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# FINAL LEGISLATIVE BULLETIN



NEW HAMPSHIRE MUNICIPAL ASSOCIATION

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## LIFE IN INTERESTING TIMES

Almost everyone, regardless of party or political views, agreed that “interesting” was an appropriate word to describe the 2011 legislative session. Solid Democratic majorities were replaced by overwhelming Republican majorities in both the House and the Senate, and the consequences were dramatic. Legislative initiatives that had failed in recent years were revived and passed, while a number of laws passed in the last four years were repealed or significantly altered. The effects on municipalities were both positive and negative.

The New Hampshire Municipal Association (NHMA) staff followed approximately 300 bills of municipal interest during the past session, of which about 80 became law and are reported here in summary form. You can find all of the laws that were enacted on the legislative website.\* If you have any trouble finding specific information, please contact the Government Affairs staff for assistance.

The Governor vetoed an unusually large number of bills this year. Several of those vetoes were overridden, and override votes have yet to be taken on a number of others. The override votes will likely be taken in September or October. Because of the unusually large number, and the likelihood of override on at least some of them, vetoed bills of municipal interest that are awaiting final resolution as of this writing are listed in a separate section at the beginning of the *Final Legislative Bulletin*.

Several major NHMA policy objectives were achieved this year. **Chapter 224 (HB 2)**, the budget trailer bill) made significant changes to the New Hampshire Retirement System, which would have resulted in municipal contribution rates very close to the fiscal year 2011 level, rather than the roughly 30 percent increase that had been certified previously. These expected “savings,” however, have been offset by the elimination of the State’s contribution to retirement costs for teachers and group II employees. The reduction, and now elimination, of the State’s contribution is the subject of an ongoing 28-a challenge now before the New Hampshire Supreme Court. Staff in the Legal Services and Government Affairs Department have prepared a retirement litigation overview, which is posted on the NHMA website.\*\*

**Chapter 3 (SB 1)** repealed the “evergreen” law that required the automatic continuation of pay plans contained in public employee collective bargaining agreements upon their expiration. The legislature also *defeated* **SB 133**, which would have reinstated the property tax exemption for telephone poles and conduits that expired last year. Other NHMA policy bills that became law were **Chapter 164 (HB 205)**, eliminating the requirement that planning boards notify upstream dam owners of proposed developments near a river or stream, and **Chapter 262 (HB 622)**, allowing for the “smoothing” of semi-annual and quarterly tax bills when a municipality is affected by a change in education funding.

On the negative side, State revenue sources that were suspended two years ago—revenue sharing, the “catch-up” payments for meals and rooms tax distributions, and grants for water and wastewater projects—were not restored;

*Continued on next page*

and, as mentioned above, the State's 25 percent (previously 35 percent) retirement contribution was eliminated. Further, cuts at the State level—from reductions in health and human services to the elimination of funding for planning and zoning board training—are certain to have consequences at the local level.

Despite the setbacks, we believe that, given the economic realities, local officials can justifiably celebrate their victories and be pleased that the cuts were not worse. As always, the efforts of our members were crucial in achieving our many successes. In particular, we know that the many, many contacts that local officials made with their legislators made the difference on retirement reform, the pole exemption, and the evergreen law. **Thank you all *very* much for your efforts.**

If you have not done so already, please thank your legislators who supported local government with their votes. They often had to do so in the face of stiff opposition from powerful interest groups and unfair public criticism. It is important to let them know their efforts are appreciated.

Finally, I want to thank all of the NHMA/LGC staff for their support and assistance during the legislative session. In addition to the Government Affairs staff, we rely on the support of the Legal Services, Communications and IT staffs, as well as a number of other employees throughout the organization, for input on legislation, assistance with the weekly *Legislative Bulletin*, organization of Municipal Advocacy Committee and Committee on Government Affairs meetings, and all the other logistics of the legislative advocacy program.

On behalf of the Government Affairs staff, I wish you an enjoyable and relaxing summer. Please do not hesitate to contact us if you have questions, concerns or suggestions.

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Judy A. Silva  
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New Hampshire Municipal Association

\* [http://gencourt.state.nh.us/bill\\_status/misc/chaptered\\_final\\_version.aspx](http://gencourt.state.nh.us/bill_status/misc/chaptered_final_version.aspx)

\*\* <http://www.nhlgc.org/nhma/retirementlitigation.asp>

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## SPECIAL SECTION: VETOED BILLS

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Most bills that have been vetoed by the Governor are brought back before the House and Senate for override votes in the late summer or early fall (although some are brought back earlier). The *Final Legislative Bulletin* is published in the summer, before final action is taken on most vetoed bills.

Ordinarily we do not report on these bills, because in most years there are very few of them and the chances of override are slim.

This year, however, several vetoed bills of municipal interest remain pending, and the likelihood of override is much higher than usual. For these reasons, we are including this special section on bills that have been vetoed, and on which the House and Senate have not yet taken an override vote. Please understand that *the following bills will become law only if both the House and the Senate vote to override the Governor's vetoes.*

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***Workers Could Not be Required to Join Unions or Pay Dues or Fees.*** HB 474, commonly referred to as the “right-to-work” bill, would prohibit any requirement, in a collective bargaining agreement or otherwise, that an employee become or remain a member of a labor organization or pay any dues or fees to a labor organization. No employer could deduct union dues or fees from the wages of an employee unless the employee has presented a signed authorization for such deductions. All employers would be required to post an “Employees’ Freedom of Choice” notice in the workplace and furnish a copy to each employee at the time of hire. **Passed by House, 225-140; passed by Senate, 16-8; vetoed by Governor May 11, 2011.**

***Municipalities Could Not Require Fire Suppression Sprinklers.*** SB 91 would prohibit any municipality or local land use board from “adopt[ing] any ordinance, regulation, code, or administrative practice requiring the installation of automatic fire suppression sprinklers in any new or existing detached one- or 2-family dwelling unit in a structure used only for residential purposes.” It apparently would allow municipalities with existing sprinkler requirements to continue to enforce them, except that no such requirement could be enforced in a manufactured housing unit situated in a manufactured housing park. This prohibition is similar, but not identical, to the prohibition contained

in Chapter 203 (HB 109), summarized in section IV. **Passed by Senate on voice vote; passed by House, 284-92; vetoed by Governor July 13, 2011.**

***Voters Would Be Required to Show Photo Identification.*** SB 129 would require every voter at an election to present a valid photo identification to the ballot clerk to receive a ballot. If the voter does not have a valid identification, he or she could vote by provisional ballot. The voter would place the provisional ballot in an envelope and seal it; the envelope would be marked to identify the voter, to allow verification once the voter has confirmed his or her identity.

