New Hampshire Municipal Association

THE SERVICE AND ACTION ARM OF NEW HAMPSHIRE MUNICIPALITIES

LEGISLATIVE

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<u>Live Bill Tracker</u> <u>Bill Hearings Schedule</u>

Public Hearings on Zoning Mandates

On **Tuesday**, **February 5**, beginning at **10:00 a.m.** in **Legislative Office Building (LOB) Room 305**, the **House Committee on Housing** will hold public hearings on four bills related to zoning mandates: **HB 577**, **HB 685**, **HB 459**, and **HB 631**.

These bills aim to address housing shortages and promote development, but they also raise concerns about local control and the potential strain on municipal services and infrastructure, which is why NHMA opposes all four bills.

HB 577 (10:00 a.m.): Under this bill, municipalities would be required to allow either one detached or attached ADU by right on single-family lots, which could strain city and municipal services and infrastructure.

HB 685 (11:00 a.m.): This bill mandates manufactured housing by right in residentially zoned areas. This could impact the character of municipalities and undermine design requirements in planning codes.

HB 459 (1:00 p.m.): Municipalities and cities would be mandated to do two things: One, adopt half-acre maximum lot sizes for land zoned as single-family residential and served by municipal or community sewer; and two, adopt single-family residential lot sizes not

on municipal or community sewer to not larger than is required by the state Department of Environment Services. These mandates would create stress on city and municipal services and infrastructure. Additionally, the onus would be on municipalities and cities to show they can't handle the increased stress on their services and infrastructure.

HB 631 (1:30 p.m.): This bill requires municipalities designated as urban areas by the United States Census Bureau permit multifamily or mixed-use developments by right in commercial zones. Approximately 18 communities would be affected by this bill, which also lists specific zoning regulations that cannot be imposed on such developments.

Municipal officials are encouraged to testify against these attempts to usurp local control or, if that isn't possible, contact the House Committee on Housing to register opposition. For detailed instructions on how to make your voice heard, on these and all other bills, see the final item in this week's bulletin.

This past Tuesday, the Housing Committee held a public hearing on HB 382, another mandate that removes the authority of municipalities to regulate mandatory onsite parking requirements. Supporters of the bill, primarily developers and housing advocates, argued that easing regulations will attract more development and with fewer people driving, the need for parking spaces is reduced. Opponents, including NHMA and the Mount Washington Valley Water & Village Districts, emphasized the necessity of local control for community planning. They argued that removing parking regulations could lead to various planning issues, such as traffic management, community aesthetics, health and safety, and snow removal problems. Members with similar concerns are encouraged to contact committee members to discuss or register opposition to the bill.

In other housing news, the Senate has created a **Subcommittee** on **Housing**, consisting of three members of the **Senate Commerce Committee**. Sen. Keith Murphy was named chairman of the subcommittee, which also includes Sens. Dan Innis and Tara Reardon. The subcommittee is scheduled to hold a work session on **Thursday**, **February 6**, at **9:30 a.m.** in **State House (SH) Room 103**. The Senate calendar did not specify which bills were assigned to the subcommittee.

Property Tax Credits and Exemptions

On **Tuesday, February 4**, beginning at **9:30 a.m.**, in **LOB 307**, the <u>House Municipal and County Government Committee</u> will hold public hearings on nine bills dealing with property tax credits and exemptions for elderly residents, volunteers, non-profits, and certain charitable and religious organizations, including new or increased credits and updates to policies, procedures, and reporting requirements for tax-exempt entities.

Among the bills NHMA is watching are:

- **HB** 689 (10:00 a.m.), enabling municipalities to adopt a volunteer incentive property tax credit.
- <u>HB 766</u> (10:30 a.m.), enabling municipalities to adopt an exemption from the local education property tax for certain elderly residents.
- **HB 625** (11:10 a.m.), relative to enabling municipalities to levy payments against non-profits at a percentage of their assessed property values.
- HB 147 (11:30 a.m.), relative to clarifying tax exemptions for properties used by religious, educational, and charitable organizations.
- **HB 426** (1:00 p.m.), relative to property tax exemptions for charitable organizations for the prior tax year.
- HB 617 (1:30 p.m.), relative to the homestead right.
- <u>HB 425</u> (1:50 p.m.), allowing tax-exempt entities to keep their tax-exempt status while renting facilities or property to entities that share their mission.
- **HB 421** (2:10 p.m.), relative to notice of tax exempt-status filing procedures by town officials or offices.
- <u>HB 782</u> (2:30 p.m.), expanding property tax exemptions for certain elderly and disabled persons; raising public awareness regarding tax credits and exemptions; and requiring an annual report on the efficacy of the low- and moderate-income homeowners property tax relief program.

