

Andru Volinsky- The Fight for Fair School Funding -

2025/09/09 18:00 EDT - Transcript

Transcript

Hello and welcome everyone. My name is Molly Gogan and I'm the vice chair of the school board here in Pittsfield. We are hosting this event thanks to Melissa Babcock and the Carpenter Library who organized and booked for us. We're really excited to welcome Mr. Andrew Volinsky, he was the lead attorney on the Claremont case. He also was an Executive Counselor and as he put it has officially failed retirement and is now continuing to do things like write books and book talks and continue to advocate for a bunch of needs change in our system. So we thank you for coming and thank you all for coming out. So thanks everyone for coming out.

Andru Volinsky: Thanks Melissa and I appreciate the invitation to come talk. Let me tell you what I'd like to do with your permission and then we'll leave plenty of time for questions. So a lot has happened in school funding since some of it Claremont not so good. So, we'll start by setting the table with what the recent stuff is and then I'll tell you about the storyline of the book. Obviously, the book's a lot more detailed than what I'm going to talk about. But it's an interesting story. Hopefully, you'll laugh, you'll cry. Mostly, you'll get pissed off. And so, I hope to move you to action tonight.

So, my wife Amy is here with me. We were talking about the last time I'm being here. I think it was talking about how education funding works, with John Tobin and Doug Hall, three old guys and an 8 foot piece of wood that's now nailed to our barn. But I spent a ton of time here during the Claremont litigation getting to know the school. Art Morris was on your school board there, Ben, and I helped coordinate all the efforts here. tremendously important to the story. And you're in the book.

All right. So, there have been two rulings related to school funding that happened very recently. The Conval ruling was at the beginning of the case where I'm involved, the Rand case has two parts to it. The first part got a decision from the Supreme Court in June and the second part got a court decision in August.

I'll explain what they're about, but to make it easier, the way the state pays for what's supposed to be a basic quality education, which is the constitutional requirement, is through a statute 198.4A. And the payments have a base that you get as a school district for every student in your census. And then you have three add-ons for kids who live in poverty, who are learning English, or who qualify for special ed.

And most schools use free and reduced lunch participation as a standing for poverty. Sometimes that works and sometimes it doesn't work. There are school districts where there is such a stigma attached to being in the free and reduced lunch program that kids hesitate to sign up which means the school loses the poverty increment. Anyway, those are the current amounts. 4,100 for base, 2,300, 800, and 2100. The Conval case only challenged the amount of base adequacy and they did a multi-week trial before Judge David Ruof and Judge Ruof said based on the evidence here 4100 is not enough. The base adequacy should be at least \$7,3561 at least. and the reason he said at least is because the lawyers in that case identified things, components of a basic quality education, but didn't quite cost them out. So, the judge said, "Yeah, that should be in the mix, but I don't know what it costs." So, he said a minimum.

That case was appealed by the state to the Supreme Court and the Supreme Court on July 1st issued its decision upholding Judge Ruof. So 7,356 is the new court defined amount. We'll talk about what the governor and the legislature do a bit later, but the Rand case where I'm involved has two pieces. That group of numbers for adequacy gets funded in a major part by the statewide education property tax. Lots of people call it SWAT.

That tax raises by statute \$363 million and it's raised locally. It goes to your town and then your town gives it to your school district and somewhere in that process it magically gets transformed from local money to state money. It's kind of a BS approach quite frankly. The challenge we brought was some communities with just that sweep can pay for all of the allotment of their communities with really high property values.

Portsmouth, Newcastle, Moltenborough, Waterville Valley, they have so much property value that the swept at a dollar a dollar two per thousand of value raises more than they need. And since it's a state education tax and only some places raise more than they need, we thought it was unfair and unconstitutional for the state to say, what, if you raise more than you need locally on this state tax, keep the change. And that change is \$25 million.

And communities like Waterville Valley built a water treatment system with it. Portsmouth uses it on roads and bridges. all kinds of non-educational municipal purposes but not education. Gordon McDonald, the chief justice, wrote an opinion saying, "Nah, not so much. We don't really care." So we lost that part. There's another smaller set of communities where the state would set a negative local tax rate. So, wouldn't you like to have that in Pittsfield? The taxes are in the negative. So, yours are 10 bucks a thousand for schools. Hail's location is a negative dollar.

And the reason they set the negative is it offsets the statewide so it equals zero. It's ridiculous. Even Gordon McDonald couldn't get around that. So that's supposed to stop as of June. we'll see. The second part of the Rand case was held up waiting for Conval to get decided. We actually tried it in October of last year and the judge did not issue his decision until this summer.

But basically what he said is all of those components, every one of them are too little and you need to double the adequacy base and the increments. The state is now going through the procedures that you have to go through to appeal. so it'll probably get to the National Supreme Court.