The moderator would be required to prepare a list of all voters who have cast provisional ballots and deliver it, along with the provisional ballots, to the clerk after the polls have closed. Any voter who has cast a provisional ballot would have until noon on the third business day after the election to present a photo identification to the clerk. At noon on that day, the clerk would forward to the moderator all provisional ballots for which verification of identity has been provided. The moderator would then process the ballots in the same manner as absentee ballots, and the clerk would prepare an amended election return. **Passed by Senate, 14-9; passed by House, 259-116; vetoed by Governor June 27, 2011.**

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Glossary: E.D. – Effective Date    HB – House Bill    SB – Senate Bill

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## I. CLERKS; ELECTIONS; TOWN MEETING; OFFICIAL BALLOT; CHARTERS

***Amendment May Not Eliminate Substance of Warrant Article.*** Chapter 1 (SB 3) provides that in a town that has adopted the official ballot (SB 2) form of town meeting, a warrant article cannot be amended at the deliberative session to eliminate the substance of the article. This was intended to stop the recent practice of amending articles by deleting everything except the words “to see.” An amendment that merely changes the dollar amount of an appropriation does not violate this prohibition. **Effective date February 4, 2011. (The words “effective date” are hereafter abbreviated “E.D.”)**

***Restriction on Non-Resident Vehicle Registration.*** Chapter 16 (HB 399) allows a non-resident to register a vehicle in New Hampshire only if it is garaged *exclusively* in the state, rather than the 350 days per year that was previously sufficient. **E.D. June 24, 2011.**

***Reimbursement to Towns for Providing Election Services to Unincorporated Places.*** Chapter 22 (HB 288) requires reimbursement to a town for the cost of conducting a primary or general election for an unincorporated place, if the unincorporated place has more than 10 voters and has not organized for election purposes under RSA 53:1. Payment is to be made to the town by the county in which it is located, and the county will assess the cost against the unincorporated place. **E.D. June 27, 2011.**

***Town Office Candidates Must File in Person if Filing on Last Day.*** Chapter 40 (HB 106) requires any candidate for town office who files on the last day of the filing period to file in person before the town clerk. **E.D. July 8, 2011.**

***Vote Tallies on Ballot Questions.*** Chapter 57 (SB 16) authorizes a town with the official ballot (SB 2) form of town meeting to require that all votes on ballot questions by the governing body and the municipal budget committee or budget advisory committee, if any, be recorded votes and that the numerical tally of any such

vote be printed on the ballot next to the affected ballot question. Towns with either SB 2 or traditional town meetings were already authorized to require such tallies with respect to “budget items or any warrant articles.” The new law authorizes the same for “ballot questions” in SB 2 towns, but not in towns with traditional town meeting. **E.D. May 9, 2011.**

***Changes to Absentee Ballot Procedures.*** Chapter 72 (HB 251) makes several changes to absentee ballot procedures: (1) it allows clerks to use the federal write-in absentee ballot as a request for an official absentee ballot; (2) it allows the clerk to email an absentee ballot to UOCAVA voters; and (3) it requires the clerk to enter all absentee ballots received after the deadline into the statewide centralized voter registration database with the return date and to mark the ballot as rejected due to its receipt after election day. **E.D. July 11, 2011.**

***Technical Changes to Voting Procedures.*** Chapter 73 (HB 274) requires each city or town clerk to maintain official email and street addresses and maintain up-to-date information on voting times and locations for each election. **E.D. July 15, 2011.**

***Changes to Town Charters.*** Chapter 91 (HB 70) requires the Secretary of State, the Attorney General, and the Commissioner of the Department of Revenue Administration to notify the city or town clerk and the chairman of the charter commission, if any, within 14 days of their receipt of the report from the charter commission, municipal officers or municipal clerk relative to a charter adoption, revision or amendment. It also requires the municipal clerk to include the name and address of the clerk and of the chairman of the charter commission, if any, in the report to the state officials. **E.D. July 26, 2011.**

***Unenforced Election Laws Eliminated.*** Chapter 150 (HB 258) eliminates unenforced provisions in the election laws relating to candidate filing fees and corporate campaign contributions. Specifically, it repeals RSA 655:19 (relative to filing fees); RSA 655:19-b (waiver of filing fee and primary petitions); RSA 655:20 (relative to primary petitions); RSA 655:22 (relative to number of petitions); and RSA 644:4, I (relative to contributions by corporations). **E.D. August 7, 2011.**

***Changed Election Return Requirements.*** Chapter 185 (SB 135) makes a number of changes to the requirements for election returns that are filed after state elections. The election return filed by the city or town clerk will now contain substantially less information, and much of the information previously included in the election return will instead be contained on three forms to be completed by the moderator: (1) a moderator's certificate containing information about the number of ballot forms received and the number of ballots cast, including absentee ballots and Accessible Voting System ballots; (2) a "names on checklist form," containing information about the number of registered voters; and (3) a "ballots cast" form indicating the number of voters who voted in person and by absentee ballot. The moderator's certificate is to be submitted to the city or town clerk and the other two forms to the Secretary of State, with a copy to the clerk, all within 48 hours after the close of the polls. The chapter also changes existing law to provide that a moderator's neglect to cause an accurate vote count to be made, or a clerk's neglect to make a return of votes, is deemed a violation only if the neglect is intentional. **E.D. January 1, 2012.**

10 | ***Elimination of Three-Day Wait for Marriage License.*** Chapter 187 (SB 176) removes the three-day waiting period to obtain a marriage license. It also clarifies when a certified copy of a divorce decree or death record of a spouse, if either or both parties are divorced or widowed, is required relative to issuance of a marriage license. **E.D. August 13, 2011.**

***Changed Process for Election Day Registrants Without Photo ID.*** Chapter 192 (HB 487) changes the procedure for confirming the identity of voters who register at the polls but do not present an approved form of photo identification. Under previous law, the Secretary of State would send a post-election letter of identity verification to the address given by the person who registered, with instructions to the addressee to notify the Attorney General if he or she was *not* in fact the person who registered and voted. The new law requires the addressee to return the letter of identity verification within 45 days, confirming that he or she *is* the same person who registered and voted. The failure to return the letter confirming the voter's registration may lead to an investigation of possible voter fraud. **E.D. January 1, 2012.**

***Vehicle Dealers Authorized to Register Vehicles.*** Chapter 198 (SB 156) establishes a program under which the division of motor vehicles may appoint qualified retail motor vehicle dealers as agents to process motor vehicle registrations, permits for registration, registration transfers, and title applications in conjunction with the sale of new or used vehicles. Registration and title information and all applicable fees will be transmitted electronically through an electronic vehicle registration (EVR) integrator who has contracted with the Department of Safety to provide those services. The dealer agent and the EVR integrator will be responsible for ensuring that all municipal fees are remitted to the clerk of the city or town that is entitled to receive them.

The law creates a one-year pilot program that will involve a limited number of dealers and municipalities and a single EVR integrator. Upon determination that there has been material compliance with the EVR program, the division of motor vehicles will develop a plan to bring remaining municipalities that are municipal agents under RSA 261:74-a into the program and allow additional dealer agents to apply for inclusion. To ensure that the EVR program meets the requirements of the law, an EVR advisory group will be established, comprising representatives from a number of local government groups, including the New Hampshire City and Town Clerks' Association and the New Hampshire Municipal Association, as well as state agencies, the New Hampshire Automobile Dealers Association, and the EVR integrator. **E.D. June 15, 2011.**

***Cities and Towns May Adopt Tax or Spending Caps.*** Chapter 234 (SB 2) authorizes cities and towns (as well as school districts) to adopt limits on spending or tax increases. For a city or a town with a town council form of government, the charter may be amended to include a limit on annual increases in the amount raised by taxes in the city or town budget. The limit must include a provision allowing for override of the cap by a supermajority vote as established in the charter.

In a town or other political subdivision that adopts a budget at an annual meeting of the voters, the voters may adopt a limit on annual increases in the estimated amount of local taxes in the governing body's or budget committee's proposed budget. The cap must

be either a fixed dollar amount or a fixed percentage. If a cap is adopted, the estimated amount to be raised by local taxes, as shown on the budget certified by the governing body or budget committee and posted with the warrant, may not exceed the local taxes actually raised for the prior fiscal year by more than the cap. The cap does not, however, limit the amount the voters may appropriate at the annual meeting; it is only a limit on the budget submitted to the voters. In a town with an official ballot form of town meeting, adoption of a cap does not prevent the voters at the deliberative session from amending one or more warrant articles to increase the amount of a proposed appropriation or the total amount of all proposed appropriations.

