

LEGISLATIVE BULLETIN

Bulletin 14 - 2017 Session
March 31, 2017

Update on Rescheduled Town Meetings

The Senate and the House have been moving on parallel tracks, but with different approaches, to address the issue that was raised after state officials questioned the authority of town moderators to reschedule the March 14 voting sessions of their town meetings.

The Senate yesterday passed [SB 248](#), the bill that had been introduced to ratify actions taken at the rescheduled meetings. However, the bill passed with the committee amendment that deletes all of the original language and merely provides for the creation of a committee to “study the rescheduling of elections.” Senators acknowledged that the bill was not likely to pass through the House in that form—the intent was simply to get a bill to the House for further work.

A floor amendment was introduced that would have restored the bill’s original language, ratifying all actions taken at the rescheduled meetings. Unfortunately, that amendment failed on a party-line vote, with all nine Democrats voting in favor and all fourteen Republicans voting against. We’re not sure why this seems to have become a partisan issue.

The bill now goes to the House, where it may pass as amended by the Senate so that the legislature can study what level of control local officials should have over local elections.

Meanwhile, the House Election Law Committee will hold a hearing on **Tuesday, April 4, at 11:00 a.m., in LOB Room 308** on a separate bill with a [proposed amendment](#) that would “fix” the town meeting postponements. That amendment would be added to **SB 108**, a bill dealing with absentee ballot applications.

The language in the proposed amendment will be chapter law only, meaning it will apply only to the current situation. Here’s what the proposed amendment provides:

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- Towns and school districts that postponed their voting day from March 14 are authorized to hold a special meeting on May 23 to ratify the votes taken on an alternative voting day;
- The May 23 meeting will be by official ballot, and only one question is permitted on that ballot;
- The question set forth in the amendment is: “Shall the actions taken by official ballot in (town/school district) at the election held on (date) be ratified?”
- The governing body of any political subdivision considering a special meeting must hold a public hearing by April 25 (no specifications for notice of the public hearing are set forth in the amendment);
- The governing body must vote at the public hearing whether to hold the special meeting;
- The governing body must post an attested copy of the warrant at the place of the meeting and one other public place in town and cause the warrant to be published in a newspaper;
- Absentee ballots must be available by May 2;
- If the majority of those voting on May 23 vote yes, the results of the postponed town meeting votes are “legalized, ratified, and affirmed”;
- If the majority voting on May 23 vote no, “all offices on the ballot shall thereby be deemed vacant and all warrant articles shall be deemed defeated”;
- If the town or school district’s governing body does not have a quorum available after the deemed vacancy, the Governor will appoint a resident to fill the vacancy on a temporary basis to give the governing body a quorum to fill the remaining vacant position(s), at which point the governor’s appointment will expire; and
- “Whether or not the majority of those voting on the question vote in the affirmative, any contract entered into by the governing body between March 14, 2017 and May 23, 2017 that was in accordance with the results of the election shall not be invalidated because of any defects in the election results caused by its postponement.”

This amendment raises a number of questions and leaves a number of other questions unanswered. We still believe it would be much more straightforward and helpful to municipalities for the legislature to simply state that for March 2017 only, moderators had authority under RSA 40:4 to postpone the voting day of the meeting due to the severe weather experienced on March 14. ***Please plan to attend the hearing on April 4 and let the committee know your thoughts.***

