and it may not exceed the tax cap unless the legislative body overrides a cap by a supermajority vote as determined by charter. Unfortunately, two of the factors used to calculate the maximum tax levy (the inflation factor and the net new taxable growth) may not be known by the 1st session of a SB2 meeting in February, when the appropriations to be voted on in March by official ballot voting are finalized, and they still may be unknown when voters vote on the district’s proposed appropriations in March by ballot in a SB2 district or when they are voted on

at a traditional district meeting in March. Therefore, the maximum tax levy allowed may not be known at the time of the budget is voted on so it will be guesswork whether a particular appropriation requires a 3/5 majority to pass.

APPLICATION OF THE TAX CAP AND SAU FIXED CAP

DRA is forbidden from setting a tax rate in the fall, following the district meetings, which causes a taxing authority to exceed its “*certified limits*” (i.e., either the tax cap or the SAU budget cap.)

The governing body (the school board/SAU board) must forward documentation to the Department of Revenue demonstrating compliance with the “adopted caps.” That documentation includes: (1) how the district computed the school district tax cap and the school administrative unit fixed cap; (2) the proposed appropriations by the governing body and the budget committee; (3) the estimated revenue going into the annual meeting showing the estimated amount of property tax to be raised for the school district budget or school administrative unit central office administrative budgets, or both; (4) the appropriations voted by the annual or special meeting of the legislative body; (5) and the count of any ballot votes taken to override the school district cap or SAU fixed cap. (See RSA 32:5-I, XI, (a))

RSA 32:5-i, XI then provides:

“(b) Upon review of documentation submitted under subparagraph (a), if the commissioner of the department of revenue administration determines that the *certified school district budget* results in estimated taxes *exceeding the adopted school administrative unit fixed cap* and that no valid override vote was obtained as provided in this section, **the governing body** shall reduce the appropriation of the *certified budget* by the amount that *the certified budget exceeds the cap*.”

(c) Upon review of documentation submitted under subparagraph (a), if the commissioner of the department of revenue administration determines that *the certified school administrative unit central office administrative budget* results in estimated taxes *exceeding the adopted school administrative unit fixed cap* and that no valid override vote was obtained as provided in this section, **the governing body** shall reduce the appropriation of the certified budget by the amount that the certified budget exceeds the cap.

d) The department of revenue administration shall not approve any tax rate that exceeds the certified limit and shall withhold rate approval until the municipality demonstrates compliance either by showing the certified budget is within the certified cap or by showing a valid override vote in accordance with RSA 40:13 or applicable annual meeting procedures.”

Paragraph (b) is very confusing. It directs DRA to determine whether the “school district budget” results in taxes which exceed “*the adopted school administrative unit fixed cap*”. It is not clear how overall local taxes can exceed a budget cap on the small portion of the district’s budget which is allocated for SAU expenses. And, more importantly it is not clear which “cap” the paragraph is talking about. If the cap referred to is the budget cap on SAU central office administrative budget, arguably the paragraph only requires DRA to apply a “cap” on the district “tax levy” to the extent the levy funds appropriations for the SAU which exceed the administrative fixed cap. That interpretation would be consistent with the question that is asked of voters which states that the “*caps*” only apply “to administrative operations of the SAU and do not affect classroom instruction, school-based services, or other municipal expenditures. (See RSA 32:5-i, V) And, it would be consistent with the legislature’s amended analysis of the bill which avoids the issue of a school district tax caps entirely and states that the bill establishes a local tax cap *question*, limits central office expenses, and requires DRA to adopt *rules on the tax cap question* and limitations on central office expenses.

On the other hand, such an interpretation would ignore the rest of the statute. The title of the new law itself states it is both a “School District Local Tax Cap and A School Administrative Fixed Cap on Central Office Administrative Budgets.” Meanwhile the language in RSA 32:5-i, VIII states clearly that the district’s tax levy cannot exceed the prior year’s tax levy by more than 1+ inflation + net new taxable property growth. Also, if the law was only intended to impose a 6% cap on Central office expenditures the portions of the bill detailing the limits on the “tax levy” would be unnecessary. Finally, RSA 32:5-i, XI(d) states that DRA “shall not approve any tax rate that exceeds the certified limit and shall withhold rate approval until the municipality demonstrates compliance either by showing the *certified budget* is within the *certified cap* or by showing a valid override vote...”.

For all these reasons, and because of the clear formula set out in section VIII of the law, it is clear that if the “caps” question is approved this November 2026 or in November 2028 in a district there will be a cap on all that district’s expenditures so the district’s certified budget, as a whole, does not cause the tax cap to be exceeded. Such a tax cap will have an enormous impact on all district expenditures and programs, not just administrative expenses. Thus, adopting the RSA 32:5-i in November will go far beyond creating a simple fixed cap on SAU expenses. As a result, the question to be presented to voters is extremely misleading!

Other things to note in these sections/paragraphs are;

- 1) If there is no valid override for a particular appropriation causing either cap to be exceeded, it is “the governing body” (either the school board or SAU board), and not DRA, that “shall reduce the appropriation of the *certified budget* by the amount that the *certified budget* exceeds the cap.” See RSA 32:5-i, XI (b). Similarly, the adopted school administrative fixed cap will be reviewed, and it is the SAUs “governing body” not DRA that shall reduce the appropriation of the certified budget by the amount that the certified

budget exceeds the cap. See RSA 32:5-i, XI(c). Thus, it is the governing body that chooses what to eliminate to remain under the caps. This appears to mean, for example, that if a CBA passes by a simple majority but not a 3/5 majority thereby causing the tax cap to be exceeded, the school board is allowed to make the cuts it wishes to make to the operating budget to accommodate the adoption of the CBA. In other words, DRA's role is only to determine the caps and make sure the tax cap and the budget cap on central office expenses are not exceeded.

- 2) It is not clear when DRA will make the determination of any cuts that need to be made. We assume it will be before actual revenues are known and set in the Fall. Therefore, the determination of the maximum levy will be based only on revenue estimates, not actuals. As a result, a district's estimate of revenues in its budget takes on added importance
- 3) "Certified budget results" is not defined but it appears to be the MS 22 form which is the required report of district meeting appropriations filed after the district's meeting.

DURATION AND SUNSETTING

If the caps are adopted in November 2026, they will apply beginning with fiscal year 2028. The fiscal year 2028 budget will be adopted in March of 2027. According to the question asked of voters set out in RSA 32:5-i, V, the cap will only be in place for 2 years if adopted in 2026. However, the sunset provisions do not provide that the adoption in 2026 is only valid for 2 years. That sunset provision is only contained in the otherwise misleading question to be presented to voters.

Meanwhile, if approved at the November 2028 general election, the tax cap will apply in fiscal year 2030. The meetings adopting the 2030 fiscal year budget will take place in the spring of 2029.

RSA 32:5-i, XVII provides clearly that any tax cap adopted under the statute shall expire on January 1, 2032.

CUMULATIVE EFFECT

RSA 32:5-i, XIV indicates that if the new law is adopted, it does not supersede or diminish any other property tax limitations already adopted under existing law, and that if more than one property tax limitation, tax cap, local tax cap or budget cap apply, each applicable limitation must be fully satisfied within that district.

RECOUNTS

The law contains its own recount provisions allowing 10 registered voters to request a recount within 7 days from the date of the general election. See RSA 32:5-i, VII(a) and (b).

CHAPTER 324
HB 1300 - FINAL VERSION

11Mar2026... 0980h
11Mar2026... 1117h
05/14/2026 1851s
05/14/2026 1876s
4Jun2026... 2109CofC
4Jun2026... 2173EBA

2026 SESSION

26-2870
05/06

HOUSE BILL ***1300***

AN ACT establishing a school district local tax cap question for the state general elections of 2026 and 2028 and related limitations on central office administrative expenses in school districts.

