

**City Council Legislative Subcommittee Minutes**  
**Wednesday, December 22, 2021, 8:30 a.m.**  
**Conference Room A, 1 Junkins Avenue, Portsmouth, NH 03801**

I. The meeting adjourned at 8:53 a.m.

Mayor Becksted, Councilor McEachern, Councilor Trace, City Manager Conard and Assistant City Attorney Ferrini attended in person and Councilor Kennedy attended remotely. Councilor elect Kate Cook attended remotely.

II. Approval of Minutes. Councilor McEachern moved and Councilor Trace seconded a motion to approved the October 8, 2021 Minutes. The Committee voted unanimously to approve the minutes.

III. Discussion by Mayor regarding legislation discussed by Mayors' Roundtable.

The Mayor described his participation and Mayor-elect McEachern's recent participation in a Mayors' Roundtable ("Roundtable") discussion of legislative issues of interest for the group for 2022. He described the Roundtable's successful efforts last year to change the meals and rooms distribution to municipalities, noting that the new law reduced the tax to 8.5% and increased the distribution to municipalities to 30%. New legislation LSR 22-2056/HB 2102 would decrease the tax and increase the distribution but the Roundtable will be watching this legislation to see what the net effect will be for municipalities. He reported that the Roundtable will be opposing property tax exemptions regarding communication services leases (LSR 22-2551/HB 1494); legislation requiring hand marked paper ballots (LSR 22-2018/HB 1064) and HB 611 abolishing fluoride in water. They will also oppose legislation that would limit the authority of city councils (LST 22-2170 and HB 1268) and legislation that would limit the authority of health officers (LSR 22-2167/HB 1272) as well as restrictions on municipalities from lobbying ((LSR 22-2117/HB 1033). Assistant City Attorney Ferrini noted that last two bills were likely a reaction to mask bills and narrow the ability of municipalities and health officers to enact emergency ordinance only if clear and present danger and that those ordinances would only last for 10 days.

The Mayor also noted that the Roundtable had concerns and would be tracking bills that would make statewide zoning changes, such as HB 1068, a bill regarding tiny houses, HB 1087 regarding lot coverage and HB 1098 regarding parking spaces per dwelling.

The Committee discussed state appropriations to fund water systems and wastewater projects (HB 412, HB 398.) Both Councilor Kennedy and Councilor Trace asked if the appropriation for Lonza would effect the taxpayers and whether the funds referenced in these bills could apply to a private commercial enterprise such as Lonza. Assistant Attorney Ferrini stated that HB 412 applied to funding public water systems and that these funds would likely pay for projects on ongoing state lists for such projects. Councilor Kennedy asked if Lonza could be added to these lists.

The Mayor discussed the Roundtable's concern regarding HB 2971 which would prevent short term rentals from being prohibited by zoning. Councilor McEachern added that the purpose of the bill is an effort to increase tourism but in Portsmouth it would have the opposite effect. He noted that the bill should define short term rentals as only owner occupied premises and the City should amend it zoning ordinance to reflect that definition. Attorney Ferrini noted an additional housing bill, HB 1127, which

would permit by right every single family resident to have 4 dwelling units. Councilor Trace noted the negative impact this bill would have on city neighborhoods regarding parking and congestion.

#### IV. Discussion of LSR's regarding legislative issues of interest.

The Committee discussed the State's decision not to fund sound barriers for New Franklin School and how the approval process does not mean there is not a sound issue, just that the State could not justify the expense. The Committee discussed the State's process and formula for determining the cost, noting that it is based on Federal Highway guidelines. Councilor McEachern raised concerns regarding how a school was counted relative to the amount of sound receptors associated with it in the formula and how a school is similarly classified under the formula like a cemetery. Councilor Kennedy reminded the Committee that she has asked the State for the data used in the formula and had not received it and would be following up on this request. She also stated that she and the Mayor and many citizens testified at the 10 Year Transportation Plan hearing on the sound barriers and asked why no one from the City came to testify. The City Manager replied that planning staff attended the Hampton hearing and noted that Beth Moreau, a city representative to the Rockingham Planning Commission also attended. Councilor Kennedy asked for the City to take a more vocal role moving forward. Assistant City Attorney Ferrini suggested that the issue of sound barriers and the information regarding the formula could be an agenda item for the next Legislative Subcommittee to pursue. The Committee noted local lawyer Justin Richardson had suggested challenging the State's formula. Councilor Kenney noted that our delegation has to get more actively involved on this issue.

The Mayor discussed the bills proposed by Senator Perkins Kwoka, additional sources of revenue for municipalities through motor vehicle registration fees and municipal share of motor vehicle fines for speeding (LSR 22-2995, LSR 22-3017). Regarding the motor vehicle registration fee, the bill requests these fees to be raised from the current amount of \$5 to \$15, with the hope that the fee could be \$10. The Mayor explained that the Roundtable had been unaware that the funds realized from motor vehicle fines do not go to municipalities.

#### V. Update on Coalition Communities 2.0.

Assistant City Attorney Ferrini gave an update based on information from the lobbyist from Coalition Communities 2.0. There was a general opinion given the composition of House and Senate and emphasis on other legislative priorities that a change to the education funding formula would not be supported this next session, although bills will be tracked. The Committee discussed that there were many bills relative to the education freedom account and mask mandates in school and that these bills will likely take priority this next session. Councilor Kennedy asked that the City oppose bills that trash teachers and asked that the City send a letter to support teachers, such as a joint letter by the Mayor and the Superintendent.

