

New Hampshire Municipal Association

THE SERVICE AND ACTION ARM OF NEW HAMPSHIRE MUNICIPALITIES

LEGISLATIVE BULLETIN

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2025 Session

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

Cuts and Concerns as House Works on Budget

House budget writers are finalizing their work on [HB 1](#) and [HB 2](#) and have already made several changes impacting municipalities. The full [House Finance Committee](#) will meet in executive session on **Monday, March 31**, at **10:00 a.m.** in **Legislative Office Building (LOB) Room 210-211** to begin poring through and voting on dozens of amendments recommended by the three Divisions of the committee. The executive session will continue **Thursday, April 3**, at **1:00 p.m.** in the same location.

The full House will meet on **Thursday, April 10**, to vote on the two-year state budget for FY 26-27 and any remaining House bills that haven't been acted on.

The House has been in cutting mode since day one of the process this year, primarily because its revenue estimates were more than \$500 million less than what the governor assumed in her proposal. Things didn't get any easier this week as the state was informed that the \$80 million in federal funds earmarked for the Department of Health and Human Services budget was being taken back.

This revenue squeeze is sure to have an impact on state aid to municipalities, as well as to state programs that municipalities rely upon. Here's a summary of some key changes being proposed in the House budget:

Meals and Rooms Tax: [Division I](#) of House Finance is recommending that the 30% municipal share of the meals and rooms tax be suspended in FYs 26-27 and replaced with a flat appropriation of \$137 million per year. In FY 2024, municipalities received approximately \$136 million from the meals and rooms tax, which was about \$15 million more than estimated in the previous budget.

While NHMA opposes setting the municipal share at \$137 million each year because of the potential revenue loss to municipalities compared to the 30% share, the small silver lining is that a much more draconian cut—with a convoluted change in the way to aid is allocated—did not advance out of Division I. We will advocate in the Senate to restore the 30% share.

Program funding: Although housing availability is the number one issue in the state, the House budget contains no new funding for the Housing Champions and InvestNH housing programs, as well as no new funding for the state share of wastewater projects under the State Aid Grant (SAG) program. Division I has proposed cutting all state funding for regional planning commissions.

Retirement: Lawmakers are moving forward with a plan to legalize video slot machines, and the governor has stated that part of the anticipated new revenue will be used to pay for costly changes to NH Retirement System (NHRS) benefits for about 1,500 “Group II” police and fire personnel hired before July 1, 2011. However, [Division II](#) of House Finance amended the slot machine language in HB 2 so almost all revenue received by the state will go into the education trust fund instead of being split between education funding and the general fund. While this doesn’t mean that the state won’t pay for the retirement changes—a recurring annual appropriation of \$27.5 million per year through 2034 is still in the budget as of this writing—it does beg the question: Where will the money come from? On a related note, the Senate shot down a floor amendment Thursday that would have added funding Group II retirement costs to the statement of purpose on a stand-alone bill legalizing slot machines. While we trust the legislature keeps the promise made by the governor to fund the full cost of these changes, municipalities deserve some assurances that these costs will not be passed onto property taxpayers.

Division I also proposes adding language from a tabled bill establishing a defined contribution retirement plan for new state employees only. NHMA is concerned that the amendment, as written, could increase employer contributions for municipal employers in the long-term by making them responsible for a portion of the state’s share of the unfunded actuarial accrued liability (UAAL) associated with NHRS employee members.

Other: Division I is proposing to eliminate the Housing Advisory Board (HAB) and the Board of Tax and Land Appeals (BTLA) and could move or defund the Right-to-Know Ombudsman.

Members concerned about any or all of the proposed cuts should contact the [House Finance Committee](#) before Monday morning.

Anti-Speech HB 456 Indefinitely Postponed

The House voted Wednesday to indefinitely postpone [HB 456](#), the latest in a too-long line of attempts to weaken or eliminate the voice of municipalities in the legislative process.

