

LEGISLATIVE BULLETIN

Housing Champions Hearing Scheduled

On Tuesday, February 14, at 9:30 a.m. in State House 100, the Senate Commerce Committee will hold a public hearing on SB 145, the Housing Champions Bill. NHMA, in conjunction with our Housing Champion Coalition Partners, have been barnstorming the State House to build support for the bill. In an op-ed published in several places, the Coalition advocated for the completely voluntary program that would provide new resources and funding to municipalities that participate.

As stated in the op-ed, “New Hampshire has the opportunity to serve as a national model on how to address the housing issue. We can model how to build more housing while protecting our beautiful natural resources. We can add homes to a community and protect its rural character. We can bring communities into the process to proactively envision their future. And we can make sure that our state government is supportive by providing resources where needed.”

The Housing Champion Program would offer carrots to communities interested in tackling the housing shortage by ensuring that they can access the technical assistance they need as well as the infrastructure funding needed to support more housing. The funding provided in SB 145 would give Housing Champion Certified communities access to funding for updating their master plans, water and sewer, sidewalks, and a whole lot more.

As stated in the op-ed, “carrots are better than sticks – especially in New Hampshire. The Housing Champion Program takes the long view by letting towns and cities decide if they want to continue by offering recertification every three years.”

We think this is the smart solution to tackling the housing shortage. It incentivizes all the interested parties – municipalities, businesses, housing advocates, and the state – to work together to solve the problem, and we know that this partnership could serve as a model for the rest of the country to follow.

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Anti-Lobbying Bill Set for Executive Session

On **Wednesday, February 15**, at **10:30 a.m.** in **LOB 301-303**, the **House Municipal and County Government Committee** will hold an executive session on **HB 51**, the anti-lobbying bill. An executive session, which occurs after the public hearing, is when the committee votes on a recommendation for the bill. Members still have time to [email all committee members](#) and urge them to vote to recommend the bill as Inexpedient to Legislate.

Valentine's Day Budget Address

The House and Senate will meet in joint session on **Tuesday, February 14 at 1:00 p.m.** to hear the governor present his operating and capital budget proposals for the upcoming biennium, which begins July 1, 2023, and ends June 30, 2025. The governor's priorities and key goals for the next two years will be communicated to the legislature as they begin their deliberations on the state budget. The governor's address will be streamed live through the [General Court website](#), and we encourage local officials to tune in.

As we wrote in [Bulletin #2](#), the governor communicated strong recognition of and support for New Hampshire's long history of local control in his 2023 Inaugural address. With state revenues strong and the legislature *renewing its vows* to cities and towns on the Meals & Rooms tax distribution in 2021, on this Valentine's Day, we will be listening carefully for a *continued commitment* to local government through his budget and fiscal policy proposals. The House will also convene separately that same day at 10:00 a.m. to act on committee recommendations on bills with a fiscal impact. This is because February 16 is the last day to report house bills with a fiscal impact, which must go to their second committee—which will assess both the policy and the financial impact of the proposed legislation as the state budget is developed.

Broadband Everywhere

On **Tuesday, February 14**, at **9:00 a.m.** in **LOB 103**, the [Senate Election Law and Municipal Affairs Committee](#) will hear testimony on **SB 222**. This bill would expand the broadband bonding opportunities in municipalities where commercial providers have been unwilling to invest. Municipalities would no longer have to determine that an area is “unserved” by broadband before taking out bonds for broadband expansion.

Since 2018 significant legislation has been signed into law to allow municipalities to borrow money for the purpose of expanding this essential infrastructure and this bill will enable complete build out, even if the area is considered “served” by the old definition. This is particularly timely with the state actively working to address middle and last mile broadband service and digital equity using federal funds to incentivize the build out. The state plan includes [comprehensive mapping](#) of New Hampshire which will shed light on the unserved and underserved areas of state. The mapping process is an extensive undertaking, and we are expected to have this information before the legislative session has concluded in 2023. With federal funds being awarded to New Hampshire for broadband expansion projects over the next five years and the passage of the Broadband Matching Fund Initiative [Chapter 280](#) (SB 445), municipalities would have more financial tools and broader authority to borrow money to ensure equitable access to the internet for all residents and businesses. If you are interested in this issue, please attend the hearing on Tuesday or contact members of the committee.

Immunity Bill Recommended Inexpedient to Legislate

On Wednesday, the **House Judiciary Committee** voted to recommend **HB 647**, a bill that would have overhauled governmental immunity and opened the state and municipalities to increased lawsuits, as Inexpedient to Legislate on a bipartisan, 16-3 basis. We are pleased with that result and want to thank our members who reached out to their representatives to explain the problems with this bill and thank the committee members who voted against the bill.

The bill will now move to the full House for a vote. It is possible that there may be an effort by the bill's supporters to overturn the committee recommendation. We understand that leadership would be against such efforts, and we believe the House is likely to adopt the committee's recommendation and kill the bill.

