THE SERVICE AND ACTION ARM OF NEW HAMPSHIRE MUNICIPALITIES

LEGISLATIVE BULLETIN

Governor Announces Housing Initiative

Yesterday, Governor Sununu delivered his State of the State address to a joint session of the House and Senate. As part of his address, the governor announced a new state initiative on housing. Using \$100 million in American Rescue Plan Act (ARPA) funds, the housing incentive fund would use a "multi-tiered approach" to encourage building and expanding affordable housing. This initiative includes:

- \$60 million to match investments in multi-housing projects that are "ready to move";
- \$30 million to reward municipalities for approving "permits" within six months of the application;
- \$5 million in a demolition fund, to assist municipalities in clearing away dilapidated buildings to allow for new projects; and
- \$5 million in municipal planning and zoning grants to help local officials review and update zoning ordinances.

Although we must await more details on how this initiative will be implemented, the basic premise of the plan and the policy described takes an approach consistent with NHMA's affordable housing policies. While many bills this year feature statewide zoning mandates touted as solutions to housing, the housing incentive fund, like **SB** 400, uses a "carrot, not a stick" approach to tackling the lack of affordable housing by focusing on incentives and investments. Our members recognize the need for diverse and affordable housing in New Hampshire and the responsibility of each municipality to afford reasonable opportunities for the development of diverse and affordable housing. They also believe that municipalities should have discretion in how to satisfy this responsibility and support legislation that enables municipalities to find innovative ways to ensure an adequate supply of housing. This includes supporting:

 Legislation that allows municipalities to require the inclusion of affordable and diverse housing opportunities as part of new housing developments; NHMA Legislative Bulletin 09 February 18, 2022

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- Financial and other incentives to municipalities to encourage development of diverse and affordable housing; and
- Legislation and policies that encourage creative and flexible approaches to meeting housing needs of current and future demographics in different regions.

SB 400, which is awaiting a recommendation by the Senate Election Law & Municipal Affairs Committee, would create a voluntary "Housing Champion Certification Program," which would give a municipality "preferential access to state resources including, but not limited to, discretionary state infrastructure funds, as available" in exchange for achieving housing champion status. It is not clear at this point how this Champion program intersects with the housing fund initiative, but our members will undoubtedly be watching with great interest. We look forward to further details on the governor's proposals.

House Municipal & County Government Executive Sessions

On Tuesday and Wednesday, the House Municipal & Government Committee will hold executive sessions on a number of bills of municipal interest beginning at 9:00 a.m. on each day. Some bills that will be voted on by the committee on Tuesday include:

- HB 1026, relative to budget information provided to a budget committee,
- **HB 1056**, relative to veterans' tax credits,
- HB 1070, relative to the default budget in official ballot jurisdictions,
- HB 1087, relative to zoning for single family housing lots,
- HB 1119, relative to the regulation of single-use bags.

Some bills that will be voted on by the committee on Wednesday include:

- HB 1136, requiring planning boards to list the type of studies required to render a decision.
- HB 1155, relative to persons elected to a local board serving on another board.
- HB 1161, relative to ethics obligations of elected local and county officials.
- HB 1179, relative to zoning protest petitions.
- HB 1223, relative to meeting attendance requirements for elected members of budget committee and school board.

Members who have not yet expressed their opinion on the bills being voted on by the committee on Tuesday and Wednesday should contact members of the <u>Municipal & County Government Committee</u> before the vote occurs to express their opinion.

Senate Actions This Week

On Wednesday, the Senate met in full session and took its first major actions on legislation introduced this year, including on a few bills of interest to municipalities. Importantly, the Senate adopted the committee recommendation of Ought to Pass with amendment on <u>SB 249</u>, which prohibits municipalities from prohibiting the use of properties as short-term rentals through zoning, on a voice vote. One senator spoke in opposition to the bill. Several of our members wrote an op-ed on the problems with this legislation, which was published in several newspapers, including the <u>New Hampshire Business Review</u>. The bill now moves to the House.

Unfortunately, the Senate did not pass <u>SB 338</u>, an **NHMA policy bill** which would have created a local option for municipalities to collect an occupancy fee from room rentals. As a local option, the bill would have allowed municipalities to pay for the increased cost of municipal services associated with the increase in tourism and transient traffic, rather than burdening property taxpayers. Interestingly, when discussing <u>SB 343</u>, a bill to study the municipal meals and rooms tax distribution, comments were made about how towns with significant tourism sustain additional costs.

The Senate bills on remote meetings, <u>SB 322</u> and <u>SB 344</u>, were not acted on. They will be taken up at the next Senate session on February 24.

