

General Government, Revenue, and Intergovernmental Relations (GGRIR)

RECOMMENDED ACTION POLICIES

1. New Hampshire Retirement System Yes - unanimous

To see if NHMA will:

- a) **SUPPORT** legislation that will strengthen the health and solvency of the New Hampshire Retirement System (NHRS);
- b) **SUPPORT** legislation to ensure the long term financial sustainability of the retirement system for public employers;
- c) **OPPOSE** any legislation which expands benefits that would result in increases to municipal employer costs;
- d) **OPPOSE** any increase in the municipal 65 percent share of employer costs for police, teachers, and firefighters;
- e) **SUPPORT** legislation requiring that all NHRS rate increases are to be shared equally between employees and employers; and
- f) **SUPPORT** legislation creating alternative retirement plan design options.

To see if NHMA will **SUPPORT** continuing to work with legislators and the NHRS Board members about pending retirement fund deficiencies and offer ways to assure the long-term health and solvency of the New Hampshire Retirement System, including changes to the benefit structure and the governance structure of the system. (Contains new and existing policy.)

2. Eliminate Minimum Mill Rate for Motor Vehicle Permit Fee Yes - 4 No - 5

To see if NHMA will **SUPPORT** eliminating the 3-mill rate from the minimum motor vehicle permit fee under RSA 261:153 for vehicles older than five years, so the minimum fee would be 6 mills on each dollar. (Existing policy.)

3. Evergreen Clause Yes - unanimous

To see if NHMA will **SUPPORT** the elimination of the recently added so-called "evergreen clause" (RSA 273-A:12, VII.) from RSA 273-A.

Municipal interest to be accomplished by proposal: The ability to control non-negotiated municipal costs.

Explanation: Every year citizens in municipalities in New Hampshire hear the argument that most of the costs in the municipal budgets are fixed and that there is very little discretion available to contain costs. Collective bargaining agreements (CBA) are the biggest part of this because they contain the elements and costs for the largest part of government – the employees who work for government. It is one thing to negotiate contracts which fix costs and cost increases until a contract expires. This is the result of collective bargaining and municipalities ought to be responsible enough to negotiate contracts that they can afford. However, the so-called "evergreen" clause is not

negotiated. Instead, it was a legislative mandate which says that where there is a step pay plan in a CBA, the municipality must continue to pay employees more money for advancing through the pay plan even though the contract may have expired. Not only is this an additional cost mandate from the State to local government in violation of Part 1 Article 28-a of the NH Constitution, but instead of the "leveling the playing field," it arbitrarily mandates additional costs which have not been negotiated on municipalities even after a collective bargaining agreement has expired. Instead of "leveling" the playing field, it tilts the field more in favor of employee bargaining units and against taxpayers. (Submitted by: Berlin Mayor and Council.)

4. **Pollution Control Exemption** Yes - 8 No - 1

To see if NHMA will **SUPPORT** repeal of the so-called "pollution control exemption" (RSA 72:12-a), or in the alternative, to amend the statute a) to exclude any devices that are required by law, b) to require that the primary purpose of the device is to control pollution, and c) to impose a term limitation on any exemption granted.

Municipal interest to be accomplished by proposal: Fairness to the municipal taxpayer.

Explanation: Currently, state law, through the so-called "pollution exemption" (RSA 72:12-a) allows very large and small industries to receive what can be very large property tax exemptions for equipment which is determined by the NHDES to be equipment necessary for pollution control. Presumably, the original reason to do this was to provide an incentive to industry to install pollution equipment and thereby reduce pollution. If this ever made any sense, it certainly does not today. First, industry is required by the Federal government to install all the pollution equipment and therefore there is no need for any incentive to do so. Second, if the State still perceives the need to provide such a financial incentive for whatever reason, then the State should provide the financial incentive itself instead of taking it out of the coffers of the municipality which happens to host the industrial facility. Under the law currently, if you have two municipalities which are identical in every respect except one has an industry with this pollution exemption and the other does not, the residents in the municipality which has an industry with this pollution exemption will be forced to pay more in their property taxes than the those residents in the municipality next door even though the total assessed value in the two towns (but for the pollution exemption) is the same simply because the State imposed this exemption on them. (Submitted by: Berlin Mayor and Council.)

RECOMMENDED PRIORITY POLICIES

5. **Increase in Road Toll (Gas Tax)** Yes - 1 No - 8

To see if NHMA will **SUPPORT** an increase in the road toll (gas tax) under RSA 260:32, so long as all additional revenues are used for highway purposes and at least 12 percent of such additional revenues are distributed to cities and towns. (Existing policy.)

