THE SERVICE AND ACTION ARM OF NEW HAMPSHIRE MUNICIPALITIES

LEGISLATIVE BULLETIN

What's Still Alive?

Crossover is a hectic time at the legislature, and many bills fail to make it over the wall to the other body. Almost everyone in the State House (and those interested in what's going on in the State House) asks the same question: What bills are still alive? Good news: we made a <u>list of bills of municipal interest</u> that are still "alive," meaning they have crossed over to the other body for a hearing, or have been tabled for further discussion in the originating body. We are happy to note that the list is significantly shorter than the list that we started with, but there are still a number of policy bills that have crossed over and will shortly be considered at second (or, in some cases, third) public hearing.

The biggest item on the list, the budget, is, of course, still alive and will be the subject of intense scrutiny and negotiations over the next several weeks. We anticipate that the Senate will make a number of changes to the budget sent over by the House. We will keep you informed as we learn more.

The Budget Process Begins in the Senate

In last week's <u>Bulletin</u>, we summarized the state aid to municipalities included in the biennial budget passed by the House. The <u>Senate Finance Committee</u> began formal budget deliberations by introducing <u>HB 1</u> this week and proceeded with testimony from the various state agencies regarding the proposed budget. Revenues forecasts, particularly those based on the April business tax receipts which will not be known until the end of the month, are a key factor in the budget process at this point. In the meantime, the Senate Finance Committee will continue discussions concerning the wants and needs of state agencies and other budget stakeholders. You can follow the Senate Finance Committee meeting schedule <u>here</u>, and we will update our members when a hearing is scheduled for <u>HB 2</u>.

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GOVERNMENT AFFAIRS CONTACT INFORMATION

Margaret M.L. Byrnes Executive Director

Natch Greyes Government Affairs Counsel

Katherine Heck Government Finance Advisor

Jonathan Cowal Municipal Services Counsel

Timothy W. FortierCommunications Coordinator

Pam Valley Administrative Assistant



25 Triangle Park Drive Concord NH 03301 Tel: 603.224.7447

EM: governmentaffairs@nhmunicipal.org Website: www.nhmunicipal.org

Electric Vehicle Surcharge Proposal

On Tuesday, April 18, at 1:30 p.m. in LOB room 202-204, the House Ways and Means Committee will hear testimony on <u>SB 191</u>. This bill would establish a flat \$100 annual fee for electric and plug-in hybrid electric vehicles, collected as a surcharge on annual vehicle registration. The fees would be deposited into the state highway fund and would allow the Department of Transportation (NHDOT) to spend up to 20% of the revenue from this new electric vehicle fee on electric vehicle service equipment. With declining revenue generated by the gas tax for roads, municipalities will continue to see a decrease in the highway block grant distribution unless a policy change is enacted at the legislature.

The gas tax is set by statute at approximately 22-cents per gallon, and, since the Great Recession, NHDOT has expressed concerns that the gas tax is not providing sustainable funding. Without an increase in the tax and increasingly fuel-efficient cars, the current tax is not generating increased revenues in the current inflationary environment and is failing to keep up with inflation. Twelve percent of the total road toll (gas tax) and state motor vehicle fees revenue collected in the preceding state fiscal year are distributed to municipalities through a local highway aid formula. This money comes from the state highway fund, not the state general fund, and provides funding to maintain and improve Class IV and Class V municipal roads and highways. It is estimated that **SB 191** would generate \$800,000 in new state revenue to fund municipal highway block grants, roads, highways, bridges, or other transportation projects each year. The additional revenue would work to sustain revenue levels for the share of state highway funds distributed to municipalities.

Last week the Senate heard a related bill passed by the House, <u>HB 412</u>, which would re-establish a commission to study alternatives to the gas tax for state highway and bridge funding in light of the rising use of electric and hybrid vehicles.

An Election Portal & Replacement of AccuVote Machines?

