



## CITY OF PORTSMOUTH

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Jack Blalock  
Mayor

January 29, 2019

Chairman Mel Myer  
House Education Committee  
107 North Main Street  
Concord, NH 03301

Re: Letter in Opposition to HB 709 on behalf of the City of Portsmouth

Chairman Myer and Members of the House Education Committee:

On behalf of the City of Portsmouth, I am submitting written testimony in opposition to HB 709. The City opposes the bill's amendment to RSA 76:8, II and the provisions of the bill that address RSA 198:42-a. The City takes no position on the other provisions of the bill.

The amendment to RSA 76:8, II and creation of RSA 198:42-a, simply put, create donor towns. The City and other former donor communities fought hard and successfully in the past to repeal legislation that created what was commonly referred to as "negative aid" or "donor towns", an education funding mechanism that forced "donor" towns to pay for education funding for children in "receiver" towns. This form of funding was divisive, pitting "donor" town against "receiver" town, neighbor against neighbor. This is an era in our State's history on education funding that we do not want to revisit.

Property values and tax rates do not tell the whole story in any town. The "donor" towns are rich in appraised property value but many of these communities have modest and low income populations that struggle to pay their bills. Tax rates would be raised or educational services would be cut for those communities required to send SWEPT collected in excess of its adequacy costs to the State for deposit in the education trust fund for distribution to "receiver" towns. This is unfair to residents of "donor" communities that may be riding the current wave of high real estate values, but still struggle to pay their bills. Some of you may recall the data submitted over a decade ago regarding the median income and population of school children receiving free and reduced lunch in the "donor" communities versus "receiver" communities, which demonstrated the unfairness and disproportionality of the prior "donor" bills.

This is a bill that is NOT based on education policy, but is based on budget policy.

We all agree that every schoolchild in New Hampshire deserves an equal education opportunity. Unfortunately, this bill does not fairly address how that education should be funded. On behalf of the City of Portsmouth, I urge the Education Committee to vote HB 709 Inexpedient to Legislate.

Thank you for your consideration.

Jack Blalock, Mayor of the City of Portsmouth