

New Hampshire Municipal Association

THE SERVICE AND ACTION ARM OF NEW HAMPSHIRE MUNICIPALITIES

LEGISLATIVE BULLETIN

Legislative Bulletin 20

2025 Session

May 23, 2025



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Key Zoning Mandates Stall in the House

The House met Thursday and voted to table two bills that had major implications on local planning and zoning, [SB 170](#) and [SB 174](#). Later that day, a House committee voted to retain [SB 84](#), another statewide zoning mandate. **These outcomes could not have happened without the collective efforts of NHMA members and concerned citizens throughout the state.**

SB 170 contains multiple changes regarding development and related requirements in municipalities.

SB 174 prohibits planning boards from considering the number of bedrooms a given unit or development has during the hearing and approval process.

With less than two weeks left to act on Senate bills this year, the hope is that these bills—both of which came out of committee with ought to pass recommendations—will stay on the table. You can review the [SB 174 roll call](#) to see how your local legislators voted.

Following the House session, the [House Housing Committee](#) met briefly and unanimously voted to retain **SB 84**, which mandates specific lot sizes for all single-family homes, overriding current zoning regulations in many municipalities.

Your testimony, emails, letters, and calls helped educate and mobilize legislators to take a deeper look at these flawed bills and pump the brakes. But please don't think of this as a victory lap; legislation is not a zero-sum game (and there's much more work to be done before the session ends). There is broad agreement that housing supply and affordability is a major issue in New Hampshire, but the municipal perspective had been mostly dismissed until yesterday. The most important victory yesterday was not necessarily that the bills were tabled; the real victory is that **your voices mattered**. Maybe now, with the input and good faith of all stakeholders, meaningful progress can be made on these issues and real New Hampshire solutions to real New Hampshire challenges can replace statewide mandates and cookie-cutter model legislation from special interests.

That said, it's not all rainbows and butterflies: Several other mandates were passed by the House or Senate on Thursday (see below), but this week's actions on **SB 84**, **SB 170** and **SB 174** are truly a positive development.

Senate Finance Votes to Restore M&R Revenue

The [Senate Finance Committee](#) met this morning and unanimously endorsed an amendment leaving the 30% municipal share of the meals and rooms tax intact. In its version of the state budget, [HB 1](#) and [HB 2](#), the House suspended the 30% municipal share in FY 26-27, replacing it with a flat appropriation of \$137 million per year. NHMA is grateful to the senator from District 2 for introducing this amendment (am-1939s).

While this is great news, it is not a done deal. The full Senate still must vote on the final budget, which will then almost certainly go to a committee of conference where this issue will be negotiated. Municipalities should continue to encourage their [senator](#) and [representatives](#) to maintain the status quo on the meals and rooms tax.

Senate Finance has been meeting daily and took action this week on other items impacting municipalities directly or indirectly. The committee added language to the budget from an unrelated bill that changes the local option for Keno to an opt-out, rather than the current opt-in that has existed since 2017. This Keno-by-default language would override previous votes in municipalities to not allow this lottery game, as well as communities where the governing and legislative bodies never wanted to take up the question on their warrant. An attempt to add Keno by default in the House budget was already defeated, so there's a chance that this subversion of local control may not survive in the final budget. Please [contact committee members](#) now and **ask them to reconsider including this provision in the budget**.

Senate Finance chose not to include any new funding for the Housing Champions program, which provides grants to towns and cities that change their zoning codes to be

more conducive to housing development. The Senate also let stand the House's cut to state funding for regional planning commissions (\$100,000), which likely will be downshifted to participating municipalities through increased dues.