The Mayor noted how much he enjoyed and learned from his participation in the Roundtable and stated that he is willingness to continue to assist the Legislative Subcommittee in any way possible in the future.

VI. Adjournment. Councilor Trace moved and Councilor McEachern seconded a motion to adjourn, which was unanimous. The meeting Adjourned at 9:44 a.m.

## CITY COUNCIL PRINCIPLES FOR LEGISLATIVE POSITIONS:

### PRINCIPLES FOR LEGISLATIVE POLICIES

The City Council has adopted Principles for Legislative Positions listed below in order for the Mayor and City Staff to be able to offer testimony to the Legislature in a timely manner on bills of interest to the City. The Principles for Legislative Positions are as follows:

1. Advocate to maintain local authority
2. Authorize local options
3. Support revenue streams to aid municipalities, specifically those that name Portsmouth or will directly support Portsmouth
4. Advocate for municipal representation on state committees
5. Support incentives for regional cooperation
6. Support plans to fund/support infrastructure
7. Support incentives for sustainability and increasing energy efficiency and increasing renewable energy production
8. Support directing revenues to the purposes for which they are raised
9. Support measures that increase the efficiency of local government operations
10. Maintain and improve health, life and safety issues including protecting the safety of our First Responders
11. Encourage citizens to vote and support eliminating barriers to voting
12. Rely on locally generated financial data for decisions relating to local taxes and assessments
13. Protect local decision making about local zoning
14. Require the State to honor existing financial commitments to communities before new financial commitments are awarded, e.g. infrastructure reimbursements
15. Support the civil rights of individuals and oppose discrimination against any individual because of age, sex, race, creed, color, marital status, familial status, physical or mental disability, national origin, sexual orientation or gender identity
16. Use expertise and research in decision making
17. Support incentives relative to the construction of affordable housing

18. Support lobbying efforts of organizations and associations to which the City belongs and supports as a municipality, unless contrary to other city policies
19. Oppose legislation that does not apply scientific and technical standards that are broadly accepted by peer reviewed scientific study and can reasonably be achieved by sustainable best management practices and technology
20. Support legislation that provides education funding based on an equitable and sustainable framework and oppose the return of the donor town concept.

## Legislative Subcommittee's Procedures for Submission of Testimony

The City Council authorizes the Legislative Subcommittee, or their designees, to take positions on legislation they believe to be in the City's best interest based on Legislative Principles adopted by the Council.

Testimony on behalf of the Legislative Subcommittee may be presented by the Mayor, Members of the Legislative Subcommittee, or their designees, who may include Members of the City Council and City Staff.

City Staff are members of State Associations and Professional Boards that submit testimony on legislative issues. City Staff may submit testimony on behalf of their Association and Boards, provided the testimony states that it is being submitted on behalf the Association or Board, not the City of Portsmouth. Staff testimony will be reviewed by the City Manager before submission.

The City is a member of Coalitions with other communities that may submit testimony on legislative issues. (Examples of these types of Coalitions include, but are not limited to, New Hampshire Water Works Association, Coalition Communities 2.0 ("CC2"), Municipal Alliance for Adaptive Management, Mayors' Roundtable). The City may submit or join testimony on behalf of these Coalitions, provided the testimony is consistent with the Council's Legislative Principles.

There will be rare occasions when it is the City's best interest to testify on legislative issues that fall outside the scope of the Council's Legislative Principles before a meeting of the Legislative Subcommittee or Council Meeting can be convened. Under these circumstances, the Mayor is authorized to provide testimony on behalf of the City.

All written testimony will be posted to the Legislative Subcommittee's webpage and emailed to the City Council and our Legislative Delegation.



## CITY OF PORTSMOUTH

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Municipal Complex  
1 Junkins Avenue  
Portsmouth, New Hampshire 03801  
mayor@cityofportsmouth.com  
(603) 610-7200

Deaglan McEachern  
Mayor

January 18, 2022

Chairman Guida  
Senate Ways and Means Committee  
107 North Main Street  
Concord, NH 03301

Re: City of Portsmouth's Written Testimony in support of SB 338

Chairman Guida and Members of the Senate Ways and Means Committee:

The City of Portsmouth derives benefits from being a destination location and invests considerable resources annually to welcome and support visitors. The City consistently works to provide a safe and attractive city for visitors, residents, workers and commuters who support not only Portsmouth businesses but our local and State economy. Hospitality-related businesses in Portsmouth and Rockingham County contribute significantly to the State's Meals and Rooms Tax Revenues (approximately 32% of total revenue) —far beyond what is returned to these communities because the distribution is based solely on the population of residents and excludes those who work and visit the City. The City's portion of the meals and rooms distribution does not fully support the costs related to the impact of tourism on our community.

