THE SERVICE AND ACTION ARM OF NEW HAMPSHIRE MUNICIPALITIES

# LEGISLATIVE BULLETIN

# **Town Meeting Week Returns!**

May town meeting season doesn't get nearly as much attention as the "main" event in March, but we do not want anyone to feel left out. Next Tuesday, May 9, wraps up the annual meetings for the year. To local officials in Chester, Hanover, New Castle, Newport, Peterborough, and Stoddard (please let us know if we've missed anyone), we wish you all an efficient and productive meeting. For those town officials who are retiring, thank you for your service, and best wishes for the future.

As of now, there is no snow in the forecast for Tuesday.

# Town Meeting Study Bill?

And speaking of town meetings, you may recall that way back in March the Senate passed <u>SB 248</u>, which had been submitted as a town meeting ratification bill but was amended to establish a committee to study issues relative to postponing elections. It was referred to the House Election Law Committee on March 23, but it has not yet been scheduled for a hearing in the House.

May 25 is the last day to report all House bills, and it is a bit surprising that no hearing has yet been set. We know there are a number of local officials who are interested in participating in the discussion about how to address bad weather (or other calamities) on town meeting day, so we hope that the bill moves forward as a study committee to allow an opportunity for full public input.

# Retirement Contributions on Part-Time Employees

The Senate Executive Departments and Administration Committee voted 3-2 this week to recommend re-referring HB 561, the bill that, as amended by the House, would require local government employers to pay the unfunded liability portion of the New Hampshire Retirement System (NHRS) employer rates on part-time employees when (1) an employer converts or replaces a full-time position with one or more part-time positions within 12 months of a position's becoming vacant, or (2) an employer fills a full-time position with an interim, temporary, or part-time employee within 12 months.

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25 Triangle Park Drive Concord NH 03301 Tel: 603.224.7447 governmentaffairs@nhmunicipal.org Website: www.nhmunicipal.org As we have explained in previous *Bulletins* and in testimony to the committee, there are many legitimate reasons that an employer might change a position from full-time to part-time that have nothing to do with the retirement system, such as reductions in staff made possible by technology changes or necessitated by a recession. **HB 561** would essentially penalize municipalities and other public employers for making those reasonable decisions, with no corresponding benefit to employees. We are pleased that a majority of the committee agreed with our suggestion that the issue of part-time employment should be dealt with, along with all other NHRS issues, by the statutory decennial commission that convenes July 1 of this year.

The bill will go to the full Senate for a vote next Thursday, May 11. *Please ask your senator to support the committee recommendation of re-referral on HB 561.* 

# Supplemental Highway and Bridge Aid

The House yesterday passed **SB 38**, which would provide \$30 million in additional highway block grant funding and \$6.8 million in additional bridge aid above the money typically provided to municipalities from the highway fund. Under the bill <u>as amended by the House</u>, a municipality could accept and expend these additional funds as unanticipated revenue under RSA 31:95-b (even if the municipality has not adopted that provision), allowing the money to be spent on additional infrastructure projects beyond those included in the municipality's budget.

As we have explained previously, this one-time increase in road and bridge aid will come from the state's June 30, 2017 surplus, and will result in approximately an 85% increase in highway block grants and fund an additional 8-10 municipal bridge projects in fiscal year 2018.

Under the rules of the House, the bill must now go to the House Finance Committee for further review and recommendation. Division II of the committee has scheduled a work session for next Thursday, May 11, at 10:00 a.m., in LOB Room 209.

# **SAG** Funding

As mentioned in <u>last week's Bulletin</u>, Division I of the House Finance Committee has a work session scheduled for next **Tuesday**, **May 9**, at 10:30 a.m., in **LOB Room 212**, on <u>SB 57</u>, the **NHMA policy bill** that would appropriate state aid grant (SAG) money for 19 water and wastewater projects that were eligible for grants prior to the July 1, 2013, effective date of the current moratorium. <u>This list</u> shows DES's current estimates for all SAG projects, sorted by date of substantial project completion. DES has been asked to provide a more complete and updated list for the work session.

Division I will hold hearings on two non-germane amendments to the bill at 10:00 and 10:15 a.m. on the same day. Those have nothing to do with the SAG appropriation and should not affect the underlying bill (we hope).

# Voter Domicile Bill

The House Election Law Committee will hold a work session next **Tuesday, May 9, at 10:00 a.m.,** on <u>SB 3</u>, the voter domicile bill. This will be the first action on the bill since its hearing two weeks ago. We have heard rumors of an amendment—which is badly needed, given the many problems with the bill, as we reported in <u>Bulletin #17</u>. We hope that if an amendment is presented at the work session, the committee will take the time that undoubtedly will be needed to give it a thorough review, and not rush to a vote the same day. The deadline for the committee to report the bill is not until May 25.