A cap can be adopted by a town with either a traditional town meeting or an official ballot town meeting. In either case, the question of adopting a cap must be placed on the warrant by the governing body or by citizen petition under RSA 39:3. In a town with traditional town meeting, voting on the question is by ballot conducted at the meeting, not by official ballot. Adoption of the cap requires a three-fifths majority of those voting. If a cap is adopted, it takes effect beginning with the subsequent fiscal year. A cap can be repealed in the same manner.

The law also ratifies all tax or spending cap provisions previously adopted in any city or town charter. **E.D. July 5, 2011.**

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## II. INTERGOVERNMENTAL RELATIONS; RETIREMENT; STATE BUDGET

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***Transfer of Funds from Retirement Special Account.*** **Chapter 60 (HB 464)** transferred \$89 million from the New Hampshire Retirement System (NHRS) group II special account to the pension corpus account, known as the state annuity accumulation fund. (Note: **Chapter 224 (HB 2)** eliminated the special account for both group I and group II employees and transferred the *entire* balance to the corpus.) **E.D. May 11, 2011.**

***Legislative Approval of New Administrative Rules.*** **Chapter 107 (HB 211)** requires an agency to send

copies of new rules, proposed because of a new program or grant of authority, to the legislative policy committee to which the legislation that included the grant of rulemaking authority was originally referred. The bill also requires a waiver by the Director of Legislative Services before the Joint Legislative Committee on Administrative Rules may exceed timeframes to approve or object to a rule. **E.D. July 30, 2011.**  
**NHMA POLICY.**

***Purchase of Out-of-State Service Credit.*** **Chapter 158 (HB 461)** repeals the authority for NHRS members (both group I and group II) to purchase credit for time worked as a public employee in another state. (Note: Chapter 224 (HB 2) contains an identical provision.) **E.D. August 8, 2011.**

***Biennial State Operating Budget and Trailer Bill.*** **Chapter 223 (HB 1) and Chapter 224 (HB 2)** comprise the state operating budget appropriations and the so-called trailer bill, which contains the statutory changes necessary to implement the operating budget. A schedule of state aid to cities, towns and school districts prepared by the Legislative Budget Assistant's Office (LBAO) can be found at the back of this publication as Appendix 1.

- **Meals and Rooms Tax Distribution (Chapter 224, section 1).** The budget includes the meals and rooms tax distribution to municipalities for each year of the biennium. The amount distributed each year will be \$58.8 million, which is unchanged since 2009. The statutory “catch-up” formula for increasing this distribution—up to \$5 million per year contingent upon increases in meals and rooms tax revenues received by the State—was again suspended for the biennium. The original goal of the catch-up formula was to gradually increase the distribution to municipalities until the originally intended 60%-state/40%-municipal apportionment was reached. Prior to suspending the growth formula in 2010, the distribution had reached a 71%-state/29%-municipal apportionment level. The increase in the meals and rooms tax rate in 2010, coupled with freezing the municipal distribution at the 2009 level, results in a 2012 apportionment of approximately 74%-state/26%-municipal

**Note:** While the total distribution amount will be the same in fiscal year 2012 as in 2011, the specific amount per municipality must still be based on the statutory population formula. Therefore, payments to individual municipalities may differ from the amount received last year.

- **Revenue Sharing (Chapter 224, section 2).** Revenue sharing to municipalities is suspended for the biennium, representing a total loss of \$50.4 million.
- **Retirement Reform. (Chapter 224, sections 160 – 190).** Numerous reforms to the NHRS were enacted, affecting new hires, non-vested members (members with less than ten years of service), vested members (members with more than ten years of service), and/or retirees. These reform measures are summarized on the table in Appendix 2, which indicates each reform measure by chapter section and the employee categories affected. Most of the reform measures are effective July 1, 2011, with the exception of those that directly affect a member's pension computation, in which case the effective date is January 1, 2012. The reform measures include:
  - ✧ Changing the definition of earnable compensation by limiting the amount of extra and special duty pay included in the pension computation for current employees and eliminating extra and special duty pay in the pension computation for new hires.
  - ✧ Changing the basis for calculating the average final compensation from the highest three years to the highest five years. **NHMA POLICY.**
  - ✧ Capping the initial pension benefit for non-vested members and new hires at 85% of average final compensation or \$120,000, whichever is lower.
  - ✧ Increasing group I (teachers and employees) retirement age for new hires from 60 to 65.

- ✧ Increasing group II (police and firefighters) retirement age for *new hires* from 45 to 52½, with 25 years of service; and for current group II *non-vested* members, establishing a retirement age of 46 to 49 years, with 21 to 24 years of service (depending on their years of service as of January 1, 2012). There is no change in retirement age or years of service for *vested* members. **NHMA POLICY.**
- ✧ Providing that, if and when employer contribution rates drop to the level of employee contribution rates, any subsequent rate increases or decreases will be shared equally between employers and employees. **NHMA POLICY.**
- ✧ Changing the composition of the board of trustees by eliminating the two legislative trustees, reducing the employee trustees from eight to four, increasing the employer trustees from one to four, and adding two additional non-member (*i.e.*, public) trustees. Employer trustees are nominated by the New Hampshire Municipal Association, the New Hampshire School Boards Association, the New Hampshire Association of Counties and the State of New Hampshire.
- ✧ Eliminating the 4% escalator in the medical subsidy, thus freezing that benefit at the current level.
- ✧ Requiring mandatory membership in the NHRS for newly appointed positions created by political subdivisions after July 1, 2011.
- ✧ Limiting part-time employment of a retired member to 32 hours per week, or 1,300 hours within five consecutive months in any 12-month period.
- ✧ Lowering the interest rate credited to members' individual accounts.

- ✧ Eliminating the special account and transferring the balance to the pension corpus.
  - ✧ Establishing two study committees: one to study the establishment of a voluntary defined contribution plan, and the other to study matters related to disability retirement, cost-of-living adjustments and medical subsidies. Both committees are required to issue reports by November 1, 2011.
  - ✧ Repealing the ability of both group I and group II members to purchase credit for out-of-state service.
  - ✧ Requiring the board of trustees to recertify employer rates for fiscal years 2012 and 2013, based on the June 30, 2010 valuation assumptions, as soon as possible after July 1, 2011.
- **State Retirement Contribution (Chapter 224, section 191).** The State contribution toward retirement costs for teachers, police and firefighters is \$3.5 million for fiscal year 2012 and \$0 for fiscal year 2013. Enactment of retirement reform provisions was used to justify the significant reduction and eventual elimination of the state contribution towards these costs. See the section above on Retirement Reform for more details.
  - **Environmental Grants.** Money for current grant obligations for municipal public water and wastewater treatment projects is included in the budget. However, no funding is provided for projects pending Governor and Council approval since October 2008. The Department of Environmental Services is compiling a “delayed and deferred” list of projects. Municipalities should continue to submit applications for eligible projects to demonstrate the need for state assistance.
  - **Highway Funding.** The budget provides highway block grant funding in the amounts of \$34.9 million for fiscal years 2012 and \$30.25 million for fiscal year 2013. The drop in funding for 2013 is due to the elimination of the \$30 motor vehicle surcharge enacted in 2010.
  - **LCHIP (Chapter 224, section 3).** The document recording surcharge enacted in 2007 and collected by the Register of Deeds as a dedicated funding source for LCHIP (the Land and Community Heritage Investment Program) will now be credited to the general fund. A \$120,000 appropriation is provided each year for continued administrative costs of the program.
  - **Flood Control Reimbursements (Chapter 224, section 195).** RSA 122:4, relative to reimbursements to cities and town for land taken for flood control purposes, is amended to authorize the commissioner of the Department of Revenue Administration to reduce the reimbursements by any amount owed to the State of New Hampshire from another state. Additionally, any payments received from another state will first be applied to outstanding amounts owed to the State of New Hampshire before being apportioned to cities and towns.
  - **Vital Records Improvement Fund (Chapter 224, section 214).** The Department of State is authorized to transfer \$400,000 each year of the biennium from the special fund for the improvement and automation of vital records at the state and local levels (known as the vital records improvement fund) to the general fund.
  - **Marriage License Fee (Chapter 224, section 230).** The marriage license fee is reduced from \$50 to \$45, eliminating the \$5 portion previously remitted to the state treasurer for deposit in the state general fund.
  - **Funeral Expenses (Chapter 224, section 327).** RSA 167:11, relative to funeral expenses for recipients of public assistance, continues to be suspended for the biennium.

