

**New Hampshire Department of Education  
Long-term Comprehensive Modeling Analysis  
Education Freedom Accounts**

**Summary**

The legislature has proposed a statute “establishing the education freedom account program.” The Department of Education completed a long-term comprehensive financial analysis of this program to determine the impact on New Hampshire taxpayers. Over the 10-year period of evaluation, the cost of primary and secondary education is expected to increase from approximately \$3.5 billion to \$3.9 billion by 2030/2031 school year, even with enrollment declining by over 16,000 students in the same period, if Education Freedom Accounts are not implemented. The modeling in this report anticipates long-term benefits of the Education Freedom Account education program to New Hampshire taxpayers, under various modeling scenarios, of \$360 million to \$393 million, or about 0.4% of total primary and secondary education cost.

**Analysis**

Members of the 2021 New Hampshire legislature have proposed a statute “establishing the education freedom account program.” The basic purpose of this legislation is to allow eligible New Hampshire students to direct state funded per-pupil education adequacy grants pursuant to RSA 198:40-a toward eligible educational programming of their choice.

This legislation is initiated, in part, as a result of the pandemic disruption of education of many New Hampshire students and recognizes that some students were not able to effectively engage the instructional models deployed by their assigned districts. The legislation acknowledges this in proposed section RSA 194-E:1, IX, which specifically mentions the use of “Remote or Hybrid” instruction as a result of “full-time or part-time classroom closure.” Certainly, there are other motivating factors for the legislation, however, this aspect is important to highlight.

The proposed legislation enumerates a variety of operational aspects of the program, including student eligibility, administration, defining qualified expenses, enrollment procedures, as well as governance and oversight by a newly established Legislative Oversight Committee. While these are all important programmatic aspects of the proposed legislation, this analysis focused solely on the fiscal impact to New Hampshire taxpayers.

In the analysis, the department considered the status quo, without the enactment of the proposed legislation, compared to the circumstances with the implementation over a long-term (10-year) period. Over this 10-year period, the cost of elementary and secondary education, without the enactment of the proposed legislation increases from \$3.5 billion to \$3.9 billion by the 2030/2031 school year, even with enrollments declining by more than 16,000 students in the same period. The enactment of the legislation results in annual and cumulative taxpayer savings as discussed below.

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In the modeling, the department considered historical data and projections of: student enrollment, students selecting an Education Freedom Account (“EFA education program”), the cost per pupil in the public school system, the cost per pupil for a student choosing an EFA education program, inflation, the recovery of fixed costs in a traditional school, as well as other factors.

Given the broad range of variables used in this modeling, the department can provide a rich and comprehensive analysis of the long-term effect of the EFA education program legislation on New Hampshire taxpayers and education funding.

### **Enrollment**

Enrollment models are based on the historical enrollment in primary and secondary education, by grade, for traditional and chartered public schools, public academies, non-public schools, and home education programs. Based on the 12-year historical enrollments, public school and academy enrollment for the subsequent 10-year period was estimated using a basic linear regression.

During 2020-2021, there was significant movement of students away from traditional public and to non-public schools and home education programs. The department assumes that most of this movement, driven principally by the pandemic, will reverse. Enrollment numbers were normalized for the projected reversal of this movement so as not to skew results for the temporary movement of students. This return-rate can be adjusted to different levels in the model. Presently, it is modeled that 75% of students will return to their pre-pandemic learning environment.

Enrollment also includes the potential type of student that may choose an EFA education program. An EFA education program is described in the proposed legislation under section RSA 194:E-3, III(d)(1), “To provide an education for the eligible student in the core knowledge domains that include science, mathematics, language, government, history, reading, writing, spelling, the history of the constitutions of New Hampshire and the United States, and an exposure to and appreciation of art and music.” Four categories of students were considered:

- Students moving from one public school to an EFA education program at another public school<sup>1</sup>
- Students moving from a public school to an EFA education program not at a public school
- Students who are enrolled in a non-public school moving to a EFA education program
- Home Education students moving to an EFA education program

While there are other possible permutations, these are the scenarios believed to be the primary program drivers.

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<sup>1</sup> The currently proposed legislation does not allow for EFA education program students to enroll in a public school; RSA 194:E-3, III (d)(2) states in the proposed language, “The parent signs an agreement with the scholarship organization: (2) Not to enroll the eligible student as a full-time student in a public school while participating in the EFA program.” While the current modeling accommodates the ability to model students moving from a public school to an EFA education program, the assumption is set to zero to reflect the language of the currently proposed legislation. Should that language change during the legislative process, the model can easily be updated to reflect this.

