

Legislative Bulletin 6

2025 Session

February 14, 2025



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

Anti-Speech Bill Will Silence Your Voice

On Wednesday, February 19, at 1:00 p.m. in LOB Room 203, the <u>House</u> <u>Legislative Administration Committee</u> will hold a public hearing on <u>HB 314</u>, which is intended to cut those who represent local governments out of the legislative process but actually goes much further than that.

The bill does three things: broadly prohibit a huge number of individuals from engaging in the legislative process, set unnecessarily burdensome segregation of funds requirements, and create criminal and other penalties for engaging in speech.

While NHMA will be speaking against this bill, there is strength in numbers, so we are asking members to come testify, <u>register your opposition online</u>, and/or reach out to any <u>members of the House Legislative Administration Committee</u> who represent your municipality and ask them to vote **HB 314 Inexpedient to Legislate**. (Please remember to cc: <u>governmentaffairs@nhmunicipal.org</u> on any correspondence for our records.)

HB 314 prohibits local officials acting in their official capacity from any form of speech related to legislation or politics. **The second paragraph** broadly prohibits any public funds from being used to "to lobby, attempt to influence legislation, participate in political activity, or contribute funds to any entity for the purpose of engaging in the same."

Because this language goes well beyond prohibiting "lobbying" as defined in RSA chapter 15, the bill would prevent any local official, whether a paid employee or an elected official receiving a stipend, from any form of advocacy or speech on legislation on behalf of a city or town.

Of course, that ban would also apply to organizations like NHMA and many, many more: **HB 314** affects every organization of municipal officials, such as building officials, assessing officials, firefighters, public works, or the police chiefs; every state agency and department; and every nonprofit organization that receives state or local funds. This is why the coalition against this bill includes the NH Center for Nonprofits and the NH Charitable Fund.

If the ban itself isn't enough, the bill makes the prohibited speech a Class A misdemeanor, establishes personal liability "equal to 3 times the amount wrongfully paid or expended," and makes a "knowing violation grounds for discharged of an employee."

If *that's* not enough, there are other reasons to oppose **HB 314** as bad public policy:

The bill would cost taxpayers money. And that's not just because the bill would allow any resident of the state to bring a lawsuit against a city or town (in addition to the possibility of criminal penalties). Every year, alongside our members, NHMA advocates on bills that typically fall into one of two categories: defeating bills that cost municipalities money and supporting bills that maintain or increase state aid. Every new cost on municipalities is paid for by taxpayers, and every additional dollar sent from the state to the cities and towns offsets property taxes.

The bill strips local officials and town meetings of authority to make their own local decisions. Dues paid to organizations that provide services to local officials are included by local officials in municipal budgets and are voluntary for most organizations—like NHMA. In most of our municipalities, these budgets are adopted by the voters. In the rest, they are adopted by the representatives the voters elect to make those decisions for them. Cities and towns make decisions every year to be members of organizations that provide these services to make them more efficient and to operate in a more cost-effective manner. The legislature should not make judgments on local spending; the voters and their locally elected officials should.

It is inconceivable in the Live Free or Die State that locally elected leaders would be barred from—even prosecuted or terminated for—speaking on legislation with local impacts. And yet, this type of bill has become a perennial effort of certain legislators in New Hampshire. Contact your representative today and ask them to nip this bad bill in the bud by voting **HB 314** inexpedient to legislate (ITL) in committee.

For detailed instructions on the various ways to share your position on this and any other bills, see "How to Make Your Voice Heard" below.

Governor Ayotte Unveils Spending Plan

On Thursday, Governor Kelly Ayotte gave her first <u>budget address</u>, outlining her spending plan for the biennium at a joint session of the legislature.

Among her priorities were increasing funding for special education and services for the disabled, streamlining the state permitting process for housing development, expanding the education freedom program, and spending more on public safety.

With lagging state revenues and the sunset of more than \$2 billion in federal aid, the governor faced a vastly different landscape than her predecessor. In addition to revenue concerns, the state is potentially facing increased liabilities from school funding lawsuits and the cost of settlements tied to abuse at the state's youth detention center. Finally, there are new uncertainties surrounding federal funding, which accounts for about one-third of state spending.

Despite the challenging revenue picture, there was no discussion of cuts to municipal aid and the <u>executive budget summary</u> indicated incremental increases in state aid from the rooms and meals tax in FY 26 and FY 27.

On housing, the governor set a goal of having state agencies and departments process permit determinations in 60 days (which is far longer than some of the local mandates for speeding development proposed in the legislature).

In regard to improving pension benefits for firefighters, police officers, and correctional officers covered by the New Hampshire Retirement System, the budget would dedicate \$33 million generated by legalizing slot machines to offset unspecified benefit improvements. The details of this and other proposals won't be fully clear until **HB 1** and **HB 2** are introduced in the House.

