

New Hampshire Municipal Association

THE SERVICE AND ACTION ARM OF NEW HAMPSHIRE MUNICIPALITIES

# LEGISLATIVE BULLETIN

Legislative Bulletin 8

2025 Session

February 28, 2025



[Live Bill Tracker](#)  
[Bill Hearings Schedule](#)

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## A Chance to Speak Up on Zoning, Planning Bills

On **Tuesday, March 4**, beginning at **10:00 a.m.** in **State House (SH) Room 100**, the [Senate Commerce Committee](#) will hold public hearings on a number of planning and zoning mandates which would take away local control and voter authority.

Municipal officials are encouraged to testify or [sign in](#) against these attempts to usurp local decision making or, if that isn't possible, [contact](#) Senate Commerce Committee members directly to register opposition.

### **Bills opposed by NHMA:**

- [SB 90](#) (10:00 a.m.) requires municipalities to allow high-density residential development on land zoned for commercial use, provided that adequate infrastructure, including roads, water, and sewage systems, is available or provided to support the development. NHMA opposes this bill because it is a zoning mandate that takes a one-size-fits-all approach that does not work for all communities, as well as the potential impact high-density developments could have on municipal revenue and expenses.
- [SB 174](#) (10:15 a.m.) prohibits planning boards from considering the number of bedrooms a given unit or development has during the hearing and approval process. Municipalities often regulate the number of bedrooms per dwelling unit

in dense zoning districts to ensure the infrastructure capacity exists to support the developments and housing in those zoning districts. These requirements also limit the number of parking spaces required for the development, which might be necessary if there is limited land for parking.

- **[SB 175](#)** (10:30 a.m.) allows municipalities to adopt ordinances that allow the enforcement of private covenants enacted by past landowners or homeowners' associations. Workforce housing is exempt. Although this is a local option, we are concerned this bill could put municipalities in the uncomfortable position of interpreting and enforcing private covenants if they adopt ordinances to do such. The primary reason for NHMA's opposition is that the bill would restrict municipalities from requiring or encouraging the establishment of covenants as a condition of any zoning or land use approval. Municipalities do have an interest in ensuring that new private developments have enforceable private covenants to protect landowners and prevent conflicts.
- **[SB 281](#)** (10:45 a.m.) prohibits municipalities from denying building or occupancy permits for property adjacent to class VI roads under certain circumstances. Municipalities may restrict building on class VI to prevent overdevelopment of undeveloped infrastructure and, in this case, unmaintained roads and to control scattered and premature development. While the bill requires that landowners "sign a liability waiver acknowledging that the municipality shall not maintain the highway nor provide any services to any lot accessible by the highway," it does not consider whether the class IV roads and abutting properties can sustain new development. Additionally, it increases the chance that property owners who live on the class IV road request the road become regularly maintained, which increases costs.
- **[SB 163](#)** (11:30 a.m.) prohibiting local moratoria and limitations on building permits. In rare circumstances, municipalities need to delay or restrict the issuance of permits. Municipalities do this when they have infrastructure failures, typically water and sewer systems, and can no longer sustain increased development. These municipalities must do several things to abide by RSA 674:23, which permits these ordinances and requires providing information, in writing to the state. This is a comprehensive and last resort option for municipalities struggling with failing or already failed infrastructure that cannot support new development.

**Other bills NHMA is following:**

- **[SB 283](#)** (11:00 a.m.) relative to the calculation of floor-area-ratios under local building ordinances.
- **[HB 399](#)** (11:45 a.m.) establishing a commission to study the New Hampshire zoning enabling act.

For detailed instructions on ways to share your position on these and any other bills, see “How to Make Your Voice Heard” below.

## **Risk Pool Regulation Bill Introduced**

On **Tuesday, March 4**, at **1:00 p.m.** in **SH Room 103** the [Senate Finance Committee](#) and [Senate Election Law and Municipal Affairs Committee](#) will hold a joint public hearing on **SB 297**, which relates to the operations and oversight of risk management pools. **SB 297** was introduced after the deadline to file legislation as a “late bill.”

Pools are created by cities, towns, counties, and school districts to reduce risks and associated costs, shifting risk from an individual political subdivision to the pool. NHMA supports the ability of members to establish and govern the pools and understands that clear regulations that protect the members and allow the pools to operate are necessary. We are monitoring this bill closely due to its potential impact on municipal budgets and operations.