# More Municipal Bills

Retention of electronic records. The Senate Public and Municipal Affairs Committee has recommended passage of HB 108, dealing with retention of electronic records. As passed by the House, the bill would allow a municipality to scan paper records into portable document format/archival (PDF/A) and dispose of the paper records—but only for records that have a retention schedule (under RSA 33-A) of less than ten years. The Public and Municipal Affairs Committee has recommended an amendment that would allow the same treatment for all paper records, regardless of their retention period. (There are provisions in existing law to prohibit local officials from destroying important historical paper records.) The bill would continue to allow less-thanten-year records in electronic form to be retained solely electronically in their original format, and continue to require that ten-year-plus records in electronic form be transferred to paper, microfilm, or PDF/A.

Those who are familiar with the existing statute may find the amended bill a little hard to follow, but after a couple of readings it becomes clear that it is an improvement on both the existing law and the bill as passed by the House. The bill is on the Senate's consent calendar for next week, and we are optimistic that the Senate will pass it with the amendment.

**Right-to-Know Law.** The Senate Judiciary Committee acted on two Right-to-Know Law bills this week. Both are on the consent calendar for next week's Senate session:

Objecting to nonpublic sessions. The committee recommended passage of HB 460 with an amendment. As passed by the House, the bill would require a public body to record in its minutes "any objections made to any discussion in a meeting of such body if a member of a public body believes that the discussion in a meeting of such body is in violation of the provisions of [the Right-to-Know Law]." The recorded objection would include "the name of the person objecting to the discussion and a description of the specific violation." If the body continued its discussion despite the objection, the public body member could continue to participate without being subject to any penalties under the Right-to-Know Law.

The Judiciary Committee amendment preserves the intent of the bill but changes it slightly, putting the burden on the objecting member to request that the objection be recorded in the minutes. It would also ensure that if the objection is to a discussion in nonpublic session (as would typically be the case), the notation in the public minutes would include only the member's name, a statement that he or she objected to the discussion, and a reference to the provision of RSA 91-A:3, II, that was the basis for the discussion. We believe this is a reasonable compromise.

**Remote Participation in Meetings.** The Committee recommended killing HB 524, dealing with remote participation in meetings under the Right-to-Know Law. Under current law, a member of a public body may participate in a meeting by telephone subject to certain conditions, but that member may not be counted toward a quorum except in an emergency. The statute defines "emergency" as a situation in which "immediate action is imperative and the physical presence of a quorum is not reasonably practical within the period of time requiring action."

**HB 524** would change the definition of "emergency" to a situation in which "there is immediate peril to public health or safety." NHMA opposed the bill in the Senate, explaining that there are many situations not involving a peril to public health or safety that most people would nevertheless consider emergencies. We therefore support the committee's recommendation of Inexpedient to Legislate.

All-veterans' tax credit. The House yesterday passed SB 80, which would allow a municipality to phase in the all-veterans' tax credit (for those who did not serve during a qualifying war) over a period of up to three years. Under the law enacted last year, a municipality that adopts the all-veterans' credit must set the credit at the same amount it has set for the standard or optional credit for wartime veterans. SB 80 doesn't change that requirement, but does allow for a three-year phase-in. Thus, for example, if the municipality has adopted an optional veterans' credit of \$400, it could phase in the all-veterans' credit at \$100 for the first year, \$250 for the second year, and \$400 for the third year.

In the House, the bill went to the Commerce Committee because the Senate had attached a non-germane amendment dealing with the FRM fraud case. We reported previously that after the bill went to the Commerce Committee and then to the full House for action, it would go to the Municipal and County Government Committee for a second hearing on the veterans' credit piece, and then back to the full House a second time. However, after the House passed the bill yesterday, the chairman of the Municipal and County Government Committee waived referral of the bill to his committee, as permitted under House rules, so yesterday's action by the House is final, and the bill will go next to the Governor.

## HOUSE CALENDAR

## **TUESDAY, MAY 9, 2017**

# FINANCE, Rooms 210-211, LOB

2:30 p.m. **SB 247-FN-A,** preventing childhood lead poisoning from paint and water and making an appropriation to a special fund.

## SENATE CALENDAR

There are no hearings on bills of municipal interest in the Senate this week.

## HOUSE FLOOR ACTION

Thursday, May 4, 2017

**SB 38-FN,** (New Title) making an appropriation to the department of transportation for local highway aid and aid for municipal bridges. **Passed with Amendment; referred to F-H.** 

**SB 80,** (New Title) relative to implementation of the all veterans' tax credit, and relative to applications for recovery from the FRM victims' contribution recovery fund. **Passed.** 

**SB 140,** relative to the independent investment committee in the New Hampshire retirement system. **Passed with Amendment.** 

SB 187, clarifying the application of the road toll. Passed; referred to W&M-H.

**SB 201,** relative to providing pamphlets containing the asbestos regulations to persons engaging in renova-tion or demolition of structures. **Inexpedient to Legislate.** 

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

## SENATE FLOOR ACTION

There was no floor action in the Senate the week of May 1, 2017.



Please register through our website: <a href="www.nhmunicipal.org">www.nhmunicipal.org</a> by scrolling down on the left under Calendar of Events For more information or questions, please call 1-800-852-3358, Ext. 3350.