**State Agency Reduced Spending Proposals. Chapter 229 (SB 146)** requires state agencies, as part of the biennial budget process, to submit budget proposals reflecting a 10 percent reduction from the current biennium's level of funding. **E.D. August 28, 2011.**

**Employer Assessment for Excess Pension Benefits (a.k.a. Spiking). Chapter 230 (HB 462)** amends the formula for computing the employer assessment for excess pension benefits by providing a credit for funds provided through the normal employer contribution, and provides a four-year phase-in for the assessment. The bill also extends the effective date of the assessment from July 1, 2011 to July 1, 2012, but makes the assessment applicable to any contracts or collective bargaining agreements entered into on or after January 1, 2010. Finally, the bill requires the New Hampshire Retirement System to provide an interactive estimator on its website to assist employers in determining the impact of the spiking assessment. **E.D. July 1, 2012 for the assessment and phase-in; June 30, 2011 for other provisions.**

**Definition of Part-Time Employment for New Hampshire Retirement System Purposes. Chapter 248 (SB 75)** defines part-time employment for retirees drawing an NHRS pension as 32 hours or less in a normal calendar week. An exception is made for retired members working more than 32 hours per week provided they do not exceed 1,300 hours within five consecutive months in any 12-month period. (Note: **Chapter 224 (HB 2)** contains an identical provision.) **E.D. July 13, 2011.**

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### III. MUNICIPAL ADMINISTRATION AND FINANCE MANAGEMENT; LEGAL MATTERS; ECONOMIC DEVELOPMENT; MANDATES; RIGHT TO KNOW LAW; LABOR

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**"Evergreen" Law Repealed. Chapter 3 (SB 1)** repeals the 2008 law under which the terms of a public employee collective bargaining agreement, including any pay plan contained in the agreement, would remain in effect after expiration of the agreement until a new agreement is executed. **E.D. March 1, 2011. NHMA Policy.**

**Deleted Statutory References Relating to Town Auditors. Chapter 4 (HB 32)** removes two references to RSA 41:31, relating to town auditors, which was repealed in 2010. **E.D. April 25, 2011.**

**Town Clerk/Tax Collector Remittance to Treasurer. Chapter 19 (SB 15)** amends RSA 41:35 for tax collectors and RSA 261:165 for town clerks by increasing from \$500 to \$1,500 the threshold beyond which daily remittance of tax and fee receipts to the treasurer is required. **E.D. June 24, 2011.**

**Bargaining Units Under Ten Employees Prohibited. Chapter 45 (HB 185)** repeals the law allowing a local governing body to recognize a collective bargaining unit with fewer than ten employees. This restores the law to its status before 2008, under which a public employee collective bargaining unit must have at least ten members with the same community of interest. **E.D. July 8, 2011.**

**Sales of Artificial Flowers and Miniature Flags No Longer Illegal. Chapter 66 (HB 142)** repeals the prohibition on the sale of artificial flowers and miniature flags by street vendors. **E.D. January 1, 2012.**

**Financing of Energy Efficiency and Clean Energy Districts. Chapter 68 (HB 144)** allows municipalities to finance energy efficiency and clean energy district programs only with municipal revenue bonds, not general obligation bonds or general fund revenues. It also makes the lien securing the loans subordinate to existing liens of record. **E.D. July 15, 2011.**

**Raffle Permits May Extend to One Year from Date of Issuance. Chapter 94 (HB 155)** permits the governing body of a municipality to issue a raffle permit that expires one year from the date of issuance rather than on the date of the raffle, if the organization has requested permission to conduct more than one raffle. **E.D. July 1, 2011.**

**Maintenance, Repair and Preservation of Burial Grounds. Chapter 97 (HB 358)** establishes a procedure for volunteers to maintain, repair and preserve burial grounds that are otherwise not maintained if the owner of the burial ground is unknown or is of unknown address. A petition to maintain the burial ground must be filed with the

selectmen, town council, mayor or cemetery trustees. Upon approval of the petition, the approving body must require the person or organization to publish notice of intent to maintain a burial ground and give interested parties an opportunity to object. The legislation provides immunity from civil liability related to burial ground maintenance to municipalities and landowners who allow access over their property. **E.D. January 1, 2012.**

***Committee Formed to Study Public Employee Collective Bargaining. Chapter 101 (HB 580)*** establishes a legislative committee to study matters related to public employee collective bargaining agreements. The committee must issue its findings before December 1, 2011. **E.D. May 27, 2011.**

***Adoption of United States Flag Code. Chapter 127 (HB 132)*** incorporates the United States Flag Code into state statute and further requires the Governor to order the national flag to be flown at half-staff in honor of any member of the armed services who dies in combat and is a resident of New Hampshire. The legislation also prevents any municipal ordinance or rule of a private entity from restricting the display of the U.S. flag on private property. **E.D. June 6, 2011.**

***Withholding of Wages by Mutual Agreement for Any Purpose. Chapter 140 (HB 657)*** authorizes an employer to withhold a portion of an employee's wages for any purpose on which the employer and employee mutually agree, so long as it does not grant financial advantage to the employer and the employee has given written permission. The withholding may not be used to offset payments for purchasing items required in the performance of the employee's job in the ordinary course of the business. **E.D. August 6, 2011.**

***Elimination of Municipal Liability for Damages Caused by Dogs. Chapter 152 (HB 532)*** repeals the statutes allowing a person who suffers harm to his or her domestic animals caused by dogs to recover damages from the municipality. **E.D. August 7, 2011.**

***Election Required to Designate Employee Organization to Represent Bargaining Unit. Chapter 159 (HB 589)*** repeals the 2007 law that allowed a bargaining unit of public employees to choose an employee organization as its exclusive representative by majority

written authorization (the so-called "card check" provision). This restores the law to its status before 2007, under which an election must be held to select an employee organization as the exclusive representative. **E.D. August 8, 2011.**

***Accident Records Involving Municipal Vehicles Subject to Disclosure. Chapter 167 (HB 347)*** provides that a motor vehicle record that is created or received as a result of any accident or collision involving a municipal vehicle, whether owned or leased, is a governmental record subject to inspection and disclosure in accordance with RSA 91-A, except when inspection or disclosure would risk exposure of undercover law enforcement activity. Any report of a violation of the motor vehicle laws by a municipal official or employee while engaged in official business in a municipally owned or leased vehicle is also a governmental record subject to disclosure. **E.D. August 13, 2011.**

***Cities and Towns May Adopt Tax or Spending Caps. Chapter 234 (SB 2)*** authorizes cities and towns (as well as school districts) to adopt limits on spending or tax increases. For a city or a town with a town council form of government, the charter may be amended to include a limit on annual increases in the amount raised by taxes in the city or town budget. The limit must include a provision allowing for override of the cap by a supermajority vote as established in the charter.