The language of the bill only became public this week, but it contains several provisions that could potentially increase costs for cities, towns, counties, and school districts that are members of the pools:

- The requirement to begin collecting additional contributions (assessments) from participating members if an annual audit or actuarial determination, or secretary of state investigation, shows that the assets of the pooled risk management “appear” insufficient could create unbudgeted municipal expenditures for members outside the annual budget cycle, depending on the timing of the members’ fiscal years. Failure to address funding issues within 30 days of receiving an abatement order from the secretary of state’s office could lead to the pool being put in receivership.
- The requirement that the risk pool reimburse the secretary of state for costs incurred for oversight would be a new administrative cost for the pool that could be passed along to the members.
- New contingency reserve requirements may impact the rates members pay. Staying within the maximum and minimum contingency reserve percentages may increase rates or create volatility for annual contribution rates.

We are recommending that members who participate in a risk pool monitor this legislation or reach out to your senator if he or she sits on the Senate Finance Committee or Senate Election Law and Municipal Affairs Committee.

## New SAG Funding Removed in Proposed Budget

Remember what we said about the devil being in the details when it comes to the state budget? Well, the [draft trailer bill language](#) released as part of the governor's budget proposal includes a repeal of \$15 million set aside for each of the 2026 and 2027 fiscal years to fund the state share of wastewater projects under the State Aid Grant (SAG) program pursuant to RSA 486. These funds were appropriated in the state budget adopted in 2023.

Historically, the legislature has, by law, expressly authorized the SAG program to provide grants to municipalities of 20% to 30% of the principal and interest payments on completed and eligible environmental infrastructure projects. However, sufficient funding for the grants had not always been included in the state budget. The governor's budget does include maintenance funding for existing grants (\$8.9 million in FY 26 and \$8.6 million in FY 27), but no funding for new grants.

This creates uncertainty for municipalities that have recently begun their projects or are trying to plan out the costs of new, big projects that would be eligible for grants.

Since infrastructure capacity is related to increasing housing units, SAG grants have a tangible impact on everyone who calls New Hampshire home. Testifying on an unrelated bill about extending public water infrastructure in the southern tier earlier this month, one legislator said it better than we could: "Simply saying 'let's build more and change zoning' will not solve the housing crisis without the necessary municipal services of water, sewer, and electricity."

The good news is that the Senate has already passed, then tabled, [SB 240](#), an NHMA-supported bill, that appropriates \$15 million each for SAG grants in 2026 and 2027. It is normal for the Senate to pass and table this type of appropriations bill for potential inclusion in the budget, as the Senate gets its stab at the budget later in the session when revenue projections will be more concrete. While we hoped **SB 240** would further supplement the program, it would at least provide some new funding. A similar House bill, [HB 97](#), was retained in committee earlier this month.

Please contact [House](#) and [Senate](#) finance committee members to support including SAG funding in the state budget.

## Senate to Vote on "Building Permits by Default" Bill

The Senate is expected to vote on [SB 188](#) when it meets next **Thursday, March 6**.

**SB 188**, which NHMA opposes, would allow 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. If an owner or contractor retains an independent provider, the municipal regulatory authority must reduce the fee charged for such services by the amount of cost savings realized by the regulatory authority.

Most troubling, **SB 188** requires a municipal regulatory body to review and approve, or provide written notice to the independent provider of any specific deficiencies or compliance issues, within a required number of days (3 days or 5 days for code inspections depending on the type of building and 8 days for reviews of development documents and permits). Approvals will be considered granted as a matter of law if the municipal regulatory body fails to respond within the mandated time limit. (In comparison, the expedited state permitting process proposed by the governor has a 60-day window!)

NHMA believes **SB 188** creates a troubling “building permits by default” model and would have multiple impacts on municipal revenue and expenses.

Supporters of this bill have alluded to unnamed towns that are said to drag their feet on the review process or have “bad apple” building inspectors who “had it out” for some builders. Without any specific examples of behaviors that go beyond reasonable differences of opinion over the interpretation of codes and ordinances, it’s hard to counteract that narrative; however, it does beg the question: Does it make sense to create an entirely new framework for building code plan reviews and inspections in New Hampshire in response to anecdotes? Or is **SB 188** an overreaction that will need to be modified through future legislation?

Members are **strongly** encouraged to reach out to [individual senators](#) and explain how this bill would impact on your ability to manage planning and zoning compliance and inspections.

Also on the Senate calendar are 13 bills NHMA has taken a position on, including two additional priority bills.

### **Priority Bills:**

**SB 84** mandates zoning ordinances to allow smaller lot sizes for single-family homes, overriding current zoning regulations. The bill also requires municipalities to provide empirical evidence that the sewer system cannot support the lots, which adds a layer of complexity and burden on local governments. Recommendation: OTP-with amendment. NHMA opposes the bill.

