

# LEGISLATIVE BULLETIN

Bulletin #15

2014 Session

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INSIDE THIS ISSUE:

### Joint Committee to Vote on Gas Tax Bill

<i>Paint Stewardship Bill</i>	2
<i>Flood Control Reimbursement Rejected</i>	3
<i>Taxation of RVs</i>	4
<i>Certification of Building Officials</i>	4
<i>House and Senate Calendars</i>	5
<i>NHMA Webinar</i>	6
<i>Local Officials Workshops</i>	6

The bill increasing the road toll (gas tax), **SB 367**, had a joint hearing this week before House Ways and Means Committee and the House Public Works and Highways Committee. That was followed the next day by a full-committee work session. The joint committee will take up the bill in executive session next **Tuesday, April 15**.

We have repeated the arguments in favor of the bill many times (see, most recently, [Bulletin #12](#)), and probably do not need to do so again. We are confident that the bill will get a strong vote of support from the joint committee. However, we understand that there is some confusion about where the money from the increased road toll will go, and how much will go to municipalities. [Here is a summary](#), prepared by the Legislative Budget Assistant’s Office, explaining exactly where the approximately \$33 million per year increase in highway fund revenues will go; and [here is a table](#) showing the additional block grant revenue projected for each municipality. Please make sure your representatives understand how important this increased funding will be for your municipality.

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### Revenue Sharing Restored?

Although expanded gambling has been a hot topic in the legislature for the umpteenth year in a row, we have paid it little attention, because there was not much in it for most municipalities other than the remote possibility of some highway funding several years down the road. That changed two weeks ago, when the Senate passed its casino bill, **SB 366**. A floor amendment adopted by the Senate provides that the state’s revenue sharing program for cities and towns “shall be restored to the form in which it existed prior to its suspension.”

Time to wake the kids and call the neighbors? Well, maybe not yet.

The good news is that *if* this comes to pass, it would mean \$25 million per year for municipalities. This is hardly a windfall—it’s just a reinstatement of a commitment that was made to municipalities in the 1970s and paid every year until it was suspended in 2009. Nevertheless, its restoration would be very welcome, and we commend the Senate for its action.

## Revenue Sharing - continued

The key word, as is so often the case, is “if.” The restoration of revenue sharing will take effect only when the state begins to receive slot machine and table game revenue, and that can happen, of course, only when at least one casino (the bill allows for two) is built and begins operation. Allowing time for state licensing, local land use board approvals, possible appeals, and construction, the realization of any revenue is probably at least four years away. Further, legislation that is enacted this year to restore revenue sharing could be repealed next year or any year after that.

Still, legislation that can be repealed is better than no legislation at all, and we are certainly happy to see it. Several legislators have asked whether that means we will now support **SB 366**. The answer is no—we have no position on **SB 366**, or on expanded gambling generally. While the revenue would be great, the bill is about much more than revenue sharing. In fact, the revenue sharing provision is only three lines in a bill of more than 100 pages. We enthusiastically support those three lines, but NHMA’s members have voted to take no position on expanded gambling.

Individual municipalities, of course, may have their own views on the bill. [Here is an explanation](#) of how revenue sharing is calculated, along with a table showing the revenue sharing allocations by municipality in the seven years before it was suspended. If you have a position on **SB 366**, we encourage you to contact your representatives. The House Ways & Means Committee heard testimony on the bill this week; it has a full-committee work session and an executive session scheduled for next week. Depending on how those sessions go, the bill may go to the full House the week of April 21.

## Senate to Hear Paint Stewardship Bill

The Senate Energy and Natural Resources Committee has scheduled a hearing on **HB 1570**, establishing a paint stewardship program, for next **Wednesday, April 16, at 9:45 a.m., in LOB Room 101**. NHMA *supports* this bill, because it will save municipalities significant money that is currently spent to dispose of oil-based paint at household hazardous waste days, as well as latex paint that adds to the cost of regular solid waste disposal. We have heard from a number of municipalities that expect to save thousands of dollars if the program is implemented.

Under the bill, a nonprofit organization approved by the state would dispose of unused paint collected at specified locations throughout the state, which may include municipal transfer stations and retail stores. (Municipal transfer stations may serve as collection centers, but are not required to do so.) The program would be funded by a mandatory fee on all paint sold within the state, and all manufacturers of paint sold in the state would be required to participate in the program.