SB 338, enabling legislation that would permit municipalities to collect an occupancy fee from operators of room rentals, would be a way for communities to receive funds to help defer the cost of tourism and decrease the overreliance on the local property tax. As a Mayor, parent and taxpayer, I have witnessed directly the increased demands on municipal services that the tourist population creates and how that demand burdens the local taxpayer. If passed, SB-338 would permit municipalities to receive funds that would be deposited in a capital reserve fund, revolving fund, special revenue fund or tourism support fund to help pay for municipal services associated with the tourism. Each city or town could use these funds to address their particular needs as no two communities are alike.

Hospitality-related businesses were some of the hardest hit during the pandemic. The recovery of these businesses is vital to our City and our State. The City was unable to host the traditional number of annual special events for tourists to enjoy during the pandemic. We lost well-loved food establishments and local businesses which simply could not survive the pandemic's negative impacts. We, as a City, are committed to helping our local economy recover from the pandemic. SB 338, if passed, would not only alleviate tourism's impact for our taxpayers but would be a way to help hospitality -


related businesses recover. The occupancy fee would not have a negative economic impact on hotels because it is paid by the occupant and collection of the fee would not create an excessive administrative burden or cost to hotels.

We, as a City, are looking forward to welcoming back our tourists to enjoy the City we are lucky enough to live in. When tourists visit, our population of 21,956 swells and the demand for police, fire, ambulance and public work services increase and change. For example, our Fire Department's response to a single family residence requires significantly less personnel and different equipment than when responding to a high occupancy multi-story hotel. High occupancy hotel construction projects over three stories require fire trucks with a larger platform tower to better and more safely respond to potential fires in these buildings.

All of these costs are not absorbed by the property taxes assessed against the hotels. The burden for the additional police, fire and public works services are absorbed by the local taxpayer. Overreliance on the property tax creates a burden on all taxpayers, particularly our elderly on a fixed income. Although many of our seniors may qualify for an elderly exemption, the exemption amount cannot keep pace with the recent increases in appraised property values and associated property taxes. Cities and towns need alternative sources of revenue other than the overburdened property tax. This is particularly true due to the history of the State downshifting costs on to local municipalities. In particular, the State's downshifting full retirement costs on to municipalities has caused local budgets to significantly increase. Although there were recent improvements to the meals and rooms distribution last year, the State's failure to apply the catch up formula in the past decreased distributions to municipalities and increased the burden on to property taxpayers. SB 338 would be a way for communities to raise funds to offset downshifting costs, support tourism and relieve the burden on the local taxpayers.

The City has long advocated for this occupancy fee because this enabling legislation will help municipalities defer the costs borne by local communities and will help hospitality-related businesses that fuel New Hampshire's tourism economy. For the reasons described above, I would ask the Senate Ways and Means Committee to vote SB 338 Ought to Pass.

Sincerely,



Deaglan McEachern  
Mayor of the City of Portsmouth  
On behalf of the Portsmouth City Council

cc: Karen Conard, City Manager  
Portsmouth City Council  
Portsmouth Legislative Delegates

SB 338 - AS INTRODUCED

2022 SESSION

22-3087  
10/05

SENATE BILL           **338**

AN ACT               enabling municipalities to adopt a municipal occupancy fee.

SPONSORS:           Sen. Prentiss, Dist 5; Sen. Perkins Kwoka, Dist 21; Sen. Watters, Dist 4; Sen. Whitley, Dist 15; Sen. Kahn, Dist 10; Rep. Almy, Graf. 13; Rep. Cloutier, Sull. 10; Rep. Wallner, Merr. 10; Rep. Meuse, Rock. 29

COMMITTEE:       Ways and Means

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ANALYSIS

This bill enables a municipality to collect an occupancy fee from room rentals for the purpose of establishing a municipal capital fund, revolving fund, or tourism support fund.

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Explanation:       Matter added to current law appears in ***bold italics***.  
Matter removed from current law appears [~~in brackets and struck through.~~]  
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.



STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Two*

AN ACT enabling municipalities to adopt a municipal occupancy fee.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1 1 New Subdivision; Local Option Municipal Occupancy Fee. Amend RSA 353 by inserting after  
2 section 10 the following new subdivision:

3 Local Option Municipal Occupancy Fee  
4 353:11 Municipal Occupancy Fee.

5 I. The legislative body of a municipality may vote to collect a municipal fee on each  
6 occupancy, as defined in RSA 78-A:3, VI, for the purpose of establishing a municipal capital  
7 improvement or tourism support fund, which is intended to increase or stabilize local hotel and other  
8 room rental occupancy.

9 II. As authorized by the legislative body vote, the fee may be collected as a daily charge of up  
10 to \$2 per occupancy per 24-hour period, or as a percentage of the price of the occupancy, provided  
11 that the rate shall not exceed \$2 per occupancy per 24-hour period. If the average daily price of the  
12 occupancy does not exceed \$40, the occupancy fee shall not be collected. The vote by the legislative  
13 body shall specify the number of consecutive days to which the occupancy fee applies, provided that  
14 the maximum number of consecutive days for which the fee may be collected for each occupancy  
15 shall not exceed 184. Enforcement powers for nonpayment shall be the same as those provided  
16 under RSA 31:39-c, RSA 31:39-d, and RSA 47:17-b, relative to enforcement of ordinances.