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## **Adoption Rate**

Adoption rate refers to the number and rate of eligible students that decide to access an EFA education program. This number and rate have a direct effect on the fiscal impact of the proposed legislation. There is significant research on this value from choice programs implemented in other states. The state of Arizona has a program similar to the EFA education program that has been in place since 1998. As such, the model uses the adoption rates for the first 10-years of the Arizona program. Constraining the New Hampshire program is the limited number of available non-public school options. As a result of student migration that occurred due to the pandemic, many non-public schools as well as many public charter schools reached capacity and entered waiting lists for students.

## **Types of Adopters**

As discussed above, 4 types of adopters were considered and modeled appropriately. For each of these types of students, estimates were made as to the percentage of eligible students in that population that may choose an EFA education program. These estimates were made based on program adoption rates in other states and based on department consideration of adoptions relative to other programs in New Hampshire. The actual adoption percentages are indicated below.

- *Students moving from one public school to an EFA education program at another public school (0% of eligible students)<sup>2</sup>*

For these students, the annual total state per-pupil cost of \$19,874 was assumed to not be affected by choosing an EFA education program. While conservative, the modeling assumes that the student will use the EFA education program to attend another public school at an equivalent cost to the taxpayer. Additionally, the model treats all public school students, whether at traditional or charter public schools, the same. Given that public charter school students generally cost taxpayers 52% less than traditional public school students, this also understates the benefits to the taxpayer. Of the total EFA education program adopters, it is assumed that 5% of them will fit into this category.

- *Students moving from a public school to an EFA education program not at a public school (75% of eligible students)*

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<sup>2</sup> The currently proposed legislation does not allow for EFA education program students to enroll in a public school; RSA 194:E-3, III (d)(2) states in the proposed language, “The parent signs an agreement with the scholarship organization: (2) Not to enroll the eligible student as a full-time student in a public school while participating in the EFA program.” While the current modeling accommodates the ability to model students moving from a public school to an EFA education program, the assumption is set to zero to reflect the language of the currently proposed legislation. Should that language change during the legislative process, the model can easily be updated to reflect this change.

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For these students, the cost is estimated at the value of the EFA education program, \$4,597. Of the total EFA education program adopters, it is assumed that 75% will represent students using the EFA education program to move from a traditional public school to a non-public option. The early constraining factor for these students will be finding an available non-public option.

This is a category of student most affected by the pandemic. As discussed above, in response to the pandemic many families sought alternative education options for their children. These same families may choose an EFA education program to assist with tuition, since prior to the pandemic, these families may only have paid for education costs through their local property taxes or rent. While many of these families are likely to shift back to their local school once instruction returns to the traditional model, some may remain in those non-public settings.

- *Students who are enrolled in a non-public school moving to a EFA education program (15% of eligible students)*

For these students, the cost is estimated at the value of the EFA education program, \$4,597. Of the total EFA education program adopters, it is assumed that 15% will represent students now in a non-public school.

- *Home Education students moving to an EFA education program (10% of eligible students)*

For these students, the cost is estimated at the value of the EFA education program, \$4,597. Of the total EFA education program adopters, it is assumed that 5% will represent students now in a home education program. Like the previous cohort of students, these students are also significantly affected by the pandemic. Families across the state have spontaneously created various instructional approaches to meet the needs of their children and families, particularly for working parents. This has resulted in the development of learning cooperatives and learning pods in which families collaborate with one another in the education and supervision of their students. Having adopted these learning approaches as a result of the pandemic, the model assumes most return to the pre-pandemic education settings. However, some families may choose to continue in these alternative settings to the extent their own children and families have found them more compatible with their individual needs.

### **Per Pupil Expenditure**

Two per pupil expenditures were modeled to understand the effect of the proposed legislation. The taxpayer cost of students in the traditional public school setting were based on the 2020 State Total Average Cost Per Pupil of \$19,874. The taxpayer cost of students adopting an EFA

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education program, other than those adopters that remain in the traditional public school setting (see above), uses a cost of \$4,597. This represents the state average adequacy payment, including base adequacy plus differentiated aid and was computed by dividing the total state adequacy payment, including differentiated aid, for 2021 (\$769 million) by the average daily membership of K-12 traditional public school students (167,298).

A brief explanation of state education aid, base and differentiated, is provided here to aid in understanding the model.

State contribution to primary and secondary education is funded on a per pupil basis, one year in arrears. Thus, for example, when a student attends a traditional public school, the school is paid for that student in the subsequent year. The state contributions include base adequacy per-pupil (\$3,709) and differentiated aid for students qualifying for free and reduced lunch (\$1,855), English language learners (\$725), students who are not proficient on the state English language arts assessment in 3<sup>rd</sup> grade (\$725) and students with an individualized education program (IEP) (\$1,995).