October, November, you should know there's an empty seat on the New Hampshire Supreme Court now because Justice Jim Bassett Kelly Ayotte nominated a guy named someone who knows Brian Gould told the New Hampshire Journal, which is kind of a conservative magazine, that Gold's appointed to torpedo the Claremont decision. So he and McDonald will work together to do that. That's upcoming. We'll see how that works out. So if adequacy currently, these are the last published numbers. So your current number may be a little different. This is 2025.

Pittsfield received 2.9 million in state funding for adequacy out of your 11.7 million budget. And if Judge Ruof's decision is upheld, you'll get twice. So, it'll go from being about a quarter of your budget to being half your budget. We always think of Pittsfield and Moltenborough together because you're the same size. And are not that far apart. They receive a little less in adequacy because they have less poverty. Theirs will double as well and Portsmouth is the large city that's got a lot of property wealth. So, just to give you that context, the court's decision will result in the state needing to find another 817 odd million dollars for school funding after having repealed a couple of important tax revenue sources and after other business

taxes were cut by Chris. So I don't know what it's heading for. We all see what Claremont's in the news again.

In August, Claremont announced that it was somewhere between \$1 and \$5 million out of pocket and that it might not be able to open it at schools. There are concerns about mismanagement that may be valid, but there are bigger concerns that explain Claremont's situation and are also relevant for you all here in Pittsfield. So the two columns to look at are five and six. It's a little hard because of the way the projector is showing it, but the state average equalized valuation per pupil is number six. All that's a measure of the financial strength of a community.

We have a 1950s style school funding system that relies heavily on local property taxes. So if you have property that's worth a lot, you can have a small tax rate and still raise a ton of money. And if your property is not very valuable because you don't have a lake or an oceanfront or a ski hill, even with a high tax rate, you can't keep up. So the equalized valuation per pupil is just the fair market value of the property in your community divided by the number of children in your schools. So it allows you to compare communities of different sizes apples to apples.

So in the most recent numbers, the state average is about \$2.1 million of taxable property per child. Claremont in the last reporting had 870,000 per child, less than half of the state. So Claremont has traditionally among the highest local education tax rates in the state. So that's column two over various years. It's always in the top five. Pittsfield's not that far behind, be honest. But Claremont's really high. And it's all because its property has such low value and it still can't raise enough. That's the structural problem. So Claremont walks a tight rope every year.

And if they screw up in the least bit, there is no emergency fund to fall back on. And as we now know, Kelly Aayat is not sending the cavalry. There's no money coming from the state to help. Claremont has a benefactor in the Claremont Savings Bank, the local bank there. They are lending the school district \$4 million. In order to raise a million dollars in Claremont because of the value of the property, you have to increase taxes by a dollar a thousand. So to pay back a \$4 million loan, Claremont's looking at big tax increases.

At the same time, in order to open the doors, Claremont rescinded 20 new teachers contracts. They cut all extracurricular programs, which are really important to motivate kids. Claremont has a good number of kids with really complex special ed circumstances, medical issues, with physical issues, with mental health and learning disabilities that were being seen to out of district placements. Overnight, they pulled all those kids back into the district without hiring new special ed teachers and without a physical plant that's designed to meet the needs of the kids that have very complex circumstances. That's how they open the doors. They also cut virtually all the maintenance staff and all of the paraprofessional staff. So that means not only are the important functions that those folks serve not being done, they're also not helping the classroom teachers where they were available for that purpose before. So that's Claremont.

One of the mismanagement issues is that in going from 2020 to 21 and then to 22, so those two years, Claremont thought they had a large surplus, a million dollar surplus each of those two years on the 30 million dollar budget and reported that to the state and then with that information the state reduced dramatically their school taxes. Turns out they didn't have that surplus. So shame on the business manager and the superintendent who were both gone. The current people weren't in place at the time. But shame on the school board. I mean, if you guys were told by your business manager, "We found an extra million dollars hanging out, I think you'd think twice before you act on it." The Claremont school board cut

their taxes based on that money and it was phantom. It wasn't there. So, that's the latest putting Claremont over the edge.

These are the 10 poorest communities in New Hampshire property wealthwise. We're going to come back to this, but it feels like one of them. Manchester is not one of the 10, but they're not far above. So, the average for the 10 lowest is a million dollars of property. Manchester's at 1.4 million. Let's do this last one. Those are the actual numbers for the 10 communities. We don't have to dwell on it, but it's this column here that shows the equalized valuation. So, that's the per pupil equalized valuation, the measure of financial strength for each of those communities. And you'll see that Pittsfield is right about half of the state average and your tax rate is not quite a dollar more per thousand than the state average in Claremont is \$5 more. Okay, we'll come back to some more details on Pittsfield. But let's talk about the book. We're here to talk about the book. and I left them all in the back. So, I got Molly's. It's okay. So the book really puts New Hampshire, the Claremont case in both a national context and a historical context. and in some ways it's a reckoning for those who really didn't help the children and property taxpayers in Manure. And in some ways, it's a love letter to people like Arhorse who work so hard for us. So, when you think about school funding law, it comes right out of the desegregation cases. So, Brown versus Board of Ed 1954, 9 nothing. The US Supreme Court found that separate but equal was unconstitutional. great.

