



# 2023 Legislative Half-Time

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# Agenda

- NHMA's Legislative Policy Positions
- The Balance of Power & Insights
- The 2023 Session: Bills Still Alive
- Ways to Engage



# NHMA's Legislative Policy Positions

NEWLY ADOPTED FOR 2023-2024



# 2023-2024 Legislative Policy Positions

- Adopted September 2022 for the 2023-2024 Legislative Years
- 17 Specific Policy Areas, and 11 Principles
- No Major Shifts in Policies or Principles
  - Rewrites and clarifications
  - Adoption of policies related to key areas of legislative interest
- [Read NHMA's 2023-2024 Policies & Principles](#)



# The Balance of Power

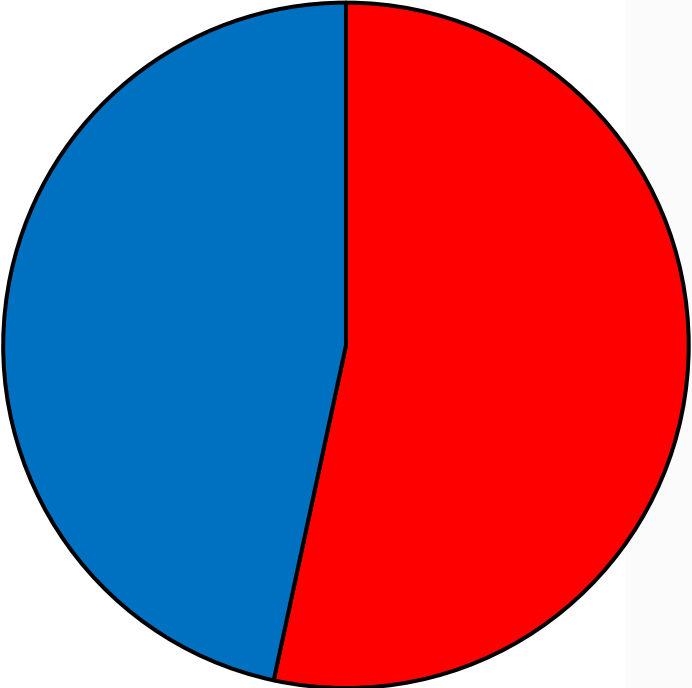
Some Insights  
for the Session



**BALANCE**  
*of*  
**POWER**

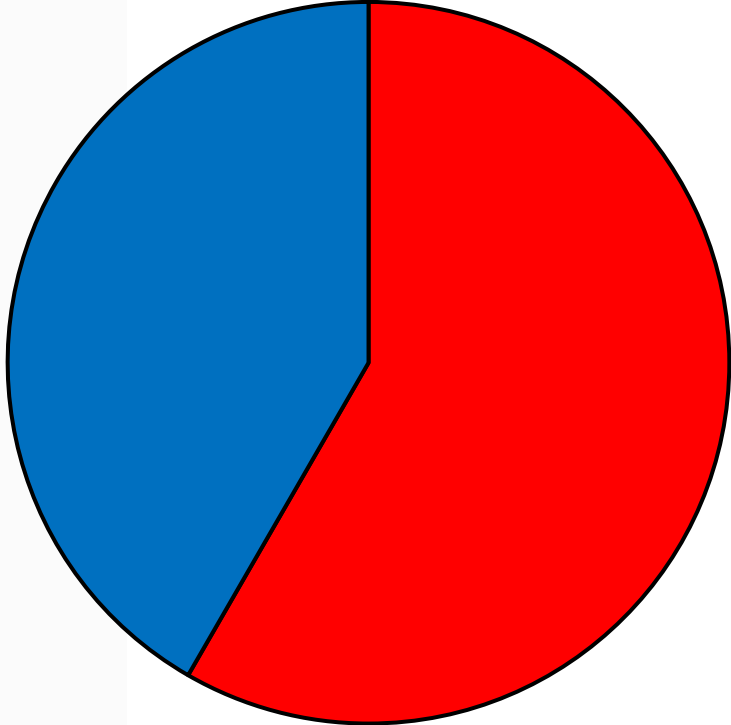
# 2021-2022 Balance of Power

House



■ Republicans ■ Democrats

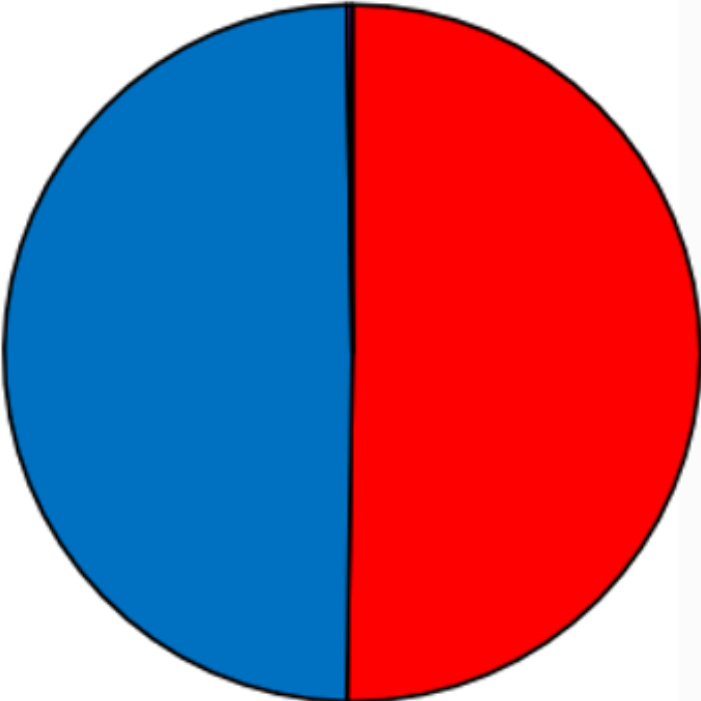
Senate



■ Republicans ■ Democrats

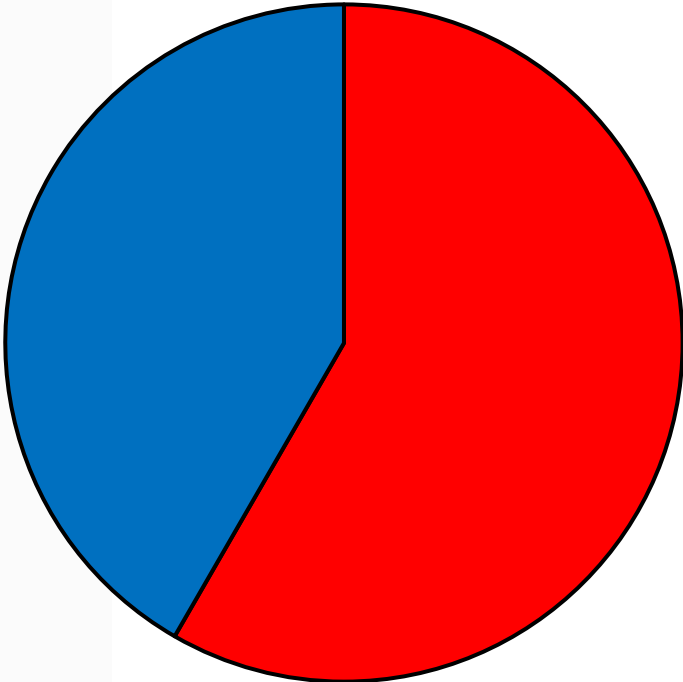
# 2023-2024 Balance of Power

House



■ Republicans ■ Democrats ■ Unfilled

