

LEGISLATIVE BULLETIN

Bulletin 15 — 2019 Session
April 5, 2019

House to Vote on Biennial State Budget

On Wednesday the House Finance Committee voted 13 - 9 along party lines to recommend Ought to Pass with Amendment on **HB 1** and **HB 2**, the biennial state operating budget and associated trailer bill. The House will vote on the two budget bills next Thursday, April 11. Last week's [Legislative Bulletin](#) included a summary of the municipal funding included in the Finance Committee's recommended budget, briefly listed here:

- **\$12.5 million** of municipal aid to be paid by September 1, 2020. The list of estimated amounts by municipality is available [here](#). This represents approximately 50% of the former revenue sharing program (RSA 31-A) that has been suspended since 2010.
- **\$68.8 million** each year for meals and rooms tax distribution, with the statutory catch-up formula suspended for the biennium, thereby freezing the distribution amount at the fiscal year 2017 level.
- Approximately **\$36 million** each year of the biennium for highway block grants.
- **\$6.8 million** each year for municipal bridge aid, resulting in a ten-year backlog based on the current number of municipal bridges on the waiting list for this funding.
- **\$5.7 million** over the biennium for state aid grants (SAG) for wastewater projects substantially completed by December 1, 2018. This includes 58 of the 70 projects addressed in **HB 352**. **HB 2** continues the moratorium on funding any new projects completed subsequent to December 1, 2018.
- **\$887,000** each year for reimbursements to municipalities involved in interstate flood control compacts.
- **\$200,000** each year in the Department of Transportation budget for assisting public transit operators in meeting non-federal match requirements.

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We typically don't include in the *Bulletin* detailed information regarding education funding. However, we want to note that **HB 2** includes changes to the education funding laws that result in an additional **\$165 million** of state aid to school districts in fiscal years 2020 and 2021 over the amounts estimated in current law. The right two columns of the [Education Funding Analysis spreadsheet](#) provided to the House Finance Committee show the estimated difference by municipality in **HB 2** as compared to current law.

Hearing on Town Meeting Postponement Bill

The House hearing on **SB 104**, which clarifies the moderator's authority to postpone either session of a town meeting because of an emergency, has been scheduled for next **Wednesday, April 10, at 2:00 p.m., in LOB Room 308**, before the [Election Law Committee](#). As we have written previously, we **support SB 104** as amended by the Senate, because it preserves the moderator's authority and addresses legitimate concerns about the postponement process. This implements one of NHMA's most important policies, and we will ask the committee to support the bill. Please let us know if you have any questions or concerns.

Independent Redistricting Commission

On Tuesday, the House Election Law Committee will hold a hearing on **SB 8**, the **NHMA policy bill** that establishes an independent commission to draw the boundaries for all state and federal election districts. NHMA's members support an independent redistricting commission because they believe legislative districts should be stable and based on legitimate geographic considerations, rather than tailored to the interests of whatever political party happens to control the legislature. Voters and municipal officials want to know their legislators and not find themselves constantly moved from one district to another to achieve someone else's political goals.

The most frequently cited objection to **SB 8** has been that it unconstitutionally takes the authority for establishing election districts away from the legislature. That claim does not hold up.

It is true that the New Hampshire Constitution directs the legislature to create House and Senate districts, but no one seriously expects all 424 members to sit down and draw a map. Some person or group of persons must draw a map and present it to the legislature for approval. Historically that has been done in private by a very small group of legislators, who do not constitute "the legislature" any

This week's to-do list

- ✓ Ask members of the House Election Law Committee and your own representatives to **support SB 8**, establishing an independent redistricting commission.
- ✓ Ask members of the House Labor Committee and your own representatives to **oppose SB 148**, imposing new requirements on municipalities with respect to union membership.
- ✓ Thank your representatives if they voted in favor of **HB 641**, allowing municipalities to collect a local option hotel occupancy fee.
- ✓ Tell your senator that **HB 616**, granting a COLA to NHRS retirees, will increase property taxes and is an unconstitutional unfunded mandate.
- ✓ Tune in to the House session on the General Court website on Thursday at 10:00 to listen to the several-hour debate on the state budget.
- ✓ Sign up for a Local Officials Workshop, the Legislative Half-Time webinar, and the New Hard Road to Travel Workshop.

(Redistricting— Continued from Page 2)

more than an independent commission would; yet the constitutionality of that process has not been questioned (although the result frequently has been). **SB 8** requires that the commission's redistricting plan be presented to the legislature, and leaves final approval to the legislature, exactly as the constitution requires.

The hearing on **SB 8** is scheduled for **Tuesday, April 9, at 2:00 p.m., in LOB Room 308**. Please encourage members of the [Election Law Committee](#) and your own representatives to ***support SB 8***.

