THE SERVICE AND ACTION ARM OF NEW HAMPSHIRE MUNICIPALITIES

# LEGISLATIVE BULLETIN

## Committee Recommends Killing HB 51, 15-5

On Wednesday, the House Municipal and County Government Committee voted 15-5 to recommend <u>HB 51</u> as Inexpedient to Legislate. The bill will next be voted on by the full membership of the House.

As readers of the *Bulletin* know, **HB 51** is a top priority bill for NHMA this year, and we are grateful to our many members who reached out to committee members to urge them to kill this bill. We wanted to extend a thanks to all of you and to all the members of the committee who agreed that this bill should be voted Inexpedient to Legislate.

We anticipate that an effort will be made to overturn the committee recommendation on the House floor. We do not believe that those efforts will be successful, but we do urge our readers to reach out to their House members in advance of next week's House session and ask them to support the committee recommendation of Inexpedient to Legislate.

# Governor's Budget: Housing, School Funding & More

On Tuesday, Governor Sununu gave legislators a short address to highlight his budget priorities for the biennium. Much of his proposal focused on investments in school funding, raises for state employees, housing, infrastructure, and licensing reforms.

On the school front, the governor said that his intent in changing the education funding formula is to allow cities and towns to reduce property tax rates. The proposal would increase both base aid and free and reduced lunch by approximately 25% and 30% over the course of this biennium for a total of \$200 million in additional funding. (The changes would also have the effect of increasing funding to charter schools and Education Freedom Accounts.)

NHMA Legislative Bulletin 08 February 17, 2023

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EM: governmentaffairs@nhmunicipal.org Website: www.nhmunicipal.org With respect to housing, the governor spoke at length about the InvestNH Housing Program, proposing the use of state surplus to fund an additional \$30 million to help meet housing demand. The governor also called for a \$25 million increase in the Affordable Housing Fund to help build homes for low- and moderate-income families. The ideas behind these proposals appear to line up with some of the proposals in **SB 145**, which had a hearing this week, and **SB 231**. An additional proposed program would encourage restoration and reuse of historic housing through a preservation tax credit. Contributors who invest in an eligible property would receive a tax credit equal to 65% of their contribution to the project that could be used against their business taxes. The program proposal is capped at \$5 million in tax credits annually.

The governor's address included an additional investment in water infrastructure by calling for \$27.9 million in state surplus to be used to fund wastewater state aid grants to municipalities. This proposal not only aligns with proposed <u>SB 230</u> and <u>HB 311</u>, but also increases funding for the State Aid Grant (SAG) program. Sufficient funding for the grants has not been included in the state budget in recent years—thus the need for separate legislation. As an **NHMA Policy**, this proposal would address the much-needed funding associated with these critical wastewater projects and honor the state's partnership with its political subdivisions to protect the health of its residents and promote state and municipal economic growth.

### Senate Takes Up Remote Attendance Bill

On Tuesday, February 21, at 1:30 p.m. in State House Room 100, the Senate Judiciary Committee will hear testimony on <u>SB 250</u>, the Senate version of the remote attendance bill. We are hopeful that the third (year) is the charm.

**SB 250** addresses a number of concerns that arose in prior years. Most importantly, it clarifies that a physical location is <u>always</u> necessary for a public meeting. (In other words, a meeting cannot be conducted entirely via Zoom, Teams, WebEx, or another online platform.) **SB 250** also states that, except in an emergency—where the existing law would continue to apply—at least 1/3 of the public body must be physically present at that meeting location.

Additionally, **SB 250** addresses concerns about abuse of the remote attendance allowance by bad actors. The bill specifically requires the governing body to authorize boards to use remote attendance—ensuring that the ability to use remote attendance is calibrated for each community rather than a one–size–fits-all mandate—<u>and</u> authorizes the governing body to <u>revoke</u> the authorization for remote attendance.

In prior years, we have heard concerns about situations where members of elected bodies are elected and then decide to spend part of the year in other, more southernly states. Legislators—and municipalities—have been understandably concerned with those scenarios and interested in finding a solution that ensures that local government remains accessible to its constituents. The ability of the governing body to revoke the authority of boards to meet remotely ensures that there is a local check that will remedy any abuse that may occur.

