THE SERVICE AND ACTION ARM OF NEW HAMPSHIRE MUNICIPALITIES

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Committees of Conference Finish Work

Today is the deadline for committees of conference to reach agreement on all bills. Each committee's report (which in some cases states that the committee could not reach agreement) will go to both the House and the Senate next Wednesday. Each body will vote on the committee report separately, and the only choice is a yes or no vote; no further amendments can be made by either chamber. With respect to those bills on which a committee of conference has reached agreement, if both chambers adopt the committee report, the bill is passed and goes to the Governor. If either chamber rejects the committee report, the bill dies. Next Thursday is the deadline for action on all committee of conference reports.

The articles that follow summarize the committee actions on bills of significant interest to municipalities. Committee of conference recommendations are *almost* always accepted by both chambers, so it is *reasonably* safe to expect that everything reported below will pass next week and go to the Governor. Of course, nothing is certain except uncertainty, so please check next week's *Bulletin* (the last weekly *Bulletin* this year) for any surprises.

Compromise on Zoning Notice

The committee of conference on **HB 1210**, the bill that was amended at the eleventh hour to add requirements for notice of hearings on zoning amendments, reached a compromise this week that is hardly cause for celebration, but still short of a disaster.

As amended by the Senate, **HB 1210** would have required a municipality to send notice by first-class mail to all owners of "affected properties" whenever a hearing is scheduled on a proposed zoning amendment if the amendment would affect 500 or fewer properties. The committee of conference amendment instead requires notice by first-class mail (1) to the owner of each affected property if there is a proposed change in a zoning boundary that would affect 100 or fewer properties, and (2) to the owner of *each property in the district* if a proposed amendment would change the minimum lot sizes or permitted in a district that includes 100 or fewer properties.

Zoning Notice - continued

Apart from the reduction from 500 to 100, the major improvement is that the bill will not require a lot-by-lot determination about a zoning amendment's effect on every property in town. Instead, the municipality will merely need to determine whether there are more than 100 properties in the district to which the amendment applies. (In the case of a boundary change, it will still need to determine how many properties are affected, but that should not be difficult.)

Are we thrilled with this result? Certainly not—but given the circumstances, it was the best that could be achieved. Assuming the committee of conference report is approved and the bill is signed into law, we will provide more information about this new requirement in the next few months, in *Town & City* magazine and other information outlets. Please call the Government Affairs staff if you have questions.

New Life for Absentee Ballots Bill

We reported last week on the unfortunate demise of two separate bills, **SB 183** and **HB 1543**, each of which would have repealed the requirement that moderators delay the processing of absentee ballots until 1:00 p.m. on election day. Repealing that requirement is an **NHMA policy**. One of the bills died when the Senate refused to concur with the House's amendment, and the other died when the Senate rejected the House's request for a committee of conference.

And that was that. Or so we thought.

Occasionally the byzantine committee of conference process is used for wholly positive ends, and one of those occasions arose this week. The committee of conference on **SB 271** (relative to the retention period for voter challenge affidavits) agreed to amend that bill by adding language taken from **SB 183.** Although we have not seen the final language, we understand that the amended bill will allow moderators to begin processing absentee ballots two hours after the polls open, so long as notice of the time at which processing will begin is posted at the polling place and one other public location at least 24 hours in advance.

Because this language was not in the version of **SB 271** as passed by either chamber and is not germane to the subject matter, we understand that both chambers will need to suspend their rules (by a two-thirds vote) to approve the committee of conference report. We encourage all legislators to support this move, to make the election process more efficient for everyone. We are optimistic that we will have good news to report next week.

Veterans' Preference No Longer a Concern

As anticipated, **HB** 498, which creates a veterans' preference in hiring for public employment positions, was amended in a committee of conference to clarify that the hiring preference applies only to agencies of the state, and <u>not</u> to political subdivisions.

NHRS Reporting for Local Officials

On Wednesday the committee of conference on **HB 1494**, dealing with reports of compensation paid to retired members of the New Hampshire Retirement System, agreed on the version of the bill as passed by the Senate, as NHMA had urged. The Senate version exempts employers from including in the new monthly report the time worked and compensation paid to elected state and local officials who are also members of NHRS. If the committee report is approved and the bill is signed into law, it will take effect July 1, 2014.

Flood Control Reimbursement

As of press time, there was no final word from the committee of conference on **HB 1282**, the bill that would (among other things) provide flood control reimbursement to the municipalities in the Merrimack River Flood Control Compact for fiscal years 2012 and 2013. Check here next week for the answer, or feel free to call the Government Affairs staff—we should know by the end of today.

Medicaid Enhancement Tax

As most readers are surely aware, two superior courts ruled recently that the Medicaid Enhancement Tax (MET), a major state revenue source that brings in approximately \$185 million a year, is unconstitutional. **SB 369,** the legislature's attempt to solve the problem, went to a committee of conference, and that committee was working this week with the Governor and the hospitals to address the constitutional issues. Yesterday afternoon the Governor's office announced that a deal had been reached with 25 of the state's 26 hospitals under which changes would be made to the MET and the hospitals would end their challenge to the constitutionality of the statute. We have not seen the legislative language, and as this *Bulletin* went to press, the committee of conference was still meeting.

Without a legislative fix, the state general fund would face a possible loss of more than \$350 million in the next biennium, which begins July 1, 2015. We are optimistic that the settlement will minimize or eliminate any shortfall, but obviously such a revenue loss would pose significant challenges in the next state budget process, including placing state aid to municipalities at risk.

NHMA Webinar

Legislative Wrap Up

Date: June 11, 2014

Time: 12:00 noon - 1:00 PM Contact Phone: 603.224.7447

Join us on Wednesday, June 11 at noon!

Join Government Affairs Counsel Cordell Johnston and Government Finance Advisor Barbara Reid for a review of the highlights of the 2014 legislative session. This will be one week after the legislative session ends, so except for possible vetoes, all legislative action will be final.

This webinar will discuss the most significant bills of municipal interest that made it through the legislature this year, as well as a few that failed but may be back next year. The discussion will include, among others, legislation on highway funding, municipal charters, town meeting issues, the retirement system, planning and zoning issues, and tax rate setting.

This webinar is open to members of the NH Municipal Association.

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