Municipalities May Be Forced to Provide Info on Union Dues

The House Labor Law Committee will hold a hearing next week on **SB 148**, a troubling bill that, among other things, would require every public employer to provide written notice to all employees, at the time of hiring, regarding “the employee's constitutional right to decide whether to join or not to join a union and the estimated cost to the employee of joining a union.” Although this may seem like just another minor, easily accommodated administrative requirement, it is not. Cities and towns that already collect union dues through a payroll deduction will have this information, but most New Hampshire municipalities have no unionized employees, so they have no information on union dues.

Further, dues may vary from one union to another. There are, for example, at least six different affiliated unions that represent police officers in New Hampshire, plus a number of non-affiliated unions. Even if information on each union's dues were publicly available, how would a town with no unionized employees know which dues amounts to include in its notice?

Even if dues information were readily available, it seems inappropriate to saddle municipalities with this requirement. Again, most municipalities have no unionized employees, and in many cases there are not enough employees to form a legal bargaining unit, even if anyone were interested. Thus, the bill requires towns to provide hypothetical information about joining a bargaining unit that can't even be created. In the private sector, it is the union, not the employer, that is required (under federal law) to provide this notice to employees when they are asked to join. That makes sense.

The bill as introduced consisted only of the notice requirement described above. The Senate amended the bill to also require a public employer to give union representatives access to members of the bargaining unit that the union represents, including: (1) the right to meet with employees on the work premises to investigate and discuss grievances; (2) the right to conduct worksite meetings during lunch and other breaks and before and after the workday to discuss workplace issues and union matters; and (3) the right to meet with newly hired employees for 60 minutes not later than 10 days after hire. These obligations probably are manageable—and the bill does allow the municipality to charge the union for additional maintenance and security costs related to on-site meetings—but it is unclear why they are necessary. It is already illegal for an employer to interfere with relations between a union and its members, and public employee unions have managed for decades without these additional accommodations.

(Union Bill— Continued from Page 3)

Testimony at the Senate hearing indicated that these “pro-union” provisions were added to the bill as a compromise to balance the “anti-union” notice requirement in the original bill. But in the compromise between the pro-union and anti-union forces, the municipal employers are the ones that get caught in the middle. We think a better compromise would be to leave the law as it is, and just let the bill die.

The hearing is scheduled for next **Tuesday, April 9, at 10:00 a.m., in LOB Room 307.** *Please let your representatives and members of the [Labor Committee](#) know that **SB 148 imposes undue burdens on local government, and ask them to oppose the bill.***

House Passes Retiree COLA Bill

On Thursday by a [roll call vote](#) of 219-150, the House passed [HB 616](#), which provides a 1.5% cost-of-living-adjustment (COLA) to New Hampshire Retirement System (NHRS) retirees who have been retired at least 5 years by July 1, 2019. The COLA will be calculated on the first \$50,000 of the retiree’s pension and paid to each retiree on his or her first retirement anniversary date following July 1, 2020. The cost to terminally fund this COLA is slightly less than \$77 million, which will be added to the \$5 billion unfunded liability (*i.e.*, deficit) that currently exists in the NHRS pension fund. The COLA will be funded by **increased employer contribution rates** beginning July 1, 2021.

As explained in previous Bulletins, we continue to be concerned that financing retiree COLAs through increased employer contribution rates violates the unfunded mandate provision in Part 1, Article 28-a of the New Hampshire Constitution. Additionally, **HB 616** is contrary to the desire expressed by many legislators to lower property tax burdens across the state.

HB 616 now heads to the Senate for consideration, where it will likely have a hearing before the Senate [Executive Departments and Administration Committee](#), which deals with retirement bills. Please talk with your [senator](#) about the unfunded mandate and increased property tax concerns associated with **HB 616**.

Local Option Hotel Occupancy Fee Heading to Senate

On Thursday the House passed [HB 641](#), an **NHMA policy bill** that authorizes municipalities to adopt a local option hotel occupancy fee of up to \$2 per night for hotel room rentals. This is an important local control bill that will provide a reliable and sustainable revenue option to pay for costs associated with transient populations and tourist-related services, rather than continually increasing property taxes to cover those costs.

Please thank the representatives who supported local control by [voting "yea" on HB 641](#). The bill will now go to the Senate, where we hope for a similar outcome.

HOUSE CALENDAR

TUESDAY, APRIL 9, 2019

ELECTION LAW, Room 308, LOB

- 1:30 p.m. **SB 283-FN**, relative to post-election audits of electronic ballot counting devices.
2:00 p.m. **SB 8**, establishing an independent redistricting commission. **NHMA Policy.**

MUNICIPAL AND COUNTY GOVERNMENT, Room 301, LOB

- 1:30 p.m. **SB 22**, relative to the construction property tax exemption.
2:00 p.m. **SB 31**, relative to membership of the New Hampshire community development advisory committee.

TRANSPORTATION, Room 203, LOB

- 1:30 p.m. **SB 52-FN**, requiring the department of transportation to install a traffic light in the town of Conway.

