

LEGISLATIVE BULLETIN

House and Senate Concur on Budget

Bulletin 26 - 2017 Session
June 23, 2017

On Thursday, the House and Senate passed the biennial budget recommended by the committee of conference on **HB 144** and **HB 517**. While the 14 to 9 vote in the Senate was predictable, the House vote was definitely not, as we explained in last week’s *Bulletin*. However, the votes of 198 to 169 on **HB 144**, and 212 to 161 on **HB 517**, generally fell along party lines with just a handful of legislators voting with the opposite party on both bills. Click here to view the roll call votes on [HB 144](#) and [HB 517](#).

Below is a list of the state aid to municipalities included in the budget, along with a graph showing the funding trend since 2006. Note that both the list and the graph include \$36.8 million in additional highway and bridge funding appropriated in **SB 38** and \$3.5 million for infrastructure projects appropriated in **SB 57**. While we appreciate the additional \$36.8 million for highway and bridge projects, we note that the requirement that these funds must “supplement not supplant” local appropriations limits their effectiveness as property tax relief. Similarly, the additional environmental grant funding is the state share for water and waste water projects already due under statute, but previously suspended.

Finally, let’s be clear that the meals and rooms tax catch up formula is suspended for both years of the biennium. The additional \$5 million municipalities are to receive in this budget over the last biennial budget is not “new” money; were the catch up formula in place in the FY 18/19 budget, municipalities would receive an additional \$15 million in that distribution based on revenue projections. It is important for municipal officials to understand the real level of property tax relief provided in this budget.

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GOVERNMENT AFFAIRS CONTACT INFORMATION

Judy A. Silva, Executive Director

Cordell A. Johnston, Government Affairs Counsel

Barbara T. Reid, Government Finance Advisor

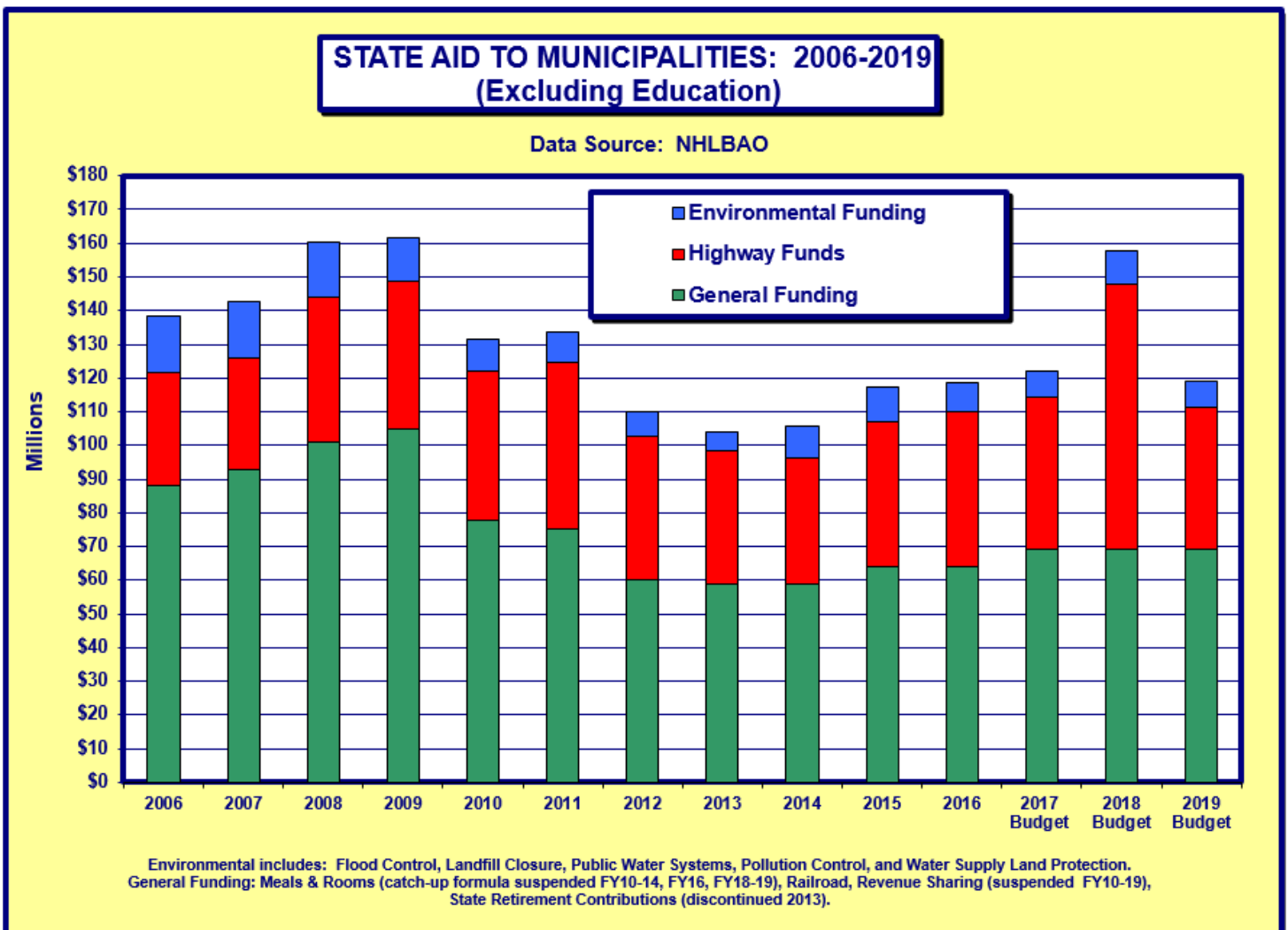
Timothy W. Fortier, Communications & Member Services Coordinator