On **Tuesday, April 18**, the **House Election Law Committee** will hold an executive session on <u>SB 70</u>, directing the secretary of state to establish an election information portal, and will consider non-germane amendment <u>2023-1280h</u>, establishing a grant system for cities and towns to access monies from the Help America Vote Act (HAVA). The bill and amendment initially had a hearing this Tuesday. NHMA supports both the underlying bill and the non-germane amendment (which replicates the language of retained <u>HB</u> <u>447</u>).

Historically, the election information portal has seen bipartisan support from the Senate but has been killed in the House. The idea of HAVA funding being used for election equipment (including replacement of the end-of-life AccuVote machines) is new this year, but has gained significant, bipartisan support in the House, despite being killed in the Senate. We have previously written about the importance of finding funding for the direct replacement of the AccuVote machines. We have subsequently learned that the three (of five) replacement options that were tested during last month's town meetings all handled complicated town meeting ballots just fine. (The other two options will be tested during May's town meetings.) We anticipate, therefore, that we will see the Ballot Law Commission recommend a replacement for the AccuVote machines very soon.

As we stated previously, NHMA has no preference on the source of the funding for the replacement of the AccuVote machines. Our primary interest is ensuring that the machines are replaced in a timely fashion (before any catastrophic failures occur), local election officials are trained on the new machines, and New Hampshire continues to have smoothly run elections.

We are hopeful that the interest of the Senate in an election information portal and the House in finding funding to replace the AccuVote machines will result in a bicameral, bipartisan compromise that will see New Hampshire's election processes continue to improve. However, there are a few more steps that **SB** 70 must go through if it is to be the vehicle for such a compromise. First, the committee will consider the nongermane amendment. If the committee decides to recommend the adoption of the amendment and the rest of the House agrees, then the amended bill will head back to the Senate. The Senate will then have to decide whether to concur (accept), non-concur (reject), or non-concur and request a committee of conference (reject but agree to continue talking) with the amended bill. Concurrence sends the bill to the governor's desk. Non-concurrence kills the bill. Non-concurrence and requesting a committee of conference will likely result in a discussion between members of both bodies during the period of time at the end of session reserved for committees of conference.

House Municipal & County Government Schedules Hearings

On Thursday, April 20, the House Municipal & County Government Committee will have a full day of hearings. Several important bills will be heard that day:

- <u>SB 111</u>, clarifying that towns that have adopted RSA 49-D have the same powers and authority of municipalities that have adopted RSA 49-C, is scheduled for a hearing at 10:15 a.m. NHMA supports SB 111.
- SB 222, allowing a municipality or communications district to issue bonds for purposes pursuant to RSA 33:3 and RSA 33-B, including but not limited to open networks, is scheduled for a hearing at 11:30 a.m. NHMA supports SB 222.
- <u>SB 78</u>, changing the requirements relative to securities and subdivision regulations, is scheduled for a hearing at noon. NHMA has been diligently working with stakeholders on an amendment that would address a number of concerns with the original bills and is optimistic that a compromise will be reached in time for presentation to the committee.
- <u>SB 132</u>, prohibiting cities and towns from adopting sanctuary policies, is scheduled for a hearing at 3:00 p.m. NHMA opposes the bill as an infringement on local authority.

Several other bills are also scheduled for hearings, and we urge our members to look at the <u>full list</u> of Municipal & County Government hearings on Tuesday and consider joining us in testifying on these bills.

Hearing Schedule

Please <u>click here</u> to find a list of hearings next week on bills that NHMA is tracking. Please note that the linked PDF only covers hearings scheduled for the next week. For the most up-to-date information on when bills are scheduled for a hearing, please use our <u>live bill tracker</u>.

2023 NHMA UPCOMING MEMBER EVENTS	
Apr. 17	Webinar: Legislative Half-Time – 12:00 p.m.
Apr. 19	Right-to-Know Workshop (Public Meetings & Government Records) – 9:00 – 1:00 (Hybrid)
Apr. 19	Webinar: U.S. Customs and Border Protection – A National and Local Overview – 12:00 p.m.
Click on th	www.nhmunicipal.org for the most up-to-date information regarding our upcoming events. Training tab to view the calendar. For more information, please call NHMA's registration line: (603) 230-3350.