They pulled a punch when they didn't provide a specific remedy and said desegregate with all deliberate speed, whatever that meant. and there was massive resistance, a lot of it in the south, but not exclusively in but one of the hot beds for resistance was in southwestern Virginia in Prince Edward County was so afraid of having the little black kids sit next to the little white kids that they closed their public schools for five years. Completely closed them. And in their place, they created white segregationities, private schools where the white folks sent their kids.

Not only did they do that, they had the temerity to apply to the state board of education to have their schools segregated, parents asking for their tuition to be reimbursed. It was the first practical application of school vouchers in the country. So whenever you hear New Hampshire talking about school vouchers, which we call education freedom accounts, you need to remember the origin story which is firmly and directly in support of segregation of schools.

So the fellow who was the chair of the state board of education who approved those tuition vouchers was a very powerful corporate lawyer named Lewis Pal. actually Prince Edward County Virginia was one of the companion cases to the Brown case. and third grade Marshall was the plaintiff's lawyer in Virginia. Lewis Pal's law firm represented the school district that didn't want to desegregate. So all kinds of resistance took 10 or 15 years for really the Brown decision to sink in and be respected.

But people realized 1970s this 1954 to 64 let's say people realize that schools were funded based on local property taxes which is the current New Hampshire system and that communities were segregated and often the black and brown communities had less property value and so those common communities were less able to fund their schools in some lot of the instances unable to properly fund their schools. And so the educators and the advocates got together and asked the states to mitigate the differences and every one of the states refused and so litigation happened.

Litigation happened in California, New Jersey, Minnesota, and Texas, state court and federal court. And the cases all went off on the question of whether education is a fundamental constitutional right under the US Constitution. These were all US constitutional cases and all of the federal court, trial appellate judge, all of them found education is a fundamental constitutional right under the US constitution. And

therefore the states really have to come up with a compelling reason to mistreat the poor communities to not mitigate the differences. And so the children and their parents were prevailing in these cases. The case in Texas happened in San Antonio, which is one city but it has nine school districts. The poorest one is called Amy and I have been there. Edgewood is located in the lowest, highest, toughest part of San Antonio. The school district was 92% Mexican-American and six or eight% black kids. and had the lowest cost per pupil spent. It was so bad.

There was a superintendent José Cardin who first tried to fix the expectations of students because none of the predecessors had worked to encourage these kids really to expect anything. But at the time if they finished school they expected to become secretaries. The only problem is that Edgewood couldn't afford typewriters. So the young women learned to type on pieces of cardboard with a keyboard drawn in. And the comparison was Alamo Heights, which was on the bluffs in San Antonio, literally looking down on the Mexican American kids. It had a 90% white population and had no problem raising money, had plenty of resources. The state of Texas could have helped make up the difference between the two. It gave more money to Alamo Heights on the bluff than it did to Edgewood. And so a parent, Demetrio Rodriguez, brought together a bunch of people. They filed a suit, went to federal court after some delays, ruled for the parents, found the system unconstitutional, and the case got appealed directly to the US Supreme Court. By this time, Warren Burger is the chief justice and he appoints the justice who he considers to be his education justice to write the decision in the case.

Anyone want to guess who the education justice was? Lewis Powell gets the case. Everyone knows if you find education to be a fundamental constitutional right, then the state loses. And the rationale from all the other cases is argued to the court. All the justices are well aware that education animates all the other constitutional rights. It has a history of being foundational to democracy. All of that's argued. Lewis Powell, who's a tall, skinny guy with wire rim glasses, puts on his glasses, looks at the Constitution, and says, "I don't see the word education here." So, it can't be a fundamental constitutional right.

Texas, you win. You can keep doing what you're doing. But by this time, third grade Marshall's on the court and this is a five-4 decision. Marshall writes a really powerful dissent. And one of the things Marshall says in his dissent is, that analysis you just did, you're right. Education, the word is not in the federal constitution, but there are 50 states and each of the states has its own constitution.

And those constitutions have education provisions in it in each of them as New Hampshire's does. So New Hampshire has part two article 83 in our constitution. There's a straight line from Justice Thurgood Marshall's dissent to the Claremont cases. Let's talk about Claremont and how that happened. It really happened because of one school board member, a guy named Tom Canary. Do you guys know the movie It's a Wonderful Life? Tom Canary is Claremont's George Bailey. Tom moved to Claremont in the 80s after graduating from law school. joined a small general practice firm, eventually gets elected to the school board. and he sees there's no money and the accrediting agency is telling the school board, you're going to lose your accreditation unless you make these really dramatic, drastic repairs to the students' high school building that they can't afford to do. And so Claremont lost its high school's accreditation in '88 or '89. Tom does the research, finds Thurgood Marshall's dissent and thinks we need to sue the state. It would have been the third attempt to sue the state for school funding deficiencies.

