THE SERVICE AND ACTION ARM OF NEW HAMPSHIRE MUNICIPALITIES

# LEGISLATIVE BULLETIN

## Good-Bye and Hello

Many local officials completed their terms of office last week. We thank all of you for the time and energy you have devoted to public service, including your work on behalf of NHMA. For those who have never served in local government, it is difficult to appreciate how much work and time are involved, and how thankless the task can be. We hope you will enjoy your time off.

Meanwhile, we enthusiastically welcome all of the new officials. We look forward to working with you in the coming years. Please be sure to let us know the e-mail addresses of the new officials in your town who should receive the *Legislative Bulletin*, so we can provide them with the latest legislative news. You can e-mail address changes to governmentaffairs@nhmunicipal.org. (Please also go into Member Directory Updates in the Member Toolbox section on NHMA's website to update all elected and appointed local officials and employees.)

Some who are new to local government may not fully appreciate the extent to which state legislation affects what happens at the local level—but you will learn quickly. We hope you will read the *Legislative Bulletin*, get to know your legislators, think about what you can do to influence state policy, and let us know when you have questions or ideas.

## **Interest on Delinquent Taxes**

As we explained on page 6 in <u>Bulletin #10</u>, <u>HB 1673</u> lowers the interest rates assessed on delinquent property taxes from 12% pre-lien and 18% post-lien to the rate established annually by the Department of Revenue Administration under RSA 21-J:28, II, currently 6%. A hearing on **HB 1673** is scheduled in the Senate Ways and Means Committee at **10:15** a.m. on Wednesday, March 21 in State House Room 100. Please let Senators on the Ways and Means Committee know the importance of the incentive that the higher interest rates provide to ensuring property tax payments are a priority and the effects that higher tax delinquencies will have on municipal finances such as credit rating implications and the cost of future borrowing.

Bulletin 13, 2018 Session March 16, 2018

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#### One More RTK Bill

As discussed below, the House and Senate passed (or not) several bills this week amending the Right-to-Know Law. One bill remains for next week. That is **HB 1347**, which requires that meeting minutes of public bodies record "the names of the members who made or seconded each motion and the substance, in brief, of comments made during deliberations." As we noted in <u>last week's Bulletin</u> (page 8), the primary effect of this would be to make more work for public bodies.

This is the bill that also requires that the minutes record "all pertinent details necessary to enact or implement a motion." As we have stated before, we have no idea what this means, and would not know what to advise public bodies on how to comply with it.

**HB** 1347 was scheduled for action in the House this week, but was special ordered with a number of other bills to next **Wednesday**, **March 21**. The House Judiciary Committee recommended the bill as Ought to Pass by a slim 8-7 margin. *Please encourage your representatives to vote down the committee recommendation and then vote to <u>kill</u> HB 1347.* 

## Motor Vehicle Registration Bills

## HB 1763 Road Usage Fee

On Wednesday the House Finance Committee recommended ought to pass by a vote of 22 to 4 on HB 1763, an NHMA policy bill, which establishes a road usage fee as part of the annual registration of passenger vehicles. This fee will help counter the effect from higher mileage vehicles using less gasoline, which in turn provides less money from the road toll (also known as the gas tax) to the state highway fund. Less money in the highway fund means less money for the highway block grants that are distributed annually to municipalities. HB 1763 would provide approximately \$21 million in additional revenue for the maintenance of roads and bridges, of which 12% (\$2.5 million) would go to municipalities as additional highway block grant funding.

The annual fees under **HB 1763** would range from \$0 for vehicles averaging less than 20 miles per gallon (MPG) up to \$111 for vehicles such as electric vehicles that use no gasoline and therefore pay no gas tax. The US Environmental Protection Agency's MPG data system would be linked to the Department of Safety's vehicle identification number (VIN) data system for easy determination of the average MPG, with this road usage fee added to the registration amount paid to the state. This fee would not apply to vehicles that are model year 1983 or older, commercial vehicles, or motorcycles.