House Actions This Week

On Wednesday and Thursday, the House took its first major actions on bills introduced this year. There weren't many upsets (but we do have a separate article on NHRS-related bills), and committee recommendations were generally followed by the House. A few bills of municipal interest include:

- <u>HB 1540</u>, requiring recording of custodial interrogations by law enforcement officers, received broad bipartisan support, passing with amendment on a 233 to 122 vote.
- <u>HB 1482</u>, establishing ranked-choice voting, was voted Inexpedient to Legislate on a vote of 205 to 149.
- <u>HB 1496</u>, allowing voter checklists to be requested once a month by a resident of the city or town in electronic format, passed with amendment on a 183 to 169 vote.
- <u>HB 1587</u>, modifying the calculation of compensation paid in excess of the full base rate of compensation under the definition of average final compensation in the retirement system for persons hired after July 1, 2011, saw broad bipartisan support, passing 232 to 113.
- <u>HB 1207</u>, requiring an employer to provide paid time off for an employee to vote, was voted Inexpedient to Legislate on a vote of 195 to 158.
- <u>HB 1538</u>, requiring prevailing wages on state-funded public works projects, failed with a vote of 182 to 168.
- HB 1665, establishing a municipal road and bridge disaster relief fund, passed with amendment on a voice vote.
- <u>HB 1419</u>, establishing a New Hampshire civilian climate corps advisory commission, was tabled on a 184 to 158 vote.
- <u>HB 1621</u>, eliminating the rebate amount distributed to retail electricity ratepayers and allocating all auction proceeds to support current or future energy efficiency resource standards programs, was tabled on a 183 to 165 vote.
- HB 1644, requiring telecommunication antennas be placed at least 1,640 feet from residentially zoned areas, parks, playgrounds, hospitals, nursing homes, day care centers, and schools and creating a registry for anyone experiencing symptoms of radiation exposure, was sent to interim study on a 245 to 104 vote.

House Votes to Restore State Retirement Contribution

In an unexpected but welcome turn of events on the House floor on Wednesday, the House voted against the committee recommendation of Inexpedient to Legislate on <u>HB 1417</u>. This bill, titled "The Property Tax Relief Act of 2022," proposes to reinstate a portion (7.5 percent) of the state contribution to the employer's

share of the New Hampshire Retirement System contribution for teachers, police, and firefighters beginning on July 1, 2023. The bill had been recommended Inexpedient to Legislate by the Executive Departments and Administration Committee in a 10-8 vote, but a bipartisan vote saw the House pass the bill, 182-169. In accordance with House rules, the bill will now move to the Finance Committee for further review.

A 7.5 percent state contribution, estimated to be \$27.7 million in fiscal year 2023 and \$28.4 million in fiscal year 2024, would provide significant and much-needed relief to municipalities and help offset the major employer rate increase that became effective July 1, 2021. Just as the elimination of the state contribution increased property taxes, restoration of a portion of that state contribution will provide some level of property tax relief across the state.

More good news related to the New Hampshire Retirement System came out of the House session this week. By a voice vote, the House adopted the committee amendment to <u>HB 1535</u>, which would provide a 1.5 percent cost-of-living adjustment for retirees. The amendment requires that the state fully fund the proposal from the state general fund. This bill as amended will not have an impact on municipal employer contribution rates and would be a win/win for both municipalities and retirees.

The House voted 287-57 to adopt the committee recommendation of Inexpedient to Legislate on one of the most troubling bills, **HB** 1590, which would have allowed employer disaffiliation from the New Hampshire Retirement System for new municipal employees without the withdrawing municipality having to pay its share of the unfunded accrued liability.

Get Involved in NHMA's Legislative Policy Process

NHMA's biennial legislative policy process is getting underway. As a first step, we are recruiting volunteers to serve on our three legislative policy committees. These committees will review legislative policy proposals submitted by local officials and make recommendations on those policies, which will go to the NHMA Legislative Policy Conference in September.

If you are a municipal official in an NHMA member municipality and are interested in serving on one of the policy committees, please contact the Government Affairs staff at 603-224-7447 or governmentaffairs@nhmunicipal.org.

Each of the committees deals with a different set of municipal issues. The committees and their subject areas are as follows:

- <u>Finance and Revenue</u> budgeting, revenue, tax exemptions, current use, assessing, tax collection, retirement issues, education funding.
- <u>General Administration and Governance</u> elections, Right-to-Know Law, labor, town meeting, charters, welfare, public safety.
- <u>Infrastructure, Development, and Land Use</u> solid/hazardous waste, transportation, land use, technology, environmental regulation, housing, utilities, code enforcement, economic development.

When you contact us, please indicate your first and second choices for a committee assignment. We will do our best to accommodate everyone's first choice, but we do need to achieve approximately equal membership among the committees. We hope to have 15-20 members on each committee.