And Tom writes a letter to every major law firm in the state and invites them to come to Claremont to help build the strategy for a lawsuit against New Hampshire. And no one comes. The only person who came in response to Tom's outreach was his constitutional law professor at Franklin Pierce Law School, a guy

named Arpie Saunders. so Tom and Arpie start to work on a lawsuit, but Arpie is Tom's a general practitioner and a small firm. Neither of them are trial lawyers. They put what they can together.

Arby, who passed away maybe 10 years ago. Arby lives in the conquered area and at this time Amy and I lived in by and Arby was a legal aid lawyer before going to the law school. I was a public defender in New Hampshire. The public defenders and legal aid lawyers hung out together. So we knew each other. We actually ran every afternoon at lunchtime from the YMCA in Concord. Here's an insider's tip if you need a lawyer at lunch hour in Concord and one day after a run in the locker room, RP told me about Tom Canair and Claremont and asked me to put together a trial team. I am a trial lawyer.

This is what I do and this is why I went to law school. And if I'm being honest, I think I was naked at the Great time. Yeah, I was pretty agreeable. And we recruited another lawyer who a guy named John Garvey, who at the time lived in Franklin, another trial lawyer. And we put together a lawsuit. But before we filed the suit, we asked Judge Greg to meet with us. He was the governor at the time, and he refused, as did the two governors after him. So Steve Merrill wouldn't meet with us, and Jeannie Shaheen wouldn't meet with us. Interesting. People are surprised at that. She's got a prominent role in this book and it's not quite favorable.

But we didn't get a response so we had to file the suit. We filed it and pretty quickly we got tossed out of court. The kindly older conservative judge George Manius from conquered said the education clause in the New Hampshire constitution is only aspirational. There are no standards. You can't enforce it. Go away basically. And so we appealed to the New Hampshire Supreme Court and that appeal became Claremont one in December of 93. The court said, "Yeah, that constitutional provision has meaning. You've alleged that your rights are being violated under it. Go to a trial and prove that your factual assertions are true."

But for the first time in 250 years of constitutional history, the New Hampshire Supreme Court recognized the right to a state funded public education in New Hampshire. So we then started to get ready for trial. We spent two years getting beaten on by the state's attorney general's office because their goal was to keep us from getting to trial. They thought if they filed slews of frivolous motions and made inordinate discovery demands that these poor districts would run out of money for the lawyers and then the case would fizzle out and die. But we fooled them. None of the lawyers were getting paid. So there was no money to run out of. but we did have to raise some money.

We took donations, we sold bumper stickers, and we had bake sales. and the best bake sale we had was a couple of months after the Claremont One decision. It was at the middle school in conquered and Mike Marland, who used to be a political cartoonist, did this cartoon for us. We sold a bunch of them at the bake sale and Tom Canair reached out to Governor Steve Merrill and asked him to send brownies and I made sure the Associated Press knew that that request was made. So, a bunch of reporters started calling Steve and his spokesperson Jim Rivers and asked, what are you going to do? You going to send brownies? Why aren't you cooperating with these guys?

And Steve's response was to say, "School funding is not funny." And of course, he was right. It's not funny. And we went to trial without any cooperation from Steve Merrill or the Attorney General's office. And we put on evidence that in Claremont they could identify 60 kids every year who could not read at grade level at third grade which is a big deal because K to three you learn to read and after that you read to learn. So if you're not reading in third grade you're flunking public ed. Simple as that.

They could identify 60 kids, but they could only provide tutoring for 15 of them. So, every year they were identifying 45 kids who were going to fail public school. We put on that evidence, which wasn't funny at all. We did the trial in 96 and we put into evidence a middle school science book that said, "We hope to someday put a man on the moon" which happened in 69. We found and publicized the fact that schools across New Hampshire were converting closets and bathrooms to teaching spaces for one-on-one tutoring for kids receiving special ed services. That, by the way, is what Claremont's going to do now again and we put it on the front page and it stopped for a while, but it was going on and it was fairly widespread. The most stigmatized kid in the school would get pulled out for one-on-one tutoring in the bathroom. We put all this evidence and kindly George Manas ruled against us again and again. We appealed to the New Hampshire Supreme Court and the New Hampshire Supreme Court stayed with us. They said the system where one community is paying four or five times the tax rate for substandard schools violates the constitution. The state has a responsibility to provide a basic quality education. The property taxes to pay for it are state taxes and they need to be uniform across the state. That's what the court ruled. The court gave the state 15 months to fix it. This is the end of 97. So by now, Jean Shaheen was governor. She fought us on the appeal as hard as Steve Merrill did before her. And we thought, we don't like this, but she can't look like she's throwing the case, so we'll live with it. But now we've won. The system's unconstitutional. She ought to cooperate with us. Refused. Instead, she put together a plan called the ABC, Advancing Better Classrooms Plan, and it was based on a uniform \$660 statewide property tax. Only the thing was no one paid the 660 except for the poorest districts.

