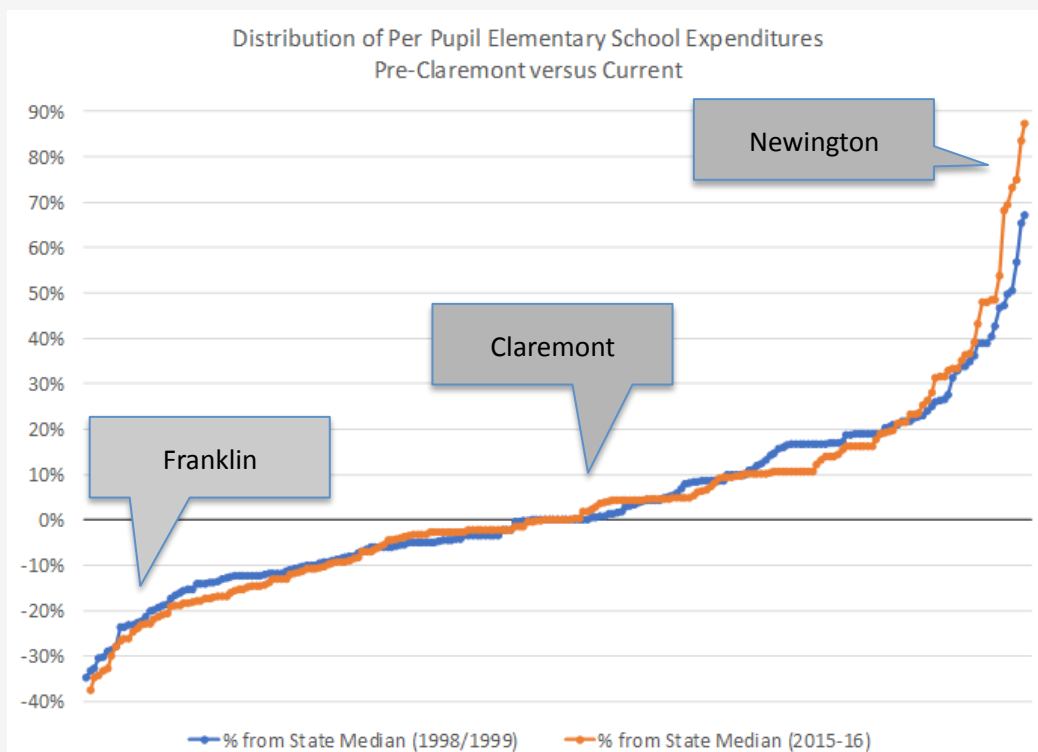


NH SCHOOL FINANCE

Are we headed for a rural crisis?