Three things to remember about the governor's budget: First, this is the beginning of a long process, not the end, and the budget that ends back up on the governor's desk in late June may look vastly different; second, the revenue assumptions the proposal is based are almost certain to change by May; third, the devil is always in the details, which we look forward to seeing.

Mandating Minimum Lot Sizes

The <u>Senate Commerce Committee</u> held an executive session Tuesday and unanimously recommended ought to pass (OTP) on <u>SB 84</u>, which mandates zoning ordinances to allow smaller lot sizes for single-family homes, overriding current zoning regulations. The bill also requires municipalities to provide empirical evidence that the sewer system cannot support the lots, which adds a layer of complexity and burden on local governments. NHMA opposes this bill—and similar proposal, <u>HB 459</u>, currently in

the <u>House Housing Committee</u>—because it takes away local control and complicates zoning regulations and capacity assessments.

These bills are the most concerning of all the zoning mandates and we really need members to speak out against them. No action is scheduled on either bill next week; however, under House rules, the committees can hold an executive session at any time to report bills out of committee.

Municipal officials are asked to <u>contact your local senator</u> to express opposition to **SB 84** and <u>contact</u> the **House Housing Committee** to register opposition **HB 459**.

"Extraordinary Restriction" is in the Eye of the Beholder

On **Tuesday, February 18**, at **10:30 a.m**. in **LOB Room 305**, the <u>House Housing</u> <u>Committee</u> will hold a public hearing on <u>HB 410</u>, a bill that requires the legislative body (e.g. the voting residents of a municipality) to provide evidence before adopting or enforcing "any extraordinary restriction of residential property unless the ordinance is directly necessary for the health or safety of the community."

The bill, which NHMA opposes, goes on to say "the legislative body shall include detailed written findings of fact, based on empirical evidence published by a non-partisan source, to demonstrate direct necessity." The impracticality of this provision is self-evident.

For the purposes of the bill, the definition of "extraordinary restriction of residential property" includes:

- Any minimum square footage requirement for a dwelling or unit in excess of 200 square feet or the square footage required to meet the state building code, whichever is greater.
- In-home businesses use in residentially zoned lots.
- Local amendments to the state building code or state fire code regarding materials or methods of construction, which impact residential buildings of not more than 4 units.
- A restriction on the amount of time a property owner, or someone authorized by the owner, may camp on property, either in a vehicle or any other structure without a foundation

HB 410 is likely to increase municipal costs related to amending zoning ordinances by requiring municipalities to hire staff or consultants to identify and review "empirical evidence published by a non-partisan source" to justify an amendment, or in the case of an appeal.

In a nutshell, this bill is a massive overreaction to the narrative that municipalities with reasonable zoning are somehow creating overly burdensome restrictions on development.

For a reality check, take a look at these <u>recently released case studies</u> from New Hampshire Housing highlighting how 11 Granite State communities leveraged housing opportunity grants to address challenges through community-driven planning, zoning reforms, and innovative housing solutions. According to the report, "Each of the case study communities tackled the housing crisis *in their own way* ..." (emphasis added). Wow, local solutions to local issues, what a concept!

Baby, You Can Park My Car (If You Can Find a Spot)

On **Thursday, February 20**, at **10:15 a.m.** in **State House (SH) Room 100**, the **Senate Commerce Committee** is holding a public hearing on **SB 284**, which prevents municipalities from setting the maximum residential parking spaces per unit to more than one parking space per residential unit, except that studio and one-bedroom units under 1,000 square feet that meet the requirements for workforce housing, and multifamily developments of 10 units or more may require up to 1.5 parking spaces per unit.

Adequate parking is a major issue in every municipality, especially cities and tourism communities, and this bill—as well as even more concerning proposal in the House, **HB 382**, which removes all parking requirements—takes away municipal authority to regulate mandatory onsite parking requirements. NHMA opposes both bills because they would eliminate local control, create potential planning issues including traffic management concerns, community aesthetic concerns, health/safety concerns, snow removal, and potentially more neighbor disputes, which could require law enforcement presence.

Please testify or go online to oppose **SB 284** next week and <u>contact</u> the House Housing Committee to oppose **HB 382**.

"Social Districts" Coming to NH?

On Wednesday, February 19, at 2:45 p.m. in LOB Room 302-304 the <u>House</u> <u>Commerce and Consumer Affairs Committee</u> will hold a public hearing on HB 467, which would allow municipalities to establish designated social districts where people could carry alcoholic beverages in open spaces or between establishments that serve food and alcohol. Importantly, the bill, which NHMA supports, includes safeguards to prevent misuse and ensures that the governing bodies have the authority to decide whether a social district can exist and determine its specific location.