17 III. The revenues collected shall be deposited in a capital reserve fund, tourism support  
18 fund, revolving fund, or other special revenue fund, as authorized by the municipality. Such funds  
19 shall be used to augment funding for the cost of municipal services associated with the increase in  
20 tourism and transient traffic.

21 IV. Any funds received shall not be deemed part of the general fund accumulated surplus,  
22 nor shall any surplus be expended for any purpose or transferred to any appropriation until such  
23 time as the town select board or legislative body of the city shall have voted to appropriate a specific  
24 amount from the fund for a specific purpose.

25 V. Any town or city may adopt the provisions of this section in the following manner:

26 (a) In a town, the question shall be placed on the warrant of a special or annual town  
27 meeting under the procedures set out in RSA 39:3, and shall be voted on by ballot. In a city, the  
28 legislative body shall vote on the question as provided in its charter.

29 (b) The selectmen or city council shall hold a public hearing on the question at least 15  
30 days but not more than 30 days before the question is to be voted on. Notice of the hearing shall be

**SB 338 - AS INTRODUCED**

**- Page 2 -**

1 posted in at least 2 public places in the municipality and published in a newspaper of general  
2 circulation at least 7 days before the hearing.

3 (c) The town or city shall specify in the wording of the question:

4 (1) The name of the fund and permitted uses of the fund; and

5 (2) The nature, amount, and manner of collection of the occupancy fee, including the  
6 number of consecutive days to which the occupancy fee shall apply.

7 (d) If a majority of those voting on the question vote "Yes," the municipal occupancy fee  
8 shall apply within the town or city on the date set by the selectmen or the city council.

9 (e) A town or city may consider rescinding its action in the manner described in  
10 subparagraphs (a)-(c). The wording of the question shall be the same as that was adopted by the  
11 town or city, except the word "adopt" shall be changed to "rescind." If a majority of those voting on  
12 the question vote "Yes," following the action taken to rescind, the municipal occupancy fee shall not  
13 apply within the town or city, and any moneys already in the fund shall be used for the purposes  
14 already voted.

15 2 Effective Date. This act shall take effect upon its passage.



Deaglan McEachern  
Mayor

## CITY OF PORTSMOUTH

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Municipal Complex  
1 Junkins Avenue  
Portsmouth, New Hampshire 03801  
mayor@cityofportsmouth.com  
(603) 610-7200

January 24, 2022

Chairman Harold French  
Senate Commerce Committee  
107 North Main Street  
Concord, NH 03301

**Re: The City of Portsmouth's written testimony in opposition to SB 249**

Chairman French and Members of the Senate Commerce Committee:

The City of Portsmouth is grappling with rising real estate costs and limited workforce housing. Every community is trying to encourage economic opportunity and address the housing needs of our residents while keeping the character of our neighborhoods intact. However well-intentioned this bill may be, if passed, it would have the unintended consequence of changing the character of every residential neighborhood in the state and reducing the supply of affordable housing. For these reasons, I am submitting written testimony in opposition to SB 249.

The benefit this bill might create for some citizens to offset their property tax bill through short-term rental income does not outweigh the problems this bill will create. By removing all restrictions on short-term rentals through local zoning, some communities, particularly those that attract tourists, would see a decrease in rental property and affordable housing stock. This would be an unintended consequence of the bill. In Portsmouth, we recently had a restaurant owner survive COVID-19 only to sell their property, in part, due to the inability to retain staff. SB 441, if passed, would contribute to the removal of rental property and affordable housing from the system and exacerbate the affordable housing shortage. Another unintended consequence of this bill would be that residential properties would be converted to commercial use as income producing property for out of town investors. This will contribute to the ever-increasing cost of homes and property taxes associated with those increased values. Again, these unintended consequences are not in the best interest of the City and the state.

In addition, SB 249 removes local control by prohibiting municipalities from restricting short-term rentals under local zoning ordinances. This is contrary to present law. The Legislature has recognized that each community is uniquely qualified to assess the suitability of the use of its land. (RSA 674: 16, I and RSA 674:17, I). The City has long supported legislative principles that include support for legislation which protects local decisions about zoning and advocates to maintain local authority. SB 249 violates both of these legislative principles and as such, the City does not support SB 249.

The New Hampshire Supreme Court recognized the City of Portsmouth's right to regulate short-term rentals through zoning in the matter of *Working Stiff Partners, LLC v. City of Portsmouth*, 172 N.H. 611 (2019). The Court reviewed the definitions in the City's zoning ordinance and found:

*...when we consider the ordinance as a whole, we conclude that the plaintiff's use of property for daily rentals to paying guests constitutes a "transient occupancy" similar to a hotel, motel, rooming house, or boarding house. Because the ordinance expressly excludes "such transient occupancies" from the definition of a "dwelling unit" this use is not as a "dwelling unit."*

The Court further found:

*Furthermore, it is a familiar principle of statutory construction that one should not construe a statute or ordinance that lead to an absurd result that the legislative body could not have intended... The plaintiff acknowledged to the trial court that, under its interpretation, there would be no impediment to every home in the GRA district being used exclusively for short-term rentals... However, as noted, the stated purpose of the GRA district is "[t]o provide areas for single-family, two-family and multifamily dwellings." ... In light of this purpose, it would seem absurd that by (1) drafting the ordinance to exclude "such transient occupancies as" hotels and motels from the definition of "[d]welling unit"; (2) largely limiting permissible principal uses in the GRA district to dwelling units; and (3) expressly prohibiting hotels, motels, inns, boarding houses, and bed and breakfasts with more than five rooms in the district, the ordinance's drafters intended for there to be no limitations on the use of homes for "transient occupancies" that are materially similar to hotels, motels, or boarding houses. (Citations omitted).*

The practical application of SB 249 as written would lead to the Court's above referenced "absurd result", in that there would be no way for a municipality to regulate short-term rentals by zoning to protect residential neighborhoods. The bill would not simply rewrite the definition of every residential zoning district in the state but it would have the effect of eliminating every residential zoning district in the state.

