THE SERVICE AND ACTION ARM OF NEW HAMPSHIRE MUNICIPALITIES

# LEGISLATIVE BULLETIN

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## The End

The House and Senate finished their work for the regular legislative session this week by taking action on all committee of conference reports. Both chambers approved the state operating budget (see following article) and a number of other bills of municipal interest.

This is the last weekly *Legislative Bulletin* until December. We will publish the *Final Legislative Bulletin* as soon as all of the 2013 session laws are available. You can see all bills as they become law at the 2013 Chaptered Final Version page on the legislature's website (listed under "General Court News and Hot Links").

There will be no significant legislative activity in July. Subcommittees will begin meeting on retained bills in August. Please see <u>Legislative Bulletin #24</u> for a list of bills retained in the House that are of municipal interest. You can follow these bills in the House calendar (which is published only fortnightly during the summer), or call the Government Affairs staff for more information. There are also several study committees that will be meeting in the late summer and early fall.

As the Governor has not vetoed any bills this year, and we know of no likely vetoes, the House and Senate may not need to convene for a "veto day." A special session is likely in the fall to take up the issue of Medicaid expansion. If any action is necessary in connection with that or any other legislative activity, we will issue a special *Bulletin* or a Legislative Alert.

# Biennial Budget Adopted

On Wednesday, the House and Senate adopted the committee of conference version of **HB 1** and **HB 2**, establishing and implementing the state operating budget for the biennium beginning July 1, 2013. The budget passed both chambers with overwhelming support: the Senate majority leader noted that while this was the 13<sup>th</sup> budget he had voted on, it was the first one he could recall that received unanimous support in the Senate. The House also provided very strong support, and the Governor has indicated that she will sign both bills.

## Biennial Budget - continued

As we have reported in previous *Bulletins*, there is much for municipalities to be happy about with this budget, especially when compared to other recent state budgets: an increase in the meals and rooms tax distribution, full funding of the state aid environmental grants for those projects on the delayed and deferred list (see article below), full funding for the Land and Community Heritage Investment Program (LCHIP), full funding of flood control compacts, maintenance of highway block grant funding, and increases in the municipal portion of vital records fess. Details are available in last week's *Bulletin*.

While legislators and others praised the efforts of all involved in formulating a balanced budget, there was also recognition of several major issues that will need to be addressed in the near future, including Medicaid expansion and funding for significant transportation infrastructure improvements (see article below). Also, there is now a moratorium on any future state aid environmental grants for water, wastewater and landfill closures, which raises questions about how the state may (or may not) fund this partnership in the future. Two bills, HB 338 and HB 397, dealing with funding of environmental grants, have been retained by the House Resources, Recreation and Development Committee, and will be studied over the summer and fall, with recommendations presented by November 1.

So while the 2014-2015 biennial budget process has come to a close, there will be plenty of work to do over the next year on issues that will affect future municipal funding. We will work with legislators on these issues and will keep local officials apprised of developments.

### **Voter ID Bill Survives**

The House and Senate adopted the committee of conference recommendation on the voter ID bill, **HB 595** (see description in <u>last week's Bulletin</u>), but not without some difficulty. The compromise recommended by the committee of conference, which is stricter than the current law but less strict than the law scheduled to take effect September 1, was the subject of a flurry of last-minute misinformation and political pressure that peeled off a number of supporters and threatened to sink the bill.

Opponents of the bill, primarily outside the legislature, claimed that the bill would "gut the new voter ID law." That was the opposite of the truth. The version approved by the committee of conference is *stricter* than current law in several ways: (1) it requires that most forms of ID not have exceeded their expiration date by more than five years, whereas current law allows most IDs without regard to expiration date; (2) it defines more narrowly what constitutes a "valid student identification card"; and (3) it no longer allows unspecified IDs issued by a federal, state, county, or municipal government. The bill does not allow any form of ID that is not allowed under the current law.

#### Voter ID Bill - continued

Republicans who supported the bill were threatened with primary challenges next year. Approval in the Democratic-controlled House was never in doubt, but Senate approval was far from certain. Fortunately, enough legislators withstood the pressure, and the committee of conference report passed the Senate 14-10 and the House 231-121. As a result, election officials will not need to waste their time at the fall and spring municipal elections conducting photo shoots that would have absolutely no effect on voter fraud.

We thank all the moderators, city and town clerks, and other local officials who worked so hard to keep this bill alive. Please be sure to thank your legislators who voted to support the bill. Click <a href="here">here</a> to see how senators voted, and <a href="here">here</a> to see how representatives voted. (A "yea" vote is to support the committee of conference recommendation.)

## Important Meeting for SAG Municipalities

The Department of Environmental Services (DES) will host a meeting of the municipalities on the delayed and deferred state aid grant (SAG) list to review the process for arriving at the correct SAG grant award amounts, and to discuss a tentative schedule for issuing payments to these municipalities. This meeting is scheduled for 9:00 a.m. to 12:00 noon, Tuesday, July 16, in the auditorium at the DES main office, 29 Hazen Drive, Concord. Click here for directions. If your city or town is on the D&D list, please be sure someone from your municipality attends this important meeting.