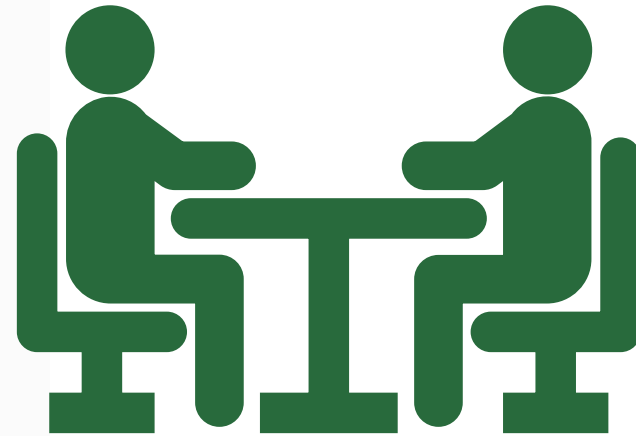
Senate



■ Republicans ■ Democrats

# House Committee Recommendations Have Limited Usefulness this Session

- Committee recommendations will only tell us whether everyone agrees on the bill, or whether we will have to see who shows up on voting day.
- This means that we will have to be very strategic about when to whip votes for or against something, as we'll be asking both sides to cross the aisle.





# The House Really Has Been About WHO shows up!

Every House session is going to come down to how many of which side shows up.

There will be no way to predict this number.

Delta is about +/- 7 for every bill.



This is very different from every other year.

2022 delta was 20-30, favoring the Republicans.

Had to put in effort where we didn't want the majority party to get what it wanted.

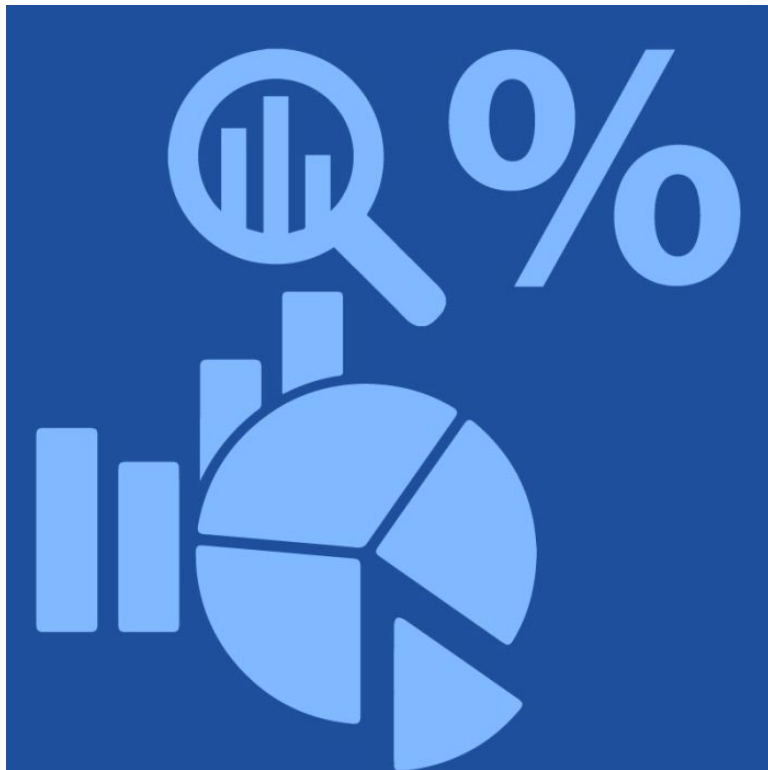


# The 2023 Legislative Session

BILLS TO WATCH:

NHMA POLICY BILLS, POLICY  
TOPICS, AND BILLS OF INTEREST

# Bill Data 2023



1,187 LSRs filed –  
More than any  
prior election year.