This bill encountered more trouble than it should have in the House because a number of legislators insisted on calling it a “tax” and opposing it on that basis. The bill does not impose a tax; in fact, it does the opposite. It requires buyers of paint to

### Paint Stewardship - continued

pay for the cost of disposing of their own unused paint; this would replace the current system under which THE GOVERNMENT uses a tax (the property tax) on all taxpayers to provide this benefit. Stated differently, buyers of paint would have to pay the true cost of the paint, which includes the cost of disposal, rather than have their purchases subsidized by a taxpayer-funded government program (municipal waste disposal). It is not exactly a pure private-market solution, but it certainly is a smaller-government, lower-tax solution.

Please encourage your senator, especially if he or she is a member of the [Energy and Natural Resources Committee](#), to **support HB 1570**.

### Flood Control Reimbursement Rejected

In a surprising move Thursday—at least surprising to us—the House Finance Committee’s Division I voted unanimously to recommend killing **SB 370**, the bill that seeks to make whole the 18 municipalities in the Merrimack River Flood Control Compact and the Connecticut River Valley Flood Control Compact that were shortchanged in their flood control reimbursements in fiscal years 2012 and 2013. The morning hearing on the bill was long, as the situation is somewhat complex, involving two different compacts, reimbursements from both Massachusetts and Connecticut, a New Hampshire payment share, and a long-standing refusal by Massachusetts to pay what it owes.

Although complex, the underlying situation is clear—New Hampshire municipalities gave up good, developable land to create a flood control system to protect land in Massachusetts, Connecticut, and southern New Hampshire that was prone to frequent flooding. They were promised payment to make up for the lost property taxes they would otherwise have received on that land, and they received that full payment each year until 2012 and 2013, when the law changed and they received only the state share (30 percent for Merrimack Valley; 10 percent for Connecticut Valley).

Apparently some committee members believed that there was no longer a need to provide full reimbursement to the affected municipalities because the municipalities have already closed their budgets for the years in question. We don’t follow that logic. Certainly taxpayers are not released from their obligations for taxes that are more than a year overdue. Why should the state keep money that is owed to municipalities just because the applicable fiscal years have passed?

The good news is that the statute that reduced the full reimbursement payment has been repealed, and municipalities will receive full payment going forward. Nevertheless, we urge the full Finance Committee to reject Division I’s recommendation and vote the bill as Ought to Pass.

## Compromise on Taxation of RVs

A subcommittee of the House Municipal and County Government Committee met this week and agreed on a compromise amendment to **SB 333**, the bill dealing with taxation of recreational vehicles located at recreational campgrounds or camping parks. We have not seen a draft of the amendment yet, but we understand that the basic provisions are: (1) RVs registered as motor vehicles will not be taxed; (2) the campground owner will provide the municipality with a list of RVs and their owners as of April 1; (3) RVs in storage will not be taxed; (4) the campground owner will not be responsible for unpaid taxes on RVs—if the vehicle owner cannot be located, the tax will be abated; (5) models over 8'6" wide will be taxable; and (6) appurtenances will be taxable as real estate even if the vehicle is not.

Our understanding is that all parties are satisfied with this outcome, although some probably more than others. We will wait to see the final language before declaring the issue resolved, but we are optimistic. The committee's recommendation will go to the full committee in executive session next Tuesday, April 15.

## Building Officials Bill to Interim Study

A subcommittee on **SB 315**, the bill requiring state certification of local building officials, met this week and quickly decided the bill needed significant work. After a short discussion, the subcommittee voted 5-0 to recommend sending the bill to interim study.

One subcommittee member noted that in one of the two towns he represents, the building inspector is a farmer, and in the other, the building inspector is also the police chief. He expressed doubts about how either of them would be able to find the time for the training required to meet the certification standards under the bill—exactly the kind of concern we have had. Although the bill's supporters worked hard to address these concerns, it was clear that there were still significant issues. We thank the subcommittee members for recognizing the problems the bill would cause, especially for small towns.