There will be an organizational meeting for all committees on **Friday, April 1.** After that, each committee will meet separately as many times as necessary to review the policy proposals assigned to it—typically three to five meetings, all held on either a Monday or Friday, between early April and the end of May.

HOUSE CALENDAR

TUESDAY, FEBRUARY 22, 2022

TRANSPORTATION, Reps Hall, SH

9:30 a.m. **HB 1570-FN**, relative to reducing vehicle registration fees.

WEDNESDAY, FEBRUARY 23, 2022

ELECTION LAW, Room 306-308, LOB

9:30 a.m. **HB 1163**, relative to over voted ballots.

SENATE CALENDAR

TUESDAY, FEBRUARY 22, 2022

ENERGY AND NATURAL RESOURCES, Room 103, SH

9:00 a.m. SB 262, relative to customer generators of electric energy.

TRANSPORTATION, Room 101, LOB

1:00 p.m. **HB 116**, relative to personal delivery devices and mobile carriers.

1:40 p.m. **HB 571**, repealing the prohibition against OHRV travel on Hoit Road Marsh.

MONDAY, MARCH 7, 2022

ELECTION LAW AND MUNICIPAL AFFAIRS, Room 100, SH

1:00 p.m. **HB 87,** relative to the definition of electioneering. 1:15 p.m. **HB 144,** relative to absentee ballot request forms.

House Floor Action

Wednesday, February 16, 2022 Thursday, February 17, 2022

CACR 30, officers of the government. Providing that the elected positions of inspectors general are created. **Inexpedient to Legislate.**

HB 1020, relative to additional lights on emergency vehicles. Passed with Amendment.

HB 1024, relative to local speed limits in business or urban residence districts. Inexpedient to Legislate.

HB 1029, relative to the Claremont police commission. Passed.

HB 1034, relative to the definition of an employee or official of a governmental unit. **Inexpedient to Legislate.**

HB 1036, relative to nonpublic meetings concerning public employees. Passed.

HB 1049, establishing a committee to study landfill siting criteria and methods for reducing pressure on landfill capacity. **Passed with Amendment.**

HB 1092-FN, requiring an official declaration of war for the activation of the New Hampshire national guard. **Inexpedient to Legislate.**

HB 1111, establishing a commission to study extended producer responsibility. Interim Study.

HB 1121, relative to new solid waste sites. Interim Study.

HB 1134, establishing a commission to study proper labeling and disposal of disposable wipes. **Passed with Amendment.**

HB 1150, relative to temporary license plates. Inexpedient to Legislate.

HB 1189, permitting voluntary donations to municipalities or the state to fund certain projects or to reduce taxation. **Inexpedient to Legislate.**

HB 1191, relative to electrical work, plumbing, and fuel gas fitting in one or two family housing. **Interim Study.**

HB 1204-FN-A-LOCAL, reducing the rate of the meals and rooms tax and increasing the revenue sharing of meals and rooms tax revenue with municipalities. **Interim Study.**

HB 1207-FN, requiring an employer to provide paid time off for an employee to vote. **Inexpedient to Legislate.**

HB 1213-FN, relative to legal holidays. Inexpedient to Legislate.

HB 1224-FN, prohibiting state and local governments from adopting certain mandates in response to COVID-19; and prohibiting employers and places of public accommodation from discriminating on the basis of vaccination status. **Interim Study.**

HB 1231-FN, relative to failure to make payment of compensation Inexpedient to Legislate.

HB 1273, relative to the use of free and open source software. Inexpedient to Legislate.

HB 1318-FN-LOCAL, relative to penalties for employer noncompliance with retirement system requirements. Passed.

HB 1338, establishing a committee to study imposing a tax on manufacturers based on the cost to dispose of single-use products and product packaging materials. **Inexpedient to Legislate.**

HB 1339, relative to the Winnipesaukee River basin control replacement fund. **Passed; referred to W&M-H.**

HB 1403, establishing a commission relative to the minimum wage. Inexpedient to Legislate.

HB 1407-FN, including the promotion of affordable housing under the land and community heritage investment program. **Inexpedient to Legislate.**

HB 1412, relative to gardening, homesteading, and organic food production. Inexpedient to Legislate.

HB 1417-FN-LOCAL, relative to payment by the state of a portion of retirement system contributions of political subdivision employers. **Passed; referred to Finance. NHMA Policy Bill.**

HB 1420-FN, prohibiting the issuance of new landfill permits until the state's solid waste plan is updated. **Passed with Amendment.**

HB 1437-FN, relative to registration plates for antique farm tractors. Passed.

