

New Hampshire Municipal Association

THE SERVICE AND ACTION ARM OF NEW HAMPSHIRE MUNICIPALITIES

LEGISLATIVE BULLETIN

Legislative Bulletin 19

2024 Session

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[Live Bill Tracker](#)

The Session Winds Down

There are only a handful of session days left. The House has scheduled session days on Thursday, May 9, Thursday, May 23, Thursday, May 30, and Thursday, June 13. Although the Senate does not publish its calendar as far in advance as the House, we anticipate that it will follow a similar schedule, with all legislative business wrapping up on June 13.

But that doesn't mean that the legislature is really finished. Incumbents running for reelection to the House can file legislative service requests (LSRs) from Tuesday, September 3 – Friday, September 13. Already, we have heard from legislators that they are interested in filing legislation of municipal interest, and we expect that at least a few members are also interested in seeing legislation filed on their behalf. We'll take this opportunity to remind you that NHMA's Government Affairs Department is always happy to participate in those conversations and help you work with your legislators on legislation that will help you enhance local government. Please reach out to us to loop us in as you have those conversations.

ADU Bill Hearing Continued

Due to time constraints, the Senate Commerce Committee continued this week's hearing on [HB 1291](#), requiring that municipalities allow two ADUs (accessory dwelling units) in every zone where single-family homes are allowed, and allow one of those units to be detached. The hearing was continued to **Tuesday, May 14, at 9:30 a.m. in State House 100.**

This continuance allows members who have not yet had the opportunity to contact the members of the [Senate Commerce Committee](#) and ask them to recommend **HB 1291** as Inexpedient to Legislate.

Cannabis Legalization Advances

In a 3-2 vote, the Senate Judiciary Committee recommended [HB 1633](#) as Ought to Pass with Amendment. In short, the bill would now allow 15 cannabis retail stores to open statewide, with no more than one per municipality (except in municipalities with more than 50,000 people, which may have two). The state's Liquor Commission would oversee the operations of the retail shops.

As NHMA requested, the amended bill would continue to include a municipal opt-in provision for allowing cannabis establishments but would require a vote at the next municipal election following July 1, 2024, unless the municipality elects to include the question on the November 2024 biennial election. (It is unclear how a municipality would elect to include the question on the November 2024 ballot, but, presumably, the Secretary of State's Office will provide further guidance). The wording of the question is prescribed by the bill.

If the voters in a municipality say "no," then, upon petition of not less than five percent of voters in the municipality, the question may be proposed to the local voters in a subsequent election. Strangely, that petition must be filed with the Secretary of State even though, if the subsequent municipal election is intended, such petitions are normally filed with the governing body pursuant to RSA 39:3.

A number of local regulatory provisions are authorized, some of which place the regulatory authority clearly in the realm of land use, while others are less clear.

Assuming the bill passes the Senate, it will head to the Senate Finance Committee, where subsequent amendments may be made.

Committee Amends PDIP Bill

This week, the House Finance Committee voted to significantly amend **SB 553**, concerning funds held by the NH Public Deposit Investment Pool (NH PDIP). As amended, the bill no longer would require that all funds held by the NH PDIP be insured or collateralized and invested within the state. Rather, the bill encourages that the selected investment advisor “strive to maintain no less than 30 percent of the funds held by the public deposit investment pool in insured or collateralized deposits” that meet the requirements under state statute. The legislative intent is to set broad and flexible guidance to preserve the NH PDIP as a tool for municipalities and ensure that the pool maintains a high credit rating.

Local Option Tax Cap

The week, the House passed **SB 383**, in a roll call vote of 184-177. **SB 383** is enabling legislation that would create a third option for a local tax cap. Voters would be able to choose from a fixed dollar amount, a fixed percentage, or a multiplication factor using a formula which adjusts local property tax caps to take into consideration inflation and population growth or decline. The purpose of a tax cap is to limit the budget authority of an elected body. This means that a tax cap limits the budget amount that the select board or budget committee can present to the town meeting. It does not limit the town meeting’s authority.

A summary of the formula prescribed is as follows:

This year’s base = (local taxes raised for the prior year) x (1+inflationary index) x (this year’s population / last year’s population) = the maximum dollar amount that the governing body or budget committee can recommend to the voters for approval at the annual meeting.

Once the budget is presented to the town meeting, it is now in the hands of the voters. This bill preserves current law and allows the town meeting to override a tax cap “by the usual procedures applicable to annual meetings,” and states that the tax cap “shall not limit the legislative body’s authority to

increase or decrease the amount of any appropriation or the total amount of all appropriations.”

Currently, the data shows that only about three percent of New Hampshire towns and schools have established a tax cap under existing law, and eight annual meetings voted down tax cap proposals this year alone. If this new local option is signed into law, NHMA will provide additional guidance to our members should the governing body or a petition warrant article propose this option in your municipality.

Calendar Changes

If you are a long-time reader of the *Bulletin*, you will have noticed that the weekly schedule of hearings that we have long published has, increasingly, been out of date by the beginning of the week for which it is produced. That’s because the shift in both the House and Senate to digital calendars has made it easier for committees to reschedule when there is bad weather, when there are absences, or when issues with bills just haven’t quite been worked out. As such, we are now going to link to the [House Digital Calendar](#) and [Senate Digital Calendar](#) instead of producing our own hearing schedule. For those of you with a particular interest in a particular bill or set of bills, please use the "subscribe" feature on [FastDemocracy](#) to get email updates when those bills are scheduled.

NHMA Events Calendar

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