THE SERVICE AND ACTION ARM OF NEW HAMPSHIRE MUNICIPALITIES

# LEGISLATIVE BULLETIN

Bulletin #15 2013 Session March 29, 2013

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#### Crossover and Retained Bills

Crossover, the date by which the House must act on all House bills and the Senate must act on all Senate bills, is next Thursday, April 4. The Senate has already dealt with all of its bills and will not be in session next week (or, we understand, the following week). Meanwhile the House has "only" three bills left to address: the operating budget, the budget trailer bill (see article below), and the capital budget. The House will meet to act on these bills on Wednesday, and members have been asked to reserve Thursday as well.

The House Calendar from March 22 contains a list of bills retained by the House. (The list begins at the bottom of page 712.) Retained bills are bills that have been held by a House committee for further study. (The Senate has a similar process, called re-referral, but we do not yet have a list of re-referred bills.) When a bill is retained, the committee studies it between annual sessions and makes a recommendation — Ought to Pass/Inexpedient to Legislate/Refer to Interim Study — to the full House in January of the following year. Meetings on retained bills often don't begin until the summer or even the fall, but work sessions on a few retained bills have already been scheduled.

A number of bills of municipal interest, including two NHMA policy bills, **HB 422** (relative to municipal charters) and **HB 672** (relative to the property tax credit for pollution control facilities), have been retained. No meetings on those bills have been scheduled yet.

#### House Finance Committee Adopts Biennial Budget

This week the House Finance Committee completed work on **HB 1**, the biennial state operating budget, and **HB 2**, the accompanying trailer bill that enacts statutory changes needed to implement the budget, both of which will be presented to the full House for action next week. As with the Governor's proposed budget, the Finance Committee's recommended budget begins to restore many of the cuts that were enacted over the past four years, including funding the statutory catch-up formula in the meals and rooms tax distribution to municipalities and funding for environmental state aid grants.

#### Biennial Budget - continued

One of the more significant changes from the Governor's proposed budget was the elimination of the estimated \$80 million of revenue from gaming license fees. As a result, a number of programs, including funding for the University System, state aid for new school building projects, and funding for the Land and Community Heritage Investment Program (LCHIP), saw reductions from the Governor's proposal in order to reach a balanced budget.

The catch-up formula for the meals and rooms tax distribution provides that 75% of the actual increase in the tax revenue from one year to the next goes to municipalities, with a cap of \$5 million in any year, until such time as the statutory state/municipal share is split 60%/40%. (Currently the split is approximately 75%/25%). Based on the meals and rooms tax revenue estimates adopted by the House Ways and Means Committee for fiscal years 2014 and 2015, the full \$5 million increase to municipalities was included in the Finance Committee's budget for the second year of the biennium.

The Finance Committee supported Division I's recommendation (see last week's <u>Bulletin</u>) to fully fund all the water, wastewater, and landfill closure projects on the Department of Environmental Services' delayed and deferred list, appropriating a total of \$4,944,141 in the second year of the biennium. The committee also supported the division's recommended provision in **HB 2** that placed a moratorium on funding any projects that had not received local bonding authorization by December 31, 2008, and created a committee to study future funding of state aid grants for these infrastructure projects, with a report due by November 1, 2013

In a "belt and suspenders" move, the Finance Committee included the identical language that was passed in **HB 617** – the 12 cent road toll (gas tax) increase – in **HB 2,** so that the gas tax increase is now both a stand-alone bill and in the budget. See related story below.

While there was very strong bipartisan support for many individual provisions in the budget, such as the environmental state aid grants, the final committee vote on the overall budget package was 14 to 10, generally falling along party lines. Those in opposition to the budget were mostly concerned with what they believed to be overly optimistic revenue estimates, to the tune of approximately \$30 million. It is expected that similar concerns will be raised during the full House budget debate next week, with the likely outcome that the budget will be adopted largely along party lines.

#### House Passes Gas Tax - Again

As we reported in last week's <u>Bulletin</u>, **HB 617** – an **NHMA policy** bill that increases the road toll (gas tax) by four cents each year for the next three years – went to the full House for a second vote this week. It passed again, this time by a vote of 206-158. Click <u>here</u> to see how each legislator voted. (A "yea" vote is in support of the bill.)