**SB 130**, as amended, this bill establishes a commission to study delivery models for emergency medical services in New Hampshire. Recommendation: OTP-with amendment. NHMA supported the original bill, which dealt with ambulance reimbursement rates.

### **Other Bills (with NHMA position on the bill):**

**SB 71** (oppose), relative to cooperation with federal immigration authorities. Recommendation: OTP-A.

**SB 78** (oppose), setting the zoning board of adjustments appeal period at 30 days. Recommendation: Ought to pass (OTP).

**SB 81** (support), increasing the annual real estate transfer tax revenue contribution and making an appropriation to the affordable housing fund. Recommendation: OTP.

**SB 115** (support), making an appropriation to the Southern New Hampshire Regional Water Project. Recommendation: OTP-A.

**SB 155** (support), allowing for the use of highway toll credits by municipalities as a match for federal highway funds for certain projects. Recommendation: Re-refer to committee.

**SB 217** (oppose), relative to public notice of historic tax rates and tax impacts of proposed projects. Recommendation: OTP-A.

**SB 220** (oppose), relative to public hearings and deliberation for the denial of tax exemptions. Recommendation: Re-refer to committee.

**SB 225** (oppose), requiring public notice before reassessment of property values for local tax purposes. Recommendation: OTP-with amendment.

**SB 242** (oppose), relative to the cost-of-living adjustments for certain police and fire retirees in the NH retirement system. Recommendation: OTP.

**SB 261** (oppose), requiring that custodial interrogations be recorded and establishing a fund to make grants to law enforcement agencies to purchase equipment. Recommendation: Re-refer to committee.

**SB 289** (oppose), relative to use and preservation of body-worn camera recordings in certain matters. Recommendation: Re-refer to committee.

### **Meanwhile, in the House ...**

The House also meets Thursday and 14 bills NHMA has a position on are on the agenda, including two priority bills.

#### **Priority Bills:**

**HB 425**, allow religious organizations to keep their tax exemption even if they rented the property. NHMA opposes this bill as it will increase property taxes for all other taxpayers, which would be a material reallocation in communities where religious organizations own land that they don't use and is currently taxed. Recommendation: OTP.

[HB 577](#), allows either one detached or attached accessory dwelling unit (ADU) by right on single-family lots. NHMA opposes this bill because it requires municipalities and cities to allow detached ADUs, which would put a strain on municipal services and infrastructure. The bill would essentially turn single-family residential zones into two-family residential zones. The amendment clarifies tools municipalities can use to regulate ADUs by being able to determine aesthetic requirements and mandate one of the structures remains owner-occupied; however, the bill would repeal several other provisions that provide for local regulation in the current ADU statutes. Recommendation: OTP-with amendment.

**Other Bills (with NHMA position on the bill):**

[HB 114](#) (oppose), removing fees and charges for governmental records under the right-to-know law and reinstating potential liability for disclosure of information exempt from disclosure. Recommendation: ITL.

[HB 143](#) (oppose), relative to the issuance of no trespass orders on municipal or school district property. Recommendation: OTP-A.

[HB 230](#) (oppose), relative to the adoption of public health ordinances by municipalities. Recommendation: OTP-A.

[HB 294](#) (support), removing the ability of 10 voters to postpone the processing of absentee ballots until after the polls close. Recommendation: OTP.

[HB 305](#) (support), relative to speed and red-light cameras for traffic enforcement. Recommendation: ITL.

[HB 624](#) (support), establishing a local river management advisory committee grant program and making an appropriation therefor. Recommendation: OTP-A.

[HB 625](#) (support), relative to enabling municipalities to levy payments against non-profits at a percentage of their assessed property values. Recommendation: ITL.

[HB 649](#) (oppose), eliminating the requirement of a physical safety inspection and on-board diagnostics testing for all private passenger vehicles. A portion of inspection fees go to municipalities. No recommendation.

[HB 683](#) (oppose), expanding the list of counties where off-highway recreational vehicle (OHRV) operations are allowed on designated roads. Recommendation: ITL.

[HB 685](#) (oppose), mandating manufactured housing by right in residentially zoned areas. Recommendation: OTP-A.

[HB 691](#) (oppose), prohibiting the addition of fluoridation chemicals to public water systems. Recommendation: ITL.

**HB 746** (oppose), relative to an award of attorney's fees upon a successful appeal of a local property tax assessment. Recommendation: ITL.

**HB 782** (oppose), expanding property tax exemptions for certain elderly and disabled persons and raising public awareness regarding tax credits and exemptions. Recommendation: ITL.

## Local Option Public Safety Assessment Fee

On **Monday, March 3**, the **House Municipal and County Government Committee** will hold an executive session on **HB 544**, an NHMA-supported bill that would give municipalities the option to adopt a fee on no more than \$2 per day to be assessed on hotel occupancies for municipal public safety services, helping offset the cost of services associated with increased tourism and transient traffic.