6. **Right to Know Costs and Specificity Required** Yes - 8 No - 1

To see if NHMA will **SUPPORT** amendments to RSA 91-A allowing municipalities to recover the actual costs of retrieving, reviewing and reproducing documents and clarifying the level of specificity required when requesting public records. (Existing policy.)

7. Land Use Compliance by Government Entities Yes - 8 No - 1

To see if NHMA will **SUPPORT** legislation to strengthen RSA 674:54 to permit municipalities to require that development of property for governmental uses, excluding transportation and telecommunications facilities, be subject to local land use regulations. (Existing policy.)

RECOMMENDED STANDING POLICIES

8. Public Notice Requirements Yes - 7 No - 2

To see if NHMA will **SUPPORT** legislation to amend all public notice requirements to allow the choice of electronic notification and/or newspaper print, as well as posting in public places, for official public legal notification. (Existing policy.)

9. Highway Fund Yes - 4 No - 5

To see if NHMA will **SUPPORT** legislative and administrative proposals to limit or eliminate the diversion of highway funds for non-highway purposes, and further, to see if NHMA will continue to **SUPPORT** working with the legislature and the Department of Transportation on alternative funding sources that will assure the maintenance of existing state and local transportation infrastructure and greater focus and financial support for public transportation, including rail and bus services. (Existing policy.)

10. Charitable Definition and Mandated Property Tax Exemptions Yes - 2 No - 7

To see if NHMA will **SUPPORT** legislation redefining the term "charitable" in RSA 72:23-1, adopting a stricter review of property owned by religious, charitable and educational entities for compliance with the statutes, and creating a method of reimbursement to municipalities for state-owned property and **OPPOSE** legislation which requires the granting of additional local property tax exemptions, unless the state reimburses municipalities for the loss of revenue. (Existing policy.)

11. Municipal Use of Structures in the Right-of-Way No - unanimous

To see if NHMA will **SUPPORT** legislation to authorize municipalities to utilize, for any municipal purpose, the space designated for municipal good upon all poles, conduit and other structures within their rights-of-way without paying unreasonable make-ready costs. This includes the right to use that space for data and voice transmission to, from, and by the municipal government, schools, library, and other governmental institutions. It also includes a requirement that the owners of utility poles and conduit do the necessary work for that space to be available. (Existing policy.)

12. Downshifting of State Costs Yes - unanimous

To see if NHMA will **OPPOSE** legislation which will downshift state costs or state program responsibilities, either directly or indirectly, to municipalities and/or counties, resulting in increased municipal and/or county expenditures, whether in violation of Article 28-a or not, and **SUPPORT** adequate state funding of Medicaid costs. (Existing policy.)

13. **Binding Arbitration** Yes - 8 No - 1

To see if NHMA will **OPPOSE** mandatory binding arbitration as a mechanism to resolve impasses in municipal employee collective bargaining. (Existing policy.)

14. **Telecom Company Property Tax Exemption** Yes - 2 No - 7

To see if NHMA will **OPPOSE** any exemption from the property tax for poles, wires, and conduits owned by telecom companies. (Modified existing policy.)

15. **State Revenue Structure and State Education Funding** No - unanimous

To see if NHMA will **SUPPORT** asking the state to use the following principles when addressing the State's revenue structure in response to its responsibility to fund an adequate education:

- a) That revenues are sufficient to meet the state's responsibilities as defined by constitution, statute, and common law;
- b) That revenue sources are predictable, stable and sustainable and will grow with the long term needs and financial realities of the state;
- c) That changes to the revenue structure are least disruptive to the long-term economic health of the state;
- d) That the revenue structure is efficient in its administration;
- e) That changes in the revenue structure are fair to people with lower to moderate incomes.

To see if NHMA will **SUPPORT** legislation prohibiting retroactive changes to the distribution formula for adequate education grants after the notice of grant amounts has been given.

To see if NHMA will **OPPOSE** reductions in state revenue to political subdivisions, such as revenue sharing, meals and rooms tax distribution, highway block grants, water pollution moneys, adequate education grants, or catastrophic aid. (Modified existing policy.)

16. **Utility Appraisal Method** Yes - 8 No - 1

To see if NHMA will **OPPOSE** mandating the exclusive use of the unit method of valuation in the appraisal of utility property, by either administrative or legislative action, and **SUPPORT** the right of municipalities to use any method of appraisal upheld by the courts. (Modified existing policy.)