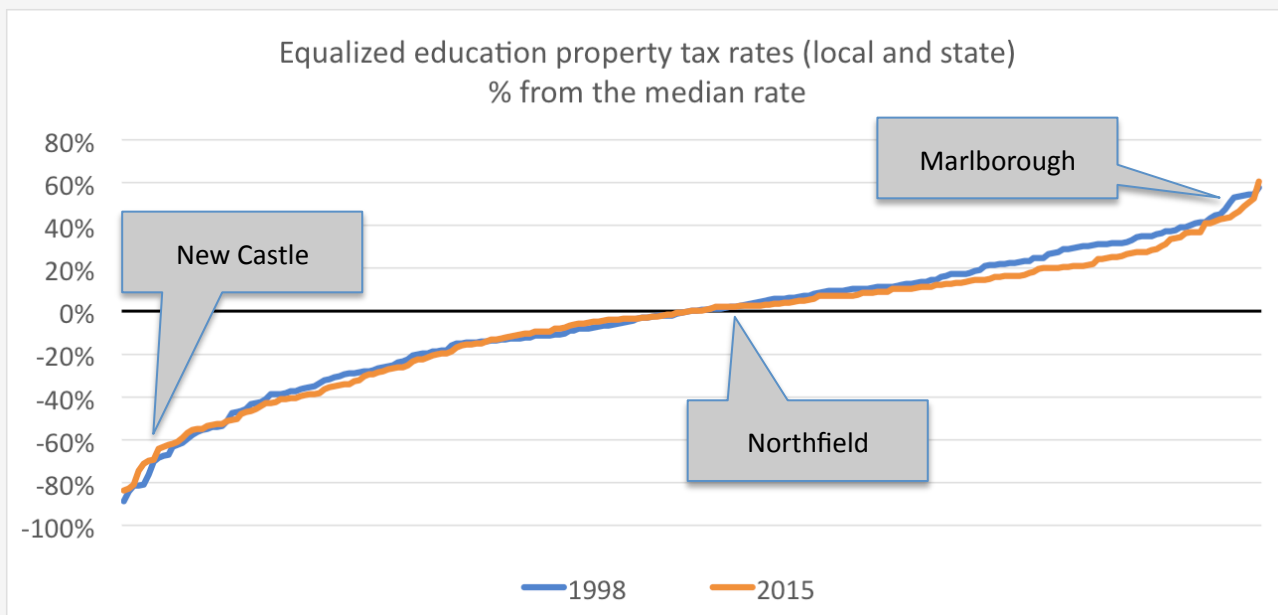
Have the goals of the 1997 Claremont education funding lawsuit been met?

If the goal was to remedy inequity in spending among school districts, not much has changed from 1998 (blue) to today (orange).



One dot represents each town's per pupil elementary school expenditure relative to the median expenditure. If there were any decrease in the inequity of per pupil spending in the system, the dotted lines representing the 2015-2016 time period would have flattened out. The relative differences in spending that existed before school finance reform continue to exist today.

Have disparities in property tax rates shrunk?

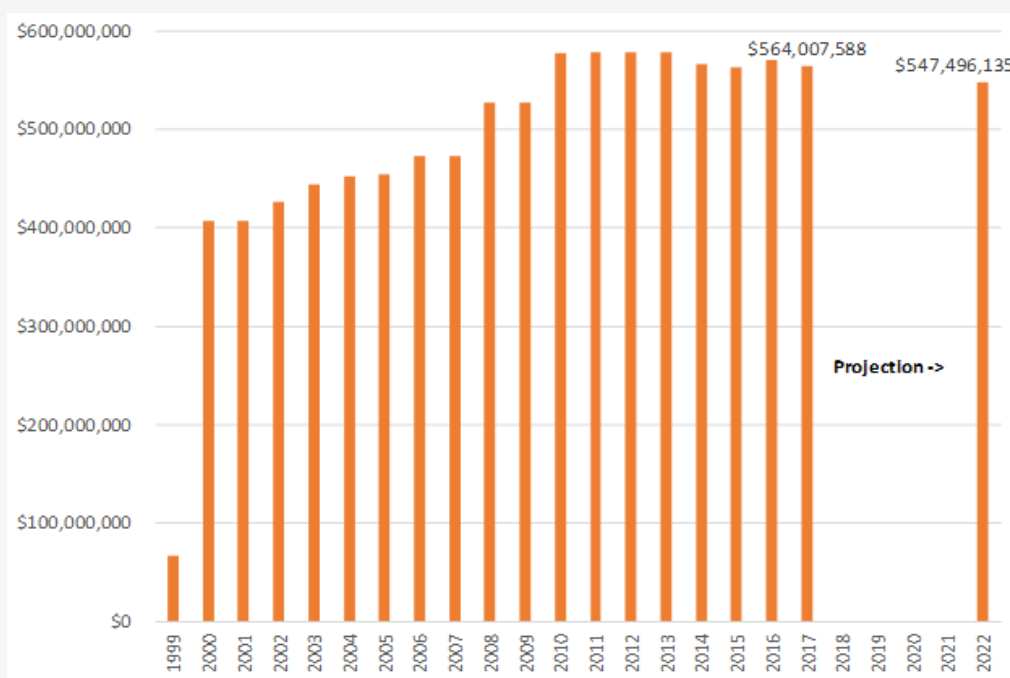


There has been virtually no change in the relative differences in property tax rates throughout the state.