State Budget Update

House Finance Committee Recommends Two-Year Spending Plan

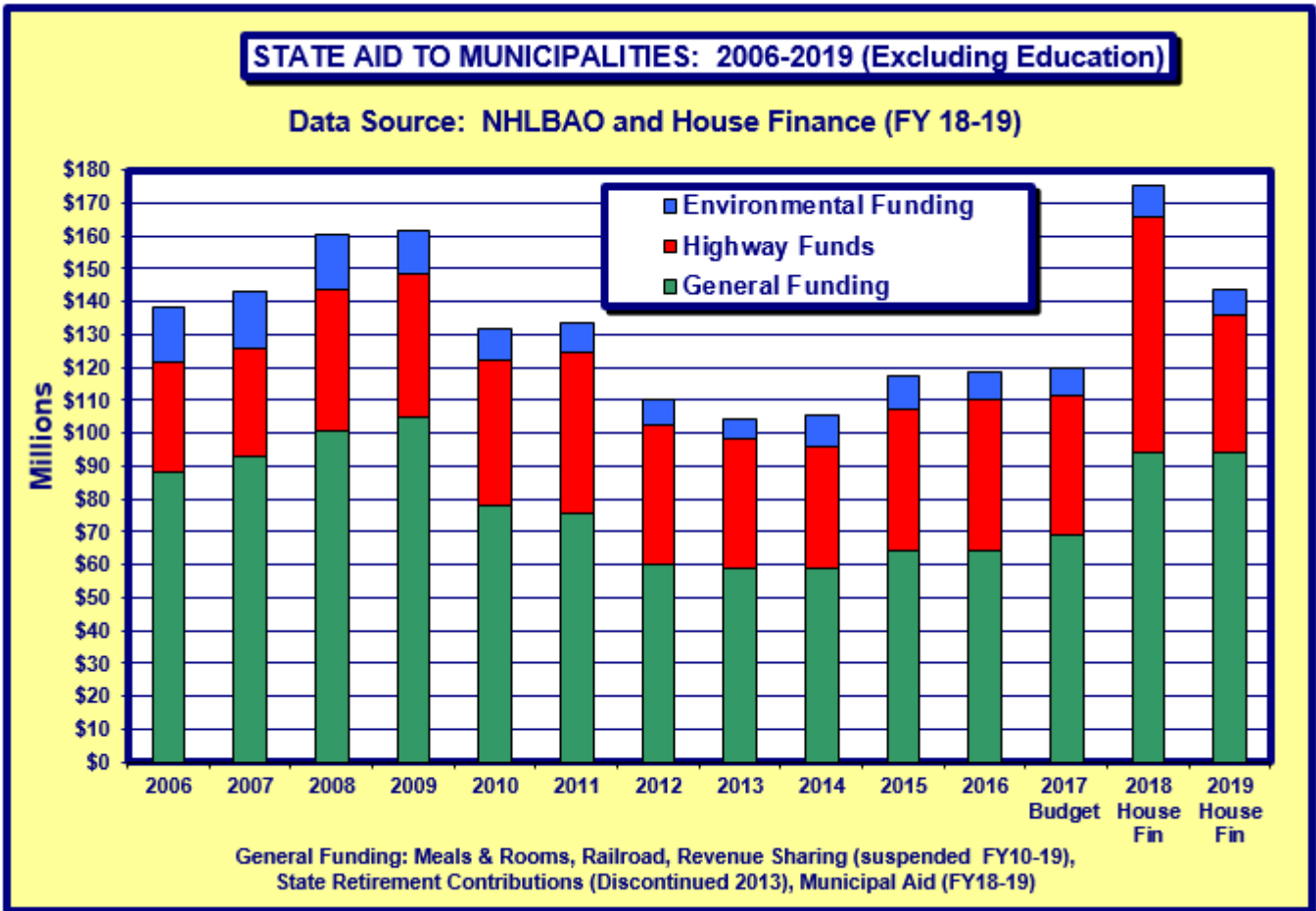
On Tuesday the House Finance Committee, by a vote of 16-9, recommended the biennial budget plan contained in **HB 1** and **HB 2**, which will be voted upon by the full House next Wednesday, April 5. Last week's [Bulletin](#) provided detailed explanations of the state aid to municipalities included in the budget, summarized as follows:

Aid by Category:	FY 2018	FY 2019
Meals & Rooms Distribution	\$ 68,805,057	\$ 68,805,057
Municipal Aid for Property Tax Relief	\$ 25,000,000	\$ 25,000,000
Highway Block Grants	\$ 35,195,500	\$ 35,346,717
Additional Highway Block Grants	\$ 15,000,000	\$ 0
Municipal Bridge Aid	\$ 6,800,000	\$ 6,800,000
Additional Municipal Bridge Aid	\$ 15,000,000	\$ 0
Highway Construction Aid	\$ 0	\$ 900,000
Environmental Grants	\$ 7,332,728	\$ 5,383,716
Additional Environ. Grants (HB 119)	\$ 1,114,346	\$ 1,114,346
Flood Control	\$ 866,250	\$ 866,250
Total	\$175,113,881	\$144,216,086

