



JEANNE SHAHEEN
GOVERNOR

STATE OF NEW HAMPSHIRE

OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE:
THURSDAY, JAN. 15, 1998

CONTACT: Douglas Hattaway
(603) 271-2121 phone
(603) 564-5614 pager

ADVANCING BETTER CLASSROOMS:

GOVERNOR PROPOSES THE ABC PLAN TO ADDRESS CLAREMONT DECISION

CONCORD – Gov. Jeanne Shaheen today proposed a “New Hampshire solution” to the challenge presented by the state Supreme Court in its ruling on the Claremont lawsuit. The Governor announced a proposal called Advancing Better Classrooms (The ABC Plan), which preserves the tradition of local control and provides more funding for local schools that need it -- without imposing a broad-based tax.

The ABC Plan has three parts. First, it determines a standard of adequacy for children’s education. Second, it establishes a uniform local property tax rate for education and gives supplemental state funds to the towns that need help in providing an adequate education to their students. Third, it encourages improved performance and accountability in schools.

“The ABC Plan lifts poorer schools up without dragging others down,” the Governor said in announcing the proposal. “The ABC Plan takes the challenge presented by the Supreme Court and turns it into an opportunity to provide for the education of all of our children. We can preserve what is best about New Hampshire, and still see that all of our children get the education they deserve.”

The Governor cited a wide range of benefits from The ABC Plan. Unlike a statewide property tax, The ABC Plan does not take money from property-rich towns and redistribute it to others. It involves no broad-based tax, preserves local control of schools, ensures quality education, creates no new state bureaucracy and causes no disruption of the New Hampshire economy.

The ABC Plan also satisfies the Supreme Court’s Claremont decision, which said that the state must ensure that every school district has the funds necessary to provide an adequate public education. To the extent that the local property tax is used for that purpose, the tax must be “equal in valuation and uniform throughout the state,” the Court said. The ABC Plan meets both of those tests.

- more -

THE ABC PLAN - 2

The Governor has appointed a working group to develop a standard of educational adequacy for the state and asked for a report by the beginning of February. The group includes: cochairs John Crosier, president of the Business and Industry Association of New Hampshire, and Paula Adriance, president of the New Hampshire School Boards Association; John Lewis, chair of the State Board of Education; Richard Ashooh, Director of Public Affairs for Sanders, a Lockheed Martin Co.; Kathy Fuller, a member of the Franklin School Board; and Bud Hawkins, vice president of National Aperture, Inc., a small business in Salem.

"I thought it was important that business be represented, because their involvement is critical to providing the kind of education our children need to succeed in the workplace," the Governor said. "I also thought it was vital that the people most directly involved in running schools at the local level lead this effort."

Under a hypothetical example used to illustrate the plan today, new revenue estimated to fund The ABC Plan would amount to approximately \$100 million new dollars -- not \$1 billion. Citing public support and health benefits, the Governor urged the Legislature to increase the cigarette tax by 23 cents, which would raise \$43 million in new revenues. Since The ABC Plan replaces the existing Foundation Aid program, revenues from the sweepstakes lottery can also be applied to fund The ABC Plan.

"The amount required to fund The ABC Plan is a manageable number that we can achieve if we work together," the Governor said.

The Governor said that her office has been working on a solution since the day of the Supreme Court ruling Dec. 17, 1997. She worked with Stan Arnold, Commissioner of the Department of Revenue Administration, Education Commissioner Betty Twomey and interested individuals outside of government in developing a plan that would meet the requirements of the constitution and provide for education without disrupting the economy.

"I'm announcing The ABC Plan today to show that we can meet the challenge of the Supreme Court decision without resorting to drastic measures like broad-based taxes and constitutional amendments," the Governor said. "We've heard too much alarmist rhetoric about the end of the New Hampshire way of life. We've heard too many simple-sounding solutions that don't address the issue. It's time to get to work on a proposal that addresses what this issue should be about -- our children and their education."

#

Advancing Better Classrooms: The ABC Plan

Highlights

Governor Jeanne Shaheen today announced "a New Hampshire solution" to the Supreme Court ruling in the Claremont lawsuit: Advancing Better Classrooms (The ABC Plan).

The ABC Plan:

- determines a standard of adequacy for our children's education
- establishes a uniform local property tax rate for education and gives supplemental state funds to the towns that need help in providing an adequate education to their students
- encourages improved performance and accountability in our schools

The Governor has appointed a working group to develop a standard of educational adequacy for the state and asked for a report by the beginning of February. The group includes: cochairs John Crosier, president of the Business and Industry Association of New Hampshire, and Paula Adriance, president of the New Hampshire School Boards Association; John Lewis, chair of the State Board of Education; Richard Ashooh, Director of Public Affairs for Sanders, a Lockheed Martin Co.; Kathy Fuller, a member of the Franklin School Board; and Bud Hawkins, vice president of National Aperture, Inc., a small business in Salem.

According to a hypothetical example used to illustrate The ABC Plan, new revenue estimated to fund The ABC Plan would amount to approximately \$100 million new dollars -- not \$1 billion. Citing public support and health benefits, the Governor urged the Legislature to increase the cigarette tax by 23 cents, which would raise \$43 million. Since The ABC Plan replaces the existing Foundation Aid program, sweepstakes revenues would also be applied to fund The ABC Plan.

Benefits of the ABC Plan:

- does not take money from property-rich towns and redistribute it to others
- lifts poorer schools up without dragging others down
- involves no broad-based tax
- preserves local control of our schools
- ensures quality education for our children
- creates no new state bureaucracy
- causes no disruption of the New Hampshire economy
- satisfies the Supreme Court's Claremont decision