As vehicles become more efficient, the trend will be to use less gasoline, resulting in less gas tax revenue for the highway fund. At the same time the need and cost of maintaining state and local roads and bridges will continue to grow. Please urge your representatives to support the Finance Committee recommendation of Ought to Pass and vote yes on HB 1763.

# HB 579 Registration of Semi-Trailers

On Wednesday the House Finance Committee recommended Inexpedient to Legislate by a vote of 22-2 on HB 579, dealing with discounted multi-year registrations for out-of-state semi-trailers. Versions of this bill have been introduced in every legislative session since 2015, failing each year for good reasons. HB 579 encourages out-of-state residents to violate their own state motor vehicle laws by registering semi-trailers in New Hampshire and disadvantages in-state residents who

will pay much higher registration fees. Therefore, the bill sets up an incentive for in-state residents to claim out-of-state residency to take advantage of the multi-year discounted registrations, and more importantly to avoid paying the municipal portion of the registration fee. The Department of Safety has consistently opposed this out-of-state registration program and would need a \$500,000 appropriation to implement the program, while the amount of revenue to be generated is indeterminable and highly questionable.

The loss of semi-trailer registration revenue is a concern in many municipalities because Maine has established and expanded an out-of-state registration program similar to that proposed in **HB 579**, siphoning motor vehicle revenue from New Hampshire and many other states. However, for a variety of reasons too lengthy and technical to explain here, but well summarized in the <u>position paper</u> provided by the New Hampshire City and Town Clerks Association, **HB 579** is not the appropriate response. *Please urge your Representatives to concur with the House Finance Committee recommendation and vote <u>yes</u> on the <i>ITL* motion to <u>kill</u> **HB 579**.

## **Utility Valuation**

The issue of utility valuation has been in limbo now for a couple of weeks. If you're getting tired of reading about it, imagine how tired we are of writing about it. (At least you can skip it if you want—but please don't!)

Here is where we are. **HB** 1381 is the bill that, with a committee amendment, would establish a valuation formula for utility distribution assets. NHMA was opposing that amendment and supporting a floor amendment. However, we have been assured by a number of reliable sources that there will be a leadership-supported motion to table the bill when it comes to the floor. We ask representatives to <u>support</u> that motion. The bill was scheduled for floor action this week, but because the House did not get through its calendar, it will be taken up next **Wednesday, March 21**.

Meanwhile, the Ways and Means Committee has recommended an amendment to **HB 324**, the bill that creates a commission to study utility valuation. The amendment changes the membership of the commission slightly and states that the commission should be "guided by the principles and recommendations unanimously adopted by the assessing standards board on February 16, 2018." To make a long story short, we think this is acceptable, if not perfect. The amendment also eliminates the moratorium on a municipality's changing its valuation methodology, and that is good.

**HB 324** will go to the House floor on **Wednesday or Thursday, March 21 or 22.** We encourage representatives to <u>support</u> the committee recommendation of Ought to Pass with Amendment.

## **Default Budget Bills**

On page 10 in last week's <u>Bulletin</u> we described three bills dealing with the determination of the default budget in official ballot referendum (SB 2) towns and school districts. As we previously reported, <u>HB 1307</u> passed the House last week. On Thursday of this week, the Senate adopted a floor amendment to <u>SB 342</u>. The floor amendment adds to the changes already proposed in **SB 342** by requiring that the default budget be reduced by the amount of any salaries eliminated from the previous year's operating budget. Senators opposed to the floor amendment argued that the dollars associated with eliminated staff positions may need to be reallocated to provide the services

by someone other than a staff person. For example, elimination of a public works position in exchange for contacted services. Despite this reasonable argument, both the floor amendment and the bill as amended passed the Senate by a vote of 14-10 along party lines.

We will keep you posted as these bills move forward. In the meantime, please talk to your legislators about your concerns.

## **PTSD Presumption**

The Senate voted yesterday on **SB 553**, the bill that, as introduced, would have provided workers' compensation coverage for post-traumatic stress disorder in police, firefighters, and ambulance workers, and would have created a presumption that PTSD in those workers was work-related. NHMA opposed the bill because of the costs it would impose on municipal employers.