More than 50 LSRs  
withdrawn or 4.2%  
of all bills filed –  
more than a dozen  
with a municipal  
component.

387 bills tracked by  
NHMA.  
Almost 30% of all  
bills filed have a  
municipal  
component.

110 bills still in play  
as of Crossover.

# Some Important Policy Topics

Marijuana – HB 639 – House Bill. In Senate. Passed House w/Veto Proof Majority.

Bail Reform – Ongoing negotiations between interested legislators, but unclear how that will develop.

Composting – Big push to start putting composting infrastructure in place, particularly for food scraps, as a way to stave off landfills reaching capacity. (HB 2)

State Funding – Perpetual issue made more difficult by infusion of federal dollars, which will shortly be drying up.

# LAND USE



## HB 347

establishing a superior court land use review docket. – Retained (Included in HB 2).

## HB 247

relative to protective well radii.





# HOUSING

- SB 145

Housing Champions (Tabled).

--Voluntary local zoning changes in exchange for access to new money for water and sewer infrastructure.

- SB 231

Affordable housing funding (Tabled).

- HB 2

InvestNH - limited to municipal aid (In HB 2 – House Finance Amendment).



# Local Authority



## ■ HB 307

relative to attorney's fees in actions under the right to know law. (In Senate Judiciary)

## HB 154

relative to the adoption of public health ordinances by municipalities (In Senate ELMA)

## HB 74

relative to an employee's unused earned time

# Elections

## HB 447

relative to the purchase of election equipment – Retained in Committee. (See also, amend to SB 70.)

## SB 158

relative to (getting rid of) absentee ballot outer envelopes (for hand delivered and preprocessing early absentee ballots).



# ENERGY AND ENVIRONMENT



## HB 139

relative to the definition of "municipal host" for purposes of limited electrical energy producers.

## HB 212

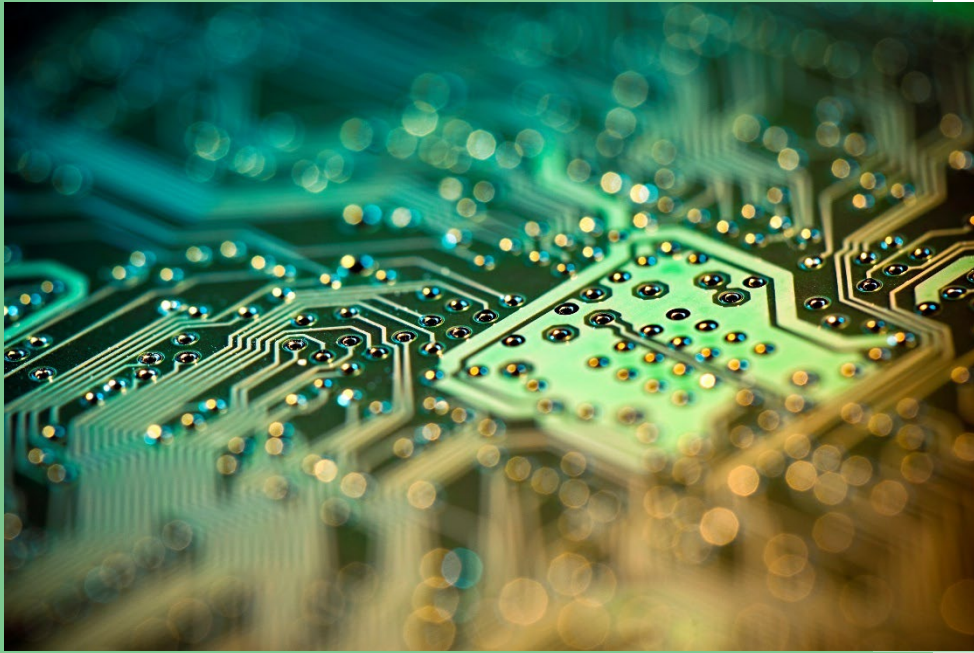
appropriating funding for investigations, testing, and monitoring relative to per- and polyfluoroalkyl substances. (Retained – In HB 2, House Finance Amendment)

## HB 300

prohibiting the disposal of certain food waste. (Retained – In HB 2, House Finance Amendment)

## SB 191

relative to road toll registration surcharges for electric vehicles.