An important consideration of the proposed legislation is how students with IEPs are treated. Typically, a student who opts out of the public school system forfeits certain federal rights under the Individuals with Disabilities Education Act (IDEA). In the proposed law, students adopting an EFA education program would be treated similarly.

All costs in this model have been adjusted over the time period for inflation at 2.5% annually.

In addition to the state per-pupil adequacy funding described above, taxpayers also fund traditional public schools with the following:

- \$158 million of state funded stabilization grants to traditional school districts at an average of \$940 per student, with some districts receiving as much as \$6,613 per student.
- \$30.5 million of state funded school building aid
- \$30.8 million of state funded special education funding
- \$9.0 million of state funded career and technical education tuition and transportation
- \$1.3 million of state funded child nutrition programs
- \$2.1 billion of local property taxes
- \$74.1 million of federally funded formula and discretionary “Title Grants” through the ESSA,
- \$54 million of federally funded special education grants through the IDEA
- \$6.1 million of federally funded career and technical education grants through the Carl D Perkins Act
- \$40 million of federally funded food and nutrition funding through the US Department of Agriculture

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- \$33.9 million of federally funded COVID response through the CARES Act, ESSERI
- \$140.4 million of federally funded COVID response through the CARES Act, ESSERII
- \$45.0 million of federally funded Supplemental COVID response through the CARES Act

During the 2019 legislative session, the legislature also awarded \$59.3 million of state funds to traditional public schools as one time payments of \$350 and \$1,750 per pupil for Free and Reduced aid and Fiscal Capacity aid, respectively. These one-time funds were excluded from the modeling as they do not recur.

<b>Taxpayer Contribution<sup>3</sup></b>	<b>Traditional Public</b>	<b>EFA education program</b>
<b>State Adequacy</b>	4,597	4,597
<b>Other State</b>	1,326	
<b>Local</b>	12,392	
<b>Federal</b>	1,006	
<b>Other</b>	316	
<b>Total Per Pupil</b>	<b>\$19,874</b>	<b>\$4,597</b>

### **Fixed Cost Modeling**

One frequent concern regarding student-centered choice programs is the difficulty for traditional public schools to respond nimbly to changes in the number of students and the associated per-pupil funding. Recognizing that when a student leaves a traditional public school, that may not be enough of a cost reduction to allow the school to reduce associated costs quickly, the model affords schools long periods of time to adjust fixed costs.

It is important to note that, with or without the implementation of an EFA education program, traditional public schools will be required to manage costs over the next decade to adjust for declining numbers of students. The total number of students estimated to participate in this EFA education program over the first 10-years is between .01% and 2.43% of the total eligible student count, representing 0.5% of the total primary and secondary spend. To aid schools in identifying cost reduction opportunities, several resources are included below.

This model assumes that, in the first year that an EFA education program student leaves the traditional school, the traditional school will not be able to reduce *any* costs and will have 100% indemnity for those costs. Of course, estimating that all of the costs of educating a child are fixed for two years is an extremely conservative assumption. If this assumption were to hold, then it would also work in reverse. That means that when a new student is added to a traditional school, there would not be any additional costs to educate that student. Generally, schools request

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<sup>3</sup> Refer to Assumptions below for discussion of cost per pupil derivation.

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additional funds to educate additional students. In addition to no cost reductions in the first year, this model assumes that the school will be able to reduce the cost for the student over 3-years.

Additionally, because EFA education program students forfeit IDEA rights, the model assumes that traditional schools will not have the continued cost of supporting special education for students that select an EFA education program.

Two cost modeling scenarios were used, one assuming that 100% of per-pupil costs are fixed and one assuming the savings realized when a student adopts an EFA education program will be retained by the traditional school.

**Modeling Scenario 1:** This modeling scenario assumes that when a student adopts an EFA education program, the school will not realize any cost reductions in that year. This means that although the student will not be educated by the traditional school, the school will still continue to spend the same amount of funds, \$19,874 for each student that leaves the school. Of course, this is an extreme case as all schools have a certain amount of variable costs associated with a student’s education, estimated to be as high as \$13,350 per pupil. In addition to no cost reductions in the first year, this model assumes that the school will be able to reduce the cost for the student over 3-years as depicted below.

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
<b>Per-pupil costs that the model assumes will still be incurred by the Traditional School when a student leaves</b>	\$19,874	\$13,249	\$6,625

The net cumulative savings to New Hampshire Taxpayers under this modeling scenario are \$360 million.