A looming issue with long-term cost implications for municipalities that hasn't been discussed yet is the restoration of retirement benefits for about 1,500 Group II (police and fire) members of the New Hampshire Retirement System (NHRS) who were hired prior to July 1, 2011. Although the budget currently contains \$55 million over two years to begin funding these changes—with language to continue this funding through 2034 (a \$275 million commitment!)—NHMA remains concerned that the state may not have the resources to cover the ongoing cost of these changes over a multi-year period. It's important to be aware that **a future legislature is not bound by this funding commitment and can simply amend it away at any time**, which would mean significant increases in municipal employer retirement contribution rates. As it is, even if the annual \$27.5 million in state funding remains in effect, employers are projected to pay another \$6.6 million in retirement contributions in FY 28. It's also noteworthy that the benefit changes for this subset—just over 25% of active police and fire personnel—do not apply to first responders hired on or after July 1, 2011, who make nearly two-thirds of active Group II members—or any of the more than 9,000 active teachers and municipal and state employees (NHRS Group I-Tier B) who also saw their pension benefits modified in 2011. The precedent created by this year's changes would open the door for other, larger member segments to seek similarly costly changes in future years.

Senate Finance already has multiple meetings scheduled next week and isn't expected to complete its work until early June.

House, Senate Pass Some Zoning Mandates

The House, on a 276-82 division vote, passed [SB 188](#) on Thursday. The bill, as amended, allows property owners or developers to use licensed, insured private providers for building code plan reviews and inspections related to the state building code and any local technical amendments, excluding fire prevention and fire safety codes. The amendment gives municipalities the ability to approve private providers and makes some positive changes recommended by stakeholders, although NHMA continues to oppose the bill as a diminishment of local control. The Senate must concur, non-concur, or request a committee of conference on the amended bill. [Contact your senator](#) now and ask them to vote for non-concurrence.

Four other zoning mandates opposed by NHMA were passed as part of the consent agenda, but there is still a chance for municipalities to advocate the Senate to non-concur on three bills that were amended by the House:

[**SB 281**](#) prohibits municipalities from denying building or occupancy permits for property adjacent to class VI roads under certain circumstances. Municipalities currently may restrict building on class VI roads to prevent overdevelopment of undeveloped infrastructure and control scattered and premature development. While the bill requires that landowners sign a liability waiver, it does not consider whether the class VI roads and abutting properties can sustain new development. The bill will be enrolled and sent to the governor.

[**SB 282**](#), as amended, allows residential buildings with four or fewer floors to have only one stairway, provided that the building is equipped with a compliant sprinkler system and meets specific fire code requirements. The bill would override local zoning ordinances in some municipalities.

[**SB 283**](#), as amended, mandates that municipalities exclude below-grade areas, which include basements and sublevels, from the calculation of floor-area-ratios for new construction projects. The amendment removed language enabling municipalities to review and revise height limitations to maximize height potential for new construction.

[**HB 296**](#), as amended, relative to issuing building permits along private roads.

The Senate must concur, non-concur, or request a committee of conference on **SB 188**, **SB 282**, **SB 283** and **SB 296**. [Contact your senator](#) now and ask them to vote for non-concurrence on these bills.

The Senate also passed a pair of amended zoning mandates on Thursday:

[**HB 342**](#), as amended, allows property owners to build on their property without seeking a variance for minimum lot size or lot coverage if the proposed building density conforms to that of the surrounding neighborhood.

[**HB 457**](#), as amended, prohibits municipalities from adopting any ordinance that restricts the number of occupants of any dwelling unit to less than 2 occupants. Passed with amendment.

[Contact your local representatives](#) now and ask them to **vote for non-concurrence** on both of these bills.

Additional Zoning Mandates Still in the Mix

Here is an update on other priority zoning mandates still in play this session:

SB 284, as amended by the House, reduces the number of residential parking spaces per residential housing unit from 1.5 to one. [Contact your senator](#) now and ask them to vote for non-concurrence.

SB 163, as amended, prohibits local moratoria and limitations on building permits for housing developments and adds the language from the [House version of HB 685](#), mandating manufactured housing by right in residentially zoned areas. The bill is recommended ought to pass (OTP as amended), and must be voted on by June 5. [Contact your local representatives](#) now and ask them to rally enough colleagues to take this bill off the consent calendar so it can be tabled or killed. (A minimum of 10 House members are needed to pull a bill from the consent calendar.)