In a town or other political subdivision that adopts a budget at an annual meeting of the voters, the voters may adopt a limit on annual increases in the estimated amount of local taxes in the governing body's or budget committee's proposed budget. The cap must be either a fixed dollar amount or a fixed percentage. If a cap is adopted, the estimated amount to be raised by local taxes, as shown on the budget certified by the governing body or budget committee and posted with the warrant, may not exceed the local taxes actually raised for the prior fiscal year by more than the cap. The cap does not, however, limit the amount the voters may appropriate at the annual meeting; it is only a limit on the budget submitted to the voters. In a town with an official ballot form of town meeting, adoption of a cap does not prevent the voters at the deliberative session from amending one or more warrant articles to increase the amount of a proposed appropriation or the total amount of all proposed appropriations.

A cap can be adopted by a town with either a traditional town meeting or an official ballot town meeting. In either case, the question of adopting a cap must be placed on the warrant by the governing body or by citizen petition under RSA 39:3. In a town with traditional town meeting, voting on the question is by ballot conducted at the meeting, not by official ballot. Adoption of the cap requires a three-fifths majority of those voting. If a cap is adopted, it takes effect beginning with the subsequent fiscal year. A cap can be repealed in the same manner.

The law also ratifies all tax or spending cap provisions previously adopted in any city or town charter. **E.D. July 5, 2011.**

***Destroyed Buildings May Qualify for Community Revitalization Tax Relief Incentive. Chapter 237 (SB 97)*** allows a municipality to expand the definition of “qualifying structure” for purposes of the community revitalization tax relief incentive under RSA 79-E to include buildings that have been destroyed by fire or act of nature, including buildings destroyed within 15 years before the municipality’s adoption of the incentive. If the tax relief incentive is granted with respect to a destroyed building, the property tax on the structure, for the period designated by the governing body, will not exceed the tax on the assessed value of the structure that would have existed if it had not been destroyed. **E.D. July 5, 2011.**

***No Penalty for Landlord’s Failure to File Registered Agent Information. Chapter 247 (SB 70)*** repeals the \$1,000 civil penalty imposed on owners of residential rental property for failure to file with the city or town clerk the name, address and telephone number of the owner’s registered agent. **E.D. July 13, 2011.**

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## IV. PLANNING AND ZONING

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***Planning Boards May Not Regulate Timber Harvesting. Chapter 85 (SB 104)*** clarifies that a planning board may not regulate timber harvesting operations that are not part of a subdivision application or a development project that is subject to site plan review. It also amends the statute on the purposes of zoning ordinances to include the encouragement

of agricultural operations that support agricultural lands and buildings. **E.D. July 15, 2011. See also Section VII.**

***Notice to Upstream Dam Owners. Chapter 164 (HB 205)*** removes the requirement that a planning board notify an upstream dam owner of a subdivision or site plan proposal that is near a river or stream and downstream of a dam. Instead, the planning board must notify the Department of Environmental Services of any proposal in which any structure or building site will be within 500 feet of the top of the bank of any lake, pond, river or stream, for the sole purpose of providing information to the department for dam hazard classification. Failure to notify the department will not be considered a defect of notice. **E.D. August 13, 2011. NHMA Policy.**

***Restriction Loosened on Planning Board Members Serving on Other Boards. Chapter 190 (HB 409)*** maintains the prohibition on two or more planning board members serving together on the conservation commission, the local governing body, or a local land use board, but removes the prohibition for any other board. **E.D. August 13, 2011.**

***Planning Boards May Not Require Fire Sprinklers. Chapter 203 (HB 109)*** prohibits local planning boards from requiring, or adopting any regulation requiring, the installation of a fire suppression sprinkler system in proposed one- or two-family residences as a condition of approval for a local permit. **E.D. July 1, 2011.**

***Division of Involuntarily Merged Lots. Chapter 206 (HB 316)*** requires a municipality, upon request of the property owner, to divide lots that were involuntarily merged prior to September, 18, 2010, subject to certain conditions. First, the request must be submitted to the governing body prior to December 31, 2016. Second, if any owner in the chain of title from the date of the involuntary merger abandoned a lot line or took any other action indicating that the owner regarded the lots as merged, the municipality is not required to divide the lots. Third, the legislation makes clear that separation of previously merged lots does not cure any non-conformity with current land use ordinances. Fourth, the amendment authorizes a municipality to adopt ordinances that provide more generous relief than the statute. Finally, municipalities

must inform the public of this new law by posting a notice in a public place continuously from January 2012 until December 2016, and publish notices in the town's annual reports for years 2011 through 2015. **E.D. July 24, 2011. See also section VIII.**

***Periods Extended for Vested Rights for Subdivisions and Site Plans.*** Chapter 215 (SB 144) extends, from four years to five years, the exemption from subsequent changes in local zoning ordinances or land use regulations for subdivisions and site plans approved by a planning board and properly recorded in the registry of deeds if “active and substantial development or building” has begun. It also extends, from 12 months to 24 months, the period that the owner or owner's successor has to begin active and substantial development or building in order to secure the exemption from subsequent changes. **E.D. June 27, 2011.**

***OEP Training Requirement Eliminated; Notice of Adoption of Zoning Ordinance, Etc.*** Chapter 224 (HB 2, the budget trailer bill, sections 121-122), among many other things, eliminates the requirement that the Office of Energy and Planning (OEP) provide training programs for members of planning boards and zoning boards of adjustment. The new law states that OEP “*may* provide this training, which may be designed in a variety of formats including, but not limited to, web-based, distance learning, traditional classroom style, or self study.”

The new law also requires a municipality to inform OEP when it adopts or amends a master plan, zoning ordinance, historic district ordinance, capital improvement plan, building code, subdivision regulation or site plan review regulation. Municipalities were already required to file copies of these documents with OEP, so this new requirement does not appear to add anything. It further authorizes OEP to gather this information through an annual survey or other appropriate means, and requires OEP to periodically create lists and reports of the information gathered for use by municipalities and the general public. **E.D. July 1, 2011.**

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## V. ENVIRONMENTAL REGULATION AND PROTECTION; SOLID/HAZARDOUS WASTE; WATER

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***Ratification of Concord Regional Solid Waste/Resource Recovery Cooperative Amendments.*** Chapter 31 (SB 174) ratifies certain amendments and restatements, dated January 16, 2003 and January 22, 2009, to the Concord Regional Solid Waste/Resource Recovery Cooperative Agreement. **E.D. April 28, 2011.**

***Mascoma River Protection Designation.*** Chapter 50 (HB 336) designates segments of the Mascoma River as a rural, community or rural-community river. **E.D. May 9, 2011.**

***High Water Mark of Ossipee Lake Set.*** Chapter 95 (HB 278) sets the natural mean high water mark of Ossipee Lake at 407.25 feet above mean sea level. **E.D. July 26, 2011.**

***Lower Exeter/Squamscott River Designated as Protected River.*** Chapter 113 (HB 555) designates segments of the Exeter/Squamscott River as a rural or community river. **E.D. May 31, 2011.**

***Modification of Stream Crossing Rules.*** Chapter 114 (HB 621) allows a municipality to repair, replace, or maintain structures, including culverts of up to 48 inches in diameter, by filing a permit by notification, so long as the work is performed in accordance with the best management practices for routine roadway maintenance as published by the Department of Transportation. The legislation also establishes a committee to study the legal authority of the Department of Environmental Services to adopt stream crossing rules and to study the potential unfunded mandate such rules may impose on municipalities. **E.D. May 31, 2011.**