**Modeling Scenario 2:** This modeling scenario assumes that when a student adopts an EFA education program, shared savings are realized. These savings are the difference between the total state cost per pupil to educate a student in the traditional public school (\$19,874) and the cost per-pupil to educate a student adopting an EFA education program (\$4,597). In this model, 100% of the savings are retained by the traditional public school in year-1 and the school achieves the cost reductions for the student over 3-years.

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
<b>Per-pupil costs that the model assumes will still be incurred by the Traditional School when a student leaves</b>	\$15,659	\$10,439	\$5,220

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The net cumulative savings to New Hampshire Taxpayers under this modeling scenario are \$393 million.

**Additional Modeling Assumptions**

- Determination of per pupil costs by funding source (e.g., State, Local, Federal taxpayer) used the state-wide actual cost by funding source as a percent of total spending across all funding sources applied to the actual state-wide cost per pupil. For example, total State Taxpayer Contribution accounts for approximately 31% of total education funding. This 31% was applied to the actual total state per-pupil cost of \$19,874 to derive the per pupil State Taxpayer Contribution of \$5,922. This State Taxpayer Contribution includes both state adequacy (\$4,597) and other state taxpayer contributions, including stabilization grants and excess SWEPT. The same formula was used to derive Local Taxpayer Contribution, Federal Taxpayer Contribution and Other. This allocation method does not affect the actual total state per-pupil cost of \$19,874, but only determines the allocation among State, Local and Federal taxpayer contributions.
- A range of student population forecasts was considered, including student population models derived by the department and student forecast models by the Western Interstate Commission for Higher Education (“WICHE”). Department models anticipate further student decline of 10-13% compared to 28% declines forecast by WICHE. The lower student population forecast numbers were used, resulting in a more conservative estimate of taxpayer savings. This lower estimate also provides allowances for the possibility of slower declines resulting from future inbound migration to the state.

**Qualitative consideration:** While the above financial analysis provides a compelling case for the financial benefit to New Hampshire taxpayers for the implementation of the EFA education program, numbers alone do not tell the whole story of educating New Hampshire’s children. Not only is it important to support a financially effective system, but there is also a performance criterion that must be considered – not necessarily how much is spent, but what is realized by that investment in education, always with student outcomes as a key measure.

While anecdotal, the department has heard many stories throughout the pandemic from students, parents, teachers and administrators – in all education settings – about the successes and positive experiences they have had in their education. Similarly, the department hears many heartbreaking stories of students who have not found success in different educational settings and many who have had tremendous difficulties with remote and hybrid instruction. Each child is different and there is not one educational or instructional model that will ever be able to meet the needs of all children. That is simply not possible.



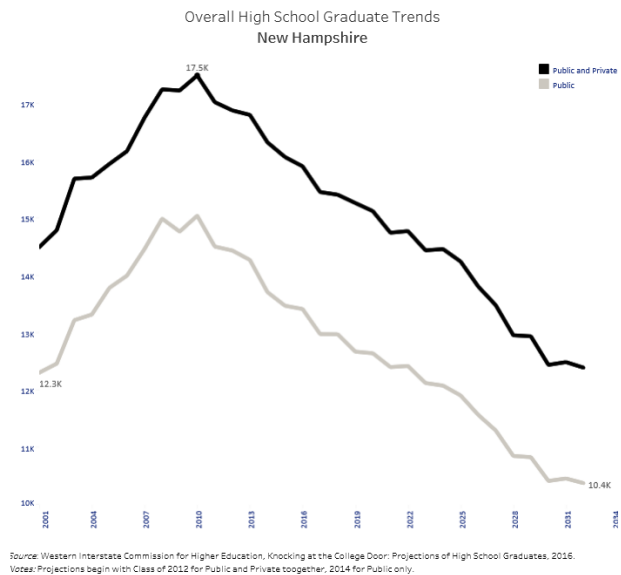
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EFA education programs, which place educational decisions in the hands of families, are designed to meet the needs of all of our children. The department strives to make sure that all students have a bright future and that no child is forgotten.

**Cost Management Resources:** The reality of declining student enrollment is a factor that needs to be considered in any school finance modeling, irrespective of the proposed EFA education program. Various demographic modeling scenarios forecast declines of between 25,000 students (14%) to 47,600 students (28%) over the next 10-years.<sup>4</sup>

Recognizing that when even several students leave a traditional public school, that may not be enough of a reduction to allow the school to reduce associated cost quickly, the various scenarios modeled afford schools long periods of time to adjust fixed costs.

While properly structuring costs with student enrollment is certainly a local determination, this report includes some district practices from around the country that may help districts working through these reductions.