SPONSORS: Rep. Ankarberg, Straf. 7; Sen. Innis, Dist 7

COMMITTEE: Election Law

AMENDED ANALYSIS

This bill:

- I. Establishes a school district local tax cap question for the state general elections of 2026 and 2028.
- II. Establishes limitations on central office administrative expenses in school districts.
- III. Requires that the commissioner of the department of revenue administration adopt rules relative to the school district local tax cap question and limitations on central office administrative expenses in school districts.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears [~~in brackets and struckthrough.~~]
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

CHAPTER 324
HB 1300 - FINAL VERSION

11Mar2026... 0980h
11Mar2026... 1117h
05/14/2026 1851s
05/14/2026 1876s
4Jun2026... 2109CofC
4Jun2026... 2173EBA

26-2870
05/06

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT establishing a school district local tax cap question for the state general elections of 2026 and 2028 and related limitations on central office administrative expenses in school districts.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 324:1 New Section; Municipal Budget Law; Preparation of Budgets; School District Local Tax Cap
2 and School Administrative Fixed Cap on Central Office Administrative Budgets. Amend RSA 32 by
3 inserting after section 5-h the following new section:

4 32:5-i School District Local Tax Cap and School Administrative Fixed Cap on Central Office
5 Administrative Budgets.

6 I. During the November 2026 and November 2028 state general elections, every town and ward
7 in a city shall conduct a vote on a local tax cap question for their school district and a fixed cap on the
8 school administrative unit central office administrative budget. The question shall appear on the ballot by
9 operation of law and shall not require a warrant article, citizen petition, or separate local legislative
10 approval.

11 II. The question required under paragraph I shall be printed on the state general election ballot
12 administered pursuant to RSA 656:13, following the offices columns. If the secretary of state determines
13 that sufficient space on the front of the state general election ballot does not permit inclusion of the
14 question, the secretary of state shall cause the question to be printed on the reverse side of the state
15 general election ballot and shall cause a notice to be printed on the front of the ballot directing voters to
16 turn the ballot over to vote on the question. If the secretary of state determines that printing on the
17 reverse side is also impracticable, the question shall be printed on a separate official ballot to be
18 distributed, cast, collected, and counted at the same polling place and during the same hours as the state
19 general election ballot. The secretary of state shall adopt any procedures necessary to ensure that ballot
20 counting devices used pursuant to RSA 656:40 are programmed to read and count votes cast on both
21 sides of the ballot where the reverse side is used.

22 III. Nothing in this section shall prohibit a municipality, school board, or school administrative unit
23 board from holding a public hearing on the question for the local tax cap and for the school administrative
24 fixed cap on central office administrative budgets.

25 IV. Whenever the question required under paragraph I is printed on the state general election
26 ballot or on a separate official ballot pursuant to paragraph II, the secretary of state shall ensure that said
27 question is also included on all applicable absentee ballots consistent with RSA 656:36.

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1 V. The school district local tax cap and school administrative unit fixed cap question on the ballot
2 for towns and wards with an annual school district meeting shall read:

3 “Shall the [name of municipality] limit property tax growth for [name(s) of school district(s)] under RSA
4 32:5-i? If adopted for a two-year period: (1) the local property tax levy may not grow beyond the prior
5 year’s amount, adjusted for inflation and new construction; (2) SAU central office spending may not
6 exceed 6 percent of total school district appropriations; and (3) bonded capital costs are excluded from
7 both limits. These caps apply only to administrative operations of the SAU central office and do not affect
8 classroom instruction, school-based services, or other municipal expenditures. These limits may be
9 overridden as provided in RSA 32:5-i. Adoption requires a three-fifths (3/5) majority vote.”

10 Towns and wards serving more than one school district shall include the names of all such school districts
11 in the question.

12 VI.(a) The moderator of each municipality or ward in the school district shall report the results
13 on the question to the secretary of the school administrative unit board for the school district. If a 3/5
14 majority of the voters voting in the municipalities and wards served by the school district approve the
15 question, then the maximum allowable levy per the local tax cap for the district under paragraph VIII shall
16 be binding.

17 (b) The moderator of each municipality or ward in the school administrative unit shall report
18 the results on the question to the secretary of the school administrative unit board served by the
19 municipality or ward. If a 3/5 majority of the voters voting in the municipalities and wards served by the
20 school administrative unit approve the question, then the SAU fixed cap for the SAU central office
21 administrative budget under paragraph IX shall be binding.

22 (c) The secretary of the school administrative unit board shall certify the results of the votes
23 to the department of revenue administration. Preservation of ballots shall be pursuant to RSA 33-A:3-a,
24 XXXVII.

25 VII.(a) Any 10 registered voters from any municipality served by a school district, before the
26 expiration of 7 days from the date of the general election, may apply in writing to the school district clerk
27 for a recount of the ballots for the question on a school district local tax cap under this section. The
28 secretary shall schedule a recount, to be conducted by the school board, not earlier than 5 days nor later
29 than 10 days after the date the secretary receives the petition. The applicants for such a recount shall pay
30 to the school clerk a fee of \$10 for conducting the recount.

31 (b) Any 10 registered voters from any municipality served by a school administrative unit,
32 before the expiration of 7 days from the date of the general election, may apply in writing to the secretary
33 of the school administrative unit for a recount of the ballots for the question on a school administrative unit
34 fixed cap under this section. The secretary shall schedule a recount, to be conducted by the school
35 administrative unit, not earlier than 5 days nor later than 10 days after the date the secretary receives the
36 petition. The applicants for such a recount shall pay to the secretary of the school administrative unit
37 board a fee of \$10 for conducting the recount.

38 VIII.(a) The maximum allowable levy shall equal:

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1 Prior fiscal year property tax levy (excluding bonded capital costs as defined in paragraph XVI) $\times (1 +$
2 inflation + net new taxable property growth).

3 Bonded capital costs, as defined in paragraph XVI, shall be excluded from both the prior fiscal year
4 property tax levy and the maximum allowable levy calculated under this paragraph. No amount
5 attributable to bonded capital costs shall be included in the prior fiscal year levy for purposes of
6 calculating the maximum allowable levy in any subsequent year.

7 (b) "Inflation" means the one year (12 month) percentage change in the Consumer Price
8 Index for All Urban Consumers, Northeast Region, as published by the Bureau of Labor Statistics, United
9 States Department of Labor, using the amount published for the month of March in the prior fiscal year.

10 (c)(1) "Net new taxable property growth" means the percentage increase in assessed
11 valuation from the prior year attributable to:

12 (A) New construction;

13 (B) Physical expansion or improvement of structures;

14 (C) Subdivision or redevelopment of land;

15 (D) Conversion from exempt to taxable status; or

16 (E) Any physical change that increases taxable market value.

17 (2) "Net new taxable property growth" shall not include:

18 (A) Market appreciation;

19 (B) Revaluation or reassessment; or

20 (C) Changes in assessment methodology.

21 (d) The department of revenue administration shall certify annually the net new taxable
22 property growth for each taxing jurisdiction.

23 IX. In the municipalities and wards served by a school administrative unit where the school
24 administrative unit fixed cap question under this section is approved by the voters, the fixed cap for school
25 administrative unit central office administrative budgets shall be 6 percent of the sum of the total school
26 district appropriation amounts, except costs of bonded capital projects pursuant to paragraph XVI, in the
27 school districts comprising the SAU. "School administrative unit central office administrative budgets"
28 means expenditures for the general management and administration of a school administrative unit.
29 These expenditures include superintendent services; assistant or deputy superintendent services;
30 business administration; human resources; finance; payroll; purchasing; district-level information
31 technology administration; legal services; public relations; and other non-school-based administrative
32 functions, regardless of physical location or building assignment. The term also includes district-level
33 curriculum directors, directors of instruction, or similarly titled positions who are not employed under a
34 collective bargaining agreement or who do not provide direct classroom instruction for more than 50
35 percent of their work time, as well as any personnel reported to the department of education as employed
36 by the central office. The term does not include school-based administrative staff; classroom instruction;
37 instructional support services; special education services; transportation; food services; or facilities
38 operations and maintenance.

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1 X. The legislative body may vote to exceed the school district local tax cap or the school
2 administrative unit fixed cap using the override procedures provided in these subparagraphs.