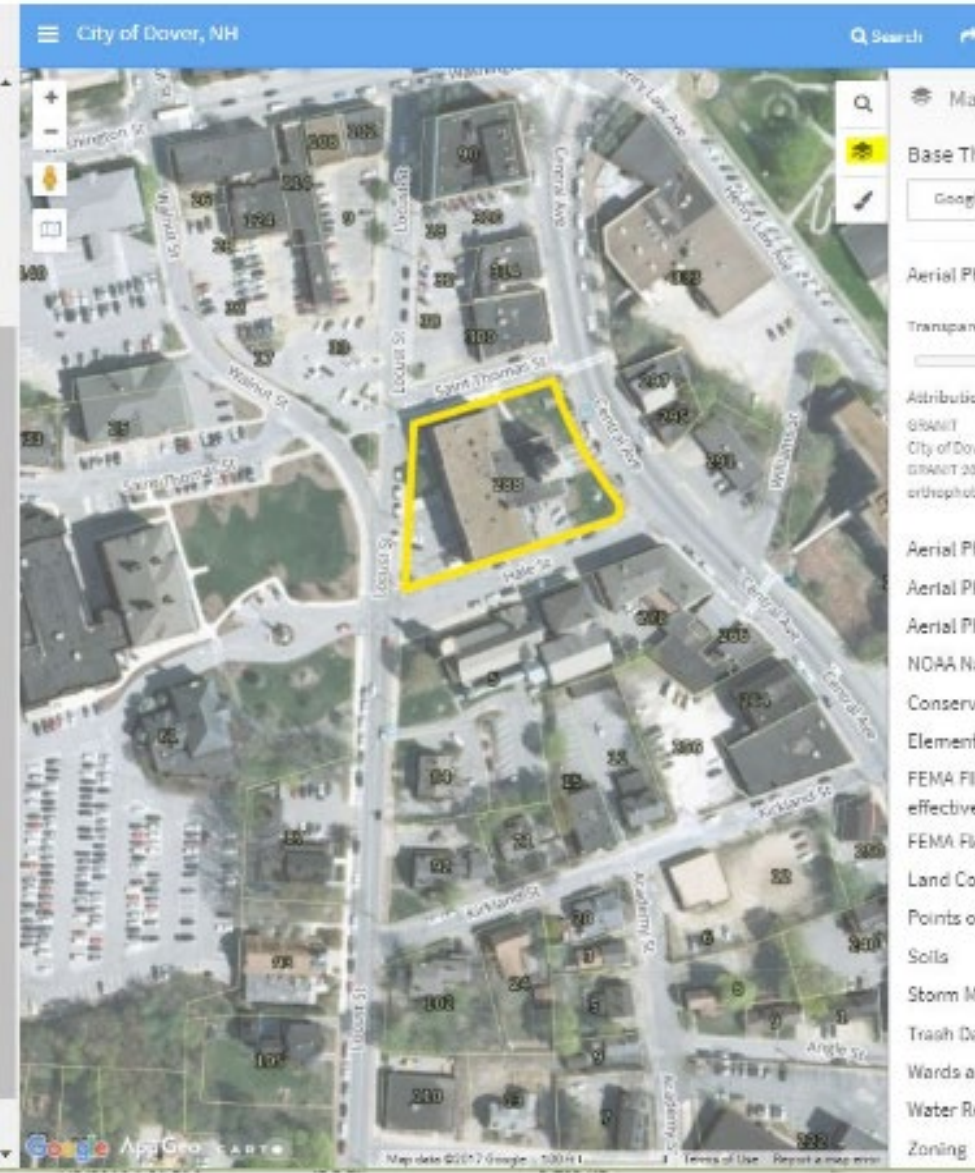
# Information Technology

- HB 257  
relative to telephone carrier of last resort obligations.

## SB 222

relative to the definition of broadband infrastructure as a revenue-producing facility eligible for municipal revenue bonds.





# Property Taxes/Assessing

## ■ HB 197

relative to the proration of property tax exemptions. (In Senate ELMA)

## ■ HB 237

relative to the date of asset evaluation for purposes of determining eligibility for certain property tax exemptions. (Governor)

# 17 Bills filed relative to the NH Retirement System

## HB 50 & SB 114

relative to payment by the state of a portion of retirement system contributions subdivision employers.

HB 50 (HB 2) - OTP –A. As amended the bill would appropriate \$50 million in fiscal year 2024 reducing the retirement system’s unfunded actuarial accrued liability (UAAL).

SB 114- Laid on the Table

HB 555 - appropriating state general fund surplus toward the retirement system unfunded accrued liability. (In Senate Finance)

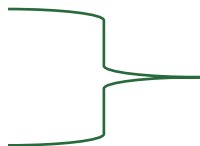
SB 205 -relative to a cost-of-living adjustment in the state retirement system-Tabled

SB 57- relative to the reduction in the calculation of state retirement annuities at age 65-Tabled

HB 250

HB 461

HB 436 (HB 2)