By indefinitely postponing the bill on a division vote of 187-163, the House effectively killed it, prohibiting the chamber from introducing “substantially similar” legislation next year.

HB 456 would have created sweeping restrictions on lobbying by any associations that receive public funds, effectively creating an all-out ban on their participation in the legislative process and diminishing the input of local government in shaping policy.

Thank you to all the municipalities, individual officials, and other organizations who joined us in speaking out against this bill. And thank you to the 187 House members who saw **HB 456** for the blatant attempt to silence local government that it was and voted for indefinite postponement.

Eliminating Vehicle Inspections Will Cost Municipalities

On **Tuesday, April 1, at 9:30 a.m.** in **State House (SH) Room 100**, the [Senate Commerce Committee](#) will hold a public hearing on [HB 649](#), which eliminates the requirement of a physical safety inspection and on-board diagnostics testing for all private passenger vehicles.

In addition to potential road safety concerns, this bill will cost cities and towns money because 12 percent of state motor vehicle fee revenue collected is distributed to municipalities. The Department of Transportation estimates this bill would decrease municipal revenue by \$173,250 in FY 2027 and \$346,500 in FY 2028 and each year thereafter.

NHMA opposes this bill because the state needs to stop cutting funding sources and limiting the aid it provides to municipalities for roads, bridges, and other vital infrastructure. Please testify or sign-in to oppose this legislation. For detailed instructions on ways to share your position on these and any other bills, see “*How to Make Your Voice Heard*” below.

House Finance Committee to Vote on RTK Bill

On **Tuesday, April 1, at 10:00 a.m.** in **LOB Room 210-211**, the [House Finance Committee](#) will hold executive sessions on several bills, including [HB 66](#), which

changes the definition of “citizen” to “person” in RSA 91-A, the Right-to-Know law. As amended, **HB 66** creates two tiers of requestors. Any person who is domiciled in the state, or owns property, pays taxes, maintains a place of business or is registered to do business in New Hampshire, or a member of the media, regardless of location, may make a request for records in person, by mail or electronically and the records must be sent electronically or by mail (the requestor’s choice) – rather than simply being made available for public inspection. Those who fall outside the above categories (i.e. people or non-media entities with no ties to New Hampshire), must physically pick up the records or review the records in person.

Even with the amendment, NHMA opposes this bill due to the administrative and cost issues associated with the mandates that records must be sent to anyone with NH ties electronically or by mail, with the requestor choosing the method of delivery. House Finance Division I has recommended that the bill advance, but we are asking municipal officials opposed to **HB 66** to [contact the House Finance Committee](#) before the executive session to share your concerns.

House Actions on Zoning, Elections and More

The House met Wednesday and Thursday to wrap up nearly all remaining legislation not included in the state budget, including more than 50 bills NHMA was following. The bills passed this week will move on to the Senate. Below is a summary of House action by topic:

Zoning mandates: Three mandates opposed by NHMA were adopted without debate on the consent calendar and will move to the Senate. [HB 296](#), relative to issuing building permits along private roads; [HB 410](#), prohibiting municipalities from enforcing or adopting any “extraordinary restriction of residential property” unless the ordinance is directly necessary for the health or safety of the community, based on empirical evidence published by a non-partisan source; and [HB 457](#), prohibiting the adoption and enforcement of zoning ordinances that limit the number of occupants in a dwelling unit to fewer than two occupants per bedroom and barring zoning ordinances that discriminate based on familial, non-familial, or marital status among the occupants, which includes provisions that could affect college students.

The House also passed, with amendment, a related bill opposed by NHMA: [HB 428](#), prohibiting municipal amendments to the state building code.

Municipal government: With town meeting fresh in the rearview mirror for most municipalities, the House passed several proposals that could have an impact next year, along with other potential changes to municipal operations. NHMA’s position on these bills is in parentheses after the bill number.

[HB 138](#) (oppose), relative to tax impact notation on warrant articles with multi-year tax impacts.

