

**MINUTES**  
**City Council Legislative Subcommittee**  
**4th Floor Conference Room**  
**Friday, February 1, 9:00 a.m.**

Legislative Subcommittee Members Present: Mayor Jack Blalock, Assistant Mayor Cliff Lazenby, Councilor Chris Dwyer, City Manager John P. Bohenko, Assistant City Attorney Jane Ferrini. Councilor Josh Denton via phone.

Also Present: Senator Martha Fuller Clark, Finance Director Judith Belanger, Andrew Purgiel, Deputy Finance Director.

**I. Greeting.**

Mayor Blalock called the meeting to order at 9:02 a.m., Senator Clark joined the meeting at 9:15a.m.

**II. Education Funding.** The Mayor moved the Agenda item of Education Funding to the first issue for discussion because there are bills this session that might require the City to return excess SWEPT to the state, rather than having the excess retained by the municipality that raises it which is the law currently. Judie Belanger, the Finance Director, explained the history of SWEPT, the statewide education property tax, and reported to the Committee that between 2000 and 2005, the City of Portsmouth paid the state "excess SWEPT" in the amount of \$11.7 million dollars to the State. Excess SWEPT is the difference between what the City raises in SWEPT and the amount of money the State has determined is necessary to fund an adequate education for Portsmouth students. Judie Belanger stated that this is not the full amount to education children in Portsmouth and that we also have a local education tax. The Mayor and Committee discussed that this education funding issue regarding the return of excess SWEPT to the state should be a priority item of interest to the City because the loss of that money would have the effect of increasing the tax rate and that this should be relayed to our delegates at our next Legislative Subcommittee meeting of February 11, 2019. The City Manager discussed that the former donor towns were going to discuss whether to hire a lobbyist to track this issue and that if that moves forward, the former donor towns would contribute funds towards the cost of a lobbyist. Given the schedule of Town Meetings, the Manager mentioned the possibility that if hiring a lobbyist moves forward, the City may front the money in the first instance but seek reimbursement from the donor towns.

Senator Clark discussed there is a bill for an Education Commission to be formed on education funding and that would be the best way to address the education funding issue. She also confirmed that the Education Committee has formed a subcommittee on the education funding bills before it and asked City staff to confirm if Rep. Tamara Le has been put on the Education Subcommittee.

Jane Ferrini reported she would be attending hearing on education funding bills next week.

**III. Hotel Occupancy Fee.** Jane Ferrini reported that the Mayor had prepared testimony in support of the Hotel Occupancy Fee for the hearing on HB 641. Senator Clark suggested the City reach out to the City or Town Managers from Manchester, Nashua, Conway and Lebanon to advise them of the City's support of the bill.

**IV. Short Term Rental.** Senator Clark reported that she sponsored the bill and mentioned the Mayor's testimony in support of Sb 69 delivered by Jane Ferrini and Deputy Fire Chief's testimony in support with an amendment at the hearing. Senator Clark further reported that the Realtors' Association would be in support of most of the recommendations in the bill that would permit a municipality to license and conduct limited life safety and health inspections if there was a provision in the bill that would state that short term rentals would be permitted in all zoning districts. Councilor Dwyer reported that this violated the Legislative Principles adopted by the City Council because it would support a statewide zoning change.

**V. Discussion of other bills of interest.** Senator Clark mentioned there were many energy bills this session. Councilor Denton mentioned he discussed issues regarding energy bills this session with Senator Clark who advised that they did not get filed this session. The Senator and the Committee discussed that there were bills this session on building efficiency, off shore wind, plastic straws, electric bikes, retirement and Greenland becoming a member of the PDA. The City Manager raised the issue of whether there should be a PDA board member from Rockingham County. The Committee discussed property tax exemptions, which needed to be followed because when some exemptions are given, that reduction is made up by taxpayers. The Committee discussed that there were bills on drinking water and Coakley and the City Manager and Councilor Dwyer mentioned that if there are bills on Coakley, the bills should address all similar sites. The Committee also discussed a bill on speed limits and HB 700 on utility valuation and for the City to forward its testimony on utility valuation to NHMA.

**VI. Adjournment.**

Mayor Blalock adjourned the meeting at 10:05 a.m.