

Why NH Needs a Constitutional Amendment for Education Funding Without it, we will never be rid of the Statewide Property Tax

- * The NH Supreme Court has ruled that whatever the State defines as an adequate education, it must pay for in total -- making NH the only state in the nation required to fund the entire cost of adequacy.
- * This means NH must raise enough from the Statewide Property Tax and other sources to finance the same "adequate education" payment for every schoolchild, regardless of the community's wealth.
- * Only a constitutional amendment would let the State send aid to communities that need it, rather than be forced to give money to those capable of financing all or part of an adequate education for their children.
- * The Legislature adopted a definition of an adequate education and a legislative committee is now working to determine its cost by Feb. 1. There are estimates it could total \$1.5 billion to \$2 billion.
- * If the cost of adequacy increases to \$1.5 to \$2 billion, where will the additional \$610 million to \$1.1 billion come from? The State currently pays \$527 million while the Statewide Property Tax raised from local taxpayers adds \$363 million -- for a total of \$890 million in State education funding.
- * The Governor promised to veto an income or sales tax. No other funding source under study can raise enough to fill the potential gap, increasing the likelihood of much higher Statewide Property Taxes.
- * This would reinstate "Donor communities" and severely impact people on fixed and low incomes.
- * We will NEVER be rid of the Statewide Property Tax if there is no constitutional amendment to target aid to the neediest communities. With the ever-increasing cost of education, the State will always need the SWPT to pay for education if the same amount of aid must go to every schoolchild. If the State only sends aid to the neediest towns, it may be able to do so without a Statewide Property Tax.
- * Providing the same amount per schoolchild widens the gap between children in needy communities and those in towns able to raise more. Under a previous NH aid formula where the same amount was allotted per child, NH was one of only six states with more than a \$1,000 per-student gap between highest and lowest poverty districts. The gap could return and worsen under identical per-pupil payments.

* Independent surveys show that by a 2-1 margin, NH voters support targeting State education funding to needy towns, rather than paying a set per-pupil amount, even if their own town could lose State aid.

* NH taxpayers can't afford to pay for education in towns that can afford to educate their own schoolchildren. As much as \$66 million in State funds could go to towns that never received aid before.

* There are no assurances that local taxes will decrease if the State pays the entire cost of adequacy. One study shows even large increases in State aid to education don't slow local property tax increases.

* The NH School Board and the NH Business and Industry Association are among supporters of a narrow constitutional amendment that includes targeting, standards of accountability and judicial review.

* The New Hampshire Constitution has been amended over 200 times. A narrow amendment will ensure every New Hampshire schoolchild equal education opportunity while protecting property taxpayers.

Tell your State Legislator that NH deserves a chance to vote on a constitutional amendment!