THE SERVICE AND ACTION ARM OF NEW HAMPSHIRE MUNICIPALITIES

# LEGISLATIVE BULLETIN

## **Crossover Week**

March 31 is crossover – the last day for the originating body to act on its own bills. The House and Senate will both meet that day. In preparation, there are no hearings in the House in the coming week, and few in the Senate. As we mentioned <u>last week</u>, we are past the calendar publication deadline, and the House Speaker and Senate President are both working furiously to assign bills that have been sent over from the other body. We anticipate that committee hearings will pick up in the week following crossover.

## Shift in Local Authorization of OHRV Use

On Tuesday, March 29, at 3:00 p.m. in LOB Room 103, the Senate Transportation Committee will hear testimony on <u>HB 1109</u>, shifting the authority of municipalities to authorize municipal roads for use by OHRVs from the governing body to the legislative body.

OHRV use on municipal roadways has long been an issue for municipalities, municipal officials, and legislators representing municipalities on or near trails. Several years ago, the rules pertaining to opening up or closing down municipal roads to OHRV use changed. Recognizing that the issue of OHRV use of municipal roads is of serious concern to affected municipalities, the legislature amended RSA 215-A:6, IX to read:

"Pursuant to RSA 215-A:15, and following a duly noticed public hearing advertised at least 14 days in advance in a public location in the city or town and notification to abutters by verified mail pursuant to RSA 21:53, city or town councils and boards of selectmen may authorize the use of sidewalks and class IV, class V or class VI highways and bridges, or portions thereof, for use by OHRVs."

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EM: governmentaffairs@nhmunicipal.org Website: www.nhmunicipal.org **HB 1109** as amended by the House keeps the notice and hearing requirements, but shifts the authorizing authority to the legislative body. In relevant part, it says:

"By a majority vote of the legislative body of a city or town at any legal meeting after notice and hearing, and following notification to abutters by verified mail pursuant to RSA 21:53, a city or town may authorize the use of class IV, class V, and class VI highways for use by OHRVs."

NHMA does not have a position on the bill, but we know that this is a contentious local issue and invite our members to contact the **Senate Transportation Committee** to express their opinion.

## State Aid Grants: 11 Forgotten Projects, Remembered

On Thursday, March 24, the Senate adopted the committee recommendation of Ought to Pass on HB 398. This bill will appropriate \$5.7 million for fiscal year 2023 and \$6.9 million for fiscal year 2024 to fund the 11 forgotten, eligible wastewater projects not funded in the current biennium, plus 110 new projects that are expected to be eligible for grant funding in fiscal years 2023 and 2024. The bill will now move to the governor's desk.

**HB 412**, on the other hand, was laid on the table. This bill would appropriate \$500,000 for each of fiscal years 2023 and 2024 for public water supply grants. The state has historically supported these grants; however, with the influx of federal funds for public water projects, the Senate Finance Committee recommended the bill as Inexpedient to Legislate by a vote of 7-0. The committee discussed several federal funding sources, such as the American Rescue Plan Act and the Infrastructure and Jobs Investment Act, which will make funding for public water projects available to municipalities through the state Department of Environmental Services over the next five years.

## New Hampshire Retirement System Legislation

There are sixteen bills dealing with the New Hampshire Retirement System (NHRS) this year, and we have analyzed those that would affect municipal employers and employees in past Bulletins. A variety of bills have an effect on employer contribution rates, create a change in benefits to current members or retirees, or impose a non-compliance penalty for employers who do not file information necessary to process a member's retirement application in a timely manner.

On Wednesday, the House Finance Committee held a work session on <u>HB 1417</u>, which proposes to reinstate a portion (7.5 percent) of the state contribution to the local employer's share of the NHRS cost for teachers, police, and firefighters. This bill would provide an estimated \$27.7 million in local relief in fiscal year 2023 alone. Unfortunately, the committee recommended the bill as Inexpedient to Legislate by an 11-10 vote.