3 (a) The provisions of this subparagraph shall apply only to districts with an annual meeting.
4 The legislative body may override the school district local tax cap under paragraph VIII, or the school
5 administrative unit fixed cap under paragraph IX, by the usual procedures applicable to annual meetings
6 of the legislative body, provided that: when a proposed appropriation will cause the cap to be exceeded or
7 the cap has already been exceeded, exclusive of bonded costs defined in paragraph XVI, voting on the
8 appropriation question shall be by ballot, but the question shall not be placed on the official ballot used to
9 elect officers, except in the case of a legislative body that uses an official ballot form of meeting under
10 RSA 40:13 or under a charter adopted pursuant to RSA 49-D. If a 3/5 majority or the super majority as
11 determined under a charter pursuant to RSA 49-D of those voting on the question vote "yes," the
12 appropriation is approved. Only votes in the affirmative or negative shall be included in the calculation of
13 the 3/5 majority or the super majority as determined under a charter pursuant to RSA 49-D.

14 (b) The provisions of this subparagraph shall apply only to districts without an annual
15 meeting. If the school district local tax cap has been adopted, the legislative body shall adopt a school
16 district budget, exclusive of bonded costs defined in paragraph XVI, that does not exceed the local tax cap
17 established under paragraph VIII, unless the legislative body overrides the cap by the supermajority
18 defined in its charter pursuant to RSA 49-C:33, I(d) or RSA 49-D:3, I(e). If the school administrative unit
19 fixed cap has been adopted, the legislative body overrides that cap by the supermajority defined in its
20 charter pursuant to RSA 49-C:33, I(d) or RSA 49-D:3, I(e).

21 XI. No municipal tax rate shall be set that causes a taxing authority to exceed its certified limits
22 under this section.

23 (a) For a school district that has adopted the school district local tax cap or a school
24 administrative unit that has adopted the school administrative unit fixed cap under this section, the
25 governing body shall forward, at a time and in a form prescribed by the department of revenue
26 administration, documentation demonstrating compliance with the adopted caps. Such documentation
27 shall include:

28 (1) The computation of the school district local tax cap or school administrative unit fixed
29 cap for the applicable year;

30 (2) Proposed appropriations by the governing body and budget committee and estimated
31 revenues going into the annual meeting, showing the estimated amount of property taxes to be raised for
32 the school district budget or school administrative unit central office administrative budgets, or both;

33 (3) Appropriations voted by the annual or special meeting of the legislative body; and

34 (4) The count of any ballot votes taken to override the school district local tax cap or
35 school administrative unit fixed cap.

36 (b) Upon review of documentation submitted under subparagraph (a), if the commissioner of
37 the department of revenue administration determines that the certified school district budget results in
38 estimated taxes exceeding the adopted school administrative unit fixed cap and that no valid override vote

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1 was obtained as provided in this section, the governing body shall reduce the appropriation of the certified
2 budget by the amount that the certified budget exceeds the cap.

3 (c) Upon review of documentation submitted under subparagraph (a), if the commissioner of
4 the department of revenue administration determines that the certified school administrative unit central
5 office administrative budget results in estimated taxes exceeding the adopted school administrative unit
6 fixed cap and that no valid override vote was obtained as provided in this section, the governing body
7 shall reduce the appropriation of the certified budget by the amount that the certified budget exceeds the
8 cap.

9 (d) The department of revenue administration shall not approve any tax rate that exceeds the
10 certified limit and shall withhold rate approval until the municipality demonstrates compliance either by
11 showing the certified budget is within the certified cap or by showing a valid override vote in accordance
12 with RSA 40:13 or applicable annual meeting procedures.

13 (e) Nothing in this section shall prohibit the department of revenue administration from
14 requiring additional information, documentation, or schedules reasonably necessary to determine
15 compliance with the adopted local tax cap or fixed cap under this section.

16 XII. If approved at the November 2026 state general election, the school district local tax cap or
17 the school administrative unit fixed cap, or both, shall apply beginning with the fiscal year 2028 school
18 district total budget or school administrative unit budget, as applicable. If approved at the November 2028
19 state general election, the school district local tax cap or the school administrative unit fixed cap, or both,
20 shall apply beginning with the fiscal year 2030 school district total budget or school administrative unit
21 budget, as applicable.

22 XIII. Any taxpayer in a member school district or school district of the school administrative unit,
23 as applicable, shall have standing to enforce this section in superior court.

24 XIV. Nothing in this section may be construed to repeal, supersede, or diminish any property tax
25 limitation that is more restrictive under existing law, a municipal charter, or a local ordinance. When more
26 than one property tax limitation, tax cap, local tax cap, or budget cap applies, each applicable limitation
27 must be fully satisfied.

28 XV. This section shall operate solely as a local tax cap limitation on the estimated amount of local
29 taxes to be raised for the fiscal year attributable to the school district or a fixed cap on the school
30 administrative unit central office administrative budget, as applicable.

31 XVI.(a) Bonded capital costs shall include principal or interest on bonds or notes only if the
32 bonded indebtedness is issued solely for the acquisition, construction, or major structural renovation of
33 real property, reported pursuant to RSA 198:4-a.

34 (b) The department of revenue administration shall certify annually the portion of debt service
35 that qualifies for exclusion.

36 (c) No exclusion shall apply unless certified by the department.

37 XVII. The provisions of this section shall expire on January 1, 2032. Any school district local tax
38 cap or school administrative unit fixed cap adopted pursuant to this section shall cease to have legal

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1 effect as of that date. The expiration of this section shall not affect the validity of any appropriation,
2 budget, or tax rate lawfully established prior to January 1, 2032.

3 324:2 New Paragraph; Department of Revenue Administration; Rulemaking Authority. Amend RSA
4 21-J:13 by inserting after paragraph XIV the following new paragraph:

5 XV. The forms, promulgation of forms, and any other information necessary to implement the
6 provisions of RSA 32:5-i.

7 324:3 Prospective Repeal. RSA 32:5-i, relative to the school district local tax cap and school
8 administrative fixed cap on central office administrative budgets, is repealed.

9 324:4 Effective Date.

10 I. Section 3 of this act shall take effect January 1, 2032.

11 II. The remainder of this act shall take effect September 1, 2026.

Approved: July 15, 2026

Effective Date:

I. Section 3 effective January 1, 2032

II. Remainder effective September 1, 2026

III. Changes to Mandatory Report to Voters

Mandatory Reports to Voters (Chapter 312; RSA 197:1-h; RSA 189:76, I-V)

Effective September 8, 2026, RSA 197:1-h will be added and RSA 189:76, I-V will be amended.

RSA 197:1-h will require that in the annual warrant, the information in RSA 671:20, II (a)-(c) (average cost, proficiency) must be printed immediately below the article number and title and preceding the question of adopting a school budget.

RSA 189:76, I-V will be amended. The report must be posted on the district's website, if one exists. All postings must be posted seven days, excluding Sundays and legal holidays, prior to the scheduled date of the first budget hearing held pursuant to RSA 32:5, I. Instead of three line graphs on the report, districts are required to include a graph with four financial indicators. The size of the report has been shrunk to at least 8.5 inches wide and 11 inches tall. The graphs and table must fill each page with margins no more than an inch. There is no longer a requirement to make a good faith effort to adjust each annual statistic for inflation.

The third line indicator is now labeled "average administrator salaries" and must include the district's yearly average administrator salary over the previous ten years. The fourth line indicator graph will be "total administrator salaries" and must display annual totals of all earned wages paid to employees or contractors of the SAU plus the earned wages of all district administrators that are not included in the SAU over the previous ten years.

If a district has less than ten years of historical data, all available years must be used for the graphs.

The graph of the top administrator salaries must now include the top ten highest-paid administrators (previously four). Any employee paid over \$100,000 in earned wages must also be included.

"Administrator" means a person who provides building-, district-, or SAU-level administrative services at the pre-K, elementary, or secondary level including a superintendent, assistant superintendent, principal, assistant principal, special education administrator, curriculum administrator, career and technical education principal, and district administrator, as outlined in administrative rule Ed 506.