HB 1484-FN, requiring a forensic audit of the 2020 election results. Laid on Table.

HB 1496-FN, requiring political subdivisions to make voter checklists available in spreadsheet form to any resident. **Passed with Amendment.**

HB 1497-FN, relative to optional allowances in the retirement system. Passed with Amendment.

HB 1535-FN, relative to cost of living adjustments for retirees in the state retirement system. **Passed with Amendment.**

HB 1540-FN, relative to recording custodial interrogations. Passed with Amendment.

HB 1547-FN, setting maximum contaminant levels for perfluorochemicals in the soil. Passed with Amendment; referred to Finance.

HB 1552-FN, establishing a board for the certification of assessors. Passed with Amendment.

HB 1553-FN, relative to roadside memorials. Passed.

HB 1557, relative to survivor benefit optional allowances under the retirement system. Interim Study.

HB 1590-FN-LOCAL, relative to municipalities withdrawing from the state retirement system. Inexpedient to Legislate.

HB 1591-FN, eliminating the enforcement division of the liquor commission. **Interim Study.**

HB 1598-FN, legalizing the possession and use of cannabis. Passed with Amendment.

HB 1618-FN, adding several perfluorinated chemicals to the list of per and polyfluoroalkyl substances with maximum contaminant levels and establishes a cumulative total for the maximum contaminant level of per and polyfluoroalkyl substances. **Interim Study.**

HB 1640-FN, relative to the payment of motor vehicle fines. Inexpedient to Legislate.

HB 1641-FN, relative to vessel registration fees. Interim Study.

HB 1652-FN, relative to the recycling of beverage containers. Interim Study.

HB 1656-FN-A-LOCAL, establishing a road usage registration fee and making an appropriation therefor. **Inexpedient to Legislate.**

HB 1665-FN-A-LOCAL, establishing a municipal road and bridge disaster relief fund. Passed with Amendment.

HB 1675-FN-A, establishing a surcharge collected through E-Z Pass for electric vehicles as an alternative road toll. **Inexpedient to Legislate.**

HB 1682-FN-A, establishing the law enforcement conduct review committee in the New Hampshire police standards and training council and making an appropriation therefor. Passed with Amendment; referred to Finance.

Senate Floor Action

Wednesday, February 16, 2022

SB 209, relative to electronic wage payments. Passed with Amendment.

SB 211, relative to an injured employee's right to reinstatement to a former position for purposes of workers' compensation. **Interim Study.**

SB 239-FN, relative to noncompliance with municipal audit requirements. Passed.

SB 240, apportioning state senate districts. Passed with Amendment.

SB 249, prohibiting planning and zoning ordinances that prohibit short-term rentals. Passed with Amendment.

SB 253, apportioning state senate districts. Laid on Table.

SB 258-FN-L, relative to the graves of African Americans alive during the period of American enslavement. **Passed with Amendment.**

SB 261-FN, relative to net metering participation. Passed with Amendment; referred to Finance.

SB 301-FN-L, relative to the procedure for violations under the right to know law. Passed with Amendment.

SB 337-FN, relative to emergency medical and trauma services data sharing to the purposes of analysis. **Passed.**

SB 338, enabling municipalities to adopt a municipal occupancy fee. Inexpedient to Legislate.

SB 343, establishing a committee to study the formula for distribution of room occupancy tax revenues. **Passed.**

SB 347-FN, relative to the use of protected health information by employers. Interim Study.

SB 366-FN, requiring an audit of ballots cast in the 2022 primary and general election. **Passed with Amendment**; referred to Finance.

SB 376-FN, establishing a committee to study the creation of a board to study mental health incidents among law enforcement officers. Passed; referred to Finance.

SB 398, relative to building code and fire code enforcement. Passed with Amendment.

SB 409, relative to disaster relief loans. Passed with Amendment.

SB 422-FN, establishing an adult dental benefit under the state Medicaid program. Passed with Amendment.

SB 441-FN-L, relative to the municipal share of fines for motor vehicle speeding offenses. **Inexpedient to Legislate.**

SB 455, requiring the commissioner of the department of environmental services to adopt ambient groundwater quality standards for certain per and polyfluoroalkyl substances. **Inexpedient to Legislate.**

2022 NHMA UPCOMING MEMBER EVENTS	
Feb. 23	Webinar: Preparing to Defend Against Today's Cyber Threats- 12:00 – 1:00
Mar. 4	Webinar: Federal Funding Opportunities for NH Towns and Cities—11:00 – 12:00
Please visit <u>www.nhmunicipal.org</u> for the most up-to-date information regarding our upcoming virtual events. Click on the Events and Training tab to view the calendar.	
For more in	formation, please call NHMA's Workshop registration line: (603) 230-3350.