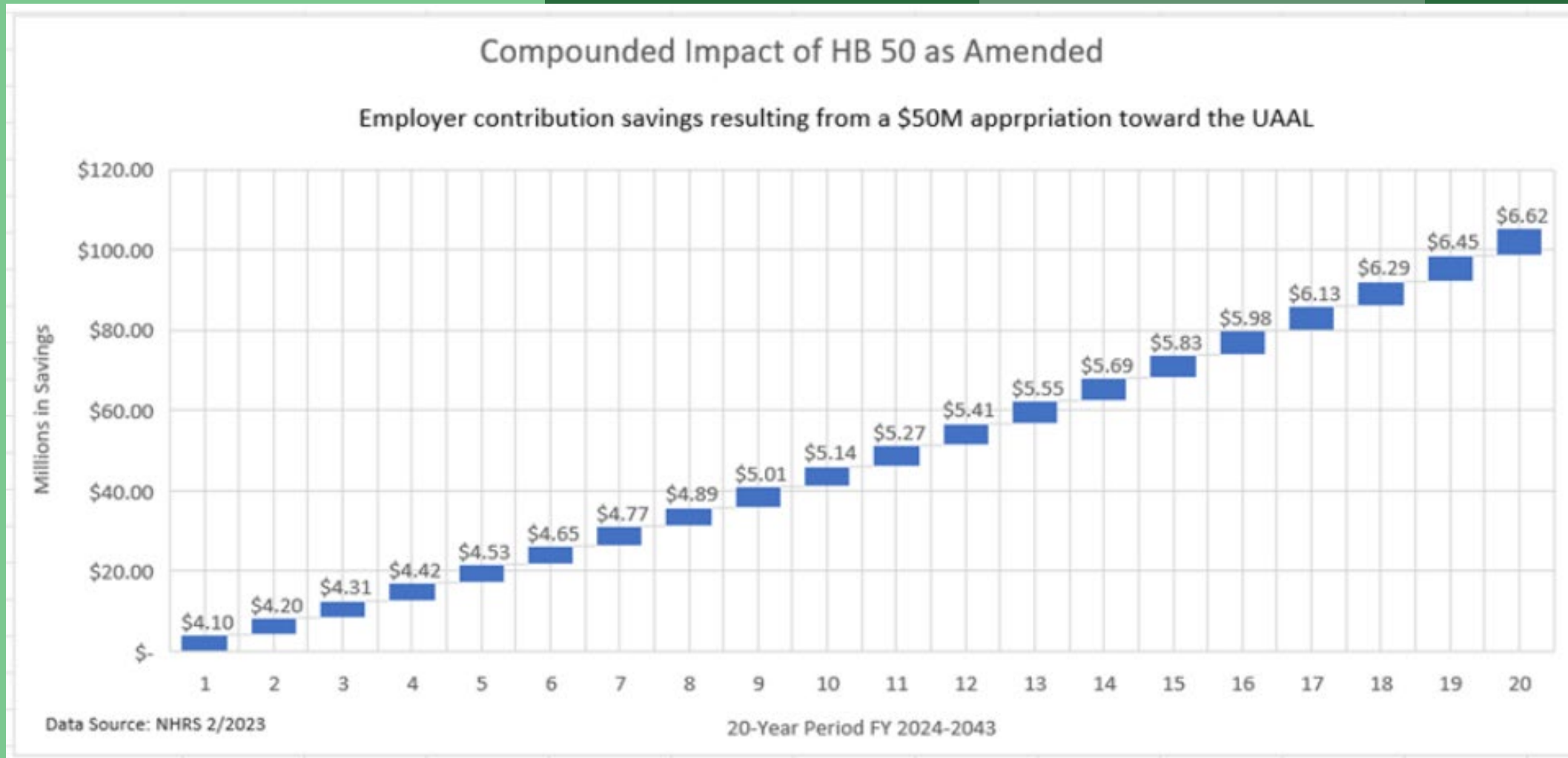


Bills proposing significant changes or modifications to NHRS





# NHRS Legislative Proposals



- HB 50 (HB 2) would appropriate \$50 million to pay off the UAAL
- HB 555 policy change would use state surplus to pay down the UAAL

# Roll Back of 2011 Pension Reform

- HB 436 (HB 2)

Policy proposal to appropriate \$25 million per year through State FY 2033 (\$50 million total during next biennium- \$ 250 million total) to fund retirement contributions for certain state and local police and fire employees who were not vested prior to 2012 but would have been prior to 2013. (approx. 1, 824 Group II members eligible)

Requires the state to fund the municipal portion of this policy change- estimated at an additional \$7.5 million per year for the next 10 years.

# State Aid to Municipalities through the State Budget Process

## *Biennial State Operating Budget and Trailer Bill.*

- **HB 1 and HB2** comprise the state operating budget

Appropriations are contained in HB1

The trailer bill (HB2) contains statutory changes necessary to implement the budget for the two-year period July 1, 2023, through June 30, 2025.

The state Budget has an **effective date of July 1, 2023.**

# HOUSE FINANCE COMMITTEE BUDGET VS GOVERNOR'S PROPOSAL

**\$15.76 Billion over 2 years.**

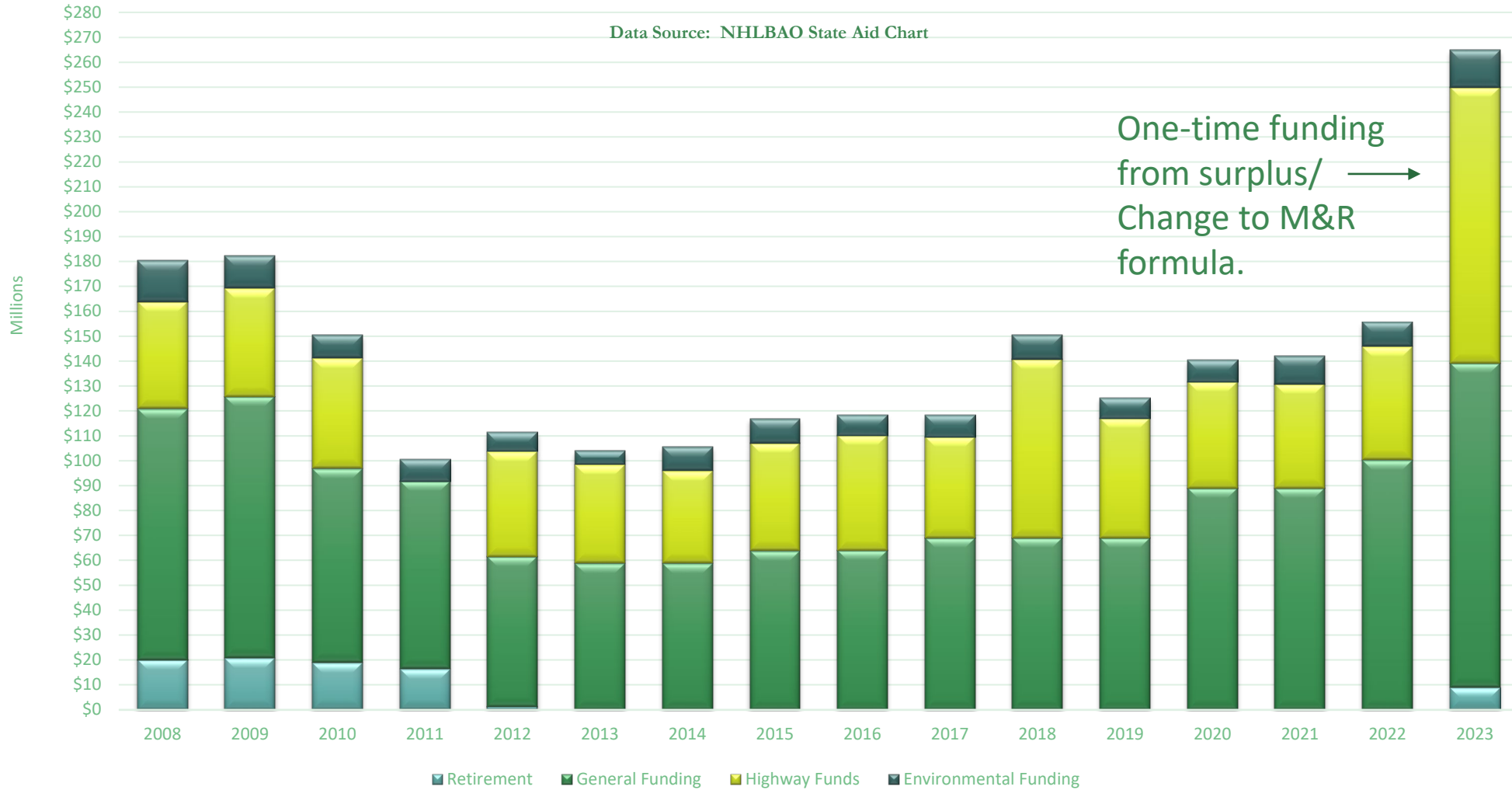
- House Finance Committee budget total would rise \$2.49 billion (18.8 percent) over current State Budget ( includes Federal Funds)
- Increase were proposed across all budget categories.