CHAPTER 312
HB 1807-FN - FINAL VERSION

11Mar2026... 1004h
04/23/2026 1508s
4Jun2026... 2014CofC
4Jun2026... 2175EBA

2026 SESSION

26-2747
07/05

HOUSE BILL 1807-FN

AN ACT relative to mandatory reports to voters.

SPONSORS: Rep. Peternel, Carr. 6; Rep. Bernardy, Rock. 36; Rep. Berry, Hills. 44; Rep. Pauer, Hills. 36; Rep. Drago, Rock. 4; Rep. Colcombe, Hills. 30; Rep. DeVito, Rock. 8; Sen. Murphy, Dist 16; Sen. Avard, Dist 12; Sen. Lang, Dist 2; Sen. Sullivan, Dist 18

COMMITTEE: Education Funding

AMENDED ANALYSIS

This bill makes changes to the form and content of the mandatory report to voters distributed before any meeting at which any school district adopts a school budget.

Explanation: Matter added to current law appears in ***bold italics***.

Matter removed from current law appears ~~[in brackets and struckthrough]~~

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

11Mar2026... 1004h
04/23/2026 1508s
4Jun2026... 2014CofC
4Jun2026... 2175EBA 26-2747
07/05

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT relative to mandatory reports to voters.

Be it Enacted by the Senate and House of Representatives in General Court convened:

312:1 Education; Students First Act; Mandatory Report to Voters. Amend RSA 189:76, I-V to read as follows:

I. Before any meeting at which any school district adopts a school budget, whether or not the district has adopted the provisions of RSA 194-C:9-b, a mandatory report to voters ~~[must]~~ ***shall*** be posted in at least 3 appropriate places, 2 of which ~~[must]~~ ***shall*** be places of business or other public locations, and one of which ~~[shall]~~ ***may*** be the local newspaper ~~[or, if a local newspaper is not available, the district's website]~~. ***The report shall be posted to the school district website, if one exists.*** The report ~~[must]~~ ***shall*** be posted at least 7 days, excluding Sundays and legal holidays, prior to the ~~[meeting]~~ ***scheduled date of the first budget hearing held pursuant to RSA 32:5, I.***

II. The report shall display the name of the school district, be prominently titled "Mandatory Report to Voters on School Expenses," and shall contain ~~[3 line graphs]~~ ***one graph with 4 financial indicators***, and one table. When posted in public locations, the report shall be displayed on 2 pages which are each ~~at least 18~~ ***at least 8.5*** inches wide and ~~[24]~~ ***11*** inches tall. ***The graphs and table shall fill each page, leaving margins no greater than one inch.***

III. The first line ~~[graph]~~ **indicator** shall be titled "Average Cost Per Pupil" and shall display the district's annual cost-per-pupil over the previous 10 years. The second line ~~[graph]~~ **indicator** shall be titled "Average Teacher Salary" and shall display the district's yearly average teacher salary over the previous 10 years. ~~[A good faith effort shall be made to adjust each annual statistic for inflation using the U.S. Bureau of Labor Statistics Inflation Calculator or equivalent resource.]~~ Each yearly statistic shall be clearly labeled. In each **line** graph, the upper and lower boundaries of the **dual** y-axis ~~[must]~~ **shall** be capped at the nearest thousand dollars.

IV. The third line **indicator** graph shall be titled "**Average** Administrator Salaries" and shall display ~~[annual totals of all salaries paid to administrators employed or contracted by the district and corresponding school administrative unit]~~ **the district's yearly average administrator salary** over the previous 10 years. **The fourth line indicator graph shall be titled "Total Administrator Salaries" and shall display annual totals of all earned wages paid to employees or contractors of the school administrative unit plus the earned wages of all district administrators that are not included in the school administrative unit over the previous 10 years.** Administrators serving multiple districts may have annotation showing how their salary is apportioned among the multiple districts. ~~[A good faith effort shall be made to adjust each annual statistic for inflation using the U.S. Bureau of Labor Statistics Inflation Calculator or equivalent resource.]~~ Each yearly total shall be clearly labeled. The upper and lower boundaries of the **dual** y-axis ~~[must]~~ **shall** be capped at the nearest ~~[hundred]~~ **ten** thousand dollars.

IV-a. If the district has fewer than 10 years of historical data, all available years shall be used for the required graphs in paragraphs III and IV.

V. The table shall be titled "Top Administrator Salaries" and shall list the titles and current salaries of the ~~[4]~~ **10** highest-paid administrators employed or contracted by the district or corresponding school administrative unit **and any employee paid over \$100,000 in earned wages.** If less than ~~[4]~~ **10** administrators are so employed, all administrators shall be so listed.

V-a. In this section, "administrator" means a person who provides building-, district-, or SAU-level administrative services at the pre-K, elementary, or secondary level including a superintendent, assistant superintendent, principal, assistant principal, special education administrator, curriculum administrator, career and technical education principal, and district administrator, as outlined in administrative rule Ed 506.

312:2 New Section; Education; School Meetings; Annual Warrant Information. Amend RSA 197 by inserting after section 1-g the following new section:

197:1-h Annual Warrant Information. In the annual warrant, the information in RSA 671:20, II (a)-(c) shall be printed immediately below the article number and title, and preceding the question of adopting a school budget.

312:3 Education; Students First Act; Mandatory Report to Voters. Amend RSA 189:76, I-V to read as follows:

I. Before any meeting at which any school district adopts a school budget, a mandatory report to voters ~~[must]~~ **shall** be posted in at least 3 appropriate places, 2 of which ~~[must]~~ **shall** be places of business or other public locations, and one of which ~~[shall]~~ **may** be the local newspaper ~~[or, if a local newspaper is not available, the district's website].~~ **The report shall be posted to the school district website, if one exists.** The report ~~[must]~~ **shall** be posted at least 7 days, excluding Sundays and legal holidays, prior to the ~~[meeting]~~ **scheduled date of the first budget hearing held pursuant to RSA 32:5, I.**

II. The report shall display the name of the school district, be prominently titled "Mandatory Report to Voters on School Expenses," and shall contain ~~[3 line graphs]~~ **one graph with 4 financial indicators**, and one table. When posted in public locations, the report shall be displayed on 2 pages which are each **at least** ~~[18]~~ **8.5** inches wide and ~~[24]~~ **11** inches tall. **The graphs and table shall fill each page, leaving margins no greater than one inch.**

III. The first line ~~[graph]~~ **indicator** shall be titled "Average Cost Per Pupil" and shall display the district's annual cost-per-pupil over the previous 10 years. The second line ~~[graph]~~ **indicator** shall be titled "Average Teacher Salary" and shall display the district's yearly average teacher salary over the previous 10 years. ~~[A good faith effort shall be made to adjust each annual statistic for inflation using the U.S. Bureau of Labor Statistics Inflation Calculator or equivalent resource.]~~ Each yearly statistic shall be clearly labeled. In each **line** graph, the upper and lower boundaries of the **dual** y-axis ~~[must]~~ **shall** be capped at the nearest thousand dollars.

IV. The third line **indicator** graph shall be titled "**Average** Administrator Salaries" and shall display ~~[annual totals of all salaries paid to administrators employed or contracted by the district and corresponding school administrative unit]~~ **the district's yearly average administrator salary** over the previous 10 years. **The fourth line indicator graph shall be titled**

"Total Administrator Salaries" and shall display annual totals of all earned wages paid to employees or contractors of the school administrative unit plus the earned wages of all district administrators that are not included in the school administrative unit over the previous 10 years. Administrators serving multiple districts may have annotation showing how their salary is apportioned among the multiple districts. ~~[A good faith effort shall be made to adjust each annual statistic for inflation using the U.S. Bureau of Labor Statistics Inflation Calculator or equivalent resource.]~~ Each yearly total shall be clearly labeled. The upper and lower boundaries of the *dual* y-axis ~~[must]~~ ***shall*** be capped at the nearest ~~[hundred]~~ ***ten*** thousand dollars.