***Segments of Oyster River Designated as a Protected River and Certain Portions Exempted from Shoreland Protection Act.*** Chapter 118 (HB 44) designates certain segments of the Oyster River as a rural, community, or rural-community river. It also exempts all first, second and third order portions of the

Oyster River from RSA 483-B, the Comprehensive Shoreland Protection Act. **E.D. June 2, 2011.**

*Committee to Study Effectiveness of Criteria for Establishing ATV and Trail Bike Trails.* **Chapter 124 (SB 107)** establishes a legislative committee to study the effectiveness of the existing evaluation process for establishing new ATV or trail bike trails on state-owned property. **E.D. June 2, 2011.**

*Segments of Lamprey, North Branch, Pawtuckaway, North, Little, and Piscassic Rivers Designated as Protected Rivers and Portions of Lamprey River Exempted from Shoreland Protection Act.* **Chapter 135 (HB 149)** designates segments of the Lamprey, North Branch, Pawtuckaway, North, Little, and Piscassic Rivers as rural, community or rural-community rivers. It also exempts all first, second and third order portions of the Lamprey River and its tributary rivers from RSA 483-B, the Comprehensive Shoreland Protection Act. **E.D. June 7, 2011.**

*Water Infrastructure Sustainability Commission Extended.* **Chapter 144 (SB 47)** extends the commission to study water infrastructure sustainability for one year from the effective date of the act. **E.D. June 7, 2011.**

*Excavating and Dredging Permit Exemptions.* **Chapter 195 (SB 21)** allows roadside ditches and certain other legally constructed drainage and erosion control features to be repaired, maintained, replaced, or modified without an excavating and dredging permit. Additionally, culverts may be cleaned out, but cannot be modified, repaired, or replaced without a permit. **E.D. August 13, 2011.**

*Revisions to Comprehensive Shoreland Protection Act.* **Chapter 224 (HB 2, sections 382-412)**, makes revisions to the Comprehensive Shoreland Protection Act that are too extensive to summarize here. The changes generally loosen the restrictions under the law and make compliance less burdensome. The revisions do not alter the authority of municipalities, under RSA 483-B:8, to adopt land use ordinances relative to protected shorelands that are stricter than those contained in the Shoreland Protection Act. **E.D. June 29, 2011.**

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## VI. PUBLIC SAFETY; POLICE; FIRE; BUILDING/HEALTH INSPECTION

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*Police Dog Certification.* **Chapter 36 (HB 79)** provides that a law enforcement officer or agency may not be held liable for damages resulting from injuries caused by a dog used in law enforcement work if the officer and the dog have completed training together and have received training either from a nationally recognized organization required for law enforcement work or from the New England State Police Administrators Compact. Previous law provided immunity only if the certification was from a nationally recognized organization. **E.D. May 9, 2011.**

*Municipalities May Establish Drug Take-Back Programs.* **Chapter 63 (HB 71)** allows municipalities and private entities, together with law enforcement, to establish controlled and non-controlled pharmaceutical drug take-back programs. Rules will be promulgated for municipalities to follow if they choose to establish a drug take-back program. **E.D. July 1, 2011.**

*Municipalities May Not Accept Federal Funding for Motorcycle-Only Roadside Checkpoints.* **Chapter 69 (HB 148)** prohibits the acceptance of federal funding by any political subdivision of the state for the purpose of establishing motorcycle-only roadside checkpoints. **E.D. July 15, 2011.**

*Revised Requirements for Fire Warning and Carbon Monoxide Detection Devices in Dwellings.* **Chapter 129 (HB 317)** changes the requirements regarding installation of automatic fire warning devices and carbon monoxide detection devices in multi-unit dwellings and new single-family dwellings. Among other changes, a dwelling will not be required to have such devices if it does not have an attached garage and does not contain an appliance or device that uses a combustion method of burning solid, liquid or gas fuel. If a garage or combustion fuel appliance or device is later added, a carbon monoxide detection device is then required. The requirements regarding carbon monoxide detectors will not apply to owners of existing multi-unit dwellings until July 1, 2013. **E.D. July 1, 2011.**

***Knives Added to State Authority Over Firearms and Ammunition.*** Chapter 139 (HB 544) gives the State of New Hampshire authority and jurisdiction over the sale, purchase, ownership, use, possession, transportation, licensing, permitting, taxation and other matters pertaining to knives, in the same manner as it already has jurisdiction and authority over such matters regarding firearms and related items. The bill apparently was intended to preempt municipal regulation of such matters related to knives, although its language does not clearly do that. Municipalities still have a right to adopt zoning ordinances for the purpose of regulating knife-related businesses in the same manner as other businesses. **E.D. August 6, 2011.**

***Planning Boards May Not Require Fire Sprinklers.*** Chapter 203 (HB 109) prohibits local planning boards from requiring, or adopting any regulation requiring, the installation of a fire suppression sprinkler system in proposed one- or two-family residences as a condition of approval for a local permit. **E.D. July 1, 2011.**

***Fire/Building Officials May Issue Citations for Fireworks and Licensing Violations.*** Chapter 210 (HB 355) allows the Commissioner of Safety to authorize state and local fire officials to issue citations for violations of the permissible fireworks law and to authorize fire officials, building officials and code enforcement officers to issue citations for violations of licensing requirements for fuel gas fitters, electricians and plumbers. **E.D. January 1, 2012.**

***Modifications to Class B Misdemeanor Criminal Complaint Process.*** Chapter 217 (SB 64) removes the oath requirement for class B misdemeanor criminal complaints filed by police officers in criminal proceedings before a district court, but requires a police officer filing any criminal complaint in district court to sign the complaint. **E.D. January 1, 2012.**

***Mosquito Control Abatement Activities.*** Chapter 260 (HB 483) allows an affected municipality or mosquito control district to commence mosquito control and abatement activities on state land where a public health threat declaration is in effect or was in effect within the last three years. **E.D. September 11, 2011.**

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## VII. PUBLIC WORKS; ROADS AND HIGHWAYS; SPEED LIMITS; AIRPORTS; RAILS

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***Increased Vehicle Weight Limits for Vehicles With Idle Reduction Technologies.*** Chapter 9 (HB 117) allows trucks to carry additional weight of up to 400 pounds on state highways if they use an auxiliary power or idle reduction technology unit. The driver of the vehicle must be able to prove the weight of the auxiliary power unit by written certification and prove that the idle reduction technology is fully functional at all times. **E.D. January 1, 2012.**

***Equitable Application of Road Bond Requirements.*** Chapter 85 (SB 104) requires municipalities to apply their road bond requirements under RSA 236:10 equitably and reasonably to all bonded vehicles using a highway. The type of commodity being transported may not be the determining factor for requiring a bond or for determining the dollar amount of the bond. **E.D. July 15, 2011. See also Section IV.**

***Modification of Stream Crossing Rules.*** Chapter 114 (HB 621) allows a municipality to repair, replace or maintain structures, including culverts of up to 48 inches in diameter, by filing a permit by notification, so long as the work is performed in accordance with the best management practices for routine roadway maintenance as published by the Department of Transportation. The legislation also establishes a committee to study the legal authority of the Department of Environmental Services to adopt stream crossing rules and to study the potential unfunded mandate such rules may impose on municipalities. **E.D. May 31, 2011.**