“Ultimately, it Comes Down to an Issue of Local Control”

On Thursday, the **House Municipal and County Government Committee** voted to recommend **HB 44**, the four-plex bill, as Ought to Pass as amended, 11-9. The amendment alters the requirements relative to parking and changes the effective date to 2024. It has not yet been publicly released.

HB 44 is similar to last year's **HB 1177** and would require that local legislative bodies permit by right certain single-family lots in residential districts to be used for up to four residential units. While there are numerous concerns about the bill, as one committee member stated in the debate, “Ultimately, it comes down to an issue of local control.” Municipalities are empowered to create local zoning regulations because they know what will work and what will not work for their own citizens.

We are hopeful that **HB 44** will follow the fate of **HB 1177** and fail to make it out of the House. Please contact your representatives and let them know how **HB 44** would impact your community and ask them to vote against the committee's recommendation.

No Recommendation on Budget Committee Membership Bill

On Thursday, the **House Municipal and County Government Committee** placed **HB 123**, which would remove the ability of *ex officio* members of the budget committee (*i.e.* select board and school board members) to vote on matters before the budget committee, on the calendar without recommendation. The vote split along party lines, and it is not yet clear what will happen when a vote is taken on the House floor. NHMA opposes this bill as it contradicts the role and purpose of an *ex officio* board member.

Committee Recommends Restoration of State Retirement Contribution!

The Senate Finance Committee voted Ought to Pass this week on **SB 114**, the NHMA policy bill that would restore a portion (7.5 percent) of the state contribution toward the retirement costs of teachers, police, and firefighters. The vote was unanimous and represents a huge step in the right direction as it would continue to ease some of the financial pressure felt at the local level since the contribution was eliminated in 2013. At the hearing, the committee heard testimony from municipal officials about the importance of restoring a portion of the state retirement contribution for teachers, police, and firefighters, and the positive impact of last session's one-time payment that led to direct tax reductions for their property taxpaying constituents.

Supporters noted that the retirement contribution was a commitment the state had made to local governments as an incentive to join the retirement system, and that when the state retirement contribution was lowered from 35% to 30% in 2010, then to 25% in 2011, it was intended to just be a temporary measure to help the state weather the recession.

Yesterday, the full Senate adopted the committee’s recommendation of Ought to Pass in a unanimous roll call vote—but then voted immediately to lay the bill on the table. This strategy preserves the bill for later consideration, such as inclusion in the state budget trailer bill, HB 2. It is very important that senators hear from municipal officials about the importance of restoring a portion of the state retirement contribution for teachers, police, and firefighters, and what a continued retirement cost reduction will mean to the local tax base. Please contact your senator and urge them to take **SB 114** off the table and restore a portion of the state retirement contribution for teachers, police, and firefighters. Information for every Senate member is available [here](#). (If you are not sure who your senator is, use the “*Who’s My Senator?*” tool available [here](#).)

House Finance Amends Retirement Bill

After lengthy discussion and several failed amendments, the House Finance Committee, Division I unanimously voted to significantly amend **HB 50**, an NHMA policy bill that would have reduced costs for political subdivisions by requiring the state to pay 7.5 percent of their employer retirement contributions for teachers, police, and firefighters. As amended, **HB 50** would appropriate \$50 million in fiscal year 2024 for the purpose of reducing the retirement system’s unfunded actuarial accrued liability (UAAL) determined under RSA 100-A:16, II. For fiscal year 2022, NHRS reported an unfunded liability of \$5.69 billion in the actuarial valuation. Current actuarial valuations estimate that the unfunded liability accounts for more than 75 percent of current employer rates which are borne solely by the participating employers and local taxpayers. The intent of the amendment on **HB 50** is to pay down the UAAL on a more aggressive schedule, resulting in lowered future employer contribution rates and promoting a solvent, fiscally healthy, and financially sustainable defined benefit plan.

Hearing Schedule

Please [click here](#) to find a list of hearings next week on bills that NHMA is tracking. Please note that the linked PDF only covers hearings scheduled for the next week. For the most up-to-date information on when bills are scheduled for a hearing, please use our [live bill tracker](#).

2023 NHMA UPCOMING MEMBER EVENTS	
Mar. 1	2023 Regional Legislative Preview in Keene – 6:00 p.m.
Mar. 15	Webinar: Cybersecurity for Government Leaders – 12:00 – 1:00
Apr. 5	Webinar: Succeeding at Tax Deeding – 12:00 – 1:00
Apr. 6	Local Officials Workshop (hybrid) – 9:00 – 4:00
Please visit www.nhmunicipal.org for the most up-to-date information regarding our upcoming events. Click on the Events& Training tab to view the calendar.	
For more information, please call NHMA’s Workshop registration line: (603) 230-3350.	