WEDNESDAY, APRIL 10, 2019

ELECTION LAW, Room 308, LOB

- 10:00 a.m. **SB 7-FN-L**, establishing the secure modern accurate registration act (SMART ACT).
1:00 p.m. **SB 45**, relative to electioneering at polling places.
1:30 p.m. **SB 44**, relative to election procedures, delivery of ballots, and assents to candidacy.
2:00 p.m. **SB 104-L**, relative to the postponement of city, town, village, and school district elections. **NHMA Policy.**

EXECUTIVE DEPARTMENTS AND ADMINISTRATION, Room 306, LOB

- 10:00 a.m. **SB 49**, relative to the state fire code.

LABOR, INDUSTRIAL AND REHABILITATIVE SERVICES, Room 307, LOB

- 10:00 a.m. **SB 148**, relative to notification to public employees regarding their right to join or not join a union.
2:00 p.m. **SB 59-FN**, adding post traumatic stress disorder and acute stress disorder to the definition of “injury” for purposes of workers’ compensation and reestablishing the commission to study the incidence of post-traumatic stress disorder in first responders.

RESOURCES, RECREATION AND DEVELOPMENT, Room 305, LOB

- 10:00 a.m. **SB 74-FN-A**, relative to register of deeds fees used to support the land and community heritage investment program (LCHIP), and establishing a committee to study the economic impact of land conservation.
10:30 a.m. **SB 164**, establishing a committee to study unprotected drinking water sources and estimating the costs of protecting such sources.

SCIENCE, TECHNOLOGY AND ENERGY, Room 304, LOB

- 11:00 a.m. **SB 122-FN**, relative to expenditures from the energy efficiency fund.

WEDNESDAY, APRIL 17, 2019

ENVIRONMENT AND AGRICULTURE, Rooms 301-303, LOB

- 10:00 a.m. **SB 77-FN**, relative to costs of care for animals seized in cruelty cases and prohibiting the future ownership of animals in certain animal cruelty cases.

THURSDAY, APRIL 18, 2019

JUDICIARY, Room 208, LOB

1:00 p.m. **SB 36**, creating a cause of action for certain constitutional deprivations of right.

SENATE CALENDAR

WEDNESDAY, APRIL 10, 2019

ELECTION LAW AND MUNICIPAL AFFAIRS, Room 102, LOB

9:15 a.m. **HB 301-FN-L**, relative to funeral and burial or cremation expenses for assisted persons.

9:30 a.m. **HB 303**, relative to certification of building code compliance inspectors.

9:45 a.m. **HB 312**, establishing a committee to study tiny houses.

10:00 a.m. **HB 370**, relative to membership on city and town planning boards.

EXECUTIVE DEPARTMENTS AND ADMINISTRATION, Room 101, LOB

9:00 a.m. **HB 110-FN-A**, relative to the cost of fiscal analysis of legislation relating to the retirement system.

9:15 a.m. **HB 468-FN-L**, relative to the inclusion of attendance stipends as earnable compensation in the retirement system.

WEDNESDAY, APRIL 17, 2019

EXECUTIVE DEPARTMENTS AND ADMINISTRATION, Room 101, LOB

9:40 a.m. **HB 710-FN**, relative to adoption of state building code and fire code amendments.

10:00 a.m. **HB 562**, relative to the state building code.

10:15 a.m. **HB 259**, relative to building code violations.

10:30 a.m. **HB 343**, relative to application of the state fire code to foster homes.

WAYS AND MEANS, Room 100, SH

10:10 a.m. **HB 700**, relative to valuation of utility company assets for local property taxation.

HOUSE FLOOR ACTION

Thursday, April 4, 2019

HB 116-FN, relative to the job classification of positions in the retirement system. **Passed.**

HB 407-FN, clarifying the non taxability of certain telecommunications devices and equipment. **Passed.**

HB 481-FN-A-LOCAL, relative to the legalization and regulation of cannabis and making appropriations therefor. **Passed with Amendment.**

HB 616-FN, relative to a cost of living adjustment for retirees in the state retirement system. **Passed with Amendment.**

(House Floor Action— Continued from Page 6)

HB 641-LOCAL, allowing municipalities to collect an occupancy fee from operators of local room rentals. **Passed. NHMA Policy.**

HB 729-FN-A, establishing a citizen’s right-to-know appeals commission and a right-to-know law ombudsman and making an appropriation therefor. **Inexpedient to Legislate.**

SENATE FLOOR ACTION

There was no Senate floor action for the week.

2019 NHMA UPCOMING EVENTS FOR MEMBERS	
Apr. 10	2019 Local Officials Workshop (All day), Rochester
Apr. 17	Webinar: Legislative Half-time
Apr. 24	NHMA/NHMLA Workshop: Exactions and Open Space
May 03	Regional Right-to-Know Workshop in Dover

To register for an upcoming event, go to our website: www.nhmunicipal.org and scroll down on the left under CALENDAR OF EVENTS. Click on the green bar *View the Full Calendar* and go to the workshop or webinar you are interested in. For more information, please call NHMA’s Workshop registration line: (603) 230-3350.