

PROVIDING RENT COSTS FOR CHARTER SCHOOLS:
A reasonable Consideration

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Charter schools apparently are the only state program that must pay private rent from operational funds. Every other state program has budgeted lease costs. Why is this? Dozens and dozens and dozens of state programs receive facility rent. Millions for this purpose—but nothing for the state’s charter schools.

RSA 194-B: 11 says all funds available to districts should be shared with charter schools. Although facility aid is not specifically for rent, this aid is budgeted for districts at an estimated at 44.3 million per year! A very tiny portion of this amount would support facility costs of charter schools. Why not consider a rental grant for the state schools with no public space? Every other state program has lease funding—even the Governor’s office.

Statutes require all state funding programs to be shared with eligible charter schools:

RSA 194-B: 11, IV. Any federal or other funding available in any year to a sending district shall, to the extent and in a manner acceptable to the funding source, be directed to a charter or open enrollment school in a receiving district on an eligible per pupil basis.

Guidelines under RSA 194-B: 11 allow for transfers to fund charter school grants—so why not share facility aid and make lease grants for the charter schools without public space? It’s a workable idea with a statutory structure in place.

RSA 194-B: 11. *The total grants provided under this program shall not exceed the amount of money appropriated in the budget, or transferred, or provided by gift or grant to the state for this purpose.*

Providing for rent would not be a new program. In fact, New Hampshire’s state budget provides rent funding to any office or program when no public space is available.

Budget examples:

GENERAL GOVERNMENT

a. Office of the Governor, p.10	
line 22, RENTS&LEASES OTHER THAN STATE	10,000
b. Commission on Disability, p.12	
line 22 RENTS&LEASES OTHER THAN STATE	25,463
c. Client Assistance Program, p.12	
line 22, RENTS&LEASES OTHER THAN STATE	9,903
d. Administration, p.13	
line 22, RENTS&LEASES OTHER THAN STATE	147,200

e.	Office of the Chief Info Officer, p.20 line 22, RENTS&LEASES OTHER THAN STATE	537,879
f.	Technical Support Services, p.22 line 22, RENTS&LEASES OTHER THAN STATE	416,000
g.	Personnel Admin & Support, p.24 line 22, RENTS&LEASES OTHER THAN STATE	12,086
h.	Photocopy Operations, p.35 line 22, RENTS&LEASES OTHER THAN STATE	45,000
i.	Health and Human Services, p.40 line 94, BUILDING USE ALLOWANCE	978,884
j.	Londergan Hall, p.42 line 94, BUILDING USE ALLOWANCE	23,801
h.	Public Works Design, p.50 line 22, RENTS&LEASES OTHER THAN STATE	42, 000
i.	Board of Accountancy, p. 86 line 22, RENTS&LEASES OTHER THAN STATE	9,000
j.	Joint Board Administration, p.87 line 22, RENTS&LEASES OTHER THAN STATE	48,375

ADMINISTRATION OF JUSTICE AND PUBLIC PROTECTION

k.	Administration of Armories, p.94 line 94, LEASE APPROPRIATIONS – AASF	180,000
l.	Army Guard Facilities, p. 100 line 93, FACILITIES EXPENSES	600,000
m.	Cemetery Operations, p. 104 Line 22, RENTS&LEASES OTHER THAN STATE	3,900
n.	District Offices, p. 195 Line 22, RENTS&LEASES OTHER THAN STATE	369.578
o.	Shea Farm, p. 196 Line 22, RENTS&LEASES OTHER THAN STATE	1,800
p.	Pharmacy, p. 200 Line 22, RENTS&LEASES OTHER THAN STATE	57.040
q.	Department of Employment Security, p. 204 Line 22, TRAINING/LEASE PURCHASES	1
q.	Enforcement, Human Rights Commission, p 207 Line 22, RENTS&LEASES OTHER THAN STATE	42,188

If all other programs receive rent funding, set up the charter schools for the transfers enabled by RSA 194-B: 11 and allow these schools to have their RENTS&LEASES paid, as with other state programs. There are numerous benefits to a facility lease allowance.