17. **Minimum Vote Required for Bond Issues** Yes - 7 No - 2

To see if NHMA will **OPPOSE** legislation to increase the 60% bond vote requirement for official ballot communities. (Existing policy.)

18. **Mandated Employee Benefits** Yes - 7 No - 2

To see if NHMA will **OPPOSE** any proposals to mandate employee benefits, including any proposal to enhance retirement system benefits which may increase employer costs in future years for current or future employees. (Existing policy.)

19. Underground Utilities Yes - 5 No - 4

To see if NHMA will **SUPPORT** legislation to continue to allow municipalities to incur debt for the purpose of removing overhead utilities, and replacing them with underground utilities. (Modified existing policy.)

Municipal Administration and Finance (MAF)

RECOMMENDED ACTION POLICIES

1. Assessing Practice - Income and Expense Statements on Appeal Yes - 7 No - 2

To see if NHMA will **SUPPORT** legislation that prohibits the use of income and expense information by a taxpayer in any appeal of value if the taxpayer, after request by the municipality, has not submitted the requested information. (Existing policy.)

2. Fine for Failure to Submit Current Use Information Yes - 7 No - 2

To see if NHMA will **SUPPORT** legislation imposing a fine for failure to submit current use information as needed to update municipal records—*i.e.*, Marlow matrix,

Municipal interest to be accomplished by the proposal: Promote accurate recordkeeping.

Explanation: Municipalities are required to gather this information, but have no way of forcing landowners to submit it. Municipalities are written up for incomplete current use records during certification. (Submitted by Christie Phelps, Town Administrator, Alexandria.)

3. Welfare Lien Priority Yes - unanimous

To see if NHMA will **SUPPORT** legislation giving welfare liens arising under RSA 165:28 priority over other liens, other than property tax liens. (Existing policy.)

4. Supervisor of Checklist Sessions Yes - unanimous

To see if NHMA will **SUPPORT** legislation to reduce to one the number of required sessions that the supervisors of the checklist must meet prior to town elections. (Existing policy.)

5. Counting Absentee Ballots Yes - unanimous

To see if NHMA will **SUPPORT** legislation to eliminate the requirement that absentee ballots cannot be counted prior to 1:00 P.M., but allow them to be counted through out the time when polls are open.

Municipal interest to be accomplished by the proposal: To accommodate the number of ballots that need to be processed prior to the closing of the polls. (Submitted by Jill Hadaway, Town Clerk/Tax Collector and Peter Imse, Moderator, Bow.)

RECOMMENDED PRIORITY POLICIES

6. Tax Liening Mandatory Yes - unanimous

To see if NHMA will **SUPPORT** legislation to change RSA 80:59 to read: "The real estate of every person or corporation shall be subject to the tax lien procedure by the collector, in case all taxes against the owner shall not be paid in full on or before December 1 next after its assessment, provided that the municipality has adopted the provisions of RSA 80:58-86 in accordance with RSA 80:87. A real estate tax lien imposed in accordance with the provisions of RSA 80:58-86 shall have priority over all other liens." (Existing policy.)

7. Municipal Recreation Programs Yes - unanimous

To see if NHMA will **SUPPORT** the exemption from state child care licensing for municipal recreation department programs and also **SUPPORT** the exemption from state camp licensing for municipal recreation department summer programs. (Existing policy.)

8. Requirement to Hold Elected Office Yes - unanimous

To see if NHMA will **SUPPORT** legislation clarifying that to run for and hold a local elected office, one must be a registered voter.

Municipal interest to be accomplished by proposal: Eliminate confusion about who is qualified to hold office.

Explanation: The only statutes that appear to require an elected official to be a registered voter are RSA 671:18 for school board and RSA 669:19, which deals with the nonpartisan declaration of candidacy for towns. Nothing in the other town election statutes, or in any of the sections of RSA 669 dealing with replacing an official following a vacancy, requires a domiciled resident over 18 to be a registered voter. Nothing in the Secretary of State's election manual clears this up. (Submitted by Beth LaFreniere, Deputy Town Clerk, Marlow.)

9. Bonds on Official Ballot in Non-SB 2 Towns Yes - unanimous

To see if NHMA will **SUPPORT** amending RSA 33:8 and/or RSA 33:8-a to permit warrant articles requesting authorization of bonds or notes in excess of \$100,000 to appear on the "Official Ballot" for any annual or special town meeting at the discretion of the governing body.