The committee recommendation was to refer the bill for interim study, but the Senate instead adopted a floor amendment that eliminates the bill's original language and creates a commission "to study the incidence of post-traumatic stress disorder in first responders and whether such disorder should be covered under workers' compensation." That is certainly an acceptable result. The commission would include representatives from many interested groups, including NHMA. The Senate passed the bill as amended, and it now goes to the House.

## Costly Retirement Bill Tabled

On Thursday by a voice vote, the House tabled <u>HB 1757</u>, dealing with the computation of pension benefits for Group I members of the New Hampshire Retirement System (NHRS). As explained in last week's <u>Bulletin</u>, **HB 1757** creates a "retirement bonus" to compensate for a change in the pension computation. The bill raised many questions regarding the cost to NHRS employers as well as other technical and legal issues. Thank you to those municipal officials who let their representatives know of the serious concerns with **HB 1757**.

#### **Action on RTK Bills**

The House and the Senate took action on a slew of Right-to-Know Law bills this week.

**Records of exempt "convenings."** The House narrowly (168-161) passed HB 1579, which would require a public body to keep records of any "convening" of a quorum of the public body that is otherwise exempt from RSA 91-A's public meeting requirements, including strategy or negotiating sessions with respect to collective bargaining and consultations with legal counsel. Minutes would not be required, but the public body would be required to record "names of members, persons appearing before the public bod[y], meeting places, and beginning and ending dates and times."

The bill now goes to the Senate, where NHMA will continue to oppose it.

*Limit on copying costs.* The House also passed <u>HB 1788</u>, which, as amended, limits a public body or agency to charging "10 cents per page" for providing a copy of a record under the Rightto-Know Law. The bill as introduced would have limited the charge to "the prevailing commercial

rate." NHMA opposed that because it would, of course, be impossible to establish a "prevailing commercial rate." Unfortunately, with so many bills to keep track of this year, we could not stay on top of this one, and only discovered the amendment this week.

Although a flat rate is easier to understand, there are a couple of problems. First, ten cents per page seems low, although this should gradually lose its relevance as more electronic copies and fewer paper copies are produced. But that leads to the second problem. By eliminating the ability to charge "the actual cost of providing the copy" and instead allowing only a per-page charge, it fails to account for any copies that are made on some medium other than paper, such as an audio tape, a CD, or a thumb drive. Does this mean that if a 1,000-page document is copied onto a thumb drive, a town can charge \$100? That probably was not the intent.

This bill also will need work in the Senate.

*Charging for electronic records still permitted.* In one bit of good news, the House killed <u>HB</u> <u>1789</u>, which provided that no cost could be charged for delivery of records in electronic format.

**Access to records.** The Senate passed <u>SB 395</u>, dealing with access to records in general. As introduced, the bill would have greatly expanded the obligations of public bodies and agencies, requiring them to provide records in the format and on the medium requested, and requiring them to deliver records by e-mail upon request.

NHMA worked out a compromise with the bill's supporters, but the committee did not accept that compromise and instead came up with its own amendment. Under the bill as passed, if a person requesting records is not able to appear at the public body or agency's office to inspect and obtain copies of records, the public body or agency is required to make a reasonable effort to accommodate a request to provide the records in some other manner. This could include making them available at a different time or place, sending them electronically, or posting them on a website, "and shall be at no additional cost to the public body or agency."

This is admittedly a pretty soft requirement, and for that reason the bill's proponents were not happy with it. We can live with it, but we will see what happens when it gets to the House.

**Right-to-Know Law ombudsman.** Finally, the Senate passed **SB 555**, mentioned in <u>last week's</u> <u>Bulletin</u> (page 9). The bill is now on its way to the House.