The \$25 million of municipal aid for property tax relief will be distributed by September 1 in both 2017 and 2018 (state fiscal years 2018 and 2019) on a per capita basis. Using the 2016 population estimates from the [New Hampshire Public Finance Consortium](#) data base, we have prepared a [list by municipality](#) of the estimated share of this aid.

As we explained last week, the additional highway block grant of \$15 million will be distributed under the current apportionment formula and should be approximately 43% more than the highway block grants municipalities received in fiscal year 2016. The additional municipal bridge aid will allow approximately 20 projects currently enrolled in the bridge aid program to be advanced, which should reduce the waiting time for other current and future bridge projects.

To help put this funding in perspective, the following graph shows total municipal aid each year from 2006 to the present, along with the amounts recommended by the House Finance Committee for fiscal years 2018 and 2019:



As our members have experienced firsthand at the local level, no one is ever pleased with everything that is, or is not, in any given budget, and this version of the state’s biennial budget plan is no exception. While we are encouraged to see support for desperately needed infrastructure improvements and property tax relief, this budget relies on a significant amount of revenue (\$30 million) from Keno and mobile lottery sales to balance both the general and education trust funds. The House has supported Keno several times in the recent past, while the Senate has historically rejected Keno in support of casino gambling, and again last week passed a bill (**SB 242**) which authorizes casino gambling. Additionally, tax revenue projections for 2018 and 2019 remain fluid, awaiting results of the March and April business tax filings.

This budget still has a long way to go – approval by the full House next week, then on to the Senate, which will no doubt propose amendments to address its priorities, then on to a committee of conference to reconcile both appropriation and revenue differences before it gets to the Governor.

However, right now it’s important for the municipal aid listed above to be part of the official “House position” as reflected in its budget. **Please contact each of your representatives, explain the importance of the state aid to municipalities contained in the budget proposal, and urge their support next week of the House Finance Committee recommendations on HB 1 and HB 2.**

Local Option Transportation Improvement Fund

HB 121, the **NHMA policy bill** that would increase from \$5 to \$10 the maximum fee that a municipality may collect under RSA 261:153, VI, will likely be voted on by the Senate Public and Municipal Affairs Committee during its executive session on **Wednesday, April 5**. We have explained the virtues of **HB 121** in [Bulletin #6](#) and [#13](#); please contact members of the [committee](#) if you haven't already done so. Your call or email will help secure an Ought to Pass recommendation on this important local option bill!

House Hearing on Perambulation Bill

SB 171, the **NHMA policy bill** to repeal the requirement that selectmen perambulate their town boundaries every seven years, is scheduled for a hearing next **Tuesday, April 4, at 11:00 a.m., in LOB Room 301** before the Municipal & County Government Committee.

This bill *should* pass easily, but similar bills have died in the House before, for reasons that have never been clear. No other state requires routine perambulation. Only Massachusetts comes close, requiring that “the boundary markers of every town shall be located, the marks thereon renewed, and the year located marked upon the face thereof which bears the letter of the town locating its boundary, once every five years.” Two other New England states—Maine and Connecticut—repealed their perambulation requirements years ago, Connecticut in the 1970s and Maine in 2003. The other 46 states have somehow managed to survive without ever requiring perambulation.

Further, state law provides that the *state's* borders with Massachusetts, Maine, and Vermont “shall be perambulated and the bounds renewed *whenever necessary*”—not every seven years. See RSA 1:1. Following that model, **SB 171** would provide for perambulation any time “the selectmen of any town deem it necessary that the town lines be perambulated or any marks and bounds renewed.” If the “whenever necessary” standard works for the state, it ought to work for municipalities.

Please encourage members of [the committee](#) to *support SB 171*.