Municipal interest to be accomplished by proposal: Providing the opportunity for wider participation in a referendum by use of the "Official Ballot" on larger bond issues without the necessity of adopting RSA 40:13 (SB 2). By allowing the election of the required ballot vote to appear on the "Official Ballot," more people will have the opportunity to vote on the question on election day or by absentee ballot.

Explanation: Currently there is no option for a municipality to place a bond issue question in the "Official Ballot" without having to adopt RSA 40:13 (SB 2) in its entirety. Municipalities should not be forced into adopting SB 2 to allow greater access to the ballot vote on bond issues. (Submitted by Paul Deschaine, Town Administrator, Stratham.)

10. Solid Waste Revolving Fund. Yes - unanimous

To see if NHMA will **SUPPORT** legislation to allow municipalities to establish, by vote of the legislative body, revolving funds for their solid waste programs, including solid waste collection, disposal, and the operation of any municipally operated transfer station, in addition to recycling. (Existing policy.)

11. Governing Body Recommendation for All Warrant Articles. Yes - 8 No - 1

To see if NHMA will **SUPPORT** legislation to permit governing bodies to state their position on any warrant article where they are not currently required to state a position. (Existing policy.)

RECOMMENDED STANDING POLICIES

12. Pro-Ration of the Disabled Exemption Yes - 8 No - 1

To see if NHMA will **SUPPORT** legislation prorating the disabled exemption under RSA 72:37-b when a person entitled to the exemption owns a fractional interest in the residence, in the same manner as is allowed for the elderly exemption under RSA 72:41.

Municipal interest to be accomplished by proposal: Limit amount of exemption proportionally and avoid the possibility of “stacking” exemptions with the potential effect of eliminating all tax liability.

Explanation: RSA 72:41 provides that when a person owns a fractional interest in residential property, he may receive an elderly exemption in proportion to his fractional interest. The BTLA has ruled that this proration provision does not apply to the disabled exemption under RSA 72:37-b, so there is no prorating of that exemption. (Submitted by Catherine Grant, Administrative Assistant, Kingston.)

13. Irrevocable Trusts for Other Post-Employment Benefits (OPEB) Yes - unanimous

To see if NHMA will **SUPPORT** legislation authorizing cities, towns, school districts, and counties to create irrevocable trusts to pre-fund OPEB liabilities.

Municipal interest to be accomplished by proposal: Provide a tool to pre-fund the unfunded actuarial accrued liability as identified pursuant to GASB Statement 45 in a manner that permits the most advantageous financing mechanism to reduce the liability.

Explanation: Several municipalities have actuarially determined OPEB liabilities to pay for post-employment medical insurance benefits to employees after their termination of service. Municipalities are using a pay-as-you-go approach to funding the OPEB liability. Such legislation will allow municipalities to establish an OPEB trust as a means to fund the actuarial determined liabilities. (Submitted by James Howard, Finance Director, Concord and Dan Lynch, Finance Director, Dover.)

14. Tax Bill Information. Yes - 8 No - 1

To see if NHMA will **SUPPORT** legislation to amend RSA 76:11-a to allow those municipalities which have adopted the deaf exemption to include the word "deaf" following the word "blind" in the information contained on tax bills. (Existing policy.)

15. Appointment of Town Clerks and Town Clerks/Tax Collectors. Yes - unanimous

To see if NHMA will **SUPPORT** an amendment to RSA Chapter 41 to give towns the option to authorize the governing body to appoint or elect town clerks and town clerk/tax collectors. (Existing policy).

16. Recording Fees for Elderly Deferrals Yes - unanimous

To see if NHMA will **SUPPORT** legislation to waive municipal recording fees for the establishment and release of elderly deferrals at the county Registry of Deeds. (Existing policy.)

Planning and Environmental Quality (PEQ)

RECOMMENDED ACTION POLICIES

1. Notice to Upstream Dam Owners Yes - unanimous

To see if NHMA will **SUPPORT** the repeal of 2009 N.H. Laws 31:2 and 31:3, which amended RSA 676:4, I(b) and (d), regarding identification and notification to owners of upstream dams on applications and plans submitted to municipal planning boards.

Municipal interest to be accomplished by proposal: Remove the requirement for notice for which there is no ability to comply. The inability to comply results in a potential for statutory violation by both municipalities and applicants and gridlock for review of any application or plat that affects any level of stream or river.

The statement in revised law applying the notice requirement to proposals "near streams or rivers" lacks specificity necessary to identification of proposals that are to be included.