Approximately **\$180 million (1.3 percent)** increase in additional expenditures over the Governor's State Budget proposal, including HB 2 (Trailer Bill) appropriations

House Finance Committee proposes fewer funds to the State's Stabilization Fund (Rainy Day Fund).

Almost 1/3 of the proposed budget is supported by Federal Funds.

# STATE AID TO MUNICIPALITIES: 2008-2023 (Excluding Education)



General Funding: Meals & Rooms (catch-up formula suspended FYs10-14,16,18-21, New Formula FY22),  
 Revenue Sharing (suspended FY10-23),  
 Municipal Aid One-Time from Surplus (added FY20-21),  
 State Retirement Contributions (Reduced FY10, Discontinued in 2013, One-time payment from surplus FY23)  
 Environmental Funding: Excludes Grants from the Drinking Water and Groundwater Trust Fund

# MUNICIPAL REVENUE SHARING and STATE AID SOURCES

## General Funds:

Meals and Rooms Tax Revenue Distribution → Revenue Estimates indicate level funding at \$121 Million  
State Revenue Sharing (Suspended 2010-2021) → Suspended in Governor's Proposal & House Finance  
State Normal Retirement Contribution (Repealed 2013) → SB 114 Tabled & HB 50 Amended  
Railroad Tax Distribution  
State Municipal Aid Grants (One-Time Surplus: Added 2020-2021) → None Proposed

## Environmental:

Flood Control  
Landfill Closure Grants  
Public Water System Grants  
Pollution Control Grants – State Aid Grants (SAGs) → \$27.9 million in state surplus ( **SB 230** and **HB 311**,) funding for the State Aid Grant (SAG) program for qualified wastewater projects.  
Water Supply Land Protection Grants

## Highway:

Highway Block Grants  
Highway Construction Aid  
State Municipal Bridge Aid } **SB 270-** \$40 Million in One-time funding for Roads and Bridges