IV-a. If the district has fewer than 10 years of historical data, all available years shall be used for the required graphs in paragraphs III and IV.

V. The table shall be titled "Top Administrator Salaries" and shall list the titles and current salaries of the ~~[4]~~ ***10*** highest-paid administrators employed or contracted by the district or corresponding school administrative unit ***and any employee paid over \$100,000 in earned wages.*** If less than ~~[4]~~ ***10*** administrators are so employed, all administrators shall be so listed.

V-a. In this section, "administrator" means a person who provides building-, district-, or SAU-level administrative services at the pre-K, elementary, or secondary level including a superintendent, assistant superintendent, principal, assistant principal, special education administrator, curriculum administrator, career and technical education principal, and district administrator, as outlined in administrative rule Ed 506.

312:4 Contingency. If HB 564 of the 2026 regular legislative session becomes law, section 1 of this act shall not take effect and section 3 of this act shall take effect 60 days after its passage. If HB 564 of the 2026 regular legislative session does not become law, section 1 of this act shall take effect 60 days after its passage and section 3 of this act shall not take effect.

312:5 Effective Date.

I. Sections 1 and 3 of this act shall take effect as provided in section 4 of this act.

II. The remainder of this act shall take effect 60 days after its passage.

Approved: July 10, 2026

Effective Date:

I. Sections 1 & 3 effective as provided in section 4

II. Remainder effective September 8, 2026

IV. Default Budget in SB2 Districts Determined by Budget Committee

CHAPTER 149
HB 1575 - FINAL VERSION

12Mar2026... 0294h

2026 SESSION

26-2888
09/07**HOUSE BILL 1575**

AN ACT relative to the determination of the default budget by the budget committee.

SPONSORS: Rep. Boehm, Hills. 38; Rep. Rice, Hills. 38; Rep. Lascelles, Hills. 14

COMMITTEE: Municipal and County Government

AMENDED ANALYSIS

This bill makes the budget committee responsible for the determination of the default budget in any local political subdivision that has adopted the official ballot referenda form of meeting pursuant to RSA 40:14 and has also adopted a municipal budget committee pursuant to RSA 32:14.

Explanation: Matter added to current law appears in ***bold italics***.Matter removed from current law appears ~~[in brackets and struckthrough.]~~

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

12Mar2026... 0294h 26-2888

09/07

STATE OF NEW HAMPSHIRE*In the Year of Our Lord Two Thousand Twenty-Six*

AN ACT relative to the determination of the default budget by the budget committee.

Be it Enacted by the Senate and House of Representatives in General Court convened:

149:1 Default Budget Determined by Budget Committee RSA 40:14-b is repealed and reenacted to read as follows:

40:14-b Default Budget Determined by Budget Committee. In a local political subdivision that has adopted the official ballot referenda form of meeting pursuant to RSA 40:14 and has also adopted a municipal budget committee pursuant to RSA 32:14, the determination of the default budget shall be by the budget committee instead of the governing body.

149:2 Duties and Authority of the Budget Committee. Amend RSA 32:16, I to read as follows:

I. To prepare the budget as provided in RSA 32:5~~[-]~~ and ~~[if authorized under RSA 40:14-b,]~~ a default budget under RSA 40:13, IX(b) for submission to each annual or special meeting of the voters of the municipality, and, if the municipality is a town, the budgets of any school district or village district wholly within the town, unless the warrant for such meeting does not propose any appropriation.

149:3 Use of Official Ballot; Default Budget. Amend RSA 40:13, IX(b) to read as follows:

(b) "Default budget" as used in this subdivision means the amount of the same appropriations as contained in the operating budget authorized for the previous year, reduced and increased, as the case may be, by debt service, contracts, and other obligations previously incurred or mandated by law, and reduced by one-time expenditures contained in the operating budget and by salaries and benefits of positions that have been eliminated in the proposed budget. For the purposes of this paragraph, one-time expenditures shall be appropriations not likely to recur in the succeeding budget, and eliminated positions shall not include vacant positions under recruitment or positions redefined in the proposed operating budget, as determined by the governing body, unless the provisions of RSA 40:14-b ~~[are adopted]~~ ***apply***, of the local

political subdivision. In calculating the default budget amount, the governing body shall follow the statutory formula which may result in a higher or lower amount than the proposed operating budget.

149:4 Use of Official Ballot; Default Budget. Amend RSA 40:13, XI(a)-(b) to read as follows:

XI.(a) The default budget shall be disclosed and presented for questions and discussion at the first budget hearing held pursuant to RSA 32:5 or RSA 197:6. The governing body, unless the provisions of RSA 40:14-b **apply** ~~are adopted~~, shall complete a default budget form created by the department of revenue administration to demonstrate how the default budget amount was calculated. The line item details for changes under subparagraph (2) shall be available for inspection by voters. The form and associated calculations shall, at a minimum, include the following:

- (1) Appropriations contained in the previous year's operating budget;
- (2) Reductions and increases to the previous year's operating budget including identification of specific items that constitute a change by account code, and the reasons for each change;
- (3) One-time expenditures as defined under subparagraph IX(b); and
- (4) Reductions for eliminated positions and benefit expenditures as defined under subparagraph IX(b).

(b) This amount shall not be amended by the legislative body. However, this amount may be adjusted by the governing body, unless the provisions of RSA 40:14-b ~~are adopted~~ **apply**, acting on relevant new information at any time before the ballots are printed, provided the governing body, unless the provisions of RSA 40:14-b ~~are adopted~~ **apply**, completes an amended default budget form.

149:5 Use of Official Ballot; Default Budget. Amend RSA 40:13, XI-a to read as follows:

XI-a. If a political subdivision maintains a separate fund for the revenues and expenditures related to the operation, maintenance, and improvement of a water or sewer system, and if any appropriation for such fund is to be raised through user fees or charges and is included in a warrant article separate from the operating budget, the warrant article may include a default amount for such appropriation, which shall be deemed to have been approved if the proposed appropriation is not approved. The default amount shall be determined by the governing body, or by the budget committee if ~~the political subdivision has adopted the provisions of~~ RSA 40:14-b **applies**, and shall equal the amount of the same appropriation for the preceding fiscal year, reduced and increased, as the case may be, by debt service, contracts, and other obligations previously incurred or mandated by law, and reduced by one-time expenditures contained in the previous year's appropriation. The warrant article shall state the default amount for the appropriation and shall state that if the appropriation proposed in the article is not approved, the default amount shall be deemed to have been approved.

149:6 Effective Date. This act shall take effect 60 days after its passage.

Approved: June 13, 2026

Effective Date:

Enacted in accordance with Article 44, Part II of the N.H. Constitution, without the signature of the governor June 13, 2026

V. Required Independent Audit by Public
Accountant for All Districts Without
an Elected Auditor

Audits for Chartered Public Schools, SAUs, Cities, and School Districts (Chapter 272; RSA 198:4-d)

Effective July 1, 2026, RSA 198:4-d was repealed and reenacted.

The governing body of each city, school district, chartered public school, and SAU shall submit to the commissioner of the department of education in a searchable electronic format the following reports pursuant to rules adopted under RSA 541-A by the commissioner of revenue administration which establish the form and content of such reports:

- A report filed by the governing body of each city, school district, and charter school certifying the appropriations voted by the legislative body, or by each annual or special school meeting, with estimated annual revenues. The report must be filed within 20 days of the close of the meeting.
- A report filed by the governing body of each city, school district, and chartered public school to revise the estimated revenues for the year by September 1 each year. The revised estimates by school districts for adequate education grants calculated under RSA 198:41 will be considered accurate within 5% of the amount estimated under RSA 198:40-a.
- A financial report for each city, school district, and chartered public school showing the summary of receipts and expenditures, according to uniform classifications, during the preceding fiscal year, and a balance sheet showing assets and liabilities at the close of the year, which must be filed by September 1 of each year. Each statistical report must include a certification signed by the chairperson of the school district's governing body or the chairperson of the board of trustees, which reads: "I certify, under the pains and penalties of perjury, to the best of my knowledge and belief, that all of the information contained in this document is true, accurate and complete."