So today's Swept if you could pay for your own schools with less than \$6.60, you didn't have to impose the full state tax. It was automatically rebated. And the only ones who couldn't and who got the full stroke of the tax were the poorest districts. And we warned and I remember sitting with her lieutenant Judy Reardon and the attorney general, Phil Mcloffin, who's a big guy. I'm seated. He's standing over me and saying, "Do you guys have a plan B in case this doesn't work?" and I was told there's no need for a plan B. You better get on the train because it's leaving the station. And so back we went to the Supreme Court and found it unconstitutional. It wouldn't fly as we had told them. Donna Scitec had a plan. She was the speaker of the Fred King from Colbrook up north had a plan. They all got shot down. Eventually by 99 2000, an income tax plan starts to rise up. it's proposed by Cliff Bo, a Democrat from Lebanon, and Liz Hager, a Republican from Conquer. and it passes in the House and a slightly different version goes to the Senate and it passes in the Senate and then with some maneuvering by Scitec because the versions were a little bit different it had to have a second vote in the House and I was there and I watched that day as Jean Shaheen and her lieutenant Judy Reardon and state rep Ray Buckley who's now the chair of the Democratic party pulled reps off the floor and row beat them until they voted against the income tax and it failed by a handful of votes. That was about 2000 and that's why we've been in school funding purgatory for the last 25 years. The other consequence of Shenine's action and of the other governors, Republicans and Democrats, is that we are now more at the mercy of the federal government than we should be. So Trump and McMahon are going to phase out federal grants. And I confess it. It's not in the book.

And I didn't realize this till I spoke in Manchester last Saturday. New Hampshire gets a modest amount from the federal government. It's like \$1,900 a kid. And places like Mississippi get more than 3,000 per child. So we ought to be able to deal with it. It's eight or nine% of our state funding for public schools. But I was preparing for the Manchester talks and I realized that eight or nine% of federal money isn't the same across the state. Manchester gets 21% of its budget from federal money. And once that goes away, where are they going to find a fifth of their budget? NSHA is the same way. And I think Pittsfield is right around% too. Moultonborough gets 3% of their money and Moultonborough can make it up with a couple of cents on their tax rate. You guys can't. And the governor and the new commissioner and the old commissioner

and the state board, no one is stress testing the finances of local school districts. And over the next year or two, you're going to get hit hard. And we're not ready for it. And that's a consequence of Jean Chen and Ray Buckley and Judy Green's conduct on that day in the state house. So let me give you a couple of details about Pittsfield and then we'll open it up for questions. So that's Pittsville, Moultonborough, Portsmouth and the state. Your average spending is right at the state average, right?

Moultonborough spends \$14,000 per pupil more than you do. It's amazing. If you think of a 20k class, that's \$280,000 more per class that they spend. Portsmouth itself is what's that 4,000 more. your tax rates are above the state average. Moultonboro is a fraction and so it's Portsmouth. I put in the median household income the last column on the right just to give you a sense of the spending power of people who live in the various communities and you're well below the state average of 30,000 or so. the state requires assessment scores I think it's three different levels 48 and 10 and then put you in blocks bottom middle top not nationally compared to the other schools at your level in the state English, math and science are the three topics You're in the bottom third or bottom quarter for two of those topics and in the middle for one. Moultonboroughs in the middle for all of them. Portsmouth is top in all of them. your graduation rates quarter of your kids don't graduate in four years in Pittsville. Moultonborough 100%.

The Moultonborough superintendent testified at our trial. and he testified that each kid in high school essentially had an IEP, individualized education plan, regardless of whether they had special ed needs. They just catered the program to the needs of the particular child. They had the resources and small numbers to do that. average teacher salaries. I've worked extensively on the Rand case with John Freeman who was the superintendent here. He told me that when he was superintendent he would lose half to two thirds of his faculty every year to neighboring communities where moving from Pittsfield to Ebsum you could make \$10 or \$15,000 a month.

He told me that a new teacher in Pittsfield with a child in school would qualify for food stamps and the kid would get free and reduced lunch. The poverty level is 45% in the district of the kids. I think that's probably an underestimate. Manchester's 55, Claremont's 55. I think Berlin is a little over 50 as well. And I thought that it made sense to look at your entire local taxes, because in some places you can't do increased education taxes because the municipal taxes are so high. I think Franklin's one of those communities.

So the state average for education plus police, fire, some places have trash, roads, that kind of thing. You're a dollar and a half almost above the state average. And Moultonborough is a third of the state average. It takes a dollar to raise 500,000 in rest here. just the value of the property. So, now that I hope to have you thoroughly pissed off, I'm happy to answer your questions. your first hand up. Go for it.