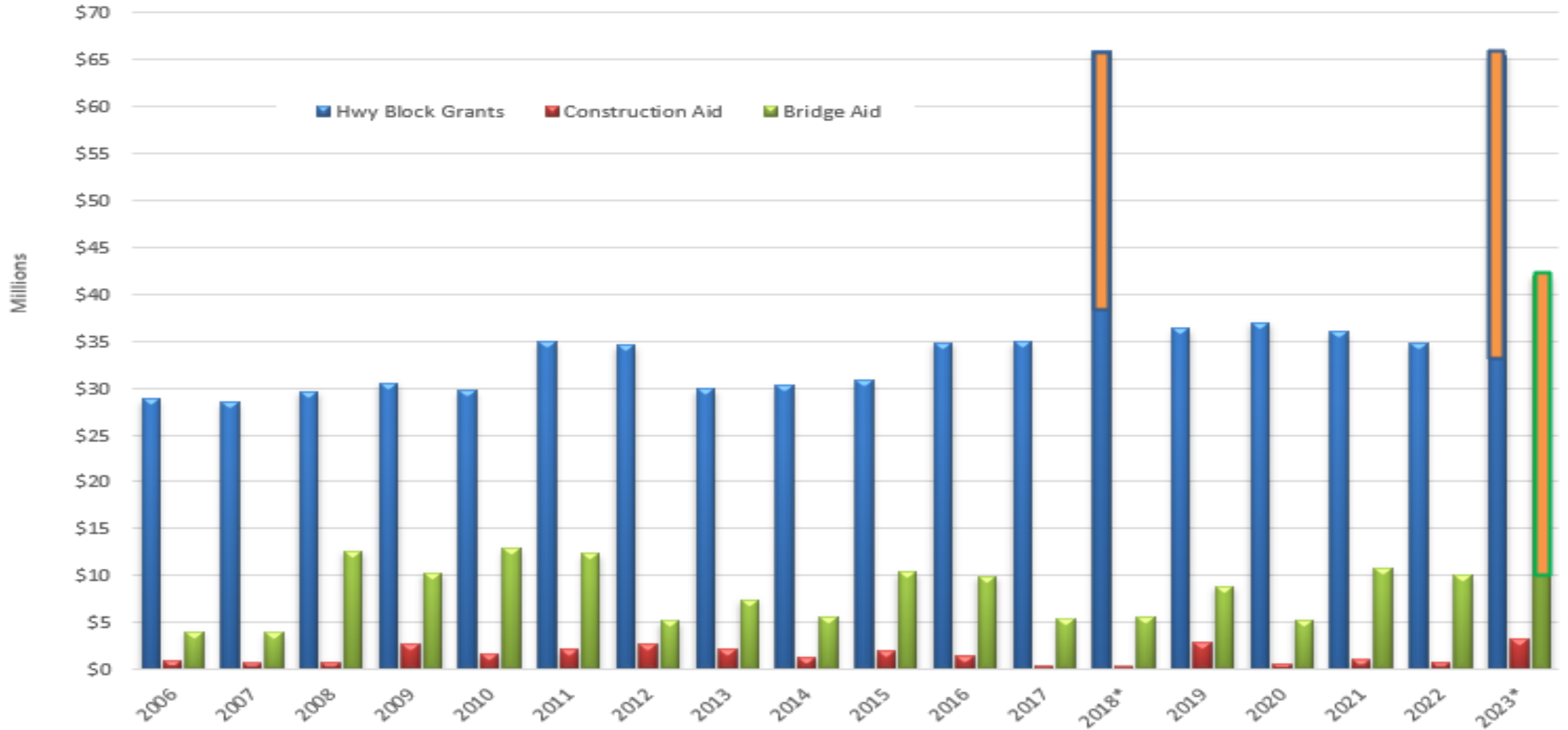






## MEALS AND ROOMS DISTRIBUTION 5 YEAR TREND FY 22 AND FY 23 - NEW FORMULA

# Highway Block Grant and Bridge Aid Funding



Data Source: NHLBAO, 10/01/22

\*2018 Includes \$30M, one-time surplus (CH 227, Laws of 2018)  
 \*2023 includes \$66M, one-time surplus (CH 338, Laws of 2022)



# HB1/HB2 - FY 24/25 Budget

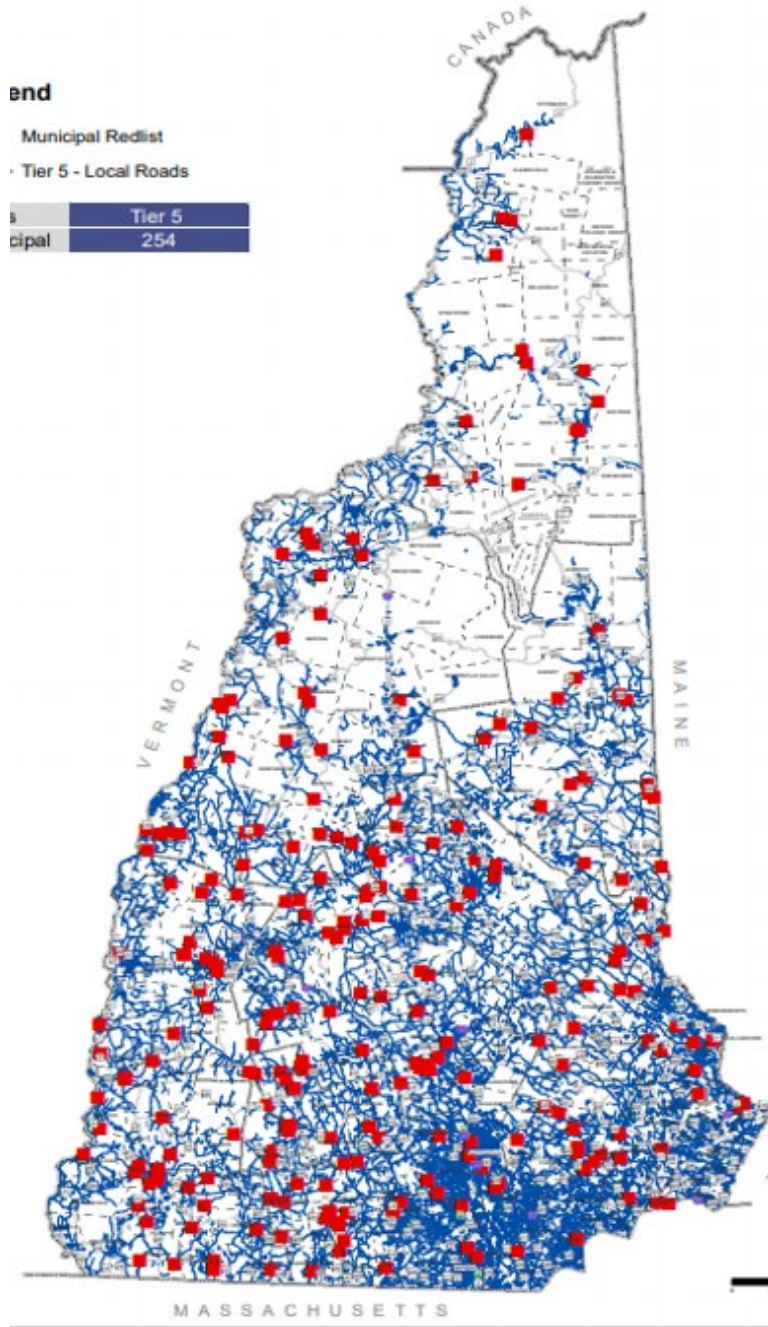
## Highway Block Grants

- \$34.3 Million FY22                      \$32.0 Million FY24
- \$35.4 Million FY23                      \$32.1 Million FY25
- **\*ESTIMATED decrease of \$4.7 Million in the next budget cycle.**
- **HB 2 adds \$504,000 per year in FY24/25**

## Municipal Bridge Aid

\$6.8 million/year -from 2016 to 2034.

- Waiting list based on priority need and acceptance of aid.



Governor's budget proposed the removal of 34 licenses currently required by the state and eliminates 14 regulatory boards- Most of the overhaul repealed in HB 2.