Reports<sup>5</sup> from three different states were compiled to help develop a list of possible cost management strategies for schools. These include:

- “How School Districts Can Stretch the School Dollar,” from Thomas Fordham Institute, 2012
- “Ten Ways to Cut Costs in New York Public Schools without Hurting the Classroom,” from Alliance for Quality Education
- “Methods for Reducing Costs and Maximizing Revenue in Public School Districts,” from the Texas Legislative Budget Board, 2011

The department recognizes that districts work diligently to manage costs and many districts will have already addressed these recommendations and other cost management ideas. The

<sup>4</sup> Western Interstate Commission for Higher Education, 2016

<sup>5</sup> These recommendation, taken from the above referenced reports, are generally from the time period around the significant recession about a decade ago now. At that time, many municipalities had to reduce costs, and school districts were not immune to those reductions.

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department is able to maintain a best practice data set of all cost management recommendations across the state to facilitate implementation in all districts.

In addition to these recommendations, and given the expectation of declining student enrollment, the department is recommending that all districts begin the conversation and planning relative to how they will manage costs in the coming decade to address the fact that there will be fewer students.

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Some of the recommendations from the above reports include:

Aim for a leaner, more productive and better-paid workforce	Compensation structures that reward productivity
Thoughtful integration of technology, looking at blended online and classroom instructional models	Evaluating costs across subject and course level
Administrative consolidation and shared services, even across districts	Evaluate teacher to administration ratios
Energy efficiency	Reverse auctions in contract bidding
Expansion of health and other insurance consortia	Integrate adjunct/part-time staffing for small course offerings; share unique educator resources across systems
Evaluate cost effectiveness of block scheduling	Implement Medicaid administrative billing recapture
Early retirement incentives	Fully utilize online options (VLACS)
Evaluate contracts for legal services annually	Perform efficiency audits across programs
Establish educational foundations	Establish business and community partnerships
Evaluate tuition and fees for community education and facility usage, considering access for all	Provide online professional development to reduce travel cost
Implement recruiting and retention strategies to reduce turnover	Provide incentive to encourage employee attendance and reduce costs for substitutes
Maximize the use of federal grant funds so they are not returned	Consider leasing computers
Maximize technical support efforts by using remote desktop management software	Consider a contract grant writer
Manage cash flow and investments	Use cash management services
Refinance bonds at lower rates	Analyze insurance plans annually
Participate in purchasing cooperatives	Develop, implement, and train district staff on purchasing policies
Use incentives, marketing and non-traditional methods to increase participation in and reimbursements from qualifying programs	Implement multi-tiered or staggered bell times district wide to maximize the use of bus drivers
Adopt policies related to extracurricular trips	Conduct bus route analysis
Manage food costs in menu planning	Maximize USDA food commodity program
Consider centralized food preparation	Participate in food purchasing cooperatives
Use building and construction prototypes	Develop preventative maintenance programs
Create staffing guidelines, formulas and ratios, including administrative staffing	Conduct cost/benefit analyses related to possible outsourcing of district functions
Contract piggybacking and cooperative purchasing	