What is the basis for the Shaheen of the world and our own state rep for Pittsfield folks like that to be so against public education that they dig their heels in like this? Why is it that they have these beliefs? I wish I had a good answer. I don't know your two state reps. I do know it's a matter of where your priorities are. You prioritize e's Racist William Loe from Manchester who published the union leader and put together a promise that you would never do a broad-based income or sales tax. And I think every politician swears to it.

Do you value that more than your loyalty to property taxpayers and students? I know Jean Shaheen became governor and then became a US senator. She knows how the system works. I don't know your two locals, but it's a real problem. So, reflexively, politicians in New Hampshire take the pledge. Yeah, I refused to when I ran for office and I got elected twice as an executive counselor. So, it's doable in certain parts of the state, maybe not everyone, but we need to challenge elected leaders. How is this going to

affect Pittsfield? How do you change the dynamic that we've just heard about? I argue there are a large number of people not only in New Hampshire but across the United States who are not in favor of public education. I think in the abstract that's true but if you ask people if they support their local schools it's like eight or nine out of 10 say yes we do. the problem because they have to support their local schools. No, I think it's a legitimate support for local schools, but I don't think they connect the dots on how we finance our schools and how it so disadvantages places like Pittsfield and Claremont and Manchester and Nashua.

That's the part they miss and they don't really believe in the common So one of the biggest problems in our litigation in the Rand case were the Portsmouth people. They intervened in our case. They went to the Supreme Court to fight against us. All of them. We didn't get paid. Again, I have this habit of doing these cases where I don't get paid. But Portsmouth used its municipal budget to pay and I'll say it firm she and Finny to come to court and fight against us and so did Waterville Valley. So they're taking advantage of wealth that's really the product of how we've drawn the town boundaries and those town boundaries have nothing to do with school funding.

Portsmouth was drawn by King George. So what did he know about how we fund school sports today? I know, that's part of the problem. So when about this, he said to me, look, we spend \$22,000 a year here in Pittsfield. The state only mandates us to spend whatever 4,500 is average. We're doing a good job and we spend a lot of money and we're not getting a good price, right? That's the conversation I had. Yeah.

And so to order if I haven't looked at the figure here so closely, but in order to order quality education here in our tax base, we'd have to, I don't know, make it \$35,000 a kid to get back all the bells and whistles we have. And then they couldn't afford it. So if you stay in the same system, the local people in Pittsfield cannot afford that absolutely true. But when the book first came out, I was asked by a reporter, what do you have to say about the failing schools? And I said, I don't accept the concept.

And she kind of looked at me and I said, "If I gave you \$3 to go buy a carton of eggs, you would fail." Doesn't mean you're a failure. Doesn't mean the grocery store is a failure. It means you didn't have the resources to get the job done. And when we see schools that are failing because they're not serving their kids, low assessments, dropouts, whatever, however you measure that, we also see a lot of kids in poverty, a lot of kids with special ed needs, a lot of kids without educated parents. So if you're in a community without high education levels amongst the adults and you have poverty, you're putting a double burden on the school district. The only way to deal with that is to give the district the resources reasonably managed with citizen oversight to get the job done. But I have no patience for those who say you're not doing the job even though we've given you half the money you need. I just do part two on that because my push back to him was if we can't afford more money then the state should make up the difference and his retort to me was and that's why we're going to push charter schools. So it's obviously a non-sequitator and of course owns a charter school. He was managing one. Yeah. So, charters are not doing well. Charters, Wait a minute. Charters and vouchers are diversions of taxpayer funding to pretty much private purposes. There's a really good book by a friend of mine about charters and vouchers. It's called The Privateers by Josh Cowan. I highly recommend it if you want to know who gets rich from this. But Kelly Aayod has presided over the greatest transfer of state money to private enterprise since the railroad barons in the 1920s in New Hampshire. and she in a lot of ways is a captive to the free stator. She tried to do something different and now we have unlimited vouchers subsidizing education.

I'll just get on my soap box one quick minute. There is a plan for school vouchers. It is used in every state where they go. It starts with failing schools. We need to give the poor kids a choice. So, we'll give them a

little bit of money and kids up to two or three times the poverty level get to take advantage for two or three years. And then after two or three years, we bump the cap on income to five or six times. And then after two or three more years, we remove the cap, which is where New Hampshire is. That's how it was done in Arizona. That's Ohio, Indiana. Every state has used the same.

Questions: Becky and then Molly.

So, I have a question about special education. Since IDA was passed, it's never been funded to the extent that it was promised to be funded. 40% on average. and that's always created huge gaps and huge problems for districts that have a high percentage of kids with special needs. I thought I remember reading somewhere that at the federal level there was some movement to more fully fund IDA for special education. Is that happening or is that just a wishful thought?