# Agritourism and Housing Appeals

The Senate also passed <u>SB 412</u>, relative to agritourism, and <u>SB 557</u>, dealing with appeals from local land use board decisions involving housing. Both bills were discussed in <u>last week's Bulletin</u> (beginning at page 8). We have significant concerns about the agritourism bill and minor concerns about the housing appeals bill. We will raise those in the House. Please contact your representatives if you have concerns, and let us know, as well.

#### **HOUSE CALENDAR**

#### TUESDAY, MARCH 20, 2018

#### CRIMINAL JUSTICE AND PUBLIC SAFETY, Room 204, LOB

10:00 a.m. **SB 386,** relative to access to criminal records.

#### HEALTH, HUMAN SERVICES AND ELDERLY AFFAIRS, Representatives Hall, SH

10:00 a.m. **SB 313-FN,** reforming New Hampshire's Medicaid and Premium Assistance Program, establishing the granite workforce pilot program, and relative to certain liquor funds.

#### JUDICIARY, Room 208, LOB

10:30 a.m. **SB 387-FN,** relative to liability of governmental units.

#### MUNICIPAL AND COUNTY GOVERNMENT, Room 301, LOB

1:30 p.m. SB 471, relative to the authority of municipalities to address potential natural threats.

#### RESOURCES, RECREATION AND DEVELOPMENT, Room 303, LOB \*\*Please Note Room

10:00 a.m. SB 240-FN-L, relative to the monitoring and treatment of contaminated wells. SB 444, relative to cutting timber near certain waters and public highways. SB 172-FN, relative to non-menace dams.

## SCIENCE, TECHNOLOGY AND ENERGY, Room 304, LOB

10:30 a.m. **SB 321,** relative to group host net energy metering.

#### WAYS AND MEANS, Room 202, LOB

infrastructure.

10:30 a.m. SB 340, relative to the commissioner of revenue administration's assessment report.

#### TUESDAY, MARCH 27, 2018

#### EXECUTIVE DEPARTMENTS AND ADMINISTRATION, Room 306, LOB

10:00 a.m. **SB 324-FN,** allowing an optional retirement system allowance to include a subsequent remarriage of a divorced retiree.

#### MUNICIPAL AND COUNTY GOVERNMENT, Room 301, LOB

10:00 a.m.	SB 339, relative to voting by zoning boards of adjustment.
10:20 a.m.	SB 506, limiting amendments to warrant articles.
10:40 a.m.	SB 505, requiring abutter notice of the construction of a crematory.
11:00 a.m.	SB 341, relative to the veterans' property tax credit for service-connected disability.
11:20 a.m.	SB 503, relative to increasing the maximum amount of the optional veterans' tax credit.
1:30 p.m.	SB 504-FN, relative to sales of tax-deeded property.
1:50 p.m.	SB 510, relative to municipal notice of leases on tax-exempt property.
2:15 p.m.	SB 170, relative to the authority of towns to issue bonds for the expansion of broadband

#### WEDNESDAY, MARCH 28, 2018

#### LABOR, INDUSTRIAL AND REHABILITATIVE SERVICES, Room 307, LOB

11:00 a.m.	SB 417, relative to days of rest for employees of recreation camps and youth skill camps.
11:20 a.m.	SB 428, relative to the payment of weekly and biweekly wages.

#### SENATE CALENDAR

#### TUESDAY, MARCH 20, 2018

#### ENERGY AND NATURAL RESOURCES, Room 103, SH

9:30 a.m. **HB 1202-L,** relative to town revolving funds for group net metering.

#### WEDNESDAY, MARCH 21, 2018

#### EXECUTIVE DEPARTMENTS AND ADMINISTRATION, Room 101, LOB

9:15 a.m. **HB 1676-FN,** repealing the licensing requirement for open-air shows and repealing the

laws related to the keeping of billiard tables.

9:45 a.m. **HB 1427-FN**, relative to membership in the retirement system for certain officials.

10:00 a.m. **HB 1823-FN,** relative to layered amortization of retirement system liabilities.

#### PUBLIC AND MUNICIPAL AFFAIRS, Room 102, LOB5

10:00 a.m. **HB 1303,** relative to the purposes of revolving funds in towns.