Poll Books Bill in House

The House Election Law Committee has a hearing next week on **SB 113**, the **NHMA policy bill** that authorizes municipalities to conduct a trial of electronic poll book devices for voter registration and check-in. As we have discussed previously, electronic poll books, when fully implemented, will allow most voters to check in with a swipe of a driver's license; will eliminate the need for separate check-in lines for different parts of the alphabet, so any voter can go to the shortest line; will dramatically reduce the possibility for voter fraud; and will dramatically reduce the time needed for election workers to update voting records after the election.

The bill does prohibit participation in a trial program until the secretary of state “prepare[s] requirements for a memorandum of understanding that outlines specific conditions that must be met for compliance with [the bill],” which must be done within two weeks after the bill takes effect. We have reservations about what the requirements in such a memorandum of understanding might be, but we are unlikely to get any further definition. Still, the bill is one small step in the right direction.

The hearing is scheduled for **Tuesday, April 4, at 10:40 a.m., in LOB Room 308**.

Senate Approve Water/Wastewater Bill

On Thursday the Senate removed from the table and passed **SB 57**, an **NHMA policy bill** that funds seven wastewater treatment projects that were completed prior to July 1, 2013, when the state aid grant moratorium date of December 2008 was enacted into law. The Senate amended the bill to add the twelve wastewater projects contained in **HB 119** (which the House Finance Committee included in the operating budget, although the bill itself was killed), and to provide funding to extend a Pennichuck Water Company line in Amherst. Although the Senate and the House Finance Committee use different funding sources – general funds for the Senate and the Drinking Water and Groundwater Trust Funds for the House Finance Committee – it is very encouraging to see this legislative support for funding these vital infrastructure projects.

Public Utility Propaganda

Those who live in the New Hampshire Electric Cooperative service area recently received a little something extra with their electric bills: a newsletter describing the “huge, unreasonable increases” in local appraisals of the company’s property, and blaming those valuations for increased electric rates. The newsletter stated the company’s support for requiring all towns to use the Department of Revenue Administration’s utility values (as required by **HB 324**), because it “would bring fairness and consistency to the assessing process to benefit our members.”

We would not be surprised to see similar efforts by other electric companies in coming months. They have the right, of course, to tell their story to customers, but the rest of the story needs to be heard as well. Unfortunately, local officials can’t send that kind of propaganda with property tax bills (see RSA 76:11), but there may be other ways to get the message out. If your municipality has a newsletter, a response to the electric companies’ statements would be appropriate for inclusion.

Residents should understand that (1) the superior court and the Board of Tax and Land Appeals have consistently upheld the local valuations while criticizing the utilities’ reliance on the DRA values; (2) the approval of the increased valuations by the court and the BTLA suggests that the properties may have been undervalued before; (3) reduction in utility company valuations would shift the local property tax burden, resulting in increased property taxes for all other taxpayers; and (4) the resulting increases in property taxes would probably be greater than any corresponding decreases in electric rates, as there are more electricity customers than property taxpayers.

As a reminder, **SB 324** has been retained by the Science, Technology & Energy Committee, which will study the bill and make a recommendation to the House by the end of 2017.

HOUSE CALENDAR

TUESDAY, APRIL 4, 2017

ELECTION LAW, Room 308, LOB

10:40 a.m. **SB 113**, relative to an electronic poll book trial program. **NHMA Policy.**

11:00 a.m. **SB 108**, relative to absentee ballot applications, to include public hearing on non-germane amendment to **SB 108**, relative to ratifying elections postponed from March 14, 2017. Copies of the amendment (2017-1229h) are available in the Sergeant-at-Arms’ office, State House Room 318.

TUESDAY, APRIL 4, 2017—continued

EXECUTIVE DEPARTMENTS AND ADMINISTRATION, Room 306, LOB

2:30 p.m. **SB 140**, relative to the independent investment committee in the New Hampshire retirement system.

MUNICIPAL AND COUNTY GOVERNMENT, Room 301, LOB

10:00 a.m. **SB 72**, establishing a committee to study certain investments by municipalities.