The bill does include limited provisions that would help municipalities regarding registering and inspecting short-term rentals, but it does not go far enough. Permitting registration of short-term rentals would give municipalities a better sense of who owns the property and how property in the City is being used. However, it is important for municipalities to have contact information for owners, not just for service of process, but to have an immediate contact person who is able to react and solve issues that arise with the property and tenants immediately during each short-term rental stay. The bill provides limited inspections of short-term rentals but these inspections are too restrictive and not protective enough of public health and safety. A short-term tenant may only be renting the premises for a weekend and they may have vacated the premises by the time an administrative inspection warrant has been granted. It is important for municipalities to be able to conduct limited inspection of residential property for life safety issues. This would not only protect renters but it would also protect property owners and local citizens.

For the reasons set forth above, I urge this Committee to vote SB 249 Inexpedient to Legislate. Thank you for your consideration.

Sincerely,



Deaglan McEachern, Mayor of City of Portsmouth

c: Portsmouth City Council  
Portsmouth Legislative Delegates  
Karen Conard, City Manager

SB 249 - AS INTRODUCED

2022 SESSION

22-2971  
08/11

SENATE BILL

**249**

AN ACT

prohibiting planning and zoning ordinances that prohibit short-term rentals.

SPONSORS:

Sen. French, Dist 7; Sen. Hennessey, Dist 1; Sen. Gannon, Dist 23; Sen. Cavanaugh, Dist 16; Sen. Giuda, Dist 2; Sen. Soucy, Dist 18; Sen. Reagan, Dist 17; Sen. D'Allesandro, Dist 20; Sen. Bradley, Dist 3; Sen. Prentiss, Dist 5; Rep. Hunt, Ches. 11; Rep. Potucek, Rock. 6; Rep. DiSilvestro, Hills. 9

COMMITTEE:

Commerce

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ANALYSIS

This bill prohibits municipalities from adopting ordinances that ban short-term rentals. This bill also allows municipalities to adopt ordinances requiring the owner of a short-term rental to register the name of a person in state who can receive service of process.

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Explanation:

Matter added to current law appears in ***bold italics***.

Matter removed from current law appears [~~in brackets and struckthrough.~~]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Two*

AN ACT prohibiting planning and zoning ordinances that prohibit short-term rentals.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1 1 New Paragraph; Zoning Ordinance; Grant of Power. Amend RSA 674:16 by inserting after  
2 paragraph V the following new paragraph:

3 VI. Notwithstanding any provision of law to the contrary, no legislative body of a city, town,  
4 or country in which there are located unincorporated towns or unorganized places, shall prohibit the  
5 use of a building or structure as a vacation rental or short-term rental nor regulate the use of such  
6 structure or building as a vacation or short-term rental based on the structure or building's  
7 classification, use, or occupancy. "Short-term rental" or "vacation rental" means any single-family or  
8 2-family building or structure, regardless of how it is owned or occupied and regardless of whether  
9 the building or structure is conforming or non-conforming, or offered in whole or in part for rental or  
10 transient use. "Vacation rental" or "short-term rental" shall not mean recovery residences nor any  
11 nonresidential use, including but not limited to, retail, restaurant, banquet, event hosting, or other  
12 similar nonresidential uses.

13 2 New Section; Powers of Towns; Ordinances; Short-term Rentals. Amend RSA 31 by inserting  
14 after section 103-a the following new section:

15 31:103-b Short-Term Rentals. A municipality may adopt an ordinance requiring an owner of  
16 residential property who wishes to utilize the property for a vacation rental or short-term rental as  
17 defined in RSA 674:16, VI to file, within 30 days of advertising such rental, a statement with the  
18 town or city clerk of the municipality in which the property is located providing the name, address  
19 and telephone number of a person within the state who is authorized to accept service of process for  
20 any legal proceeding brought against the owner relating to the rental property. Such person may be  
21 the owner of the property. A municipality may establish a reasonable fee to cover the cost to the  
22 town or city clerk of maintaining a record of the filings. A municipality may conduct inspection of  
23 the property, however the registration of such a rental shall not be contingent upon on inspection of  
24 the property, unless there is reasonable suspicion that the property is in violation of any provisions  
25 of RSA 48-A:14 The municipality may obtain an administrative inspection warrant under RSA 595-  
26 B if the property owner denies the municipal official entry. A municipality may not charge a fee or  
27 registration for any other purpose.

28 3 Effective Date. This act shall take effect July 1, 2022.