The budget committee for school district operating under the municipal budget law must file the budget within 20 days of the close of the annual or special meeting.

The department of education and the department of revenue administration will jointly develop and maintain school accounting standards to be used by districts, chartered public schools, and

SAUs for financial reporting purposes.

Chartered public schools, SAUs, and cities or school districts not audited under RSA 671:5 must be audited by an independent public accountant in accordance with RSA 21-J:19, II. If a city or school district is audited under RSA 671:5, the procedures in RSA 41:31-a through :31-d must be followed. These audit reports must include balance sheets; a breakdown of revenue sources; an itemized list of all employees or staff on payroll and their pay, benefits, other post-employment benefits and pension liabilities; and an itemized list of assets, debts, bonds, lease agreements, and capital improvement investment projects. The audit report for the last completed fiscal year must be submitted to the department within nine months of the end of the fiscal year. The commissioner of the department of education will verify that the report is complete within three months of receipt, by comparing it against the report submitted in prior years. The department can grant extensions as needed for disputed items. Deficiencies must be corrected within twelve months from the date of submission.

The commissioner will withhold state grant funding, except RSA 198:40-a funding, from any non-compliant city, school district, chartered public school, or SAU until the audit or financial report is completed and submitted to the department and all questions are answered to the commissioner's satisfaction.

The department of education and reporting entities must make the reports available to the public on their websites in a searchable electronic format.

CHAPTER 272
SB 586-FN - FINAL VERSION

03/05/2026 0772s
 23Apr2026... 1500h
 06/04/2026 2121EBA

2026 SESSION

26-2110
 07/05

SENATE BILL **586-FN**

AN ACT requiring chartered public schools, school administrative units, and cities or school districts not audited under RSA 671:5 to be audited by an independent public accountant after the end of the fiscal year and requiring the results of such audits to be made available to the public.

SPONSORS: Sen. Murphy, Dist 16; Sen. Gannon, Dist 23; Sen. Pearl, Dist 17; Sen. Sullivan, Dist 18; Sen. Innis, Dist 7; Sen. Avard, Dist 12; Sen. Ward, Dist 8; Sen. Birdsell, Dist 19; Sen. Carson, Dist 14

COMMITTEE: Election Law and Municipal Affairs

AMENDED ANALYSIS

This bill requires chartered public schools, school administrative units, and cities or school districts not audited under RSA 671:5 to be audited by an independent public accountant after the end of the fiscal year and for the results of such audits to be made available to the public.

Explanation: Matter added to current law appears in ***bold italics***.

Matter removed from current law appears ~~[in brackets and struckthrough]~~

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

03/05/2026 0772s
 23Apr2026... 1500h
 06/04/2026 2121EBA 26-2110
 07/05

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT requiring chartered public schools, school administrative units, and cities or school districts not audited under RSA 671:5 to be audited by an independent public accountant after the end of the fiscal year and requiring the results of such audits to be made available to the public.

Be it Enacted by the Senate and House of Representatives in General Court convened:

272:1 Education; District Taxes; Reports Required; Cities, School Districts, and School Administrative Units. RSA 198:4-d is repealed and reenacted to read as follows:

198:4-d Reports Required; Cities, School Districts, and School Administrative Units. The governing body of each city, school district, chartered public school, and school administrative unit shall submit to the commissioner of the department of education in a searchable electronic format the following reports pursuant to rules adopted under RSA 541-A by the commissioner of revenue administration which establish the form and content of such reports:

I. A report filed by the governing body of each city, school district, and chartered public school shall certify the appropriations voted by the meeting of the appropriate legislative body, whether city council, mayor and council, or mayor

and board of aldermen, or by each annual or special school district meeting, along with estimated revenues. This report shall be filed within 20 days of the close of the meeting.

II. A report filed by the governing body of each city, school district, and chartered public school shall revise all the estimated revenues for the year. This report shall be filed by September 1 of each year. The revised estimates by school districts for the adequate education grants calculated under RSA 198:41 shall be considered the most accurate within 5 percent of the amount estimated pursuant to RSA 198:40-a.

III. A financial report for each city, school district, and chartered public school shall be filed showing the summary of receipts and expenditures, according to uniform classifications, during the preceding fiscal year, and a balance sheet showing assets and liabilities at the close of the year. This report shall be submitted on or before September 1 of each year. Each statistical report submitted under this section shall include a certification signed by the chairperson of the school district's governing body or the chairperson of the board of trustees of approved public academies that states: "I certify, under the pains and penalties of perjury, to the best of my knowledge and belief, that all of the information contained in this document is true, accurate and complete."

IV. The department of education and the department of revenue administration together shall develop and maintain school accounting standards which shall be used by districts, chartered public schools, and school administrative units for financial reporting purposes.

V. The budget committee in school districts operating under the municipal budget law shall file the budget within 20 days of the close of the annual or special meeting.

VI. Chartered public schools, school administrative units, and cities or school districts not audited under RSA 671:5, shall be audited by an independent public accountant in accordance with RSA 21-J:19, II.

VII. If a city or school district is audited under RSA 671:5, the procedures in RSA 41:31-a through 41:31-d shall be followed.

VIII. Audit reports created under paragraphs VI and VII shall include balance sheets; a breakdown of revenue sources; an itemized list of all employees or staff on payroll and their pay, benefits, other post-employment benefits and pension liabilities; and an itemized list of assets, debts, bonds, lease agreements, and capital improvement investment projects.

The audit report for the last completed fiscal year shall be submitted to the department within 9 months of the end of the fiscal year. The commissioner of the department of education shall verify that the report appears complete within 3 months of receipt, comparing it against those submitted in prior years. The department may grant extensions as needed to address any disputed items. Deficiencies shall be corrected no later than 12 months from the date of the submission. The commissioner shall withhold state grant funding, not including RSA 198:40-a funding, allocated to any non-compliant city, school district, chartered public school, or school administrative unit until the audit or financial report is completed and submitted to the department, and any questions are answered to the commissioner's satisfaction.

IX. The department of education and reporting entities shall make reports filed under this section available to the public on their websites in a searchable electronic format.

272:2 Effective Date. This act shall take effect July 1, 2026.

Approved: July 02, 2026

Effective Date: July 01, 2026

VI. Required Reporting of Student Meal Debt

Coos County Cosmetology Program, CTEs, Annual Records of School Meal Debt (Chapter 261; RSA 189:11-a; RSA 188-E:5-a; RSA 188-E:1)

Effective July 2, 2026, a task force was established to report on the feasibility of creating cosmetology related programming in northern New Hampshire jointly staffed and housed by White Mountain Community College and the Berlin Regional Career and Technical Center. The task force's report and proposed legislation is due on or before June 1, 2027.

The commissioner of the department of education has the ability to designate regional centers and programs, which can include programs located on university system of New Hampshire and community college system of New Hampshire (CCSNH) campuses and programs which are jointly established by career and technical education centers and the university system of New Hampshire or CCSNH.

RSA 189:11-a, VIII was amended to require each school district and chartered public school to maintain accurate annual records of all student meal debt that has accrued within the district or chartered public school and to submit the records to the department of education in the manner and form prescribed by the department.

"Student meal debt" means aggregate debt arising solely from meals provided to students through the United States Department of Agriculture Food and Nutrition Service program or meals served.

"Student meal debt" shall not include debt resulting from a la carte purchases, snacks, beverages, or any other non-meal items. Such non-meal items shall not be included in the aggregate student meal debt reported to the department of education, provided, however, that such debt shall still be recorded and maintained by each school district and chartered public school.

CHAPTER 261
SB 531-FN - FINAL VERSION

7May2026... 1704h

2026 SESSION

26-2112
12/09**SENATE BILL 531-FN**

AN ACT establishing a task force to study the feasibility of the creation of cosmetology-related programming in Coos County and requiring the reporting of student meal debt by school districts and public chartered schools to the department of education.