We believe that **SB 250** effectively addresses the criticisms of prior iterations of remote attendance legislation, and we urge our members to contact the members of the <u>Senate Judiciary Committee</u> to voice their support.

### All Positive Testimony on Housing Champions

On Tuesday, the Senate Commerce Committee heard testimony on <u>SB 145</u>, the Housing Champions Bill supported by NHMA and the Housing Champions Coalition. We wrote about the bill <u>last week</u> and we were pleased to see that <u>all</u> those who testified at the committee supported the bill.

Those supporting the bill came from as far away as Littleton, the Seacoast, and the Upper Valley. Representing the business community, housing development, housing advocates, private persons, and, of course, municipalities, supporters emphasized the importance of providing carrots to encourage the development of housing, and repeatedly testified that the most valuable "carrot" is funding for infrastructure that will support more housing and help drive economic development across the state.

The Senate, unlike the House, does not traditionally publish when their committees will hold an executive session to make a recommendation on a bill. As such, an executive session could occur at any future meeting of the Commerce Committee, but we assume that the strong showing by advocates—and the lack of *any* opposition—during the public hearing will put **SB 145** on the path to passage. We hope to see an Ought to Pass recommendation out of committee soon.

### House Municipal and County Government Update

On Wednesday, the House Municipal and County Committee held an executive session that saw votes on a number of bills of municipal interest. Those included:

HB 177, relative to the definition of qualified structures under the community revitalization tax relief incentive – 11/8 ITL.

<u>HB 154</u>, relative to the adoption of public health ordinances by municipalities -10/9 OTP. Party line vote.

HB 202, relative to property tax abatements – Retained. Unanimous.

<u>HB 236</u>, relative to condominium conversions under water and waste disposal laws and municipal ordinances – ITL. Unanimous.

**HB 313**, relative to the reductions from the default budget for official ballot town meetings – Retained. Unanimous.

HB 294, enabling municipalities to adopt a child tax credit. 18/2 ITL. On Consent Calendar.

**HB 423**, relative to accessory dwelling unit uses allowed by right – 14/6 ITL.

**HB** 467, relative to public playground accessibility -10/9 OTP.

HB 477, to prohibit municipal inspections of owner-occupied units of multi-unit housing – 12/8 ITL.

HB 485, establishing deputy animal control officers – ITL.

**HB** 526, regulating the use of temporary traffic control personnel -17/3 Retain.

HB 636, relative to required education for zoning board of adjustment members – ITL. Unanimous.

HB 51, relative to requiring towns and school districts using warrant articles for lobbying agents – 15/5 ITL. (Amendment defeated 14/6.)

### Road and Bridge Proposal 2.0

This week, the Senate introduced a late bill, <u>LSR 23-1059</u>, which would make a non-lapsing appropriation of \$40 million to the Department of Transportation. The language of the bill is not yet public, but we understand that the bill would use the same distribution formula as <u>SB 401</u> from last session, proposing to appropriate \$20 million for the repair and maintenance of municipally-owned bridges and \$20 million in municipal highway grants. Municipalities would be able to accept and expend these funds as "unanticipated revenue" under the provisions of <u>RSA 31:95-b</u>, <u>II-IV</u>, whether or not a municipality has adopted that statute.

The appropriation for bridges would be based on a 50/50 formula, where \$10 million will be distributed based on a municipality's deck area proportional to the total deck area for municipally-owned bridges, and \$10 million will be distributed based on a municipality's total share of the state population. The \$20 million allocated for roads will follow the Department of Transportation "Apportionment A" formula used when calculating the annual highway block grant each municipality receives. Therefore, funds will be distributed among the municipalities based on their population in proportion to the entire state's population, and the other half is disbursed based on a municipality's Class IV and V road mileage in proportion to the total statewide Class IV and V mileage.

### **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
Mar. 1	2023 Regional Legislative Preview in Keene – 6:00 p.m.
Mar. 1	Webinar: How to Stay Out of the Principal's Office – 12:00 – 1:00
Mar. 15	Webinar: Cybersecurity for Government Leaders – 12:00 – 1:00
Mar. 29	Webinar: Transportation Safety – 12:00 – 1:00
	t <u>www.nhmunicipal.org</u> for the most up-to-date information regarding our upcoming events. ne Events & Training tab to view the calendar.

For more information, please call NHMA's Workshop registration line: (603) 230-3350.