VIA EMAIL January 18, 2022

Chairman Graham and Members of the House Public Works and Highways Committee:

I write today to support the Department of Transportation's Ten Year Plan as Mayor of the City of Portsmouth. We are thankful that DOT has sought to include sound barriers as part of the upcoming lane widening project for the I 95 lane corridor. It's been a long road with many involved to successfully make the case that sound mitigation is an essential part to quality of life for our residents and affected neighborhoods. We thank the DOT and the members of the Committee for supporting this plan.

I'd be remiss if I did not raise one question that I'd leave with the Committee both as Mayor and as a father. The New Franklin School was left off the project list for sound barriers in this plan. This comes down, as I understand, to a calculation that compares frontage with no further evaluation of use. For example, there is no differentiation between the assessment for a school and a cemetery.

I'd ask the Committee to look at this policy in light of the needs of our children.

Thank you for your consideration and support of the Ten Year Plan.

*Mayor Deaglan McEachern*  
*City of Portsmouth NH*

HB 2022 - AS INTRODUCED

2022 SESSION

22-2379  
12/04

HOUSE BILL            **2022**  
AN ACT                relative to the 10-year transportation plan.  
SPONSORS:            Rep. Graham, Hills. 7  
COMMITTEE:          Public Works and Highways

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ANALYSIS

This bill adopts the ten-year transportation plan for 2023-2032.

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Explanation:        Matter added to current law appears in ***bold italics***.  
                         Matter removed from current law appears [~~in brackets and struck through.~~]  
                         Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.



**HB 2022 - AS INTRODUCED**

22-2379  
12/04

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Two*

AN ACT                   relative to the 10-year transportation plan.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

- 1           1 State 10-Year Transportation Improvement Plan. The legislature hereby adopts the plan
- 2 known as the "State of New Hampshire Ten Year Transportation Improvement Plan 2023-2032"
- 3 submitted by the governor to the legislature pursuant to RSA 228:99 and RSA 240 and encourages
- 4 expeditious implementation of the projects shown therein.
- 5           2 Effective Date. This act shall take effect upon its passage.

HB 1593-FN - AS INTRODUCED

2022 SESSION

22-2848  
12/10

HOUSE BILL

***1593-FN***

AN ACT

requiring the department of transportation to erect sound barriers on Interstate Route 95 in the city of Portsmouth.

SPONSORS:

Rep. Somssich, Rock. 27

COMMITTEE:

Public Works and Highways

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ANALYSIS

This bill requires the department of transportation to erect a sound barrier on Interstate 95 in the city of Portsmouth.

.....  
Explanation:

Matter added to current law appears in ***bold italics***.

Matter removed from current law appears [~~in brackets and struckthrough.~~]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

**HB 1593-FN - AS INTRODUCED**

22-2848  
12/10

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Two*

AN ACT                    requiring the department of transportation to erect sound barriers on Interstate Route 95 in the city of Portsmouth.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1            1    Department of Transportation; City of Portsmouth; Erection of Sound Barrier. The  
2    department of transportation shall erect a sound barrier on Interstate 95 in the vicinity of the  
3    Pannaway Manor neighborhood and the Rockingham avenue neighborhood in the city of  
4    Portsmouth. Construction shall be completed by December 2024. The cost of erecting the sound  
5    barrier shall be a charge against the turnpike fund.

6            2    Effective Date. This act shall take effect 60 days after its passage.

**HB 1593-FN- FISCAL NOTE  
AS INTRODUCED**

AN ACT requiring the department of transportation to erect sound barriers on Interstate Route 95 in the city of Portsmouth.

FISCAL IMPACT:  State  County  Local  None

STATE:	Estimated Increase / (Decrease)			
	FY 2022	FY 2023	FY 2024	FY 2025
<b>Appropriation</b>	\$0	\$0	\$0	\$0
<b>Revenue</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	\$9,662,500	\$0	\$0
<b>Funding Source:</b>	<input type="checkbox"/> General	<input type="checkbox"/> Education	<input type="checkbox"/> Highway	<input checked="" type="checkbox"/> Other - Turnpike

**METHODOLOGY:**

This bill requires the construction of sound barriers on a certain section of Interstate 95 in Portsmouth. The Department of Transportation has provided the following estimates (with an anticipated completion date of December 2024):

- A total cost of \$9,662,500 (incurred in FY 2023), charged to the Turnpike Fund:
  - \$3,877,500 for the Pannaway Manor neighborhood section sound barrier (70,500 square feet X \$55.00 per square foot)
  - \$1,000,000 for the relocation of a natural gas pipeline relocation necessary to properly site the Pannaway Manor sound barrier
  - \$4,785,000 for the Rockingham Avenue neighborhood section sound barrier (87,000 square feet X \$55.00 per square foot)

This bill does not provide any additional/new funding, therefore it would impact other Turnpike capital program projects.

**AGENCIES CONTACTED:**

Department of Transportation

HB 1656-FN-A-LOCAL - AS INTRODUCED

2022 SESSION

22-2847  
08/10

HOUSE BILL            ***1656-FN-A-LOCAL***

AN ACT                establishing a road usage registration fee and making an appropriation therefor.