This week, the committee held public hearings on several bills we are tracking:

HB 272 aims to expand the exemption for certain agricultural practices from municipal noise regulation, specifically making it so the exemption is not only for "quiet hours" ordinances. NHMA opposes this bill, believing that municipalities should retain the ability to reasonably regulate noise.

HB 149 proposes the establishment of "ranked choice" voting for warrant articles. Testimony at the hearing revealed a general sense of confusion regarding the implementation of such a system as well as concerns that it could complicate the process of amending warrant articles during deliberative sessions. NHMA opposes this bill based on the potential confusion and disruption it might cause.

HB 230 seeks to limit the authority of town health officers in regulating public health matters. The hearing brought to light concerns about the ambiguous language of the bill, particularly the phrase "or other similar threats to public health," which could create confusion. NHMA opposes this bill.

HB 339 aims to include the preservation of agricultural land and the promotion of food production enterprises in a town's master plan, which NHMA supports.

HB 407 requires any warrant article raising money to be supported by 15% of all registered voters (not just voters participating) for it to pass. During the public hearing, concerns were voiced about the feasibility of meeting this requirement, given the typically low voter participation rates in many towns. NHMA opposes this bill due to its potentially detrimental impact on local governance and overall impracticality.

HB 432 redefines the term "recovery house" and mandates that such facilities be treated like family housing in zoning ordinances. NHMA opposes this bill, believing that it could undermine municipal zoning authority.

The committee also reported several bills out of committee during an executive session Thursday:

HB 139, which proposed allowing towns and cities to determine their own holidays and their names rather than having them mandated by the state, was recommended Inexpedient to Legislate (ITL), 18-0. **HB 346**, aimed at increasing the fees municipalities can collect for licensure of racetracks to cover related costs, was recommended Ought to Pass (OTP), 10-8. **HB 165**, which sought to increase the amount of disaster relief communities can apply for, although not state-funded, was recommended OTP, 18-0.

Several other bills were retained. <u>HB 173</u>, which would prohibit the public body from amending petition warrant articles at deliberative sessions in SB 2 municipalities, was retained by the committee on a 10-8 vote. <u>HB 348</u>, proposing to allow municipalities to implement a residency requirement of up to 90 days and suggesting evidence to establish residency proof for local welfare assistance, was retained, 15-3. <u>HB 453</u>, preventing municipalities from banning the use of internal combustion engine-powered grounds maintenance or snow and ice removal equipment, was retained, 12-6. Finally, <u>HB 488</u>, which introduced new limitations on municipal office roles to prevent individuals from serving on multiple boards, commissions, or positions, was retained, 18-0.

Mixed Results on RTK Bills

The <u>House Judiciary Committee</u> met in executive session Thursday to take action on a number of bills dealing with the state's Right to Know Law (RSA 91-A).

HB 66 -- the bill NHMA was most concerned about -- changes the definition of "citizen" to "person." Additionally, the bill mandates that requests be accepted in person, by mail or electronically and that records must be sent electronically or by mail (the requestor's choice) – rather than simply being made available for public inspection. At the executive session, there was lengthy discussion acknowledging the burden the bill could place on municipalities related to out-of-state and out-of-country requests, and the committee

ultimately voted to amend **HB 66** to create 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 is a member of the media, regardless of location, can still make a request for records under the expanded language included in **HB 66**. However, those who fall outside the above categories (i.e. people or entities with no ties to New Hampshire), must physically pick up the records or review the records in person. The amended bill was recommended as OTP, 13-4. While the amendment is an improvement, NHMA still 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.

HB 114, another worrisome bill that NHMA opposed, eliminates the collection of fees for compiling a response to an RTK request and allows for liability if there is wrongful disclosure. In executive session, committee members noted the bill would nullify all the effort last year that went into amending RSA 91-A to allow for fees. The bill was recommended ITL, 13-4.

<u>HB 74</u>, which defined the requestor as a "citizen" of NH or press acting to inform NH residents, was retained by the committee on 17-0 vote. NHMA supported this bill as a common-sense approach.