The full House Executive Departments and Administration Committee is scheduled to act on the bill next week, and there is little doubt that the committee will accept the subcommittee's recommendation. We acknowledge that the bill raises legitimate and serious issues about how the building code is enforced in New Hampshire, and we hope those issues will receive serious study over the summer and fall.

## HOUSE CALENDAR

### Joint House/Senate Meetings Are Listed Under This Section

#### TUESDAY, APRIL 15

##### **HEALTH, HUMAN SERVICES AND ELDERLY AFFAIRS, Room 205, LOB**

11:00 a.m.      **SB 203**, relative to permissible uses of electronic benefit transfer (EBT) cards.

##### **TRANSPORTATION, Room 203, LOB**

10:15 a.m.      **SB 210**, relative to registration of vehicles by motor vehicle manufacturers.

10:30 a.m.      **SB 211**, relative to reporting requirements in fatal motor vehicle accident reports.

#### WEDNESDAY, APRIL 16

##### **RESOURCES, RECREATION AND DEVELOPMENT, Room 305, LOB**

1:30 p.m.      **SB 388**, establishing a committee to study the current status of land conservation in New Hampshire and the state's role in encouraging voluntary protection of land in the future.

## SENATE CALENDAR

#### TUESDAY, APRIL 15

##### **JUDICIARY, Room 100, SH**

9:00 a.m.      **HB 1122-FN**, relative to the filing with a registry of deeds of a fraudulent document purporting to create a lien or claim against real property.

9:50 a.m.      **HB 1619-FN**, prohibiting the acquisition, collection, or retention of certain information.

#### WEDNESDAY, APRIL 16

##### **ENERGY AND NATURAL RESOURCES, Room 101, LOB**

9:45 a.m.      **HB 1570-FN**, establishing a paint stewardship program.

##### **PUBLIC AND MUNICIPAL AFFAIRS, Room 102, LOB**

9:30 a.m.      **HB 422**, relative to the adoption, revision, and amendment of municipal charters. **NHMA Policy**.

9:50 a.m.      **HB 1336**, relative to the landlord's agent requirement.

#### TUESDAY, APRIL 29

##### **JUDICIARY, Room 100, SH**

10:00 a.m.      **HB 1237**, prohibiting residency restrictions on registered sex offenders and offenders against children.

#### TUESDAY, MAY 6

##### **JUDICIARY, Room 100, SH**

9:15 a.m.      **HB 498**, permitting the use of firearms by military or veterans groups in the compact part of a town for military or veterans events, or national holidays.

## NHMA Webinar

### **Preparing a Land Use Certified Record for Court**

Date: April 16, 2014

Time: 12:00 noon - 1:00 PM

Contact Phone: 603.224.7447

Join us on Wednesday, April 16 at noon!

Join Staff Attorneys Paul Sanderson and Christine Fillmore to discuss the process of preparing a land use certified record for the Superior Court. We will discuss the steps to take after the town has been served, and how local staff or board members can assist the town attorney as he or she prepares these materials for submission. We will also give some tips that can be used in any case to make preparation of the record easier and more accurate.

This webinar is open to members of the NH Municipal Association and is of interest to land use boards, officials and employees, assessors, tax collectors, and any other official or employee dealing with land use.

**[Click Here to Register Today!](#)**

## 2014 Local Officials Workshops

Presented by NHMA's Legal Services attorneys, the 2014 *Local Officials Workshops* provide elected and appointed municipal officials with the tools and information needed to effectively serve their communities.

This workshop is **for NHMA members only**. Although there is no registration fee, online pre-registration is required one week prior to the event date. Attendees will receive a copy of NHMA's 2014 edition of *Knowing the Territory*. Continental breakfast and lunch will also be provided.

Monday, April 14:	Newington Town Hall, Newington
Wednesday, April 23:	Veteran's Hall, Newbury
Thursday, May 1:	Littleton Opera House, Littleton
Saturday, May 10:	NHMA Offices, 25 Triangle Park Drive, Concord



Each workshop runs from 9:00 am – 4:00 pm. For more information, or to register online, please visit [www.nhmunicipal.org](http://www.nhmunicipal.org) and click on Calendar of Events. If you have other questions, please contact us at 800.852.3358, ext. 3350, or email [nhmaregistrations@nhmunicipal.org](mailto:nhmaregistrations@nhmunicipal.org).