Currently, no state law authorizes municipalities to assess and collect a local option hotel occupancy fee. **HB 544** would help ease the financial burden placed on property taxpayers from added public safety costs associated with tourists or with significant growth in their daily "population" from serving as a regional economic hub. A similar local option is already in effect in Vermont. Please [contact committee members](#) to express your support for this local option.



## C-PACER Update Signed Into Law

NHMA was pleased to attend the signing ceremony for **SB 4**, the first bill signed into law this session by the **governor**. This bill updates, clarifies, and adds more detail to RSA 53-F, a statute created in 2010 that gives municipalities the option to create energy efficiency and clean energy tax assessment districts. The current acronym used to



describe these districts is C-PACER, which stands for commercial property assessed clean energy or resiliency.

Owners of commercial properties in C-PACER districts may seek long-term financing from private lenders for clean energy and resiliency improvements. Participating property owners repay the financing through special assessments placed on their properties, which are billed and collected as part of their annual property tax bills.

The statute designates the New Hampshire Business Finance Authority to administer the program statewide with administrative costs borne by the owners of eligible properties participating in the program. In addition, municipalities will be reimbursed by the BFA for any local expenses incurred to administer the special assessments.

NHMA supported this bill and worked with the sponsor on drafting it last year.

## **We're Past the Quarter Turn**

The February school vacation week roughly marks the end of the first quarter of the legislative session, which won't end until June when committee of conference reports are acted on.

The next big date will be crossover day on April 10, the deadline for all House and Senate bills to be acted on. Between now and then, the biggest thing to watch for is the introduction and hearings on the House version of the state budget, HB 1 and HB 2.

Sixteen bills we are following have been killed and 14 have been retained in committee, thus far, but that still means NHMA continues to track well over 300 active bills. Stay tuned!

## **How to Make your Voice Heard**

The adage goes that "life is all about showing up." The same can be said for legislative advocacy. If a bill is of importance to your municipality, it's always best to make your case – for or against – in person. Every Friday, NHMA posts a [Bill Hearings Schedule](#) for the upcoming week. However, if you can't make it to Concord, you can use the Legislature's online portal to put your position on the hearing record.

The House has an [online testimony submission system](#) that allows you to indicate your position on the bill with an option to attach testimony. If you want to email all the members of a House committee, you will have to copy their email addresses individually from the [committee page](#).

The Senate has a [remote sign-in sheet](#) where you can indicate whether you are supportive of a bill, opposed, or neutral. Written testimony can be submitted via the "Email Entire Committee" link found on the [Senate committee page](#).

If you have time to follow along, livestreams of [House](#) and [Senate](#) sessions and committee meetings are available on YouTube. Prior sessions and committee meetings are also archived.

Finally, if you just want to contact your legislators, there are [Contact a Senator](#) and [Contact a Representative](#) links on the [General Court](#) website.

Because the House and Senate have moved to digital calendars, committees can now reschedule when there is bad weather, absences, or when issues with bills haven't been worked out. If you are planning to attend a hearing or work session in person, we strongly recommend checking the [House Digital Calendar](#) and [Senate Digital Calendar](#) before heading to the State House. For those of you with an 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 or rescheduled.

## **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!

Members can subscribe to the Bulletin through our member portal at: <https://nhmunicipal.weblinkconnect.com/portal>

Once you are logged in, click "edit this profile" and "newsletter management." You can sign up for the *Legislative Bulletin*, *Newslink*, and *Town & City* magazine in one place! (If you are having trouble logging into your account, [follow these steps](#).)

Nonmembers can email [info@nhmunicipal.org](mailto:info@nhmunicipal.org) to be added to our email list for the *Legislative Bulletin*.

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### **[NHMA Events Calendar](#) [2024 Final Legislative Bulletin](#)**

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#### **Editorial Staff:**

**Margaret M.L. Byrnes, Executive Director**

**Marty Karlon, Editor in Chief, Policy & Research Analyst**

**Sarah Burke Cohen, Legislative Advocate**

**Brodie Deshaies, Legislative Advocate**

#### **Layout & Communications:**

**Miranda Augustine, Communications Coordinator**

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**New Hampshire Municipal Association**  
**25 Triangle Park Drive**  
**Concord, NH 03301**  
**Tel: 603.224.7447**  
**Email: [governmentaffairs@nhmunicipal.org](mailto:governmentaffairs@nhmunicipal.org)**  
**Website: [www.nhmunicipal.org](http://www.nhmunicipal.org)**