25 Triangle Park Drive
Concord NH 03301
Tel: 603.224.7447
governmentaffairs@nhmunicipal.org

**Fiscal Year 2018/2019
State Aid to Municipalities**

Aid by Category:	FY 2018	FY 2019
Meals & Rooms Tax Distribution	\$ 68,805,057	\$ 68,805,057
Highway Block Grants	\$ 35,226,028	\$ 35,349,278
Additional Highway Block Grants (SB 38)	\$ 30,000,000	\$ 0
Municipal Bridge Aid	\$ 6,800,000	\$ 6,800,000
Additional Municipal Bridge Aid (SB 38)	\$ 6,800,000	\$ 0
Environmental Grants	\$ 7,332,728	\$ 5,383,716
Additional Environmental Grants (SB 57)	\$ 1,721,554	\$ 1,796,837
Flood Control	\$ 866,250	\$ 866,250
Total	\$157,551,617	\$119,001,138



Keno and Kindergarten

Also passed by both the House and the Senate was [SB 191](#), which provides for the funding of kindergarten grants with revenue from newly-approved keno gaming. The legislation makes clear that allowing keno is a local option for each municipality, and it sets forth the process by which a municipality can act on the question. We will include additional information in the *Final Legislative Bulletin*.

Other Action

There were no surprises on any other municipal bills yesterday. All of the committee of conference agreements discussed in [last week's Bulletin](#) were approved by both the House and the Senate, so those bills will be headed to the Governor soon. For more on that process, read on.

From Bill to Law

Once a bill passes both the House and the Senate and any differences between the two chambers have been resolved, it is “enrolled.” This is the process of reviewing the bill for technical errors and making any necessary corrections. After the bill is enrolled, it is sent to the Secretary of State, who delivers it to the Governor for his consideration. Once the Governor signs a bill (or allows it to become law by taking no action for five days), it is assigned a chapter number for inclusion in the 2017 Laws of the State of New Hampshire. You can find all of the laws that have been “chaptered” so far by clicking on the [2017 Chaptered Final Version](#) link on the [General Court website](#) (under “General Court News and Hot Links”).

As of this writing, the website lists 154 bills that have been signed into law. There probably are more—there usually is a lag of a few days between signature by the Governor and posting on the list of chapter laws. Over the next few weeks, the Governor will be signing many more bills. (He also could veto some, but we have not heard any veto rumors.) Typically this process continues through early or mid-July, sometimes later. In an average year, somewhere between 300 and 350 bills become law. (But in the last decade, the number has been as low as 273 in 2011, and as high as 392 in 2008.)

The Rest of the Year

The House and Senate may have adjourned for the year, but that doesn't mean nothing more will happen until January. Here is a rough schedule of legislative events and deadlines for the next six months:

Date(s)	Event/Deadline
Now until mid-August	Nothing!
Mid-August through November	Retained bill committees and study committees/commissions will meet (see separate articles below)
September 6 to September 22	Period for House members to file legislative service requests (LSRs) for 2018 session
October 12 to November 2	Period for Senate members to file LSRs for 2018 session
November 1	Deadline for most study committees and commissions to report findings and recommendations for legislation
November 16	Deadline for House committees to report retained bills
December 14	Deadline for Senate committees to report re-referred bills
Mid- to late December	First NHMA Legislative Bulletin!