Gas Tax - continued

As noted in the budget article above, the language of **HB** 617 is also included in **HB** 2, as recommended by the House Finance Committee. While the gas tax increase received strong support in the House, it will face an uphill battle in the Senate. *All* senators need to know the importance of raising additional revenues for the maintenance and improvements to state and municipal highways and bridges. Estimates of the increased funding on a town-by-town basis are available on our website. Please share these numbers with your senator and urge his or her support of **HB** 617.

#### **Processing Absentee Ballots**

HB 183, an NHMA policy bill that modifies the requirement that moderators wait until 1:00 p.m. on election day to begin processing absentee ballots, is scheduled for a hearing before the Senate Public & Municipal Affairs Committee on Wednesday, April 3, at 9:30 a.m., in LOB Room 102. As introduced in the House, the bill would have eliminated the requirement altogether and allowed processing to begin anytime after the polls opened. The House amended the bill to allow processing to begin two hours after the polls open, a compromise that we consider unnecessary but acceptable. We encourage moderators, and other local officials who care about election efficiency, to express their support for the bill, either at the hearing or by contacting members of the committee or their own senators.

#### Hearing Scheduled on Flood Control Bill

A number of bills in the legislature deal with flood control payments to affected municipalities. **HB 581,** which urges the Attorney General to expedite the pursuit of money owed by Massachusetts to New Hampshire under flood control compacts, is scheduled for a hearing in the Senate Ways and Means Committee on **Tuesday, April 2, 2012 at 9:30 a.m. in State House Room 103. SB 150,** a companion bill that makes an appropriation to the Department of Revenue Administration to reimburse municipalities the full amount owed (both the New Hampshire share and the Massachusetts share), was tabled in the Senate earlier this month. The state budget, as recommended by the House Finance Committee in **HB 1** (see article above), only contains appropriations sufficient to pay municipalities the 30% New Hampshire share. Finally, **HB 2,** as recommended by the House Finance Committee, contains a provision that allows payment of the Massachusetts share only if flood control money is received from Massachusetts.

Therefore, **HB 581** provides one more opportunity during this legislative session for municipalities involved in flood control compacts to seek funding for the payments-in-lieu-of-taxes owed to them under these compacts. Municipalities affected by these payments (or lack thereof!) should contact members of the <u>Senate Ways & Means Committee</u> urging support of **HB 581**.

#### Construction and Demolition Debris

HB 517, an NHMA policy bill that makes permanent the municipal transfer station exemption from the ban on burning construction and demolition debris, is scheduled for a hearing before the Senate Energy & Natural Resources Committee on Wednesday, April 3, at 10:00 a.m., LOB Room 101. The Senate has already passed an identical bill, SB 31, so we are optimistic that HB 517 will be received well. Still, it never hurts to remind your senators to support the bill.

#### Damage from Road Maintenance

The Senate this week passed **HB 543,** an **NHMA policy bill** that establishes a process to be followed when a property owner claims that his or her property has been damaged by municipal road repairs or maintenance. This is our first policy bill (of many, we hope) to survive the process in both houses. The bill will go next to the Governor.

## There are no hearings on bills of municipal interest in the <u>House</u> next week.

#### SENATE CALENDAR

#### TUESDAY, APRIL 2

#### FINANCE, Room 103, SH

1:30 p.m. **HB 550,** relative to the disposition of state-owned real estate.

#### WAYS AND MEANS, Room 103, SH

9:30 a.m. **HB 581-FN-L,** relative to recovering moneys from a neighboring state

for mitigation of flooding.

#### WEDNESDAY, APRIL 3

#### **ENERGY AND NATURAL RESOURCES, Room 101, LOB**

9:45 a.m. **HB 516,** establishing a committee to study the overlap of federal, state,

and local regulation relative to environmental issues.

10:00 a.m. **HB 517,** relative to the incidental combustion of untreated wood at cer-

tain municipal transfer stations. NHMA Policy.

#### EXECUTIVE DEPARTMENTS AND ADMINISTRATION, Room 100, SH

9:00 a.m. HB 124-FN, relative to the determination of gainful occupation for a

group II member receiving an accidental disability retirement allowance

from the retirement system.