***Excavating and Dredging Permit Exemptions.*** Chapter 195 (SB 21) allows roadside ditches and certain other legally constructed drainage and erosion control features to be repaired, maintained, replaced or modified without an excavating and dredging permit. Additionally, culverts may be cleaned out, but cannot be modified, repaired or replaced without a permit. **E.D. August 13, 2011.**

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## VIII. TAXES; ASSESSING AND COLLECTIONS; EXEMPTIONS; CURRENT USE

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**Assessing Officials Serving on Current Use Board.** Chapter 33 (HB 46) clarifies that no other assessing officials *certified by the Department of Revenue Administration* may serve on the Current Use Board, except for the three designated assessing official positions. Previously the statute prohibited *any* former or currently practicing assessing official (whether certified or not)—which could include any former or current selectman—from serving. **E.D. July 8, 2011.**

**Grantor of Grantor Trust Considered Property Owner.** Chapter 138 (HB 541) clarifies that the grantor of a grantor/revocable trust is considered the owner of property for purposes of qualifying for property tax exemptions and credits. **E.D. April 1, 2011.**

**Property Tax Appeal Rights.** Chapter 206 (HB 316) repeals the law prohibiting a property owner from appealing any property tax matter if the owner has refused to allow an assessor access to his or her property to inspect, and the law prohibiting a property owner from appealing the denial of an abatement if the owner has failed to submit an inventory form. The selectmen or assessing officials can still obtain an administrative inspection warrant if they are denied access to property for assessing purposes. **E.D. July 24, 2011. See also section IV.**

**ESB/ASB Merged.** Chapter 224, section 199 (HB 2) merges the functions of the Equalization Standards Board and the Assessing Standards Board. **E.D. July 1, 2011.**

**BTLA Membership and Appointment.** Chapter 224, sections 336-339 (HB 2) reduces the Board of Tax and Land Appeals from four to three members and reduces their terms from five years to three years. It eliminates the requirement that at least one board member be an attorney and prohibits the expenditure of funds for outside legal counsel **E.D. July 15, 2011 for board membership; July 1, 2011 for expenditures.**

**Destroyed Buildings May Qualify for Community Revitalization Tax Relief Incentive.** Chapter 237 (SB 97) allows a municipality to expand the definition of “qualifying structure” for purposes of the community revitalization tax relief incentive under RSA 79-E to include buildings that have been destroyed by fire or act of nature, including buildings destroyed within 15 years before the municipality’s adoption of the incentive. If the tax relief incentive is granted with respect to a destroyed building, the property tax on the structure, for the period designated by the governing body, will not exceed the tax on the assessed value of the structure that would have existed if it had not been destroyed. **E.D. July 5, 2011.**

**“Smoothing” of Property Tax Bills Affected by Education Aid Changes.** Chapter 262 (HB 622) allows municipalities to adjust their semi-annual or quarterly property tax bills by an amount sufficient to collect one-half or one-fourth, as the case may be, of the estimated increase or decrease in the municipality’s adequate education grant, so that the entire effect of the increase or decrease is not delayed until the final tax bill. The municipality must apply to the Department of Revenue Administration for permission to make the adjustments. **E.D. July 13, 2011. NHMA POLICY.**

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## IX. WELFARE; EDUCATION; LIBRARIES; HUMAN SERVICES; HOUSING

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No new laws.

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## X. UTILITIES

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No new laws.

## XI. EDUCATION FUNDING

***Adequate Education Grants and Aid. Chapter 258 (HB 337)*** sets the amount of differentiated aid to school districts at \$1,725 for each pupil eligible for the free or reduced-price meal program; repeals the calculation and distribution of fiscal capacity disparity aid; provides a grant to each chartered public school in the amount of \$2,000 for each student at the chartered school; provides an additional \$675 to each public school district for each third-grade pupil who has not tested at the proficient level or above in the reading component of the state assessment and who is not eligible to receive special education, English as a second language, or free or reduced-price meal program funds; provides that a municipality's total education grant for years beginning July 1, 2013, or after may not exceed 105.5 percent of the total education grant received in the previous fiscal year; provides, for municipalities that otherwise would receive a lower total education grant in fiscal year 2012 than in 2011, a stabilization grant equal to the decrease from the municipality's fiscal year 2011 total education grant, and provides that a municipality shall continue to receive this stabilization grant in fiscal year 2013 and each fiscal year thereafter; and repeals the requirement that excess education tax payments be remitted to the Department of Revenue Administration. **E.D. July 1, 2011.**

## XII. SPECIAL ACTS

***Hooksett May Rescind Police Commission. Chapter 2 (SB 11)*** allows the Town of Hooksett, by action of a town meeting vote, to rescind its action creating a police commission. **E.D. February 15, 2011.**

***Depot Street in Andover Reclassified. Chapter 15 (HB 363)*** reclassifies a portion of Depot Street, which is also known as U.S. Route 4, in the Town of Andover as a class V highway. **E.D. April 25, 2011.**

***Ratification of Concord Regional Solid Waste/Resource Recovery Cooperative Agreements. Chapter 31 (SB 174)*** ratifies certain amendments and restatements, dated January 16, 2003 and January 22, 2009, to the Concord Regional Solid Waste/Resource Recovery Cooperative Agreement. **E.D. April 28, 2011.**

***Haseltine Street in Town of Plaistow Reclassified. Chapter 80 (HB 558)*** reclassifies Haseltine Street in Plaistow as a class II highway to be renamed NH 121A. In addition, the portion of NH 121A (Main Street) in Plaistow, from the intersection with Haseltine Street to the Massachusetts state line, is reclassified as a class V highway. **E.D. July 15, 2011.**

***Operation and Funding of Certain District Courts. Chapter 87 (HB 438)*** requires the judicial branch to operate and fund the Colebrook, Keene, Claremont, Plaistow and Milford district courts through the 2013 fiscal year. **E.D. July 1, 2011.**

***Permanent Siting of Hampton-Exeter District Court. Chapter 122 (SB 36)*** extends the deadline to find a permanent site for the Hampton-Exeter District Court from January 1, 2011 until January 1, 2015. **E.D. June 2, 2011.**

### WHERE TO OBTAIN COPIES OF 2011 LAWS

**Legislators.** You should be able to contact your Representative or Senator to secure copies of new laws. There should be no charge for these copies if you request a small number.

**Online.** Access at: [http://www.gencourt.state.nh.us/bill\\_status/misc/chaptered\\_final\\_version.aspx](http://www.gencourt.state.nh.us/bill_status/misc/chaptered_final_version.aspx). (These chapters can be obtained at no charge).