HB 80, which replaces "not reasonably practicable" with "unavoidable" regarding reasons for board members not to attend meetings in person and bans remote voting was recommended ITL, 13-4. NHMA opposed the bill.

HB 265, which requires the start/stop time of a public meeting to be recorded in the minutes and requires the printed name and signature of the recording secretary, was recommended OTP, 17-0. NHMA took a neutral position on this bill.

HB 313, which amends the non-public session related to "reputation" to allow the person that is the subject of the non-public session to be notified and request the meeting be public, was referred to a subcommittee for further discussion. NHMA opposed this bill.

Finally, <u>HB 376</u>, which exempts library information from disclosure, was recommended OTP, 16-1. NHMA was neutral on this bill.

Retirement Bills in the Spotlight

On **Wednesday**, **February 5**, beginning at **1:00 p.m.**, in **LOB Room 306-308**, the **House Executive Departments and Administration Committee** (ED&A) will hear a pair of bills regarding the New Hampshire Retirement System (NHRS).

HB 702 excludes hours worked by NHRS retirees for "extra or special duty pay" (e.g. "detail" pay) from the annual limits on retiree work hours. The statute defines this pay as "work activities or details for which the employer bills or charges another entity, in whole

or in part ...". The retirement system does not have data regarding detail hours worked by retirees. NHMA is monitoring this bill.

At 1:45 p.m., <u>HB 727</u> will be heard. This bill is an updated and slightly revised version of HB 436 from 2023, which reverted police and fire (Group II) pension benefits for anyone who was hired before July 1, 2011, back to pre-2011 levels. This bill would benefit slightly more than a quarter of current police and fire personnel and have no impact on first responders who were hired on or after July 1, 2011, who make up 64.4% of active Group II members. There is still no fiscal note on this bill, but a 2023 analysis of HB 436 found that it would add more than \$130 million to retirement system liabilities.

HB 727 does contain recurring state general fund appropriations of \$27.5 million per year through July 1, 2034, to pay for these changes; however, there is no dedicated funding source identified, and even if there was, state appropriations can be repealed at any time, leaving municipal employers to absorb a significant increase in employer contributions. Since this bill would not benefit any first responder with less than 14 years of service this July 1, it is also unclear how **HB 727** will attract new recruits or help to retain recent hires. NHMA opposes **HB 727** due to the cost.

This week, ED&A held public hearings on three bills:

HB 536, which provides a permanent cost-of-living adjustment to anyone who retired on or before July 1, 2020, would add more than \$100 million to the system's unfunded liability, paid off through increase employer contributions over a 20-year period beginning in fiscal year 2028. NHMA signed in opposition to this bill due to the cost.

HB 581 establishes a state retirement plan group for new state employee members of the retirement system. While the plan only impacts state employees, NHMA is monitoring this bill to see if there is a potential impact on future municipal employer contribution costs as a result of future state employees not participating in NHRS.

HB 622, regarding the number of hours retirees may work, was unanimously recommended inexpedient to legislate (ITL) at the request of the sponsor.

If this wasn't enough retirement system news for one week, the Senate, on a 23-0 vote Thursday, passed and immediately tabled **SB 20**, which would create a 7.5% state contribution toward municipal employer contributions to NHRS. This was an anticipated action, which keeps open the (unlikely) chance that funding for this bill will be included in the state budget. The House version of the same bill, **HB 97**, will be discussed in a **House Finance Division I** work session on **Wednesday**, **February 5**, at **10:15 a.m**. in **LOB Room 212**. Many members have already testified in support of these bills or registered their support online, but it wouldn't hurt to email Finance Division I to express your continued support.

Update: State Aid Grants for Wastewater Projects

On **Tuesday**, **February 4**, at **1:40 p.m**. in **SH Room 103**, the **Senate Finance Committee** will hold a public hearing on **SB 240**, an NHMA-supported bill which appropriates \$15 million for each of the 2026 and 2027 fiscal years to fund the state share of eligible and completed wastewater projects under the State Aid Grant (SAG) program pursuant to RSA 486. Historically, the legislature has, by law, expressly authorized the SAG program to provide grants to municipalities of 20% to 30% of the principal and interest payments on completed and eligible environmental infrastructure projects. However, sufficient funding for the grants had not been included in the state budget for years, until the current biennial budget was passed – thus the need for a separate funding bill.

The House has its own version of this bill, <u>HB 97</u>, which will be discussed in a **House** Finance Division I work session on **Wednesday**, February 5, at 10:15 a.m. in LOB Room 212.