Transfers to and from one line item to another are certainly not uncommon in the state budget. They are included throughout the state budget. Examples from the 2008 draft state budget:

- a. Photocopy Operations, p. 35

line 49, TRANSFRS TO OTHER STATE AGENCIES	3,000
b. Print Shop Operations, p.35	
line 28, TRANSFERS TO GENERAL SERVICES	35,519
c. JOHNSON HALL, p. 43,	
line 01, TRANSFERS FROM OTHER STATE AGENCIES	203,800
d. SPAULDING HALL, p.44	
Line 01, TRANSFERS FROM OTHER STATE AGENCIES	193,388
e. HILLS AVENUE WAREHOUSE, p.44	
Line 01, TRANSFERS FROM OTHER STATE AGENCIES	106,918
f. WALKER BUILDING, p.46	
Line 46, TRANSFERS FROM OTHER AGENCIES	1,187,032
g. Revenue Building 61 South Spring, p. 46	
line 01, TRANSFERS FROM OTHER AGENCIES	254,280
h. DMV TESTING FACILITY, p.47	
Line 01, TRANSFERS FROM OTHER AGENCIES	348,808
i. EMERGENCY OPERATIONS CENTER, p.48	
Line 01, TRANSFERS FROM OTHER AGENCIES	502,184
j. FIRE MARSHAL OFFICE BUILDING, p.49	
Line 01, TRANSFERS FROM OTHER AGENCIES	48,775
k. Facility and Assets Management, p.50	
Line 01, TRANSFERS FROM OTHER AGENCIES	3,610,349
l. Air Guard Management, p. 94	
Line 49, TRANSFERS TO OTHER STATE AGENCIES	625
m. Air Guard Administration, p. 94	
Line 49, TRANSFERS TO OTHER STATE AGENCIES	50
n. Army Guard Environmentalist, p. 98	
Line 49, TRANSFERS TO OTHER STATE AGENCIES	25
o. Pesticide Management, p. 107	
Line 49, TRANSFERS TO OTHER STATE AGENCIES	50,000
p. Division of Plant Industry, p. 108	
Line 28, TRANSFERS TO GENERAL SERVICES	19,670
q. Attorney General, p. 113	
Line 27, TRANSFERS TO OIT	53,666
q. Landowner Relations Program, p. 209	
Line 25, TRANSFER RETIREE HEALTH INSURANCE	4,773

Another way to provide charter schools their lease costs is a budget note. Existing budget notes are found that give direction for how to handle a need that is not budgeted. Charter schools and their students could be protected with a note: "If the charter schools require rental funding, the Governor and council will review specific requests and provide the required amount of monies from funds not otherwise appropriated." Why not? This type of note is seen for other programs. Examples:

1. page 84 Budget Note for Board of Accountancy:
 "If the Board of Accountancy Requires the services of
 investigators and/or consultants to review specific incidents, the

Board shall seek governor and Council approval of the required amount of monies from funds not otherwise appropriated.”

2. page. 93, Budget Note for Judicial Branch:

“All savings realized from unfilled superior court justice vacancies shall be used by the judicial branch toward the goal of providing enhanced services to parties involved in cases relating to divorce, custody, children, domestic violence, and other family matters.”

3. page 206, Budget Note for Judicial Council:

“In the event that expenditures are greater than amounts appropriated, the judicial council may request, with prior approval of the fiscal committee, that the governor and council authorize additional funding, of funds requested and approved, the governor is authorized to draw a warrant from any money in the treasury not otherwise appropriated. “

A facility lease allowance would significantly address funding difficulties of state - authorized charter schools. Such a lease allowance provision is completely fair and consistent with state funding policy for every other state program in New Hampshire.