Answer: I think you may have fallen and hit your head. Becky's right. The idea was passed in 1975 with the promise that the feds would fund 40% of the cost and I don't think it's gotten above 20 or 22%. And now it's lower than even that. So which congressional district is Pittsfield in? One or two? You're in the second. So Maggie Goodlander is your Congress member. Every time she is anywhere in the vicinity, you need to be asking Maggie, when are we going to fully fund IDA? Is that right now? And special ed was my part of the random trial, so I don't know how to do it, but I know The IDA IDA requires children to be evaluated every three years.

The cost of an evaluation is about \$5,000. So that's like \$1,600 a year on average just to evaluate the kid, right? The state only gives districts 21,100. So that means 400 and change is actually spent on services for the child when the average cost to provide special ed is 30,000 over the 21,000. So 51 and the state doesn't kick in any more than that 2100 until you pass 70,000 and then it has another formula and it doesn't fully fund its own formula and it pays it the year after the expense is incurred.

So you spend about 100,000 on services for a child expecting to get 30,000 back deduct the state may prorate their share to 70% to get 20,000. That's why it's so hard to manage school district budgets. It's an impossible system. We advocated for state payment. make every kid a responsibility of the state to pay for special ed and that way we balance off the differences. The judge wouldn't go quite that far but that's where we need to be.

Question: I know when I read your book about the part about vouchers of screening it's on there because I think especially for us right now we're facing the open enrollment case and I don't know if you've heard about I'm assuming you have. So basically we are in this litigation over whether or not we have to pay open enrollment tuition to a different school to pay for students from our district to go to this different school and that we need to pay it. Despite the fact that we did not as a town vote that we would like to be able to fall down. I'm a little scared how this decision is going to fall down and how do you see open enrollment sort of back vouchers choice educational max how is that scale? It's all of a piece. So open enrollment means the child's family can choose where to go to high school. Not elementary and middle. Yeah, just high school. And the child's actual school district has to send 80% of the district's cost per pupil to the other district.

Answer: So the sending district has to send none of the costs that we're getting from the state. I think that would mean for example they have 80% of that charge. Okay, I understand the district that we are sending to pay 80% of the tuition charged by that district. So to which the district, but the problem is that districts can set their tuition what they will, right?

So Prospect Mountain is open enrollment. They open their doors and they want everyone to come there but other towns didn't choose to be open enrollment and now there's an influx of students going and these other towns are saying but we don't want to pay because we didn't agree to that. 80% minimum right the rate is set by the receiving district and they can start you at a minimum of 80% and then it can go up from there so next year could say we're going to charge you 90%. Then we're going to charge you 125%. Right?

So the idea is again to undermine the ability of local districts to manage their finances because a child doesn't have to declare they're moving to an open enrollment school until they decide to move.

Molly: Yeah. So there's no notice. And then what the other scary part is when those children leave, especially in a town like Pittsfield, let's say 20 kids leave. I know Dr. McDonald was kind of putting this together in terms of trying to give people scenarios. 20 children left our district, we would still have the exact same cost. So we couldn't eliminate them because they would be from different grades and they would be from different places, so you can't just like, okay, they're going there. We'll cut this. It doesn't make it an exchange. You're still responsible for educating, right? And you still have this sunk cost to pay your owners, too. What if you just don't right now?

Answer. It's at the Supreme Court and her who's your lawyer in that? Barbara Loughman? Barbara's good actually but you can feel free to kick in some legal services. She likes your rate. Further. Barbara's really good.

What other questions? Maybe one or two more. Go ahead and then you were first. Let's go behind. Our real problem with Pittsfield and Epsom and Boscawen is that we keep voting in the free state people and we don't look out for ourselves. The average taxpayer can't figure out that when they vote in Clayton Woods or ours that they're increasing their taxes tremendously. They can't figure that and until we can change that, we're never going to get how many 80 somewhat free staters in a group over at the state house led by our friends in Epsom and yet we put them on pedestals and we should not be doing that. They're hurting us tremendously. And yet we continue to do it. I write a Substack every Wednesday, mostly about education policy.

A friend of mine, Jean Deech, writes one called Granite Matters, and a lot of it's about outing the free stator because they're not always honest. Okay, I'll take the friendly amendment. So, just look for granite matters and substack. They're also from out of state and the money they get is from out of state and they're well-founded when they can do all the billboards and all these crazy things that they do. and we have someone that's running on a shoestring against them and it just doesn't make sense.

You need to know who your candidates are and school boards can invite candidates in to speak as long as you're and they should be here.

No, I meant our state reps. they came to one of the talks that you guys put on here not long ago. I sat in the same row. One of the questions that they stood up and asked was, what do we do to fix things?" And I said, "Well, to start with, who knew state reps?" And that didn't go over. So, one of them got up and left because he didn't want to get into a confrontation. And the other gentleman and I were bantering back and forth.