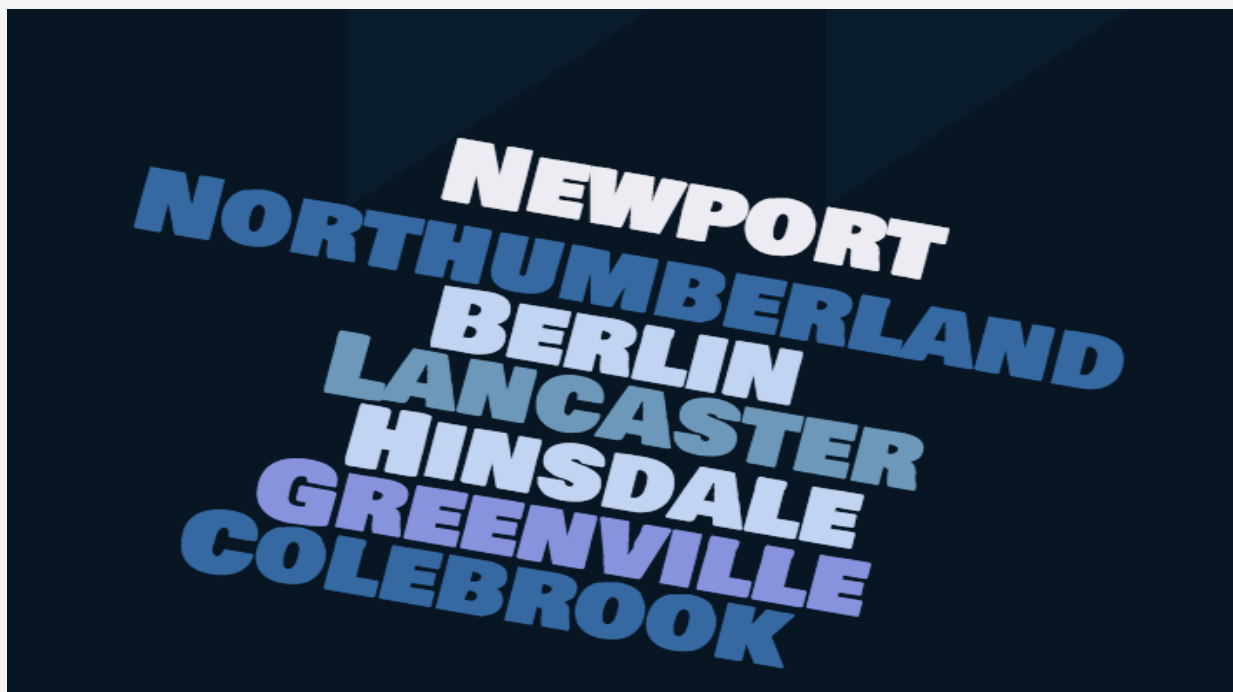
One dot represents each town's local and state education property tax rate relative to the median expenditure. If there were any decrease in the inequity of tax rates, the line of dots representing the current period would have flattened out relative to 1998.

What effect will demographic change in schools have on State Education Aid?

Five years out, the state will be paying approximately \$16 million less per year in state aid than in the current year (FY 2017).



Who loses if the state continues with the current system?



Rural communities like these are likely to see a reduction of more than 10% in the aid they receive from the state between 2017 and 2022. Assuming nothing else changes, this means that these communities will have to increase their tax rates by as much as 10%—even before allowing for cost increases in other areas.



For a copy of the full iReport "Education Finance in NH: Headed to a Rural Crisis?" go to NHPOLICY.org

New Hampshire Center
for Public Policy Studies