SPONSORS:            Rep. Somssich, Rock. 27; Rep. Meuse, Rock. 29; Rep. Pantelakos, Rock. 25; Rep. Ward, Rock. 28; Rep. Hamblet, Rock. 31

COMMITTEE:          Public Works and Highways

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ANALYSIS

This bill provides for an annual adjustment to motor vehicle registration fees to take into account gross vehicle weight and vehicle miles traveled, and directs the department of transportation to use part of the funds generated through vehicle registration for implementation of Type II noise abatement projects.

---

Explanation:          Matter added to current law appears in ***bold italics***.  
Matter removed from current law appears [~~in brackets and struckthrough.~~]  
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Two*

AN ACT establishing a road usage registration fee and making an appropriation therefor.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1 1 Motor Vehicles; Certificates of Title and Registration of Vehicles; Fees to be Collected. Amend  
2 RSA 261:141, III(g) and (h) to read as follows:

- 3 (g) For all motor vehicles other than those in RSA 261:141, I[  
4 0-3000 lbs. \$31.20 (~~\$2.60 per month~~)  
5 3001-5000 lbs. \$43.20 (~~\$3.60 per month~~)  
6 5001-8000 lbs. \$55.20 (~~\$4.60 per month~~)  
7 8001-73,280 lbs. \$.96 per hundred lbs. gross weight], **provided that**

8 **such fees shall be adjusted annually pursuant to RSA 261:141-c:**

- 9 (1) **For vehicles weighing between 0-3000 lbs., \$30.72 (\$2.56 per month).**
- 10 (2) **For vehicles weighing between 3001-4000 lbs., \$42.96 (\$3.58 per month).**
- 11 (3) **For vehicles weighing between 4001-5000 lbs., \$55.32 (\$4.61 per month).**
- 12 (4) **For vehicles weighing 5001-6000 lbs., \$67.56 (\$5.63 per month).**
- 13 (5) **For vehicles weighing 6001-8000 lbs., \$86.04 (\$7.17 per month).**

14 (h) Truck-tractors to be used in conjunction with a semi-trailer, gross weight shall  
15 include the weight of such tractors, the weight of the heaviest semi-trailer to be used therewith, and  
16 the weight of the maximum load to be carried thereby: **between 8001-12,931 lbs. \$0.99 per 100**  
17 **pounds gross weight, between 12,932-73,280 lbs. \$1.25 per 100 pounds gross weight,** [~~up to~~  
18 ~~73,280 pounds \$0.96 per 100 pounds gross weight,~~] over 73,280 pounds-~~[\$1.44]~~ **\$1.50** shall be charged  
19 for each 100 pounds gross weight or portion thereof in excess of 73,280 pounds.

20 2 New Section; Adjustment of Registration Fees; Expenditure. Amend RSA 261 by inserting  
21 after section 141-b the following new section:

22 261:141-c Adjustment of Motor Vehicle Registration Fees; Expenditure.

23 I. Beginning with the fiscal year ending June 30, 2021, the motor vehicle registration fees  
24 described in RSA 261:141, III(g) shall be adjusted annually as follows:

25 (a) The previous year's registration fees for motor vehicles and trucks, as defined in RSA  
26 261:141, III(g) and (h), shall each be increased by 2.4 percent.

27 (b) The new weight-based registration fee calculated pursuant to subparagraph (a)  
28 reflects an increase in the previous fee schedule as well as the increase in the number of automobile  
29 and truck weight categories based on the gross vehicle weight (GVW). The total registration fee  
30 shall also include a vehicle miles traveled component, calculated using the vehicle miles traveled  
31 factor (VMTf), which shall depend on the actual miles drive by the vehicle since the last registration

**HB 1656-FN-A-LOCAL - AS INTRODUCED**

**- Page 2 -**

1 occurred. To calculate the total registration fee, the value from the appropriate weight-based  
2 schedule calculated pursuant to subparagraph (a) shall be multiplied by a term which shall be equal  
3 to one plus a fraction, the numerator being the VMTf and the denominator being 4. The VMTf shall  
4 be a fraction where the numerator is the difference between the vehicle miles traveled as indicated  
5 on the vehicle's odometer at the time of registration and the vehicle miles traveled at the time the  
6 vehicle was last registered and the denominator being 12,000 miles. The odometer reading shall be  
7 recorded from the annual official vehicle inspection report that is reported to the department of  
8 safety. In the first year of implementation the vehicle miles traveled for all registrations shall be  
9 assumed to be 12,000 miles without any proof required, resulting in a VMTf equal to one.

10 (c) In the event a new car is being registered for the first time, the registration fee shall  
11 be calculated in the same manner as in subparagraph (b), except that a value of .0042 shall be  
12 substituted for the vehicle miles traveled factor (the equivalent of 50.4 miles).

13 (d) In the second year of implementation, an accurate vehicle miles traveled value, as  
14 recorded by the department of safety in a commonly used database source, or as provided by the  
15 person registering the vehicle using 2 subsequent odometer readings from the official safety  
16 inspection certificate, shall be used to calculate actual miles traveled portion of the total registration  
17 fee. In the event a person seeking to register his or her car does not provide accurate mileage  
18 information at the time of registration, a value of 2 shall be substituted for the VMTf (the equivalent  
19 of 24,000 miles).