However, based on the close committee vote, which included bipartisan support for the bill, there is still a chance to reverse the committee recommendation when the bill goes to the floor of the House on **March 31**. Members are encouraged to contact their representatives before Thursday and explain how important the restoration of the state contribution is to local budgets and to taxpayers. With your support, the full House overturned a previous committee vote, and it can be done again. Please ask your representative to vote "no" on the committee recommendation of Inexpedient to Legislate and then vote to pass **HB 1417**.

HB 1535, as originally written, would provide a 1.5 percent cost-of-living-adjustment (COLA) to all NHRS retirees who have been retired at least 5 years by July 1, 2023, on the first \$30,000 of the retiree's annual allowance. The bill was amended to require the state to pay \$79.1 million, which is the cost to terminally fund this legislation, taking the burden off municipalities and property taxpayers. On March 17, the House passed the amended bill and it was referred to the House Finance Committee, where another amendment was introduced. As amended the bill would now make a one-time payment of \$500 to NHRS members who receive a pension under \$30,000 and have been retired for 5 years as of July 1, 2022. This bill further authorizes the governor to draw \$11.75 million from the state treasury to fund the COLA payment. On Wednesday, an 18-3 vote of the committee recommended the bill as Ought to Pass with Amendment.

HB 1587 changes the calculation of compensation paid in excess of the full base rate of pay under the definition of Average Final Compensation for Group II members hired on or after July 1, 2011, or who had not attained vested status prior to January 1, 2012. Over the course of this legislative session, several amendments have been proposed to address the middle tier employees who were affected by the changes made to the retirement system over a decade ago. While this bill, as amended, requires the state to terminally fund the proposal through general fund surplus funds from the "current biennium," we are waiting for a fiscal note to determine whether any increase to the employer contribution rates will result from this legislation. On Wednesday, the House Finance Committee recommended the bill as Ought to Pass with Amendment in a 21-1 vote.

HB 1318 establishes a penalty for noncompliance for employers who do not submit the information necessary to calculate and finalize member benefits and ensure calculations are correct upon filing a retirement application. NHMA opposes any legislation that assesses a penalty against our members. This bill was requested by the New Hampshire Retirement System and as amended, a \$200 daily penalty for noncompliance can be assessed for delayed reporting. NHRS would be required to send a 30-day notice prior to assessing a penalty to any employer who misses the deadline. It was noted during the public hearing that the penalty can be waived in cases of extenuating circumstances. On Wednesday, the Senate Executive Departments and Administration Committee voted 5-0, Ought to Pass with Amendment.

<u>SB 434</u> would recalculate a Group I retiree's annuity by changing the time of the 10 percent NHRS pension reduction from age 65 to the member's full retirement age under Social Security (up to age 67 depending on year of birth). The fiscal note for this bill estimates that it will increase the actuarial accrued liability by \$44.2 million, which will increase the employer contribution rates for group I members (teachers and employees) over the next 18 years as that cost is paid off. (This bill does not affect group II police and firefighters, since they do not pay into Social Security or receive benefits.) On March 17, the Senate, on a voice vote, passed the bill. The bill was referred to the Senate Finance Committee, which has recommended that the bill be referred to Interim Study. The full Senate will vote on that recommendation next **Thursday, March 31.** 

SB 363 allows Group II members who began service between January 1, 2001 and December 31, 2011 to receive service credit for not less than one year and not more than four years of non-qualified service. As amended, a Group II member's purchase of the service credit is limited to the amount which will reduce the minimum age of retirement to the previous minimum age of 45. The bill further states that the member is to pay the costs to reduce certain transition provision requirements for retirement. NHRS estimates that there will be a fiscal impact due to the accrued liability and therefore will nominally increase employer contribution rates. On March 17, the Senate passed the bill as amended and referred it to the Senate Finance Committee.

HB 1079 would have increased the annual number of hours a retiree may work for a retirement system employer to an average of 32 hours a week (1,664 hours annually) and eliminated the initial 28-day restriction

on such part-time employment after retiring. On March 12, on a voice vote, the House adopted a committee recommendation of Inexpedient to Legislate, so unfortunately this bill is dead.