And all of a sudden he says,"I have a solution to your problem. I don't know why you people haven't thought of it." And I said, "What's that?" " I can't say." And I said, "Yes, you can. Just say it." So he did. He says, " All you need is a sales tax in New Hampshire. You could solve the problem." I said, "That's a

wonderful idea." I said, "One that was thought of way back when we started the Claremont lawsuit." but I said, Do you know where you are? I said, and he said, 'What do you mean? I said, 'If you walk into the state house and you say that, do you know where you're going? Right out the door, you'll be pulled out of every committee and you won't be able to do a thing. What's that? Yeah, part of the problem is Jimson. Republicans vote sales tax is actually not a good way to fix it.

No, but it would have been better than you need to have an assumption. So let's go here, there, and then you'll all buy my book. I think my question was about solutions too about whether or not in your research, you talk about other states that sort of misuse some of the systems like vouchers. Are there any states that get this really right that can be sort of as a model and do you know what those are and what they do? Yeah. you don't have to go far. So there was school funding litigation at the same time as ours in Massachusetts and Vermont and within two three years they put into place a system that's pretty much held ever since. So that's the mid 90s through the present.

Vermont for policy reasons is redoing theirs now in certain ways that are appropriate, but Mass and Vermont both have income taxes. So they have multiple funding sources to balance the sources of revenue from too heavily concentrated on the property tax most heavily reliant in the country. So, let me ask a question. We have federal taxes, and whether you think they're good or bad, they're the same across the country. You then have state and local taxes that depend on where you live. As among Maine, New Hampshire, and Vermont, who has the highest state and local combined taxes?

Yeah, New Hampshire is the lowest of the three. Maine and Vermont are usually fourth and fifth in the country in terms of their tax burden and New Hampshire is 25th. So we don't even have that baseline knowledge. The problem is all of our tax burden is concentrated on the property tax and you feel that in a big way twice a year here in Pittsfield or four times a year for Amy and me and Conquer and that's why people move here. I think most of you see people move here all the time from out of state and they buy these houses and they build big houses because they're paying less taxes coming here even with our stupid property tax problem, because of where they're coming from. Which is why then people here don't want the income tax because they feel like they're going to go to number one. Yeah.

The problem is that the way to do it fairly, right, for people to pay their fair share, is to consider income. Absolutely. He asked Good work. Do you have the last question? You said that Claremont brought in children with disabilities, students that needed to be sent out to another facility that were being sent out. Is that legal for them to do and not send those ch students to where they really need to have their education? So what people call it is out of district placement. Yeah. Okay.

So that's where children are sent by their home school district when their needs are too complex to deal with them. Locally, school districts frivolously send a kid to an out of district placement because it's so expensive to do it. Not only does the facility cost a lot, but you have to get the kid back and forth. If it's a day facility, it's transportation. If it's a living facility, you've got the extra cost of the residential part of it. Right? So, no one sends their kids to out of district placements if they could meet the child's need in the district. Right?

Claremont overnight is pulling all of those kids back into the district without having had the time to prepare the district to provide them services. I mean legally or not can they legally do that? They're doing it and it's up to the families to challenge the new placements and there's a whole cadre of complex IDEA and state laws that protect the rights of children and they're there so that we don't have Laconia State School circumstances again because that's what we were doing before the RD year. But it's so sad that it

will exacerbate the debt Claremont has now. It will continue. It will just continue and add and be because of things like that because they will face lawsuits for having to make those terrible decisions that they wouldn't want to have but they'll just keep facing that again and again that it's a cycle. It's a downward spiral unfortunately. What's your prediction for the future? I do. 89 bought a goat from a farm on Catamar Road. No, you bought it. It was my birthday. Maybe I was getting her cashmere for her birthday. She didn't know it was a goat. I think the future will buy more goats.

Hey, I think this issue that we're facing nationally is so critical and so acute that people need to get pissed off and stand up. And until we do that in a real and direct way with information that my book is an organizing tool, that's the way you should think about it. That'll give you the information to get started and it'll tell you who your friends are and who they are not.

And I think you need to organize community by community to work against the influence of the free staters. Someone was saying they have more money than the rest of us do. We have more people than they do. And you need to talk to every one of your neighbors. And when it comes time to vote, they need to do it right and the optimal pitch for the school boom board. They are in the worst position in the world. They know all the things that have to be done and they know they don't control the money. They're in the worst position after the superintendent. Can't all grief for what happens or doesn't happen.

So, you guys have had some really good questions. I'm not going to sugarcoat it. We're in a bad situation and we need to do something drastic about it. And hopefully some of that starts tonight. Thank you. So I'm just gonna add on to the last organizing. So when I was in Hookit and I was chair of the school board, we were trying to get a new school built. We organized a whole series of neighborhood meetings. We went literally neighborhood by neighborhood. Be recruiting people in each neighborhood to host house parties. and how granular you need to be. We don't have the money. You have to overcome and you need to do that prior to voting. It's not just local happy books I would be just a

Meeting ended after 01:18:16 *This editable transcript was computer generated and might contain errors. People can also change the text after it was created.*