The House is expected to request a committee of conference on **HB 685**, a priority bill opposed by NHMA that mandates manufactured housing by right in residentially zoned areas.

Possible Compromise on Ambulance Billing

The House and Senate appear to have reached a tentative agreement aimed at stabilizing public and private ground ambulance services and eliminating balance billing, according to multiple media reports. The deal would require insurers to reimburse providers at 325% of Medicare rates for two years on the condition that the ambulance service begins the process of becoming an in-network provider. During that period, a newly formed commission will conduct an in-depth study to determine fair, long-term reimbursement rates. If approved, the measure will prevent surprise billing for patients while working toward a permanent funding solution.

Stabilizing ambulance costs, particularly in rural areas, has been the subject of multiple bills filed this year. The [House Commerce and Consumer Affairs Committee](#) has an executive session on one of the ambulance bills, **SB 245**, on **Tuesday, May 27, at 1:15 p.m. in LOB Room 302-304**, when it is likely to vote on an amendment containing the compromise language. The [Senate Health and Human Services Committee](#) is also holding on to a competing ambulance bill, **HB 316**, and could update that bill with the same language, although the committee currently has no meetings scheduled.

Other Senate, House Actions This Week

The Senate and House met on Thursday. In addition to acting on multiple zoning mandates referenced above, here is a roundup of other votes this week. NHMA's position on each bill is shown in parenthesis after the bill number. Priority bills are denoted with an asterisk (*).

Senate Session

Although it was taken off the consent calendar and debated, the Senate passed [HB 475*](#), which affects default budgets in official ballot town meetings. Overall, **HB 475** makes budgeting more rigid, complicating hiring, salary adjustments, and financial flexibility needed for routine governance. This bill will be going to the governor now, and we're asking officials and residents in SB towns—and anyone who supports responsible governance—to [contact the governor's office](#) and request she veto this significantly flawed legislation.

Other bills:

[HB 80](#) (oppose), allowing a public body member's presence at a meeting by electronic or other means of communication only if physical presence is unavoidable. **Inexpedient to Legislate (ITL)**.

[HB 228](#) (oppose), relative to petitioned articles at annual or special town meetings. **Passed** with amendment.

[HB 464](#) (oppose), prohibiting certain candidates for political office from participating in counting ballots. **Passed** with amendment.

House Session

[SB 272](#) (support), relative to electric vehicle charging station funding. **ITL**.

[SB 291](#) (oppose), relative to the religious use of land property tax exemption. **Passed** with amendment. Although NHMA continues to oppose this bill, the amendment meaningfully limited the scope of the exemption.

New Laws Impacting Municipalities

The governor signed nearly two-dozen bills into law on May 16, including several NHMA is monitoring:

[HB 99](#), increases the optional maximum waiver from property taxes for disabled veterans from \$4,000 to \$5,000. *(Effective 7/13/25)*

[HB 269](#), changes the requirement that there be a Saturday session of the supervisors of the checklist prior to election day, so long as the session occurs as required by statute. *(Effective 7/13/25)*

[HB 426](#), permits a charitable organization to request a property tax exemption for the 2024 tax year if they demonstrate to the selectmen that they were prevented by accident,

mistake, or misfortune from filing the statement of financial condition before June 1, 2024. (Effective 5/14/25)

House and Senate Deadlines

House

- Thursday, May 29: Last day to report all remaining Senate bills (SBs) and last day to report list of retained SBs
- Thursday, June 5: Last day to act on SBs.

Senate

- Thursday, June 5: Deadline to act on all House bills.

House and Senate

- Thursday, June 12: Deadline to form Committees of Conference.
- Thursday, June 19: Deadline to sign Committee of Conference Reports.
- Thursday, June 26: Deadline to act on Committee of Conference Reports.

Reminder: Sharing is Caring ... About Good Public Policy!

If you know of anyone who may benefit from the NHMA *Legislative Bulletin* feel free to pass this email along and encourage them to sign up!

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NHMA Events Calendar
2024 Final Legislative Bulletin

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