Medicaid reimbursement rate increases.

Funds \$5 million each year for the Land and Community Heritage Investment Program (LCHIP).

- Maintaining the current funding level.

Creates a State and Local Cybersecurity Grant Program.

- Appropriates \$1.2 million for FY 24 and
- \$1.6 million for FY 25 for the state and local cybersecurity grant program.

Proposed elimination of the Second Injury Fund (SIF) after September 1, 2024- Restored by House Finance

- The SIF serves to equalize the compensation costs that an employer must pay for impaired and non-impaired workers, removing a potential cost barrier to the employment of impaired workers. Elimination of the SIF creates additional costs for municipal employers, especially in a tight labor market.

# Additional HB 2 Highlights



# State Surplus Related Legislation

From January to June 2022, the Legislature spent **\$261.7 million** — or 60% — of the **\$430.1 million** surplus.

Almost **\$150 million** was made available to municipalities in the 2022 Legislative Session.

## Next Budget Proposal:

- Calls for a one-time appropriation of \$15 million to InvestNH for housing and \$30 million to the Affordable Housing Fund using state surplus.
- Governor's executive summary calls for \$27.9 million in state surplus to be used to fund wastewater state aid grants to municipalities.
- Adds \$96 million to the Rainy-Day Fund (Stabilization Fund)
- *Budget Surplus as of February 2023 over planned amounts= \$347 million in General Fund and Education Trust Fund.*

# Ways to Engage your Legislator

- ✓ Provide your legislators with summaries of issues that are important to your town or city;
  - ✓ include accurate facts and data.
- ✓ Invite them to address a council meeting;
  - ✓ participate in city/town-hosted events;
  - ✓ visit public meeting
  - ✓ highlight projects or facilities that are important to your municipality
- ✓ Conduct “informal” meetings;
  - ✓ invite business and community leaders, non-profit partner and other stakeholder groups.
- ✓ Respond to NHMA Legislative Bulletin or a legislative alert will frequently ask for your assistance in analyzing the effects of a bill or in communicating with legislators.



# Stay Informed & Get Involved

The Legislative Bulletin is NHMA's primary means of communicating legislative information to member towns and cities.

- Sent via email and posted on the NHMA website.
- Using NHMA's Online Bill Tracker.
  - Watching Senate and House Committee hearings and Full Sessions.
    - **NH Senate Livestream**
    - **NH House Livestream**

It also serves as a communication vehicle for action needed from your municipality, including :

- Requests for letters or calls in support or opposition.
  - In person testimony.
- *If you would like to speak on a bill, you do need to sign up in-person on the day of the hearing at the noticed time and location.*
  - If you do not wish to speak on the legislation but would like to have your position registered in the official record of the bill you may do so.
- **Register Position for Senate Bills/Hearings**
- **Register Position for House Bills/Hearings**

## How to Participate in New Hampshire Legislative Hearings:

- For the NH HOUSE, a link to sign in and register a position or to submit a PDF of written testimony, can be found here:
  - **NH House of Representatives Upload Testimony**
  - **Submit emailed/written testimony to House committees**
- *For NH Senate bills*, a copy of your written testimony may be emailed to the committees.
  - If you do not wish to speak on the legislation would like to have your position registered in the official record of the bill you may do so using the following links:
    - **Submit emailed/written testimony to Senate committees**

# NHMA Bill Tracker: FastDemocracy

The New Hampshire Municipal Association (NHMA) represents the interests of cities and towns before the New Hampshire General Court (House and Senate) and various state agencies based on its member-adopted [principles and policies](#). The New Hampshire legislative session happens each year between the months of January and June. Each legislative cycle, NHMA tracks state actions that could significantly affect New Hampshire's 234 municipalities.

In addition to the 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. Members do not need to create a FastDemocracy account to access this information, but they are able to create an account if they wish.

Click on the subgroups below to see information on bills from either the previous, or current legislative cycle within each category, and view the NHMA's stance on the measures. Subscribe to the bill list(s) to receive daily or weekly email updates, including new bill actions and upcoming hearings.

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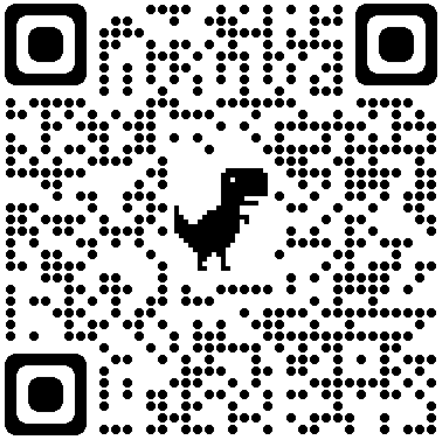
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# Check Out Our Bill Tables



251-282 of 282

1 2 3 4 5 6

[NH 2023 LSR 2023-0830](#)

relative to New Hampshire workforce training programs.

 David Watters

[Track Bill](#)

[NH 2023 LSR 2023-0832](#)

relative to the payment of salaried employees.

 Keith Murphy

[Track Bill](#)

[NH 2023 LSR 2023-0833](#)


establishing a first responder career development, recruitment, and retention program.

 David Watters

[Track Bill](#)

[NH 2023 LSR 2023-0836](#)

relative to the definition of "way" in driving or operating under the influence of drugs or liquor.


 Regina Birdsell

[Track Bill](#)

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**Questions?**

# Thank you

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The New Hampshire Municipal Association is a nonprofit, non-partisan association working to strengthen New Hampshire cities and towns and their ability to serve the public as a member-funded, member-governed and member-driven association since 1941. We serve as a resource for information, education and legal services.

NHMA is a strong, clear voice advocating for New Hampshire municipal interests.