### **DOT** Paints a Bleak Picture

The New Hampshire Department of Transportation gave a presentation this week to the House Public Works & Highways Committee on the likely consequences of the legislature's failure to approve additional funding for roads and bridges. The department's predictions should be of serious concern to all municipal officials.

The department explained that highway funding has been propped up in recent years by a number of one-time revenue sources. These included federal stimulus funding beginning in 2009, \$120 million from the sale of a portion of I-95 to the turnpike system in 2010 (payable over six years), and approximately \$85 million in the 2010-11 biennium from the vehicle registration surcharge. All of those sources have now dried up or will soon. As a result, unrestricted highway fund revenues have declined from \$339 million in 2010 to \$276 million in 2013, and are projected to decline further to \$231 million by 2016--a decline of about 32 percent in six years. This has occurred at a time when the cost of materials has increased dramatically.

Without additional revenue, work on the widening of I-93 will have to cease in 2015, leaving the project unfinished between exits 3 and 5 and north of exit 5. Resuming the project at a later date is complicated by the fact that the required environmental permits expire in 2020.

#### NH DOT - continued

The department also will face a \$50 million deficit, which, absent statutory changes, can only be closed through layoffs. Eliminating the deficit solely through layoffs would require 600 layoffs, or about a third of the department.

The department is currently able to pave only about 300 miles of state road every year, compared to a goal of 500 miles. The commissioner stated that DOT will continue to give priority to roads that are in relatively good condition, as this is more cost-effective. This means, however, that the worst roads will continue to deteriorate.

The commissioner stated that there are about 700 red-listed or "near-red-listed" state and municipal bridges in the state. At current funding levels, to renovate all of them would take *94 years*—assuming they don't continue to age!

The good news is . . . actually, there is no good news. It just gets worse. In short, state roads will continue to deteriorate, there will be less money for state and municipal bridge repairs, and--most alarmingly--DOT will need to find ways to cut expenses. Although it does not have the authority to reduce the 12 percent of road toll revenue that goes to municipal block grants (and has not expressed any desire to make that cut), the legislature does have that authority.

Municipal officials are well aware of what can happen when the state gets desperate for money. In the unlikely event that anyone does not remember, take a look at how your retirement costs have changed over the last four years.

Municipalities need to start preparing *now* to resist any downshifting of transportation costs in the next legislative session. In discussions with your legislators over the next several months, please emphasize that (1) any reduction in highway block grants is unacceptable; and (2) the legislature must find a way to provide *significant* additional funding for roads and bridges. This should be at the top of everyone's priority list.



SB 188-FN, relative to municipally-owned utilities. Committee of conference report adopted.

**HB** 1-A, making appropriations for the expenses of certain departments of the state for fiscal years ending June 30, 2014 and June 30, 2015. Committee of conference report adopted.

**HB 2-FN-A-L,** relative to state fees, funds, revenues, and expenditures. **Committee of conference report adopted.** 

Floor Action - continued

**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. **Committee of conference report adopted.** 

**HB** 183, relative to processing absentee ballots. NHMA Policy. Committee of conference report adopted.

HB 252, consolidating the property appraisal division and the municipal services division of the department of revenue administration. Committee of conference report adopted.

**HB 295-FN,** requiring criminal background checks for volunteers and employees at youth skill camps. **Committee of conference report adopted.** 

**HB 518,** relative to establishing an individual's status as a veteran and specifying that training for active duty is service for purposes of the veterans' tax credit. Committee of conference report adopted.

HB 595-FN, relative to photo identification of voters. NHMA Policy. Committee of conference report adopted.

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# NHMA Right to Know Webinar Series

## Register on-line

sign up once to participate in one or both sessions.



# Notices and Minutes under the Right to Know Law July 17, 12:00 p.m.

This webinar will focus on the requirements for posting notice for public meetings, nonpublic sessions, and public hearings, along with the issue of meeting agendas. We will also discuss meeting minutes, including the information required, deadlines, draft v. approved minutes, the process for amending minutes, and how to handle the material used to create the minutes. This webinar is designed for both the administrative staff handling notice and minutes for municipal boards and the board members whose meetings generate these questions.

# Handling Requests for Records under the Right to Know Law July 24, 12:00 p.m.

All municipalities receive requests for records from the public and the media. This webinar will focus on the legal requirements for responding to requests, including time limits, appropriate responses, format of records provided, and limitations on the public's rights to governmental records. We will also offer some practical suggestions for developing a response plan in your municipality and communicating it effectively to those on the front lines receiving the requests.

Presented by NHMA Staff Attorneys Chris Fillmore and Paul Sanderson.



These webinars are complimentary and available only to members of the NH Municipal Association.

For registration questions, please contact: Christian Pearsall at cpearsall@nhlgc.org or phone 603-224-7447 x3320