Ambulance Billing Discussions Continue

The <u>House Commerce and Consumer Affairs Committee</u> workshopped three vastly different bills concerning ground ambulance service reimbursement rates and the elimination of "balance billing" on Wednesday. Meanwhile, the <u>Senate Health and Human Services Committee</u> took up a pair of bills on the same topic later that day.

The elimination of balance billing -- i.e. billing a patient for the difference between the full cost of the service and the amount their insurance plan pays -- coupled with inadequate reimbursement rates could negatively impact town and city budgets, potentially reducing the number of ambulance providers, particularly in rural areas.

At the House Commerce and Consumer Affairs Committee work session, there was clear consensus that balance billing needed to be eliminated. However, there was no consensus on reimbursement rates.

We are concerned about comments made during the work session that the "balanced billing fee will be spread over the community. The taxpayer in that community will make up the difference."

Three bills were discussed at the session:

- **HB** <u>316</u> would eliminate balance billing and set a reimbursement rate for non-Medicare/Medicaid health insurance carriers at approximately 200% above the current Medicare reimbursement rate, which NHMA opposes because in many cases reimbursement is much lower than the actual cost.
- **HB 185**, which NHMA supports, mandates that insurance carriers pay the rate set by the ambulance provider in full if no negotiated agreement exists, which would de facto eliminate balance billing.
- <u>HB 725</u> also would eliminate balance billing, but set the reimbursement at 325% above the current Medicare reimbursement rate. NHMA believes **HB 725** does the best job of striking a balance between competing interests.

At the end of the work session, the consensus was that **HB 185** was a non-starter and the committee unanimously voted the bill Inexpedient to Legislate (ITL) with the acknowledgment that more discussion would take place on **HB 316** and **HB 725**. No schedule was set.

Meanwhile, the **Senate Health and Human Services Committee** held hearings on **SB 245** and **SB 130**, both of which contain similar provisions as HB 725.

At the hearing, **SB 130** was replaced in its entirety by amendment 2025-0273s that creates a study commission to "study delivery models for emergency medical services in NH."

At the **SB 245** hearing, the prime sponsor explained that the federal No Surprises Act that exempted ambulance providers because there was an acknowledgement of the complexity of providing those types of emergency service. The sponsor went on to explain that the 325% reimbursement rate was discussed during work on federal recommendations and that of the 14 states that enacted no surprise billing acts, six are using 325% of Medicare reimbursement rate. It was also noted that Maine had attempted a 200% reimbursement rate, but it was well documented that it didn't work, and the state had to step in with general funds to stabilize the system.

Municipal ambulance services are essential services and not profit-driven; thus, appropriate reimbursement rates are crucial for their sustainability. Further, it's unfair to put local taxpayers over a barrel to the benefit of private insurers. We are asking you to support **SB 245** by <u>contacting</u> the Senate Health and Human Services Committee and to support **HB 725** by <u>contacting</u> the House Commerce and Consumer Affairs Committee.

Senate Acts on Wastewater, Other Bills

The Senate was scheduled to act Thursday on a pair of NHMA priority bills, <u>SB 240</u> and <u>SB 188.</u>

SB 240, an NHMA-supported bill, was passed and tabled for possible inclusion in the state budget. The bill 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. It is normal for the Senate to pass and table these kind of appropriations bills because the Senate, as opposed to the House, gets the second stab at the budget later in the session when revenue projections are more concrete.

SB 188, which NHMA opposes, was "special ordered" to a future Senate session without discussion. It's not clear if input from municipalities contributed to this delay, or whether it was simply a procedural decision, but regardless, this gives you more time to <u>contact</u> <u>your local senator</u> to express your opposition! As a refresher, this bill allows property owners or developers to use licensed, insured private providers for building code plan reviews and inspections related to the New Hampshire state building code and any local technical amendments, excluding fire prevention and fire safety codes. Most troubling, **SB 188** requires a municipal regulatory body to review and approve, or provide written notice to the independent provider of any specific deficiencies or compliance issues, within a required number of days (3 days or 5 days for code inspections depending on the type of building and 8 days for reviews of development documents and permits). Approvals will be considered granted as a matter of law if the municipal regulatory body

fails to respond within the mandated timeframe. The bill was amended to move the effective date back to July 1, 2026.

The Senate also took action on two other bills NHMA has a position on:

- <u>SB 42</u>, relative to notice of death affidavits. **Passed.** NHMA supported.
- <u>SB 71</u>, relative to cooperation with federal immigration authorities. **Re-referred to Senate Finance Committee.** NHMA opposed.

