FundEd: New Hampshire Report

A Detailed Look at New Hampshire's Funding Policies

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New Hampshire

Funding Basics

Formula Type

New Hampshire has a primarily student-based funding formula. It assigns a cost to the education of a student with no special needs or services, called a base amount, and provides increased funding to educate specific categories of students. The categories of students considered in New Hampshire's funding policy are English-language learners, students from low-income households, students with disabilities, and students enrolled in career and technical education (CTE) programs.

New Hampshire expects school districts to contribute to the funding of their public schools, with the amount of the local share based on a combination of its property values and a defined share of the amount calculated by the state to be necessary to educate its students. Districts in New Hampshire are permitted to raise and keep additional local revenues for regular district operations.

Supplemental funding for English-language learners, students from low-income households, and students with disabilities is provided through supplemental, flat dollar amounts in addition to the base amount. Services for students enrolled in CTE programs are funded through program-specific allocations.

Base Amount

New Hampshire has a fixed base funding amount. For FY2022 and FY2023, the per-student base amount is $3,786.66.

This means that an average student with no special needs or disadvantages would be funded at that level.

Local Revenue

Expected Local Share

New Hampshire expects its school districts to raise revenue to support their public schools. The amount each district is expected to raise is based on a combination of its property values and a defined share of the amount calculated by the state to be necessary to educate its students.

Statewide, school districts are expected to contribute a total of $363 million to public education. The Department of Revenue Administration determines the property tax base in each municipality and sets a uniform education tax rate that will produce a total of $363 million in local revenue when applied to the tax base in all municipalities. This target was set in 2005 and has not been adjusted for inflation. In FY2022, this tax rate was $1.825 for every $1,000 of assessed local property wealth. Each municipality gives the revenue directly to its local school district. Once the state calculates the total amount of funding necessary to educate students within a district, it subtracts the expected local contribution and provides the difference in the form of state education aid.

Property Tax Floors and Ceilings

New Hampshire sets a floor for local property tax rates. School districts in New Hampshire do not directly impose property taxes. Municipalities impose a statewide education property tax at a rate that is set by the state and may also impose local education property taxes.

The Department of Revenue Administration determines the property tax base in each municipality and sets tax rates that raise a total of $363 million in local revenue when applied to the tax base in all municipalities. In FY2022, this tax rate was $1.825 for every $1,000 of assessed local property wealth. In practice, however, the rate for the statewide education property tax has varied somewhat from municipality to municipality. In addition, municipalities may raise additional local property taxes for school purposes, which are not limited.

Other Local Taxes for Education

School districts in New Hampshire receive local revenue only from property taxes.

Student Characteristics

Grade Level

New Hampshire does not differentiate funding based on students' grade levels.

English-Language Learner

New Hampshire provides increased funding for English-language learners. It does so in the form of a flat allocation for each student receiving English-language instruction. In FY2022, this allocation was $740.87 per eligible student.

Poverty

New Hampshire provides increased funding for students from low-income households. It does so in the form of a flat allocation for each student from a low-income household. In FY2022, this allocation was $1,893.22 per eligible student.

Students are eligible for this supplemental funding if they qualify for free or reduced-price lunch (FRL) under the National School Lunch Program. Students from households receiving Temporary Assistance for Needy Families or Supplemental Nutrition Assistance Program benefits are automatically eligible, while others are eligible if parents or guardians provide income information demonstrating FRL eligibility.

Special Education

New Hampshire funds special education using a single student weight system, providing the same amount of state funding for each student with disabilities, regardless of the severity of those disabilities.

It does so in the form of a flat allocation for each student with disabilities. In FY2022, this allocation was $2,037.11 per eligible student.

Gifted

New Hampshire does not provide increased funding for gifted and talented students.

Career and Technical Education

New Hampshire provides increased funding for career and technical education (CTE) programs. It does so through program-based allocations for CTE tuition and transportation to regional CTE centers.

The state appropriates funding annually for CTE tuition support. This appropriation is distributed to districts in proportion to the number of students enrolled in their CTE programs. The state also reimburses districts for the cost of transporting students to regional CTE centers.

District Characteristics

Concentrated Poverty

New Hampshire does not provide increased funding for districts based on the concentrations of students from low-income households that they serve. However, New Hampshire does provide funding for individual students from low-income households (for more information, see "Poverty").

Sparsity and/or Small Size

New Hampshire does not provide increased funding for sparse districts or for small schools or districts.

Charter Funding

Funding for some charter schools in New Hampshire is calculated based on a formula similar to the one used to calculate funding for traditional public schools, while funding for other charter schools is calculated based on local school district expenditures.

Like traditional public schools, charter schools authorized by the state are funded through a student-based funding formula that considers the characteristics of students they educate. These charter schools receive funding from the state that reflects any additional funding generated by students in special need categories. Charter schools authorized by the local school districts receive funding equal to at least 80% of the per-student cost in their district. The New Hampshire Department of Education determines the per-student cost in each district based on district expenditures reported to the state.

Some charter schools in New Hampshire receive a share of local tax revenue, while other charter schools receive state funding that may be meant to replace local funding. Charter schools authorized by local school districts receive at least 80% of the per-student cost in the district, including revenue raised through local taxes. State-authorized charter schools do not receive a share of revenue raised by local school districts, but they do receive an additional per-student allocation ($3,411 in FY2019 and every year after).

For a complete list of primary sources, please see the appropriate state page at funded.edbuild.org