<u>HB 1549</u> proposed a special duty exemption for retired Group II police members and would have allowed them to work special duty law enforcement details and not have the special duty hours count against the annual limit on part-time hours. NHMA supported this bill as work force shortages in law enforcement are an issue state-wide. On March 1, the House killed this bill on a voice vote.

**HB 1590** would have established a procedure for members of the retirement system to vote to withdraw from participation for its Group I employees hired after the effective date of the vote, without having to pay their share of the unfunded liability. On February 16, the House voted the bill Inexpedient to Legislate, 287-57.

## **HOUSE CALENDAR**

There are no hearings in the House on bills of municipal interest.

## SENATE CALENDAR

## MONDAY, MARCH 28, 2022

## ELECTION LAW AND MUNICIPAL AFFAIRS, Room 100, SH

1:15 p.m.	HB 1009, requiring the date a person registers to vote to be included with other voter
	information.

1:30 p.m. **HB 1069**, relative to the election of village district commissioners.

2:00 p.m. **HB 1081**, relative to the dissolution of a village district.

2:15 p.m. **HB 1567-FN**, relative to consequences resulting from election official misconduct.

## TUESDAY, MARCH 29, 2022

## ENERGY AND NATURAL RESOURCES, Room 103, SH

9:30 a.m. **HB 1328-FN**, authorizing a utility to petition to be relieved of their carrier of last resort obligations.

9:45 a.m. **HB 1459-FN**, relative to recycling solar panels.

10:00 a.m. **HB 1491-FN-L**, relative to natural gas transmission pipeline safety.

10:15 a.m. **HB 1546-FN**, defining PFAS and enabling the commissioner of the department of environmental services to adopt rules relative to airborne PFAS in certain circumstances.

## TRANSPORTATION, Room 101, LOB

3:00 p.m. **HB 1109,** relative to approval for off highway recreational vehicles use on class IV, class V, and class VI roads.

## **Senate Floor Action**

Thursday, March 24, 2022

**HB 364**, revising the definition of charitable organizations relative to games of chance. **Inexpedient to Legislate**.

HB 398, making an appropriation to the department of environmental services for funding eligible wastewater projects. Passed.

**HB** 412, making an appropriation to the department of environmental services for the purpose of funding public water system projects. Laid on Table.

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

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

SB 227, relative to death benefits for first responders who die from suicide. Passed with Amendment.

SB 241, apportioning executive council districts. Interim Study.

SB 243, permitting transfer on death deeds for real property. Passed with Amendment.

SB 262, relative to customer generators of electric energy. Passed with Amendment.

**SB 341-L**, relative to treatment of PFAS contaminants in the drinking water of the Merrimack Village Water District. **Interim Study.** 

SB 365, relative to absentee ballot outer envelopes. Passed with Amendment.

SB 380-FN, relative to solid waste rules and landfill containment tests. Passed with Amendment.

SB 387-FN-A, making an appropriation to the body-worn and dashboard camera fund. Inexpedient to Legislate.

SB 405-FN, relative to fines and penalties for election law violations. Passed with Amendment.

**SB** 427-FN, modifying the absentee voter registration process, absentee ballot application, and absentee ballot voting process. **Passed with Amendment.** 

## Please Note Corrections from Last Week's House Floor Action:

**CACR 15**, relating to elections. Providing that the age to vote in the primary election be reduced to 17 for those who will be 18 by the general election. **Failed, lacking 3/5 vote.** 

**CACR 19**, relating to paper ballots. Providing that all elections shall be conducted through paper ballots. Failed, lacking 3/5 vote.

The House did not act on the following bills that were reported in in last week's bulletin:

**HB 1064-FN**, requiring the use of hand-marked, durable paper ballots in elections.

**HB** 1155, relative to persons elected to a local board serving on another board.

**HB 1473-FN,** authorizing a forensic audit of the November 3, 2020 election results in Merrimack county for president, governor, and United States senate races.

Check our website for upcoming events: <a href="https://www.nhmunicipal.org/events-training">https://www.nhmunicipal.org/events-training</a>