(Rest of the Year— Continued from Page 3)

As you can see, there definitely is a break in the action, but there will be plenty going on beginning in September; and if you have ideas for legislation for next year, it is not too early to get them to your legislators. And of course, it is *always* a good time to meet with your legislative delegation and discuss the issues that are most important to you—including proposed federal budget cuts (see article below). Your legislators may have a little more time on their hands over the summer, so consider inviting them to your selectmen/council/aldermen meetings to thank them for supporting their local government this year (if they did!) and to discuss your hopes and fears for next year.

This will be our last *Legislative Bulletin* until December, other than the *Final Legislative Bulletin*, which will be published in late July or early August and will summarize all of the legislation that was signed into law this year. In the meantime, you can follow the activities of the legislature in the House and Senate calendars (which are published biweekly during the summer); and please call the NHMA staff if you have any questions.

Retained and Re-Referred Bills

We published a list of retained and re-referred bills of municipal interest, along with an explanation of the process, in [Legislative Bulletin #23](#). There also is a list of all bills retained by House committees in the [June 16 House Calendar](#) (beginning on page 11). We are not aware of any similar list of bills re-referred in the Senate. Again, committees will be working on these bills between now and November and making recommendations on them by November 16 (House) or December 14 (Senate).

Study Committees and Commissions

The legislature this year created a number of study committees and commissions, all of which will begin meeting over the summer or early fall, and most of which have a November 1 deadline to report their findings and any recommendations for legislation. (The LSR filing deadlines typically are suspended for legislation proposed by a study committee or commission.) We know of no official list of these entities, but below are the ones we will be following most closely. Please watch the House and Senate calendars to see when their meetings are scheduled:

Bill number	Description
HB 178	Commission to study alternative processes to resolve right-to-know complaints
HB 431	Commission to plan for long-term goals and requirements for drinking water on the seacoast
HB 654	Committee to study the regulation and taxation of vacation and short-term rentals
SB 72	Committee to study allowing town treasurers to deposit money into certificates of deposit offered through the public deposit investment pool and permitting municipalities to invest in a development finance institution
SB 121	Commission to determine whether the Department of Environmental Services should request delegation of the National Pollutant Discharge Elimination System from the Environmental Protection Agency
SB 248	Committee to study the circumstances under which the state, a municipality, or a school district should reschedule an election, the process for rescheduling elections, and who should be authorized to reschedule an election

(Study Committees and Commissions— Continued from Page 4)

Retirement system decennial commission. In addition, under RSA 100-A:57, a commission is established as of July 1 “to make recommendations to ensure the long-term viability of the New Hampshire retirement system.” This commission is required to report its findings and recommendations for legislation by December 1.

Federal Budget Cuts are Hometown Cuts

The National League of Cities (NLC) is NHMA’s counterpart in Washington D.C., advocating at the federal level for legislation supporting municipal programs and initiatives. With the release of the President’s budget in May, NLC’s focus has turned to the proposed **cuts of more than \$54 billion** in funding for domestic programs that towns and cities rely on—cuts that would have major consequences for every municipality in New Hampshire and the country, regardless of size, location, or economic outlook.

Just as we ask for your help with municipal issues in the New Hampshire state budget, we must now act to help NLC represent our municipal interests on the federal budget. The timing is perfect, as the state budget has been passed, and we can turn our efforts to our federal delegation.

As with the state budget, the President’s proposal is just the starting point. Congress is currently working to draft its budget and appropriation bills. Now is the time for municipal leaders across the country to come together and send a unified message to Congress that **we need a partner who understands the impact of continued federal investment in cities and towns.** (Sound familiar?)

NLC is prepared to lead the fight—but it will need the help of town and city leaders across the country. NLC has prepared an [action guide](#) on how the proposed budget cuts would affect municipalities.

- The action guide contains information on exactly what [funding for municipal programs](#) is targeted to be cut—for example, the \$500 million TIGER grant program is slated for elimination. This grant program supports innovative projects, including multi-modal and multi-jurisdictional projects, which are difficult to fund through traditional federal programs, and has focused recently on capital projects that generate economic development and improve access to reliable, safe, and affordable transportation for communities, both urban and rural.
- It contains the [NLC talking points](#) that form the framework of the arguments to Congress on why it is so important to municipalities to continue these local funding programs.
- It shows you how to create information that will help your federal delegation understand what the cuts will actually mean in your community. It also contains guidance on setting up meetings with local officials, businesses, and others to assist in demonstrating to your federal legislators how these cuts will hurt your municipality and its citizens.

Please take a look at this NLC guide and take action. As we lose funding on the state level (*e.g.*, revenue sharing suspended, meals and rooms tax catch-up formula suspended, state retirement contribution eliminated), municipalities—and their property tax payers—cannot afford to lose these federal funding sources.

Join with NHMA and NLC to fight the cuts!