Please support SB 240 and HB 97 by contacting the finance committees in both chambers.

"Sanctuary City" Bills Advance

The Senate on Thursday passed a pair of "sanctuary city" bills on party-line votes.

SB 62 creates a new statute allowing local law enforcement to collaborate with ICE through the federal 287(g) program. However, there may be an unintended issue with the wording of the bill, as it appears to allow a law enforcement agency to make the decision about the program even over any objections or opposition from local governing bodies.

SB 71, known as the "Anti-Sanctuary City Act," bans local governments from enacting policies that obstruct state or federal enforcement of immigration laws.

Last Friday, the <u>House Criminal Justice and Public Safety Committee</u> voted 16-0 to endorse **HB 511** with an <u>amendment</u>. The bill, titled, the "Anti-Sanctuary Act," prohibits state and local entities from adopting sanctuary policies that hinder federal immigration law enforcement. It also allows the attorney general to seek legal action against violators. Although NHMA opposed the bill, the amendments did improve some of the ambiguity in the original bill that NHMA raised.

NHMA opposes all three bills as a clear intrusion on local control, usurping the authority of municipalities and local police departments to make decisions about how staff and resources should be allocated.

Workplace Safety Rules Discussed

On **Tuesday, February 4**, at **10:00 a.m.** in **LOB 210-211** the **House Labor, Industrial and Rehabilitative Services Committee** has an executive session on **HB 303**.

The bill mandates that the New Hampshire Department of Labor (DOL) adopt rules that are at least as effective as the standards set forth in OSHA 1910. Municipal, county, and state public employees are not covered under OSHA, but are subject to state DOL rules.

NHMA, while in favor of providing a safe working environment for municipal employees, opposes this bill primarily due to the anticipated financial burden on local governments. While the exact costs are difficult to quantify, they are expected to include expenses related to legal advice, staff time for implementing the new standards, the acquisition of new or additional equipment, staff training, and infrastructure improvements. NHMA believes these costs will likely not be offset by any reduction in workers' compensation claims, thus placing a financial strain on local governments. A similar bill died on the table in the previous legislative session.

During testimony, a representative from DOL indicated that the agency is reviewing and re-adopting its existing safety rules, which expire every 10 years. It is unclear whether **HB 303** is needed, given that DOL already has the legal authority to adopt safety rules similar to OSHA standards.

NHMA has submitted written testimony opposing the bill, and Sullivan County has also testified on the matter. Local officials can still contact the committee to express their opposition.

The Elephant in the Room: The State Budget, Part 4

The memo Monday from the Office of Management and Budget (OMB) ordering a freeze on federal financial assistance programs was the second earthquake felt in New Hampshire that day, but the aftershocks from this one remain unclear after a federal judge issued a temporary stay and OMB rescinded the memo.

(Please note that the rescission of the memo was done to clarify that only spending related to the President's Executive Orders was implicated by the freeze; it was not an actual rescission of the freeze. This is a significant issue that NHMA continues to follow outside the *Bulletin* and we will continue to provide updates and guidance to municipalities as it becomes available.)

In addition to sending a jolt through state, county and local governments, schools, and nonprofits, the memo is also a timely illustration of the importance of having a steady, dependable source of funding to provide valuable services.

When government at any level builds its next budget, it needs to know where future revenue is coming from. Most NHMA member towns vote on their budgets in March and some level of state aid is factored into their revenue projections, so any cuts to existing aid will be made up from the pockets of local property taxpayers.

While NHMA believes a commonsense review of state and local spending is always necessary to ensure it is fiscally responsible and in the taxpayers' best interest, we oppose interruptions or reductions to state aid that assists municipalities in providing critical services to those who depend on them. We hope state budget writers agree.

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!

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Nonmembers can email <u>info@nhmuniciapl.org</u> to be added to our email list for the *Legislative Bulletin*.

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 <u>Bill Hearings Schedule</u> 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 <u>online testimony submission system</u> 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 <u>committee page</u>.

The Senate has <u>a remote sign-in sheet</u> 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 <u>Senate committee page</u>.

If you have time to follow along, livestreams of <u>House</u> and <u>Senate</u> sessions and committee meetings are available on YouTube. Prior sessions and committee meetings are also archived.

Finally, if you want to contact your local legislators, there are **Contact a Senator** and **Contact a Representative** links on the **General Court** website.

NHMA Events Calendar 2024 Final Legislative Bulletin

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