9:15 a.m. **HB 342-FN**, relative to reporting of compensation paid to retired mem-

bers of the retirement system.

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

9:00 a.m. **HB 206,** relative to political advertising.

9:15 a.m. **HB 308,** relative to technical changes to election laws.

9:30 a.m. **HB 183,** relative to processing absentee ballots. **NHMA Policy.** 

9:45 a.m. **HB 119**, relative to voter registration.

10:15 a.m. **HB 521,** establishing a committee to study New Hampshire election laws

and procedures.

Senate Calendar - continued

#### **TUESDAY, APRIL 9**

#### JUDICIARY, Room 100, SH

10:20 a.m. **HB 442,** prohibiting residency restrictions for registered sex offenders and offenders against children.



#### **HOUSE**

**HB 189,** repealing the commission to study water infrastructure sustainability funding. **Ought to Pass with Amendment.** 

**HB 269-L,** authorizing a city or town to conduct a special meeting necessitated by changes in adequate education funding. **Ought to Pass.** 

**HB 389,** relative to discovery in misdemeanor and violation cases. **Inexpedient to Legislate.** 

**HB** 451-FN, repealing the license requirement for carrying a concealed pistol or revolver. Inexpedient to Legislate.

**HB** 455, establishing a committee to study the use of a cash balance retirement plan for new state employees. **Inexpedient to Legislate.** 

**HB 507-FN**, relative to the maximum permit application fee for certain municipal dredging projects. **Ought to Pass**.

HB 617-FN-A-L, increasing the rate of the road toll and establishing the New Hampshire state and municipal road and bridge account. Ought to Pass with Amendment.

**HB 619-FN,** prohibiting images of a person's residence to be taken from the air. Laid on Table.

**HB 683-FN**, relative to the retirement system status of the director and assistant director of the division of homeland security and emergency management. **Laid on Table.** 

**SB 123-FN-L**, relative to the use of proceeds from the regional greenhouse gas initiative program. **Ought to Pass.** 

Floor Action - continued

#### SENATE Thursday, March 28, 2013

**SB** 99, relative to the process for applying for a certificate for an energy facility. **Ought to Pass with Amendment.** 

**SB 108,** relative to the liability of landowners who permit use of their land for recreational activities. **Ought to Pass with Amendment.** 

**SB 123-FN-L**, relative to the use of proceeds from the regional greenhouse gas initiative program. **Ought to Pass.** 

**SB 154-FN-A-L**, establishing an energy conservation loan program and an energy conservation project fund. **Re-refer to committee**.

**SB 163,** establishing a commission to recommend legislation to prepare for projected sea level rise and other coastal hazards. **Ought to Pass with Amendment.** 



## 2013 LOCAL OFFICIALS W O R K S H O P S

Presented by New Hampshire Municipal Association's Legal Services attorneys, the 2013 Local Officials Workshops provide elected and appointed municipal officials with tools and information to effectively serve their communities.

**APRIL 3 – MAY 11** 9:15 a.m. – 3:15 p.m.

A workshop for NHMA Members.

No registration fee • Pre-registration required

Attendees will receive a copy of NHMA's 2013 edition *Knowing the Territory*. Continental breakfast and lunch will be provided.

#### **Basic Workshops**

An overview of the Right to Know Law, town governance, public employment, liability and more will be provided. Interactive discussions will offer an opportunity to test scenarios, discuss concerns, ask questions and share ideas.

#### Wednesday, April 3

Keene Recreation Center

#### Wednesday, April 10

Moultonborough Public Safety Building

#### Tuesday, April 23

Gorham Town Hall

#### Friday, May 3

McConnell Center, Dover

Questions? Call 800.852.3358, ext. 3350 or email registrations@nhlgc.org.

#### **In-Depth Workshops**

These workshops offer more in-depth coverage of the specific topics listed under each date.

#### Part I, Saturday, May 4

Local Government Center, Concord Topics will include the Right to Know Law, town governance, and budget law.

#### Part II, Saturday, May 11

Local Government Center, Concord Topics will include liability, public employment, conflicts of interest, and streets and highways.

For more information or to register online, please visit www.nhmunicipalassociation.org and click on Training & Events.

Online pre-registration required one week prior to event date. Space is limited!