Meanwhile, in the House ...

The House also met Thursday and acted on six bills NHMA has a position on.

- <u>**HB 139</u>**, relative to the official designation of holidays by municipalities and educational institutions. **Inexpedient to Legislate (ITL).** NHMA supported.</u>
- **HB 174.** increasing the maximum weight of a utility terrain vehicle to 3,500 pounds unladen dry weight. **ITL.** NHMA opposed.
- <u>HB 240</u>, removing the penalty of forfeiture for non-payment of dog licenses. **Passed** with amendment that changed a "shall" to a "may" to give municipal officials discretion. NHMA opposed the original bill, but neutral on the amended version as it authorizes a local option.
- **<u>HB 336</u>**, relative to the placement of political advertisements on public rights-ofway. **ITL.** NHMA supported.
- **<u>HB 346</u>**, relative to licensure fees for race tracks. **ITL.** NHMA supported.
- <u>SB 4</u>, relative to commercial property assessed clean energy and resiliency (C-PACER). **Passed.** NHMA supported.

Update on Municipal Government Bills

On **Tuesday, February 11**, beginning at **9:00 a.m**. in **LOB Room 201**, the <u>House</u> <u>Municipal and County Government Committee</u> will hold public hearings throughout the morning on six bills NHMA is following.

HB 554 (9:00 a.m.): This bill allows municipalities to decide the locations of political signs within their jurisdiction. NHMA is neutral.

HB 512 (9:20 a.m.): This bill prevents town managers, administrators, and school superintendents from being compensated under more than one town or district contract simultaneously and establishes criminal penalties for those who do. NHMA opposes this bill because it would impose stringent restrictions on multi-contractual agreements and may inadvertently criminalize innocent administrative actions.

HB <u>562</u> (9:35 a.m.): This bill requires elected governing bodies, when filling vacancies with an applicant who ran in any of the last three elections for the office, to first extend an offer to the runner-up from the most recent prior election. NHMA opposes this bill, as it undermines the authority and flexibility of governing bodies to choose the most qualified candidates for vacant positions.

HB 123 (non-germane amendment) (9:50 a.m.): This NHMA-supported bill, enables municipalities to tax the yield on timber used for carbon sequestration, which would help municipalities capture lost timber tax revenues as timber is increasingly used for carbon sequestration rather than being cut at maturity. The amendment exempts state- and county-owned land from being enrolled in the carbon sequestration registry in RSA 227-G:4, XII.

HB 490 (10:20 a.m.): This bill asserts that municipalities won't be held liable for homeless shelters that impact public safety unless the municipality is negligent and aware of the shelter's unsafe conditions. NHMA supports this bill, as it provides municipalities with legal protection.

HB 668 (11:00 a.m.): This bill allows municipalities to hold a referendum to rescind licenses for historic horse racing gaming. NHMA supports this bill, as it gives municipalities control over whether historical horse racing games of chance can operate within their jurisdiction.

The **<u>House Municipal and County Government Committee</u>** reported five bills out of committee this week that we've written about in previous Bulletins:

Inexpedient to Legislate:

- <u>HB 149</u> proposes the establishment of "ranked choice" voting for warrant articles. NHMA opposed. (16-2)
- **<u>HB 339</u>** aims to include the preservation of agricultural land and the promotion of food production enterprises in a town's master plan. NHMA supported. (18-0)
- **HB** <u>407</u> requires any warrant article raising money to be supported by 15% of all registered voters. NHMA opposed. (18-0)

Ought to Pass:

• **HB 92**, which originally prohibited an individual from simultaneously serving on the local zoning board and planning board, was amended to require members serving on both boards to recuse themselves when the issue goes to the second board. NHMA opposed the original bill but is neutral on the amended version because it simply restates current requirements for recusal of land use board members. (18-0)

• <u>HB 272</u> 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 opposed. (18-0)

All the bills above, with the exception of **HB 149**, are on the consent calendar for next Thursday's House session.

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 <u>Contact a Senator</u> and <u>Contact a Representative</u> links on the <u>General Court</u> website.

Follow Bills That Matter to You Online

In addition to our weekly *Legislative Bulletin*, NHMA provides members access to FastDemocracy, an online bill tracking platform, for efficient, real-time updates to legislative activity of interest to members. This tool can help ensure that you know when the bills that you care about most are scheduled for public hearing or votes.

Visit our online <u>Bill Tracker</u> page to learn more and feel free to subscribe to weekly or daily updates on subjects and bills of interest.

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: <u>https://nhmunicipal.weblinkconnect.com/portal</u>

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, <u>follow these steps</u>.)

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

<u>NHMA Events Calendar</u> 2024 Final Legislative Bulletin

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