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Full Cost Savings Model			21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	<b>19-20</b>	<b>20-21</b>										
Public School Enrollment (w/out Preschool)	171,651	169,204	171,843	170,093	167,718	164,701	162,340	160,174	158,416	157,182	155,561	154,394
Pandemic Normalization Rate			-1.07%	-1.04%	-1.44%	-1.86%	-1.47%	-1.37%	-1.12%	-0.79%	-1.05%	-0.76%
Non-public Enrollment	15,823	16,294	15,654	15,490	15,267	14,983	14,762	14,561	14,398	14,284	14,134	14,027
Home School Enrollment	2,955	6,110	2,923	2,893	2,851	2,798	2,757	2,719	2,689	2,668	2,639	2,620
<b>Total Number of New Hampshire K-12 Students</b>	<b>190,429</b>	<b>191,608</b>	<b>190,421</b>	<b>188,476</b>	<b>185,836</b>	<b>182,483</b>	<b>179,859</b>	<b>177,454</b>	<b>175,502</b>	<b>174,133</b>	<b>172,334</b>	<b>171,040</b>
Pandemic Returner Factor	75%											
Percent of EFA Eligible Students	100%		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Total Number of EFA Eligible Students	190,429		190,421	188,476	185,836	182,483	179,859	177,454	175,502	174,133	172,334	171,040
EFA Initial Adoption Rate			28	677	3,126	3,573	3,644	3,634	3,506	3,594	3,716	4,150
EFA Adoption Rate			0.01%	0.36%	1.68%	1.96%	2.03%	2.05%	2.00%	2.06%	2.16%	2.43%
EFA Adoption Rate By Education Program												
Public School To EFA in Another Public School	0%		-	-	-	-	-	-	-	-	-	-
Public School to EFA not in a Public School	75%		21	508	2,344	2,679	2,733	2,726	2,630	2,696	2,787	3,113
Non-Public School to EFA program	15%		4	102	469	536	547	545	526	539	557	623
Home Education to EFA program	10%		3	68	313	357	364	363	351	359	372	415
	<b>100%</b>		<b>28</b>	<b>677</b>	<b>3,126</b>	<b>3,573</b>	<b>3,644</b>	<b>3,634</b>	<b>3,506</b>	<b>3,594</b>	<b>3,716</b>	<b>4,150</b>
Change in Students			28	649	2,449	447	71	(10)	(128)	88	122	434
<b>State Total Average Cost Per-Pupil</b>												
State Adequacy	4,597		4,603	4,830	4,950	5,074	5,201	5,331	5,464	5,601	5,741	5,884
State Stabilization	940		964	988	1,012	1,038	1,064	1,090	1,117	1,145	1,174	1,203
State Other	385		395	404								
Taxpayer Contribution - State	5,922		5,961	6,222	5,963	6,112	6,264	6,421	6,582	6,746	6,915	7,088
Taxpayer Contribution - Federal	954		978	1,002	1,053	1,079	1,106	1,134	1,162	1,191	1,219	1,221
Taxpayer Contribution - Local	12,441		12,752	13,071	13,398	13,733	14,076	14,428	14,789	15,158	15,537	15,926
Taxpayer Contribution - Other	556		570	585	599	614	630	645	661	678	695	712
	<b>19,874</b>		<b>20,261</b>	<b>20,880</b>	<b>20,987</b>	<b>21,512</b>	<b>22,049</b>	<b>22,601</b>	<b>23,166</b>	<b>23,745</b>	<b>24,338</b>	<b>24,947</b>
<b>EFA Average Cost Per-Pupil</b>												
State Adequacy	4,597		4,603	4,830	4,950	5,074	5,201	5,331	5,464	5,601	5,741	5,884
State Stabilization	0		0	-	-	-	-	-	-	-	-	-