#### WAYS AND MEANS, Room 100, SH

9:45 a.m. **HB 1502,** adding the utility property tax exclusion for exempt water and air pollution

control facilities to tax expenditure review.

10:15 a.m. **HB 1673-FN-L,** relative to the interest charged on late and delinquent property tax

payments.

### **HOUSE FLOOR ACTION**

Thursday, March 15, 2018

**CACR 19,** relating to right to govern. Providing that the people of the state may enact local laws that protect health, safety and welfare. **Inexpedient to Legislate.** 

HB 1201, relative to an employee's earned but unused vacation time. Passed with Amendment.

**HB 1222,** relative to inquiries concerning salary history by prospective employers. **Inexpedient to Legislate.** 

**HB 1462-FN,** relative to health and dental benefits under the workers' compensation law. **Inexpedient to Legislate.** 

**HB 1500-FN,** relative to workplace violence, workplace injuries and death in the workplace. **Interim Study.** 

HB 1563-LOCAL, relative to taxation of solar energy systems. Inexpedient to Legislate.

**HB 1579-FN,** requiring records to be kept for certain exempt convenings under the right-to-know law. **Passed.** 

**HB** 1757-FN, relative to the reduction in the calculation of state retirement system annuities at age 65. **Tabled.** 

HB 1772-FN, permitting online voting registration. Inexpedient to Legislate.

HB 1788-FN-LOCAL, relative to costs charged under the right-to-know law. Passed with Amendment.

**HB 1789-FN-LOCAL**, relative to costs of requests which are in electronic format under the right-to-know law. **Inexpedient to Legislate**.

HB 2018, relative to the state 10-year transportation improvement program. Passed with Amendment.

#### SENATE FLOOR ACTION

Wednesday, March 14, 2018 Thursday, March 15, 2018

**SB 309-FN**, relative to standards for perfluorochemicals in drinking water, ambient groundwater, and surface water. **Passed**.

**SB 342,** requiring written disclosure of certain default budget items during the deliberative session. **Passed with Amendment.** 

SB 395, relative to access to electronic records under the right-to-know law. Passed with Amendment.

SB 403-L, relative to the exemption for recreational vehicles from property taxation. Passed with Amendment.

**SB** 405, enabling municipalities to adopt a separate exemption against the statewide property tax for certain long-term residents. **Tabled.** 

SB 412, relative to agritourism. Passed with Amendment.

SB 446, relative to net energy metering limits for customer-generators. Passed with Amendment.

**SB 450-FN-A,** establishing an advisory commission for the department of environmental services relative to the delegation of authority of the National Pollutant Discharge Elimination System Program. **Passed with Amendment.** 

SB 458, authorizing the purchase of retirement system creditable service by a certain surviving spouse. Passed.

SB 463-FN, establishing an architectural paint can recycling program. Inexpedient to Legislate.

**SB 528-FN-L**, relative to dam registration fees and relative to permit fees for constructing or reconstructing a dam. **Passed with Amendment**.

**SB 529-FN,** requiring the department of environmental services to conduct a study regarding the Baker River in the town of Warren and making an appropriation for such study. **Passed.** 

SB 553-FN, relative to mental health parity for workers' compensation. Passed with Amendment.

**SB** 555-FN-A, establishing a citizens' right-to-know appeals commission and a right-to-know law ombudsman and making an appropriation therefor. **Passed with Amendment.** 

SB 557-FN, establishing a board of housing development appeals. Passed with Amendment.

SB 592-FN-A, relative to the child welfare system. Passed with Amendment; referred to F-S.

<u>2018</u>	Upcoming NHMA Workshops and Webinars
Apr. 4	NHMA Webinar—Legislative Half-Time
Apr. 9	2018 Local Officials Workshop—Grantham Town Hall
Apr. 11	NHMA Webinar—Nonpublic Sessions and the RTK Law
	Please register online through our website <a href="www.nhmunicipal.org">www.nhmunicipal.org</a> . (Scroll down on left to Calendar of Events and click View the Full Calendar)