[HB 228](#) (oppose), relative to giving a “primary” spokesperson for a petitioned article at an annual or special town or school district meeting the same amount of time to introduce the petitioned article as was granted to the governing body or budget committee to introduce their warrant articles.

[HB 200](#) (oppose), requiring a three-fifths majority to override a local tax cap.

[HB 284](#) (oppose), requiring tax impact statements on municipal warrant articles.

[HB 475](#) (oppose), relative to the reductions from the default budget for official ballot town meetings.

[HB 613](#) (oppose), relative to enabling local political subdivisions to vote and set a reduced default budget option.

Other bills impacting municipal operations that were adopted include:

[HB 124](#) (support), enabling a city or town forest committee to offer surplus money to the town for deposit in the city or town general fund.

[HB 168](#) (support), relative to including municipal public works facilities as eligible capital facilities for the assessment of impact fees.

[HB 373](#) (oppose), relative to the management and regulation of town real property.

[HB 495](#) (oppose), requiring cities and towns to provide a breakdown of tax changes and information on bills sent to residents.

Election law: Four bills opposed by NHMA were passed by the House, including [HB 274](#), which creates an annual requirement to verify voter rolls, replacing the current 10-year requirement.

The other bills passed were [HB 217](#), modifying the absentee ballot voting process by requiring voters to provide documentation that proves their citizenship, age, domicile, and identity to qualify for voting; [HB 154](#), allowing voters to request that their ballot be hand-counted by cities and towns, even if their polling place uses machine counting; and [HB 514](#), allowing private persons to sue for violations of election laws, potentially exposing municipalities to frivolous lawsuits.

The House killed ten election-related bills opposed by NHMA, including [HB 600](#), would have enabled cities to choose to hold elections using ranked-choice voting. Other bills that were killed are [HB 160](#), [HB 308](#), [HB 333](#), [HB 395](#), [HB 423](#), [HB 472](#), [HB 574](#), [HB 618](#), [HB 711](#).

Other bills of interest passed by the House (with NHMA position):

[HB 467](#) (support), allowing municipalities to create “social districts” where people could carry alcoholic beverages in open spaces or between establishments that serve food and alcohol.

[HB 316](#) (oppose), eliminating balance-billing and setting the reimbursement rate for non-Medicare/Medicaid health insurance carriers at approximately 200% of Medicare rates.

[HB 146](#) (oppose), adding requirement that if a person pleads not guilty to a violation-level offense following a motor vehicle stop, the agency must retain the relevant body-worn camera recordings until the case is resolved, including any appeals. Additionally, the agency is required to provide the defendant with the recording within five days of a request.

[HB 132](#) (oppose) changes the standard of responsibility of relatives to support poor persons and states town welfare cannot be withheld due to a legally liable relative’s failure to respond. The bill does allow municipalities to seek reimbursement from any legally liable relative with sufficient means.

[HB 584](#) (oppose) Creates a cause of action against counties, cities, towns, precincts, water districts, school districts, school administrative units, or quasi-public entities who create and enforce policies based on the claims of the World Health Organization, the United Nations, and the World Economic Forum.

Note: The House also killed [HB 400](#), a bill opposed by NHMA that would have made collective bargaining negotiations public meetings under the Right-to-Know Law.

Senate Acts on Tax Exemptions

The Senate on Thursday passed [SB 291](#) as amended, which modifies the law regarding property tax exemptions for religious entities and allows for up to six residential housing units or congregate housing units used residential purposes to be exempt, provided they are owned by the religious organization on or before January 1, 2025, or for a minimum of five years. The Senate then killed [SB 275](#), providing property tax exemptions for certain childcare agencies. NHMA opposed both bills.

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.

Note: For anyone who prints these emails out, all of the above links are available on the General Court website at: <https://gc.nh.gov/>

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 to be added to our email list for the *Legislative Bulletin*.

NHMA Events Calendar
2024 Final Legislative Bulletin

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