State Other	0		0	-	-	-	-	-	-	-	-	-
Taxpayer Contribution - State	4,597		4,603	4,830	4,950	5,074	5,201	5,331	5,464	5,601	5,741	5,884
Federal Taxpayer Contribution	-		-	-	-	-	-	-	-	-	-	-
Local Taxpayer Contribution	-		-	-	-	-	-	-	-	-	-	-
Other	-		-	-	-	-	-	-	-	-	-	-
	<b>4,597</b>		<b>4,603</b>	<b>4,830</b>	<b>4,950</b>	<b>5,074</b>	<b>5,201</b>	<b>5,331</b>	<b>5,464</b>	<b>5,601</b>	<b>5,741</b>	<b>5,884</b>
Difference - Traditional Student v. EFA Student	15,277		15,659	16,050	16,037	16,438	16,849	17,270	17,701	18,144	18,598	19,063
Inflation factor	2.50%	1.000	1.025	1.051	1.077	1.104	1.131	1.160	1.189	1.218	1.249	1.280
<b>Taxpayer Cost Without EFA</b>			<b>3,481,801,417</b>	<b>3,551,474,115</b>	<b>3,519,894,137</b>	<b>3,543,000,963</b>	<b>3,579,508,858</b>	<b>3,620,048,368</b>	<b>3,669,809,373</b>	<b>3,732,270,445</b>	<b>3,786,113,553</b>	<b>3,851,662,936</b>
<b>Taxpayer Cost With EFA</b>												
Traditional Student Cost			3,481,226,574	3,537,338,005	3,454,298,206	3,466,147,603	3,499,162,096	3,537,912,587	3,588,583,824	3,646,926,095	3,695,671,424	3,748,128,796
Public School To Another Public School			-	-	-	-	-	-	-	-	-	-
Public School to Non-Public Option			97,943	2,452,333	11,604,390	13,595,910	14,213,918	14,530,408	14,369,382	15,098,027	15,999,861	18,315,931
Non-Public School			19,589	490,467	2,320,878	2,719,182	2,842,784	2,906,082	2,873,876	3,019,605	3,199,972	3,663,186
Home Education			13,059	326,978	1,547,252	1,812,788	1,895,189	1,937,388	1,915,918	2,013,070	2,133,315	2,442,124
			<b>3,481,357,165</b>	<b>3,540,607,782</b>	<b>3,469,770,727</b>	<b>3,484,275,483</b>	<b>3,518,113,987</b>	<b>3,557,286,465</b>	<b>3,607,743,000</b>	<b>3,667,056,798</b>	<b>3,717,004,572</b>	<b>3,772,550,038</b>
<b>Gross taxpayer savings per year</b>			<b>444,252</b>	<b>10,866,333</b>	<b>50,123,410</b>	<b>58,725,480</b>	<b>61,394,871</b>	<b>62,761,903</b>	<b>62,066,373</b>	<b>65,213,647</b>	<b>69,108,981</b>	<b>79,112,898</b>
<b>Cumulative gross taxpayer savings per year</b>			<b>444,252</b>	<b>11,310,585</b>	<b>61,433,995</b>	<b>120,159,475</b>	<b>181,554,346</b>	<b>244,316,249</b>	<b>306,382,622</b>	<b>371,596,269</b>	<b>440,705,250</b>	<b>519,818,148</b>
Fixed cost amortization				574,843	13,926,959	60,607,884	48,390,186	25,112,794	4,253,889	524,022	2,088,162	4,356,279
Years for fixed cost adjustment		3										
<b>Net Annual Taxpayer Savings</b>			<b>444,252</b>	<b>10,291,490</b>	<b>36,196,451</b>	<b>(1,882,404)</b>	<b>13,004,685</b>	<b>37,649,109</b>	<b>57,812,484</b>	<b>64,689,624</b>	<b>67,020,819</b>	<b>74,756,619</b>
<b>Net Cumulative Taxpayer Savings</b>			<b>444,252</b>	<b>10,735,742</b>	<b>46,932,193</b>	<b>45,049,790</b>	<b>58,054,475</b>	<b>95,703,584</b>	<b>153,516,068</b>	<b>218,205,693</b>	<b>285,226,512</b>	<b>359,983,131</b>