SPONSORS: Sen. Watters, Dist 4; Sen. Pearl, Dist 17; Sen. Rosenwald, Dist 13; Sen. Avar, Dist 12; Sen. Prentiss, Dist 5; Sen. Carson, Dist 14; Sen. Rochefort, Dist 1; Rep. Korzen, Coos 7; Rep. Cornell, Hills. 22

COMMITTEE: Education

AMENDED ANALYSIS

This bill:

- I. Establishes a task force to report on the feasibility of creating cosmetology-related programming within Coos County.
- II. Extends programming on university system of New Hampshire and community college system of New Hampshire campuses to qualify as career and technical education programs as determined by the commissioner of the department of education.
- III. Requires school districts and public chartered schools to maintain accurate annual records of student meal debt and to submit such records to the department of education.

The bill is a request of the department of education.

Explanation: Matter added to current law appears in ***bold italics***.

Matter removed from current law appears [~~in brackets and struckthrough~~]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

7May2026... 1704h 26-2112
12/09

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT establishing a task force to study the feasibility of the creation of cosmetology-related programming in Coos County and requiring the reporting of student meal debt by school districts and public chartered schools to the department of education.

Be it Enacted by the Senate and House of Representatives in General Court convened:

261:1 New Section; Berlin Cosmetology Program Task Force. Amend RSA 188-E by inserting after section 5 the following new section:

188-E:5-a Berlin Cosmetology Program Task Force.

- I. There is established a Berlin cosmetology program task force.
- II. The members of the task force shall be as follows:

- (a) A representative from the department of education, appointed by the commissioner of the department of education, who shall serve as chair of the task force.
- (b) A representative of White Mountain Community College.
- (c) A representative of the chancellor of the community college system of New Hampshire (CCSNH).
- (d) The superintendent of school administrative unit 3, or designee.
- (e) The director of the Berlin Regional Career and Technical Center.
- (f) A cosmetology teacher from a career and technical education center that offers a full program, appointed by the commissioner of the department of education.

III. The task force shall report on the feasibility of the creation of cosmetology-related programming in northern New Hampshire, such as the potential of establishing a cosmetology program jointly housed and staffed by White Mountain Community College and the Berlin Regional Career and Technical Center, including but not limited to:

- (a) Needs and opportunities in cosmetology education and employment in the north country;
- (b) Staffing, space, and funding needs for a program leading to licensing of graduates;
- (c) Co-location and joint staffing opportunities for a program with CCSNH and Berlin Career and Technical Center, dual and concurrent enrollment opportunities, and the feasibility of serving students from other high schools;
- (d) Consideration of inclusion of a salon facility serving the public;
- (e) Sources of funding for construction, renovation, and equipment; and
- (f) Feasibility of establishing a program by September 1, 2027.

IV. The task force shall report its findings and any recommendations for proposed legislation to the governor, chancellor of CCSNH, commissioner of education, Berlin school board, speaker of the house of representatives, president of the senate, the chairs of committees whose responsibilities include education and workforce training, and the state library, on or before June 1, 2027.

V. The department of education may devote Carl D. Perkins Career and Technical Education Act funding to any costs associated with the study.

261:2 Designation of Regional Centers and Program. Amend RSA 188-E:1 to read as follows:

188-E:1 Designation of Regional Centers and Programs. The commissioner, department of education, is hereby authorized and directed to designate high schools, and public academies as defined in RSA 194:23, II, offering career and technical education programs as career and technical education centers. In instances where it is educationally and economically feasible to do so, the commissioner may designate individual career and technical education programs in other than the career and technical education centers as regional programs. ***This may include programs located on university system of New Hampshire and community college system of New Hampshire (CCSNH) campuses and programs jointly established by career and technical education centers and the university system of New Hampshire or CCSNH.*** An out-of-state school or program may be designated, when it is in the best interest of the state, as a part of the New Hampshire regional career and technical education plan.

261:3 Prospective Repeal. RSA 188-E:5-a, relative to the Berlin cosmetology program task force, is repealed.

261:4 Food and Nutrition Programs; School Lunch Meal Payments; Debt Reporting Requirement Added. Amend RSA 189:11-a, VIII to read as follows:

VIII.(a) A school lunch meal payment policy which is implemented by a school board either before or after the effective date of this section shall ensure that all students have access to a healthy school lunch, that the school district will make every reasonable effort to inform parents of the policy, and that no student will be subject to different treatment from the standard school lunch meal or school cafeteria procedures. The department of education or the state board of education, upon request of the local school board, may provide communication assistance to school districts and parents of school children regarding the school lunch meal payment policy.

(b) ***Each school district and chartered public school shall maintain accurate annual records of all student meal debt accrued within the district or chartered public school and shall submit such records to the department of education in the manner and form prescribed by the department. For purposes of this subparagraph:***

(1) ***"Student meal debt" means aggregate debt arising solely from meals provided to students through the United States Department of Agriculture Food and Nutrition Service program or meals served pursuant to this section.***

(2) "Student meal debt" shall not include debt resulting from a la carte purchases, snacks, beverages, or any other non-meal items. Such non-meal items shall not be included in the aggregate student meal debt reported to the department of education; provided, however, that such debt shall still be recorded and maintained by each school district and chartered public school.

261:5 Effective Date.

I. Section 3 of this act shall take effect June 30, 2027.

II. The remainder of this act shall take effect upon its passage.

Approved: July 02, 2026

Effective Date:

I. Section 3 effective June 30, 2027

II. Remainder effective July 2, 2026

VII. Acceptance of Federal Grants and Changes to Acceptance of Unanticipated Revenue

Authority of School Districts to Accept Federal Grants (Chapter 130; RSA 198:4; 198:20-b)

Effective August 11, 2026, RSA 198:4 and 198:20-b were amended. In the annual report, districts must now include a summary of estimated funds anticipated from state and federal governmental units during the ensuing fiscal year. The summary must include for each fund the title or other identifier of the fund and a summary of any obligations incurred by accepting the funds. If there are no obligations, it must be stated that there are no obligations.

All funds made available during the year and not disclosed in the annual report will result in the funds being labeled as unanticipated money under RSA 198:20-b.

Notice of the public hearing for the anticipated funds over \$20,000 must include the title or other identifier of the fund, a summary of the obligations incurred by accepting the unanticipated funds or a statement that there are no obligations incurred.

For funds under \$20,000, the title or identifier, a summary of the obligations included by accepting the funds or a statement that there are no obligations incurred must be included in the minutes of the school board meeting.

CHAPTER 130
HB 656 - FINAL VERSION

7Jan2026... 2933h

2026 SESSION

25-0449

02/08

HOUSE BILL 656

AN ACT relative to the authority of local school districts to accept federal grants.

SPONSORS: Rep. Peternel, Carr. 6; Rep. Colcombe, Hills. 30; Rep. Drago, Rock. 4; Rep. Drye, Sull. 7; Rep. Harvey-Bolia, Belk. 3; Rep. Litchfield, Rock. 32; Rep. Noble, Hills. 2; Rep. Pauer, Hills. 36; Rep. P. Brown, Rock. 14; Rep. DeRoy, Straf. 3; Sen. Rochefort, Dist 1; Sen. Sullivan, Dist 18

COMMITTEE: Education Funding

AMENDED ANALYSIS

This bill requires that all funds disbursed from a state or federal government unit to a school district be disclosed either in the required annual report by the school board or in the notice of a hearing at a school board meeting to take action on unanticipated funds, as well as in the minutes of such meeting.

Explanation: Matter added to current law appears in ***bold italics***.

Matter removed from current law appears ~~[in brackets and struckthrough.]~~

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

7Jan2026... 2933h 25-0449

02/08

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Six

AN ACT relative to the authority of local school districts to accept federal grants.