**APPENDIX 1 - SCHEDULE OF STATE AID TO CITIES, TOWNS AND SCHOOL DISTRICTS (COMPILED BY NHMA FROM TWO SEPARATE LBAO SCHEDULES)**

AID BY CATEGORY		FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 BUDGET <sup>4</sup>	FY 2012 BUDGET	FY 2013 BUDGET
<b>EDUCATION</b>							
1	Adequate Education Aid	890,426,556	891,013,576	940,762,976	941,830,717	941,830,717	941,830,717
2	Building Aid	46,487,244	42,914,218	44,902,654	46,260,234	48,891,283	47,076,655
3	Court Ordered Placements	1,379,288	3,290,064	2,173,602	1,377,290	1,500,000	1,500,000
4	Driver Education	1,599,575	1,570,800	1,337,100	2,000,000	-	-
5	Dropout Prevention	956,918	1,730,024	1,004,666	1,621,935	600,000	600,000
6	Kindergarten Aid	850,800	957,600	2,661,675	3,677,700	1,952,310	1,952,310
7	Kindergarten Construction Aid	1,131,221	404,402	3,261,884	2,791,250	4,588,395	-
8	Local Education Improvement	366,419	626,926	66,143	460,097	-	-
9	Reading Recovery <sup>3</sup>	318,306	459,198	(33,493)	1	-	-
10	Retirement Normal Contribution-Teachers <sup>1</sup>	30,196,769	30,811,480	32,537,542	-	-	-
11	School Breakfast	87,967	98,360	120,448	184,039	184,000	184,000
12	School Lunch	832,003	832,003	831,238	832,003	832,003	832,003
13	Catastrophic Aid (Special Education)	32,012,334	32,528,169	30,091,336	23,813,366	21,537,308	21,537,308
14	Tuition & Transportation	6,552,172	7,228,712	7,419,843	6,947,696	6,900,000	6,900,000
<b>Education Total</b>		<b>1,013,197,572</b>	<b>1,014,465,532</b>	<b>1,067,137,614</b>	<b>1,031,796,328</b>	<b>1,028,816,016</b>	<b>1,022,412,993</b>
<b>ENVIRONMENTAL</b>							
15	Flood Control	912,884	912,884	811,515	775,000	209,953	209,953
16	Landfill Closure Grants	1,944,036	1,287,790	981,070	902,111	927,658	899,812
17	Public Water System Grants	1,494,664	1,281,908	1,101,762	1,085,997	1,185,156	1,138,309
18	State Aid Grants - Pollution Control	10,820,000	9,003,767	6,463,893	4,564,268	5,201,385	3,326,403
19	Water Supply Land Protection Grants	1,398,942	571,655	-	-	-	-
<b>Environmental Total</b>		<b>16,570,526</b>	<b>13,058,004</b>	<b>9,358,240</b>	<b>7,327,376</b>	<b>7,524,152</b>	<b>5,574,477</b>
<b>OTHER GENERAL FUNDS</b>							
20	Meals & Rooms Distribution	55,513,020	58,805,057	58,805,057	58,805,057	58,805,057	58,805,057
21	Railroad Tax <sup>2</sup>	101,460	145,903	98,006	98,006	98,006	98,006
22	State Revenue Sharing	25,216,054	25,216,054	-	-	-	-
23	Retirement Normal Contribution <sup>1</sup>	50,229,497	51,564,947	51,522,121	46,837,853	3,500,000	-
	less: Teacher Normal Contribution	30,196,769	30,811,480	32,537,542	-	-	-
	Net Police & Fire Normal Contribution	20,032,728	20,753,467	18,984,579	-	-	-
<b>Other General Funds Total</b>		<b>100,863,262</b>	<b>104,920,481</b>	<b>77,887,642</b>	<b>105,740,916</b>	<b>62,403,063</b>	<b>58,903,063</b>
<b>HIGHWAY FUNDS</b>							
24	Block Grants	29,600,000	30,512,000	29,665,000	34,865,141	34,900,000	30,250,000
<b>GRAND TOTAL</b>		<b>1,160,231,360</b>	<b>1,162,956,017</b>	<b>1,184,048,496</b>	<b>1,179,729,761</b>	<b>1,133,643,231</b>	<b>1,117,140,533</b>

**NOTES:**

- 1 Specific amounts distributed to school districts and municipalities are currently available for FY 2007 - FY 2010 only.
- 2 For FY 2011 and FY 2012, the teacher contribution is not distinguished from the police & fire contribution.
- 3 Amount for FY 2011 is estimated based on FY 2010 actual expenditure.
- 4 Negative amount is result of three school districts returning unused portions of their reading recovery funds.
- 5 FY 2011 budget amounts adjusted to reflect changes contained in special session HB 1.

**APPENDIX 2 – HB 2 RETIREMENT SYSTEM PROVISIONS: IMPACTS ON EMPLOYEE CATEGORIES –  
AS VOTED BY HOUSE AND SENATE ON JUNE 22, 2011**

Bill Section	Description	New Hires	Non-Vested Members	Vested Members*	Retirees
160	Findings and intent				
161-162	Earnable compensation: <ul style="list-style-type: none"> <li>• If vested by 1/1/2012: new limits on extra and special duty pay as in average final compensation calculation</li> <li>• Removes unused sick, vacation, and end-of-career payments</li> <li>• Removes extra and special duty pay for new hires</li> </ul>	✓ ✓	✓	✓	
163	Average final compensation (AFC): <ul style="list-style-type: none"> <li>• Highest 3 years of extra and special duty pay may not exceed average of last 7 years</li> <li>• Change to highest 5 years; excess over base pay may not exceed average annual compensation over base pay over all years of service</li> </ul>	✓	✓	✓	
164	Maximum initial benefit: <ul style="list-style-type: none"> <li>• The lower of 85% of AFC or \$120K</li> </ul>	✓	✓		
165	State employees: <ul style="list-style-type: none"> <li>• Medical benefit eligibility: increases age</li> </ul>	✓	✓		
166-171	Increase ages/decrease pension multiplier/transition period for Group II: <ul style="list-style-type: none"> <li>• Group I to 65, or reduced benefits after 60 w/ 30 yrs.</li> <li>• Group II to 50 w/ 25 years for non-vested, w/ transition period for ages 45-49</li> <li>• Group II to 52.5 w/ 25 years for new hires</li> </ul>	✓ ✓	✓		
172	Increase employee contribution rates effective 7/1/2011: <ul style="list-style-type: none"> <li>• Group I to 7.00%, Group II Police to 11.55%, Group II Fire to 11.80%</li> </ul>	✓	✓	✓	
173	Future synchronized rates: when/if employer rates drop to equal employee rates, future rate increases and decrease will be equal				
174-175	Board of Trustees membership <ul style="list-style-type: none"> <li>• 4 employer and 4 employee trustees; no legislative trustees</li> <li>• Board provides quarterly reports to House and Senate ED&amp;A committees</li> </ul>				
176	Medical benefit subsidy: frozen at current levels				✓
177	NHRS membership: <ul style="list-style-type: none"> <li>• Unclassified state new hires shall be members &amp; suspend benefits if retired; mandatory membership for newly created state &amp; municipal positions</li> </ul>	✓			✓
178	Definition of part-time employees: For retired members, 32 hours per week; or, if more than 32, limited to 1,300 hours in consecutive 5 months per calendar year				✓
179	Credit of interest: the lower of 2% less than assumed rate of return, or actual %				
180-181	Investment Committee: immunities and protections				
182	Amend RSA 100-A:41-d regarding additional temporary supplemental allowances: extended to 7/1/2012				✓
183	Special account: transfer balance to corpus				
184	Study Committee: voluntary defined contribution plan				
185	Study Committee: disability, medical subsidy, COLAs				
186	Repeals: <ul style="list-style-type: none"> <li>• RSA 100-A:6, III (b)(3) re: Group II accidental disability exception</li> <li>• RSA 100-A:4-b re: Group I purchase of out-of-state credit; RSA 100-A:4-c re: Group II purchase of out-of-state credit</li> </ul>	✓ ✓	✓ ✓	✓ ✓	
187	Severability				
188	Re-certification of employer rates for FY '12 & '13 asap after 7/1/2011; no change to assumed rate of return until FY '14				
189	Contingency if SB3 becomes law: HB2 sections 160-173 & 175-187 do not take effect; also, SB3 sections 15, 16 & 30 do not take effect				
190	NHRS board subcommittee meetings: members may participate by telephone				
191	State share of employer contributions eliminated in FY '13				
413	Effective dates: Upon passage: sections 180-189; remainder: 7/1/2011				

\*Sections 161-171 refer to members in vested status prior to 1/1/2012



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