New Hampshire Department of Education  
Long-term Comprehensive Modeling Analysis  
Education Freedom Accounts

Shared Cost Savings Model			21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	19-20	20-21										
Public School Enrollment (w/out Preschool)	171,651	169,204	171,843	170,093	167,718	164,701	162,340	160,174	158,416	157,182	155,561	154,394
Pandemic Normalization Rate			-1.07%	-1.04%	-1.44%	-1.86%	-1.47%	-1.37%	-1.12%	-0.79%	-1.05%	-0.76%
Non-public Enrollment	15,823	16,294	15,654	15,490	15,267	14,983	14,762	14,561	14,398	14,284	14,134	14,027
Home School Enrollment	2,955	6,110	2,923	2,893	2,851	2,798	2,757	2,719	2,689	2,668	2,639	2,620
<b>Total Number of New Hampshire K-12 Students</b>	<b>190,429</b>	<b>191,608</b>	<b>190,421</b>	<b>188,476</b>	<b>185,836</b>	<b>182,483</b>	<b>179,859</b>	<b>177,454</b>	<b>175,502</b>	<b>174,133</b>	<b>172,334</b>	<b>171,040</b>
Pandemic Returner Factor	75%											
Percent of EFA Eligible Students	100%		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Total Number of EFA Eligible Students	190,429		190,421	188,476	185,836	182,483	179,859	177,454	175,502	174,133	172,334	171,040
EFA Initial Adoption Rate			28	677	3,126	3,573	3,644	3,634	3,506	3,594	3,716	4,150
EFA Adoption Rate			0.01%	0.36%	1.68%	1.96%	2.03%	2.05%	2.00%	2.06%	2.16%	2.43%
EFA Adoption Rate By Education Program												
Public School To EFA in Another Public School	0%		-	-	-	-	-	-	-	-	-	-
Public School to EFA not in a Public School	75%		21	508	2,344	2,679	2,733	2,726	2,630	2,696	2,787	3,113
Non-Public School to EFA program	15%		4	102	469	536	547	545	526	539	557	623
Home Education to EFA program	10%		3	68	313	357	364	363	351	359	372	415
	100%		28	677	3,126	3,573	3,644	3,634	3,506	3,594	3,716	4,150
Change in Students			28	649	2,449	447	71	(10)	(128)	88	122	434
<b>State Total Average Cost Per-Pupil</b>												
State Adequacy	4,597		4,603	4,830	4,950	5,074	5,201	5,331	5,464	5,601	5,741	5,884
State Stabilization	940		964	988	1,012	1,038	1,064	1,090	1,117	1,145	1,174	1,203
State Other	556		570	585								
<i>Taxpayer Contribution - State</i>	<i>6,093</i>		<i>6,137</i>	<i>6,402</i>	<i>5,963</i>	<i>6,112</i>	<i>6,264</i>	<i>6,421</i>	<i>6,582</i>	<i>6,746</i>	<i>6,915</i>	<i>7,088</i>
Taxpayer Contribution - Federal	954		978	1,002	1,027	1,053	1,079	1,106	1,134	1,162	1,191	1,221
Taxpayer Contribution - Local	12,441		12,752	13,071	13,398	13,733	14,076	14,428	14,789	15,158	15,537	15,926
Taxpayer Contribution - Other	385		395	405	415	426	436	447	458	470	481	493
	19,874		20,262	20,880	20,803	21,323	21,856	22,402	22,962	23,537	24,125	24,728
<b>EFA Average Cost Per-Pupil</b>												
State Adequacy	4,597		4,603	4,830	4,950	5,074	5,201	5,331	5,464	5,601	5,741	5,884
State Stabilization	0		0	-	-	-	-	-	-	-	-	-
State Other	0		0	-	-	-	-	-	-	-	-	-
<i>Taxpayer Contribution - State</i>	<i>4,597</i>		<i>4,603</i>	<i>4,830</i>	<i>4,950</i>	<i>5,074</i>	<i>5,201</i>	<i>5,331</i>	<i>5,464</i>	<i>5,601</i>	<i>5,741</i>	<i>5,884</i>
Federal Taxpayer Contribution	-		-	-	-	-	-	-	-	-	-	-
Local Taxpayer Contribution	-		-	-	-	-	-	-	-	-	-	-
Other	-		-	-	-	-	-	-	-	-	-	-
	4,597		4,603	4,830	4,950	5,074	5,201	5,331	5,464	5,601	5,741	5,884
Difference - Traditional Student v. EFA Student	15,277		15,659	16,051	15,853	16,249	16,655	17,071	17,498	17,936	18,384	18,844
Inflation factor	2.50%	1.000	1.025	1.051	1.077	1.104	1.131	1.160	1.189	1.218	1.249	1.280
<b>Taxpayer Cost Without EFA</b>			3,481,887,611	3,551,561,563	3,489,011,803	3,511,915,898	3,548,103,485	3,588,287,315	3,637,611,735	3,699,524,795	3,752,895,503	3,817,869,778
<b>Taxpayer Cost With EFA</b>			3,481,312,753	3,537,425,105	3,423,991,389	3,435,736,823	3,468,461,658	3,506,872,166	3,557,098,831	3,614,929,227	3,663,246,882	3,715,244,010
Traditional Student Cost			-	-	-	-	-	-	-	-	-	-
Public School To Another Public School			-	-	-	-	-	-	-	-	-	-
Public School to Non-Public Option			97,943	2,452,333	11,604,390	13,595,910	14,213,918	14,530,408	14,369,382	15,098,027	15,999,861	18,315,931
Non-Public School			19,589	490,467	2,320,878	2,719,182	2,842,784	2,906,082	2,873,876	3,019,605	3,199,972	3,663,186
Home Education			13,059	326,978	1,547,252	1,812,788	1,895,189	1,937,388	1,915,918	2,013,070	2,133,315	2,442,124
			3,481,443,344	3,540,694,882	3,439,463,909	3,453,864,703	3,487,413,549	3,526,246,044	3,576,258,007	3,635,059,930	3,684,580,029	3,739,665,252
<b>Gross taxpayer savings per year</b>			<b>444,266</b>	<b>10,866,681</b>	<b>49,547,894</b>	<b>58,051,195</b>	<b>60,689,936</b>	<b>62,041,272</b>	<b>61,353,728</b>	<b>64,464,865</b>	<b>68,315,473</b>	<b>78,204,525</b>
<b>Cumulative gross taxpayer savings per year</b>			<b>444,266</b>	<b>11,310,948</b>	<b>60,858,842</b>	<b>118,910,037</b>	<b>179,599,973</b>	<b>241,641,245</b>	<b>302,994,973</b>	<b>367,459,838</b>	<b>435,775,311</b>	<b>513,979,837</b>
Fixed cost amortization				444,266	10,707,486	45,904,225	36,611,883	18,968,952	3,213,175	395,820	1,577,293	3,290,516
Years for fixed cost adjustment		3										
<b>Net Annual Taxpayer Savings</b>			<b>444,266</b>	<b>10,422,415</b>	<b>38,840,408</b>	<b>12,146,970</b>	<b>24,078,054</b>	<b>43,072,320</b>	<b>58,140,553</b>	<b>64,069,045</b>	<b>66,738,180</b>	<b>74,914,010</b>
<b>Net Cumulative Taxpayer Savings</b>			<b>444,266</b>	<b>10,866,681</b>	<b>49,707,089</b>	<b>61,854,060</b>	<b>85,932,113</b>	<b>129,004,433</b>	<b>187,144,986</b>	<b>251,214,031</b>	<b>317,952,210</b>	<b>392,866,220</b>