10:30 a.m. **SB 116**, requiring notice to affected municipalities of energy facility siting. **NHMA Policy.**

11:00 a.m. **SB 171-L**, relative to the perambulation of towns. **NHMA Policy.**

SENATE CALENDAR

TUESDAY, APRIL 4, 2017

ELECTION LAW AND INTERNAL AFFAIRS, Room 102, LOB

9:30 a.m. **HB 552-FN**, relative to investigation of voter verification letters.

ENERGY AND NATURAL RESOURCES, Room 103, SH

10:15 a.m. **HB 337**, relative to municipal regulations of small wind energy systems.

10:30 a.m. **HB 342**, establishing a commission to study the transition of certain regulatory authority to the department of environmental services from the Environmental Protection Agency.

JUDICIARY, Room 100, SH

9:00 a.m. **HB 143**, relative to recommitment of a prisoner by the parole board.

9:15 a.m. **HB 170**, relative to posting notice and minutes of public meetings on the public body's website.

TRANSPORTATION, Room 103, LOB

1:00 p.m. **HB 432**, relative to enforcement of parking prohibitions.

WEDNESDAY, APRIL 5, 2017

EXECUTIVE DEPARTMENTS AND ADMINISTRATION, Room 101, LOB

9:15 a.m. **HB 294-FN-A**, relative to the cost of fiscal analysis of legislation relating to the retirement system.

PUBLIC AND MUNICIPAL AFFAIRS, Room 102, LOB

9:00 a.m. **HB 514**, relative to alternate members of an elected planning board.

9:30 a.m. **HB 238**, establishing a committee to study broadband access to the Internet.

10:00 a.m. **HB 617-FN**, relative to penalties for violations of planning and zoning laws.

WAYS AND MEANS, Room 100, SH

10:00 a.m. **HB 654-FN**, establishing a committee to study the regulation and taxation of vacation rentals and short-term rentals.

There is no House Floor Action this week

SENATE FLOOR ACTION

Wednesday, March 29, 2017

Thursday, March 30, 2017

SB 3, relative to domicile for voting purposes. **Passed with Amendment.**

SB 47, relative to enforcement of election laws. **Re-referred.**

SB 57, (New Title) making appropriations to the department of environmental services for the purposes of funding eligible drinking water and wastewater projects under the state aid grant program and relative to making an appropriation from the drinking water and groundwater trust fund to the department of environmental services to address drinking water contamination in Amherst. **Passed with Amendment.**

SB 107, establishing an independent redistricting commission. **Inexpedient to Legislate.**

SB 168, relative to increasing the maximum amount of the optional veterans tax credit. **Passed.**

SB 240-FN-L, relative to the monitoring and treatment of contaminated wells. **Re-referred.**

SB 247-FN-A, preventing childhood lead poisoning from paint and water and making an appropriation to a special fund. **Passed.**

SB 248, ratifying elections and meetings postponed due to a weather emergency on March 14, 2017. **Passed with Amendment.**

HB 122, relative to withdrawal from a cooperative school district. **Re-referred.**

	UPCOMING EVENTS FOR NHMA MEMBERS	
	April 10, 2017 12:00 – 1:00 p.m.	Webinar- A Halftime Report: The Legislature at Crossover
	April 12, 2017 12:00 – 1:00 p.m.	Webinar- Here Comes the Parade: Are Your Volunteers and Recreational Staff Ready?
	2017 Local Officials Workshops: 9:00 a.m. – 4:00 p.m. (check-in and continental breakfast begin at 8:30 a.m.)	
	April 13, 2017	Peterborough Recreation Center
	April 19, 2017	Grantham Town Offices
	May 4, 2017	Sugar Hill Meeting House
	May 10, 2017	North Conway Water Precinct
	May 23, 2017	Stratham Municipal Center
	June 3, 2017	Concord NHMA Offices
October 27, 2017 9:00 a.m. – 1:00 p.m.	The Intersection of Land Use and Road Law: A New Hard Road to Travel Workshop	
Please register through our website: www.nhmunicipal.org by scrolling down on the left under Calendar of Events For more information or questions, please call 1-800-852-3358, Ext. 3350.		