Be it Enacted by the Senate and House of Representatives in General Court convened:

130:1 Estimates. Amend RSA 198:4 to read as follows:

198:4 Estimates. The school board of each district in its annual report shall state in detail the additional sums of money, if any, which will be required during the ensuing fiscal year for the support of the public schools, for the purchase of textbooks, scholars' supplies, flags and appurtenances, for the payment of the tuition of the pupils in the district in high schools, academies, and any private school approved as a school tuition program by the school board in accordance with law, and for the payment of all other statutory obligations of the district. ***The annual report shall also contain a summary of estimated funds anticipated from state and federal governmental units during the ensuing fiscal year. For each fund, the annual report shall contain the title or other identifier of the fund as well as a summary of any obligations incurred by accepting the anticipated funds, or state that there are no obligations.***

130:2 Appropriation for Unanticipated Funds Made Available During the Year. Amend RSA 198:20-b, II-III to read as follows:

II. Such money shall be used only for legal purposes for which a school district may appropriate money. No funds disbursed from the education trust fund pursuant to RSA 198:42 shall, under any circumstances, emergency or otherwise, be deemed to be unanticipated money under the provisions of this section. ***All funds made available during the year and***

not disclosed in the annual report pursuant to RSA 198:4 shall be deemed to be unanticipated money under the provisions of this section.

III.(a) For unanticipated funds in the amount of \$20,000 or more, the school board shall hold a prior public hearing on the action to be taken. Notice of the time, place, and subject of such hearing shall be published in a newspaper of general circulation in the relevant municipality at least 7 days before the meeting is held. ***Such notice shall contain the title or other identifier of the fund, as well as a summary of any obligations incurred by accepting the unanticipated funds, or state that there are no obligations incurred.***

(b) A school board may establish the amount of unanticipated funds required for notice under this subparagraph, provided such amount is less than \$20,000. For unanticipated funds in an amount less than \$20,000, the school board shall post notice of the funds in the agenda and shall include notice in the minutes of the school board meeting in which such funds are discussed. ***The minutes of the school board meeting shall contain the title or other identifier of the fund, a summary of any obligations incurred by accepting the unanticipated funds, or state that there are no obligations incurred.*** The acceptance of unanticipated funds under this subparagraph shall be made in public session of any regular school board meeting.

130:3 Effective Date. This act shall take effect 60 days after its passage.

Approved: June 12, 2026

Effective Date: August 11, 2026

VIII. State Education Funding

Education Financing (Chapter 19; RSA 193-E, I-II; RSA 193-E:2-a, I(a); RSA 198:40-a, III)

Effective May 26, 2026, RSA 193-E:1, I-II was repealed and reenacted to state in part:

How the state and its local governmental entities choose to raise, allocate, and spend financial resources to implement this integrated public education system is a political policy matter reserved to legislative and executive judgment and control.

RSA 193-E:2-a, I(a) now states an adequate education is 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.

RSA 198:40-a, III was also amended so that the sum total calculated under RSA 193-E:2-a shall be “computed towards” the cost of an adequate education including all differentiated aid. The department of education determines the cost of an adequate education for each municipality based upon the ADMR of pupils who reside in that municipality.

CHAPTER 19
HB 1815-FN - FINAL VERSION

2026 SESSION

26-2334
07/08

HOUSE BILL 1815-FN

AN ACT relative to education financing.

SPONSORS: Rep. Lynn, Rock. 17; Rep. D. McGuire, Merr. 14

COMMITTEE: Education Funding

ANALYSIS

This bill makes changes to what substantive educational content satisfies an adequate education.

Explanation: Matter added to current law appears in ***bold italics***.

Matter removed from current law appears ~~[in brackets and struckthrough.]~~

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

26-2334
07/08

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT relative to education financing.

Be it Enacted by the Senate and House of Representatives in General Court convened:

19:1 Education; Adequate Public Education; Policy and Purpose. RSA 193-E:1, I-II is repealed and reenacted to read as follows:

I. It is the policy of the state of New Hampshire that public elementary and secondary education shall provide all students with the opportunity to acquire the knowledge and skills necessary to prepare them for successful participation in the social, economic, scientific, technological, and political systems of a free government, now and in the years to come; an education that is consistent with the state-established academic standards, and school district or school curriculum.

II. Respecting New Hampshire's long tradition of community involvement, it is the purpose of this chapter to ensure that appropriate means are established to provide an adequate education through an integrated public education system of shared responsibility between state and local government, in recognition of the fact that local governmental entities, including school districts, are created by the state, receive their authority to act and operate from the state, and are therefore indivisible from the state for the purposes of providing an adequate education. In this system, the state and local governmental entities function collectively to ensure that an adequate version of the academic program defined in RSA 193-E:2-a is provided to New Hampshire pupils. Such a system of shared responsibility ensures flexibility in implementing diverse educational approaches to instruction and curriculum tailored to meet student needs, allows local governments to make the local infrastructure and administrative choices that are best for their particular communities, and helps ensure that local school districts remain accountable and responsive to community and family needs. How the state and its local governmental entities choose to raise, allocate, and spend financial resources to implement this integrated public education system is a political policy matter reserved to legislative and executive judgment and control.

19:2 Education; Adequate Public Education; Substantive Educational Content of an Adequate Education. Amend RSA 193-E:2-a, I(a) to read as follows:

I.(a) ~~[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]~~ **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.

19:3 Education; School Money; Cost of an Opportunity for an Adequate Education. RSA 198:40-a, III is repealed and reenacted to read as follows:

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. The department shall determine the cost of an adequate education, as defined in RSA 193-E:2-a, for each municipality based on the ADMR of pupils who reside in that municipality.

19:4 Effective Date. This act shall take effect 60 days after its passage.

Approved: March 27, 2026

Effective Date: May 26, 2026

**TITLE XV
EDUCATION**

**CHAPTER 193-E
ADEQUATE PUBLIC EDUCATION**

Section 193-E:1

193-E:1 Policy and Purpose. –

I. It is the policy of the state of New Hampshire that public elementary and secondary education shall provide all students with the opportunity to acquire the knowledge and skills necessary to prepare them for successful participation in the social, economic, scientific, technological, and political systems of a free government, now and in the years to come; an education that is consistent with the minimum standards for public school approval, the state-established academic standards, and school district or school curriculum.

II. Respecting New Hampshire's long tradition of community involvement, it is the purpose of this chapter to ensure that appropriate means are established to provide an adequate education through an integrated system of shared responsibility between state and local government. In this system, the state establishes minimum standards for public school approval and academic standards for inclusion and delivery of educational services at the local level. School districts then have responsibility and flexibility in implementing diverse educational approaches to instruction and curriculum tailored to meet student needs.

Source. 1998, 389:1. 2005, 257:15. 2007, 270:3. 2016, 84:6, eff. July 18, 2016.

**TITLE XV
EDUCATION**

**CHAPTER 198
SCHOOL MONEY**

Adequate Education; Education Trust Fund

Section 198:40-a

198:40-a Cost of an Opportunity for an Adequate Education. –

I. For the biennium beginning July 1, 2023, the annual cost of providing the opportunity for an adequate education as defined in RSA 193-E:2-a shall be as specified in paragraph II. The department shall adjust the rates specified in this paragraph in accordance with RSA 198:40-d.

II. (a) A cost of \$4,100 per pupil in the ADMR, plus differentiated aid as follows:

(b) An additional \$2,300 for each pupil in the ADMR who is eligible for a free or reduced price meal anytime during the determination year; plus

(c) An additional \$800 for each pupil in the ADMR who is an English language learner anytime during the determination year; plus

(d) An additional \$2,100 for each pupil in the ADMR who is receiving special education services anytime during the determination year.

III. The sum total calculated under paragraph II shall be the cost of an adequate education. The department shall determine the cost of an adequate education for each municipality based on the ADMR of pupils who reside in that municipality.

Source. 2005, 257:6, eff. July 1, 2005 at 12:02 a.m. 2008, 173:5, eff. July 1, 2009. 2011, 258:2, eff. July 1, 2011. 2012, 198:4-6, eff. July 1, 2012. 2016, 8:2, eff. Mar. 16, 2016. 2017, 100:2, eff. Aug. 7, 2017. 2022, 175:4, eff. July 1, 2022. 2023, 79:150, eff. July 1, 2023.