New Hampshire Municipal Association

THE SERVICE AND ACTION ARM OF NEW HAMPSHIRE MUNICIPALITIES

LEGISLATIVE BULLETIN

Important Bills Scheduled for March 9 House Session

HB 51, the anti-lobbying bill that we wrote about extensively in <u>Bulletin</u> <u>#3</u>, has been scheduled for a vote in the House on March 9. The committee recommendation was Inexpedient to Legislate on a 15-5 vote. **HB 51** is on the regular calendar, meaning that there will be debate on the bill. We are urging our members to contact their representatives and ask them to follow the committee recommendation to kill this bill.

HB 647, the immunity bill that we wrote about extensively in <u>Bulletin</u> <u>#6</u>, has been scheduled for a vote in the House on March 9. The committee recommendation was Inexpedient to Legislate on a 16-3 vote. **HB 647** is also on the regular calendar, meaning that there will be debate on the bill. We are urging our members to contact their representatives and ask them to follow the committee recommendation to kill this bill.

HB 154, requiring that public health ordinances be adopted by the legislative body rather than governing body of a municipality, has been scheduled for a vote in the House on March 9. The committee recommendation was Ought to Pass on a party-line vote. As pointed out by the Department of Health and Human Services (DHHS) during the hearing, the bill would reduce the speed at which local health officers can enact local ordinances to respond to local emergencies and concerns. The New Hampshire Health Officers Association has provided several examples of when rapid responses are needed: hazardous waste releases (as recently occurred in Ohio), septic breaches, flooding or other natural disasters, plumes of chemicals causing ground water contamination. This is another bill that we are hopeful will be killed by the House on March 9, although it will be more difficult given the committee's recommendation. We are urging local officials to contact their representative and ask them to reject the committee's recommendation of Ought to Pass.

NHMA Legislative Bulletin 10 March 3, 2023

Inside this issue:

Budget Process	2
Bridge & Road Money	2
Submitting Testimony	3
Hearings Schedule	3
NHMA Events	3

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. Fortier Communications Coordinator

Pam Valley Administrative Assistant



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

The Budget Process Begins

HB 1, the governor's proposed biennial operating budget for the period July 1, 2024 – June 30, 2025, and **HB 2**, the so-called "trailer bill" which contains the statutory changes necessary to implement the budget, have arrived and are publicly available. The House Finance Committee has been meeting with state agencies to obtain a better understanding of what is—and what is not—included in the proposed budget. It is too early in the budget process to predict what levels of municipal funding will be approved by the legislature and signed into law by the governor. Over the next several weeks, House committees will be using early revenue projections to propose amendments to **HB 1** and **HB 2**, reflecting House spending priorities.

Here is a summary of the governor's operating budget for the fiscal years ending June 30, 2024, and 2025, as it relates to towns and cities:

- Estimates meals and rooms tax distribution to cities and towns to remain level at \$121.1 million in FY 24 and a potential increase to \$123.5 million in FY 25.
- Funds highway block grants based on *estimated* highway fund revenues and appropriate \$32.0 million in FY 24 (down \$2.7 million from FY 22) and \$32.1 million in FY 25 (down \$3.2 million from FY 23). (Note <u>SB 401</u> increased highway block grants by \$30 million in FY 23 using surplus funds outside the budget process.) (Additional funding is proposed in <u>SB 270</u>—see article below.)
- Funds for the municipal bridge aid are estimated at \$6.8 million as determined funding, <u>SB 367</u>, 2014 Session, Chapter 17). (Additional funding proposed in **SB 270**—see article below.)
- Provides no funding for the state's 20% share of the costs for wastewater projects beyond those that were approved in FY 23. However, the governor's executive summary calls for \$27.9 million in state surplus to be used to fund wastewater state aid grants to municipalities. (This proposal aligns with the amounts proposed in <u>SB 230</u> and <u>HB 311</u> as we wrote about in <u>Bulletin #6</u>).
- Funds reimbursements to municipalities involved in flood control compacts at \$830,000 each year.
- Funds \$5 million each year for the Land and Community Heritage Investment Program (LCHIP) (Maintaining the current funding level.)
- Creates a one-time appropriation of \$30 million to InvestNH for housing and \$25 million to the Affordable Housing Fund using state surplus. (A portion of this proposal aligns with <u>SB 231</u>.)
- Provides no state funding toward the retirement costs for teachers, police, and firefighters. (SB 114, which would restore a 7.5% state share of employer costs was tabled, which preserves the bill for later consideration in the state budget trailer bill, HB 2).
- Contains no provision for municipal aid.
- Continues to suspend revenue sharing, which provided \$25.2 million per year to municipalities before its suspension in 2010. (It has been suspended every year thereafter.)

Late Bill Proposes Bridge & Highway Funds

On **Tuesday, March 7**, at **1:00 p.m.** in **State House Room 103**, the **Senate Finance Committee** will hear testimony on <u>SB 270</u>, which would make a non-lapsing appropriation of \$40 million to the Department of Transportation. The bill would use the same distribution formula and provisions 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. This bill would appropriate a substantial dollar amount to assist in funding local infrastructure upgrades and repair and maintenance projects, while decreasing the impact on local property taxes.

The additional appropriations contained in **SB 270**, while less than the amount of **SB 401**, still represent a significant state investment in local infrastructure. Assuming all variables remain the same, your municipality would receive approximately two-thirds of the one-time funding contained in **SB 401** for Class IV and V roads and forty-five percent of the one-time bridge payment. (Last session's distribution amounts can be found <u>here.</u>)

Please contact the <u>Senate Finance Committee</u> to express your support for this funding and share with your legislators how the state's partnership with its political subdivisions can lower local property taxes, move infrastructure projects forward, and promote economic growth.

An Update on Submitting Testimony

As we mentioned in <u>Bulletin #3</u>, the House has continued to provide the <u>opportunity for online testimony</u> <u>submission</u>. In the weeks since the publication of that edition of the *Bulletin*, we have heard from many legislators that they do prefer hard copies of testimony, and that committees have varying practices with respect to viewing the online portal. Many legislators receive quite a large volume of emails on a variety of topics, and it is easier for them to sort, file, and evaluate testimony if it is provided as part of the record for the public hearing.

NHMA is happy to print and provide any committees with any written testimony from our members. We do ask, however, that you send it to us via email (governmentaffairs@nhmunicipal.org) at least 24 hours in advance of the hearing where you want it delivered. If you email it the morning of the hearing, we cannot promise that we will have staff available to print and deliver the hard copies to the state house as we will likely be at the state house already for that or another hearing.

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. 15	Webinar: Cybersecurity for Government Leaders – 12:00 – 1:00
Mar. 29	Webinar: Transportation Safety – 12:00 – 1:00
Apr. 5	Webinar: Succeeding at Tax Deeding – 12:00 – 1:00
Apr. 6	Local Officials Workshop (hybrid) – 9:00 – 4:00
	t <u>www.nhmunicipal.org</u> for the most up-to-date information regarding our upcoming events. he Events& Training tab to view the calendar.
т ·	

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