

LEGISLATIVE BULLETIN

House Passes State Biennial Budget

On Thursday, the House passed [HB 1](#) and [HB 2](#) on a bipartisan voice vote after considering many floor amendments and having several hours of deliberation. The budget proposal approves a \$15.76 billion spending plan over the next two years. This plan represents an 18 percent increase in spending over the current state budget for all state agencies and budget categories. In total, the House budget and approved floor amendments added approximately \$240 million in additional funding over the governor’s proposal, reflecting bipartisan House spending priorities.

Here is a summary of the adopted House budget for the fiscal years ending June 30, 2024, and 2025, as it relates to towns and cities:

- Estimates meals and rooms tax distribution to cities and towns to remain level at \$121.1 million in FY 24 and a potential increase to \$123.5 million in FY 25.
- Funds highway block grants based on *estimated* highway fund revenues and appropriates \$32.5 million in FY 24 and \$32.6 million in FY 25 (a \$4.6 million decrease in the next budget cycle). Exact amounts per year will be based on twelve percent of revised revenue estimates from the gas tax and motor vehicle fine revenues. (Additional funding is proposed in [SB 270](#).)
- Funds municipal bridge aid at an estimated at \$6.8 million as determined by [SB 367](#), 2014 Session, Chapter 17. (Additional funding is proposed in [SB 270](#).)
- Provides \$27.9 million in state surplus to fund non-lapsing State Aid Grants (SAG) for wastewater projects identified in the 2023 [SAG Project Priority List](#) issued by the Department of Environmental Services wastewater state aid grants to municipalities.
- Funds reimbursements to municipalities involved in flood control compacts at \$830,000 each year.

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- Funds \$5 million each year for the Land and Community Heritage Investment Program (LCHIP). (Maintaining the current funding level.)
- Makes a one-time appropriation of \$15 million to InvestNH for housing grants to municipalities and \$30 million to the Affordable Housing Fund using state surplus. (A portion of this proposal aligns with [SB 231](#).)
- Establishes a State and Local Cybersecurity Grant Program and funds \$1.2 million for FY 24 and \$1.6 million for FY 25 for the state match to a federal cybersecurity grant, which will provide direct grant assistance to cities and towns.
- Funds a one-time \$50 million payment to reduce the New Hampshire Retirement System (NHRS) unfunded actuarial accrued liability (UAAL), saving municipal employers \$105 million over the 20 years of the amortization schedule.
- Funds a \$250 million proposal to roll back some of the 2011 pension reform through FY 2033 with \$50 million in appropriations during next biennium for retirement contributions for certain Group II police and fire employees who were not vested prior to 2012 but would have been prior to 2013. The proposal also requires the state to pay the municipal cost estimated at \$7.5 million per year for the next 10 years.
- Provides no state funding toward the retirement costs for teachers, police, and firefighters. ([SB 114](#), which would restore a 7.5 percent state share of employer costs, was tabled in the Senate, preserving it for later consideration in the state budget trailer bill, [HB 2](#), when the Senate considers that bill.)
- Contains no provision for municipal aid.
- Continues to suspend revenue sharing under RSA 31-A, which would return a portion of state general fund revenue to cities and towns. (It has been suspended since 2010 and every year thereafter.) A restoration would have provided \$25.2 million per year to municipalities.

The budget now goes to the Senate; and the **Senate Finance Committee** is scheduled to begin its **budget review** on **Monday, April 10 at 1:00 p.m.** in **State House Room 103**. We will continue to provide updated information as we learn it, and we encourage you to contact your senators and the [Senate Finance Committee](#) to explain the importance and impact of these important state aid programs on your budgets and local property tax.

Health Officer Bill Scheduled for Hearing

On **Tuesday, April 11, at 9:15 a.m.**, in **LOB 103**, the **Senate Election Law and Municipal Affairs Committee** will hold a hearing on [HB 154](#), relative to the adoption of public health ordinances by municipalities. NHMA opposes the bill.

Current law allows public health ordinances to take effect when approved by the select board, recorded by the town clerk, and published in some newspaper printed in the town or when copies have been posted in two or more public places. **HB 154** would amend current law to require that local public health ordinance shall take effect when approved by a majority of the legislative body at an annual or special meeting.

This bill will reduce the speed at which local health officers can enact local ordinances to respond to local emergencies/concerns. NHMA has been working closely with the [New Hampshire Health Officers Association](#) (NHHOA) on this bill to educate legislators on the impact of this proposed change. Examples given by NHHOA where local health officers may need to act fast and not have time to wait for the next town meeting or where it may not be worth the expense of putting on a special town meeting may include:

- Groundwater contamination (PFAS, MtBE)
- Septic breach (floor, broken pipes)
- Hazardous waste release (train derailment, gas station fire, or tractor trailer)
- Flooding scenarios

We urge local health officers to attend the hearing on Tuesday and testify about instances where quick action was necessary to avert or respond to a local crisis.

Remote Meeting Attendance Bill Scheduled for Hearing

On **Wednesday, April 12**, at **2:30 p.m.**, in **LOB 206-208**, the **House Judiciary Committee** will hold a hearing on **SB 250**, the remote meeting attendance bill. NHMA supports the bill.

As we wrote about in [*Bulletin #12*](#), the Senate reversed the committee recommendation and passed the bill with a floor amendment that substantially rewrote the bill. We are hopeful that the Judiciary Committee will consider the carefully crafted language aimed at ensuring that the privilege of remote attendance is not abused and recommend the bill as Ought to Pass.

We urge our members to contact the members of the [House Judiciary Committee](#) and ask them to recommend the bill as Ought to Pass.

Expanded Accidental Death Benefit for all Municipal Employees

On Thursday, the House significantly amended and passed **HB 250** in a vote of 328-53. This bill would now increase the New Hampshire Retirement System (NHRS) Group I and Group II accidental death benefit from 50 to 100 percent of member’s average final compensation—capped at \$85,000. The amended bill also requires the state to pay the total cost of this policy proposal so that it will no longer have any financial impact on municipalities or local taxpayers. We want to express our thanks to the legislature for approving a state funded policy that will increase the benefits to our town and city employees and first responders should this unimaginable circumstance arise.

Paid Earned Time Bill Passes House

Yesterday, the House overturned the House Finance Committee’s recommendation of Inexpedient to Legislate and moved **HB 74** as Ought to Pass in a 205-181 vote. This bill would require that an employer with over 15 employees pay an employee for any unused earned, vacation, or paid-time-off time (sick time or sick days are exempted) upon separation if the employee leaves in good standing or as a result of a layoff. The bill now moves to the Senate for consideration.

Cannabis Bill Advances

Alongside the adoption of the budget yesterday, the House also passed **HB 639**, the cannabis bill supported by Democratic and Republican House leadership that we wrote about extensively in [*Bulletin #14*](#). The bill, which passed the House in a 272-109 vote after seeing an amendment adopted via voice vote, now heads to the Senate where its fate is less certain.

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	
Apr. 17	Webinar: Legislative Half-Time – 12:00 p.m.
Apr. 19	Right-to-Know Workshop (Public Meetings & Government Records) – 9:00 – 1:00 (Hybrid)
Apr. 19	Webinar: U.S. Customs and Border Protection – A National and Local Overview – 12:00 p.m.
Apr. 20	Webinar: Value of Card Based Payments – 12:00 p.m.
May 8	Webinar: Municipal Treasurer Training 101 – 6:00 p.m. – 7:30 p.m.
May 10	Webinar: Secure Your Operational Technologies with Government Funding – 12:00 p.m.
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.	