

**New Hampshire Department of Revenue Administration
45 Chenell Drive, Concord, NH 03301**

**TECHNICAL INFORMATION RELEASE
TIR 2004-003 June 24, 2004**

A Technical Information Release is designed to provide information of changes in laws administered by the Department and for the policy positions of the Department as a service to citizens and municipal officials. A Technical Information Release represents the position of the Department on the limited issues discussed herein based on current law and Department interpretation. For the current status of any tax law, citizens and municipal officials should consult the source documents (i.e., Revised Statutes Annotated, Rules, Case Law, Session Laws, etc.). Questions specific to this Technical Information Release should be directed to the Municipal Finance Bureau, at (603) 271-3397.

The purpose of this technical information release is to advise school officials and citizens of the procedures to adjust appropriations for the school year beginning July 1, 2004, as a result of the passage of Senate Bill 302, Chapter 200, Laws of 2004.

Chapter 200 revised the formulas used to determine adequate education costs and adequate education grants. Due to the change in adequacy grant amounts, some school districts may want to adjust school appropriations for the school year beginning July 1, 2004.

Sections 14 and 15 of the bill, which became effective June 9, 2004, authorize a school district:

- to accept and expend unanticipated funds from the education trust fund, and
- to hold a special meeting to make adjustments to the districts operating budget due to adjustments to the calculation of adequate education grant amounts.

For this one time only, a special meeting may be held without petitioning Superior Court and without meeting the 50% registered voter requirement of RSA 197:3. However, all other special meeting requirements, including budget preparation procedures, hearings, postings, warnings, meeting place, SB 2 procedures (deliberative session and official ballot voting session), and subsequent reporting to DRA, are applicable.

To increase appropriations as a result of the change in the adequacy grant, a special school district meeting is required even if a school district has authorized their school board to apply for, accept and expend unanticipated revenues under the provisions of 198:20-b. A special meeting may be called by the school board or by written application of 50 or more voters in accordance with RSA 197:2.

In cities where the City Council, Board of Mayor and Aldermen, or an independent school board serve as the appropriating authority for the school district, school appropriations may be adjusted in accordance with the charter provisions for such actions.

Although not required, it is recommended that any school district intending to hold a special meeting notify the Department of Revenue Administration Municipal Finance Bureau. Also, school districts are encouraged to notify town officials of an impending special meeting, particularly if such meeting is scheduled to occur after September 7, 2004, the date the Department will begin certifying the 2004 property tax rates.

Adequate education grant amounts will be posted soon on the Department of Education's web site @ www.ed.state.nh.us.