Explanation: Although perhaps well intended, it is not possible to comply with this new requirement, since DES will not release a list of public and private dams based on national security interests under federal Homeland Security laws and regulations. DES has stated that it will research each application upon submission by the municipality and return relevant information. However, DES will not commit to a time frame for response, which is a problem given reductions in state resources. In a "catch 22" situation, without a listing in the case of private dams, municipalities and applicants may not know of the existence of a private dam such that notice would be required. Additionally, it is the applicant's responsibility to provide information for notice and DES's proposed procedure places additional administrative burden and legal liability on the municipality. The results are either non-compliance by municipalities and applicants or complete halt to review of applications and plats that may involve the existence of upstream dams.

The word "near" needs to be defined if the notice requirement is to be retained. Even the Shoreland Protection Act include specific distances to streams and rivers for purposes of determining jurisdiction. "Near" to some is "far" to others. (Submitted by Jane Taylor, City Attorney, Claremont.)

2. **Planning Board Appeals** Yes - 8 No - 1

To see if NHMA will **SUPPORT** legislation that avoids the need for dual appeals of planning board decisions to the superior court under RSA 677:15 and to the ZBA under RSA 676:5, III. (Modified existing policy.)

RECOMMENDED PRIORITY POLICIES

3. **Environmental Regulation and Preemption** Yes - unanimous

To see if NHMA will **SUPPORT** legislation that a) recognizes municipal authority over land use and environmental matters, b) limits state preemption of local environmental regulation to those matters on which there is a compelling public need for uniform state regulation or which municipalities do not have the expertise or resources to regulate, and c) recognizes that even when local environmental regulation is preempted, compliance with other local laws, such as zoning and public health ordinances and regulations, is still required. (Existing policy.)

4. **Exemption from Land Use Change Tax** HB 1609 passed.

To see if NHMA will **SUPPORT** amending RSA 79-A, Current Use Taxation, to clarify that no person or entity is exempt from the land use change tax. (Tentative: can be deleted if HB 1609 becomes law. Existing policy.)

5. **Impact Fees for State Highways** Yes - unanimous

To see if NHMA will **SUPPORT** legislation supporting municipalities' ability to collect impact fees or exactions for improvements to state highways. (Modified existing policy.)

6. **Conservation Investment** Yes - 7 No - 2

To see if NHMA will **SUPPORT** permanent funding for the Land and Community Heritage Investment Program and will **OPPOSE** any subsequent diversion of such funds to other uses. (Existing policy.)

RECOMMENDED STANDING POLICIES

7. **Energy, Renewable Energy and Energy Conservation** Yes - 8 No - 1

To see if NHMA will **SUPPORT** legislation encouraging state and federal programs that provide incentives and assistance to municipalities to adopt energy use and conservation techniques that will manage energy costs and environmental impacts, promote the reasonable use of renewable energy sources, and promote energy conservation, so long as such legislation does not override local regulation. (Modified existing policy.)

8. Open Space Retention/Sprawl Prevention/Housing and Conservation Planning

Yes - 7 No - 2

To see if NHMA will **SUPPORT** legislation encouraging statewide programs that provide incentives and assistance to municipalities to adopt land use planning and regulatory techniques that will better prevent sprawl, retain existing tracts of open space, and preserve community character. This policy includes **SUPPORT** for continued funding for the Housing and Conservation Planning Program. (Existing policy.)

9. Sludge/Biosolids Yes - 3 No - 6

To see if NHMA will **SUPPORT** reliable enforcement of scientifically based health and environmental standards for the management of sludge, septage, and biosolids; will **SUPPORT** the funding of the New Hampshire Department of Environmental Services and the New Hampshire Department of Agriculture, Markets and Food at a level allowing full and adequate development and enforcement of such scientifically based health and environmental standards; will **SUPPORT** an increase in the amount of state aid grants or other financial assistance for wastewater treatment plant upgrades to improve the quality of biosolids produced from Class B to Class A biosolids; will **OPPOSE** any state legislation that would curtail the ability of municipalities to dispose of municipally-generated biosolids through land spreading, when done in accord with such scientifically based health and environmental standards; and will **OPPOSE** any preemption of local authority to regulate in this field. (Modified existing policy.)

10. Current Use Yes - unanimous

To see if NHMA will **OPPOSE** any legislative attempt to undermine the basic goals of the current use program and will **OPPOSE** any reduction in the 10-acre minimum size requirement for qualification for current use, beyond those exceptions now allowed by the rules of the Current Use Board. (Existing policy.)