20 II. Beginning with the fiscal year ending June 30, 2023, municipal agents may collect \$2  
21 from each motor vehicle registration processed to offset administrative costs associated with such  
22 registrations. The department of transportation shall use 5 percent of the total remaining fees  
23 collected pursuant to RSA 261:141, III(g) and (h) solely for implementation of Type II noise  
24 abatement projects on both the highway and turnpike systems. The remainder of the fees collected  
25 shall be deposited into the highway fund. When all pending Type II noise abatement projects have  
26 been completed, all fees collected pursuant to RSA 261:141, III(g) and (h) shall be deposited into the  
27 highway fund.

28 3 Effective Date. This act shall take effect July 1, 2022.

**HB 1656-FN-A-LOCAL- FISCAL NOTE  
AS INTRODUCED**

AN ACT establishing a road usage registration fee and making an appropriation therefor.

**FISCAL IMPACT:**     State             County             Local             None

STATE:	Estimated Increase / (Decrease)			
	FY 2022	FY 2023	FY 2024	FY 2025
<b>Appropriation</b>	\$0	\$0	\$0	\$0
<b>Revenue</b>	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
<b>Expenditures</b>	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
<b>Funding Source:</b>	<input type="checkbox"/> General Fund	<input type="checkbox"/> Education	<input checked="" type="checkbox"/> Highway	<input checked="" type="checkbox"/> Other - Turnpike

**LOCAL:**

<b>Revenue</b>	\$0	\$0	Indeterminable Increase	Indeterminable Increase
<b>Expenditures</b>	\$0	\$0	\$0	\$0

**METHODOLOGY:**

This bill provides for an annual adjustment to motor vehicle registration fees to take into account gross vehicle weight and vehicle miles traveled, and directs the department of transportation to use part of the funds generated through vehicle registration for implementation of Type II noise abatement projects.

The Department of Safety assumes motor vehicle inspections will need to be completed prior to registering a vehicle. The amount of additional revenue cannot be determined as there is no mechanism in place to estimate the new fees to be collected or how much would be collected by the municipal agents. The bill would change the weight categories that vehicles are categorized by in the database currently. Based on the proposed legislation, \$2 from each registration would be collected by the municipal agent and 5% of the remaining fees would be redirected from unrestricted Highway Funds to Type II noise abatement projects.

The Department estimated the implementation costs would be as follows:

	FY 2023	FY 2024	FY 2025
--	---------	---------	---------



Programming and Testing of the MAAP and VISION systems for fee schedule changes (2,560 hours X \$175/hour)	\$448,000	\$0	\$0
Testing and Certification of Vendors (320 hours X \$175/hour)	\$56,000	\$56,000	\$56,000
Programming and Testing for annual adjustment of the registration fees (500 hours X \$175/hour)	\$0	\$87,500	\$87,500
Totals	\$504,000	\$143,500	\$143,500

In addition, employees will need to be trained for the collection of mileage from each vehicle in order to calculate the correct fee. This will be an added step in the registration process and will impact DMV operation's and registration employees, as well as the clerks who process registration transactions in over 200 online Town Clerk offices.

The Department of Transportation indicates this bill would result in an indeterminable increase in revenue to the Highway Fund and expenditures for Type II noise abatement projects.

**AGENCIES CONTACTED:**

Departments of Safety and Transportation



## CITY OF PORTSMOUTH

Municipal Complex  
1 Junkins Avenue  
Portsmouth, New Hampshire 03801  
mayor@cityofportsmouth.com  
(603) 610-7200

Deaglan McEachern  
Mayor

January 24, 2022

Chairman Bob Giuda  
State House  
Senate Ways and Means Committee  
107 North Main Street  
Concord, NH 03301

Re: The City of Portsmouth's written testimony in support of SB 437

Chairman Giuda and Members of the Senate Ways and Means Committee:

I am writing in support of SB 437, a bill that would increase the maximum vehicle registration fee a municipality can charge for transportation improvements from \$5 to \$15. Increasing this fee would give municipalities an additional source of revenue to fund much-needed transportation improvements for their community. Having a well-constructed, reliable and efficient multi-modal transportation systems is vital, not only for the well-being of the citizens of Portsmouth, but for our entire state. People who work and visit our state use our transportation systems to get here. These workers and tourists help fund the meals and rooms tax that supports not only the state, but every community in the state through the distribution of the meals and rooms tax revenue. The increase in the vehicle registration fee is a small burden on the taxpayer compared to the larger benefit derived by an improved transportation system funded from this revenue source.

The City also supports a means of offsetting the downshifting of costs previously paid by the State; local taxpayers have had to absorb these costs through the property tax. This burden is exacerbated by the Legislature's refusal to pass legislation that permits municipalities to raise additional sources of revenue to lessen the burden on the property tax. RSA 261:153, VI (b) is one of the few state laws that gives municipalities the ability to raise much-needed revenue outside the property tax to fund government services, such as transportation improvements. SB 437, if passed, would give municipalities an additional source of revenue for these transportation improvements, lessen the burden on the property tax, improve quality of life of our residents, workers and tourists and provide an improved transportation system that fuels our state and local economy.

For the reasons set forth above, I urge this Committee to vote SB 437 Ought to Pass. Thank you for your consideration.

Sincerely,

Deaglan McEachern, Mayor of City of Portsmouth

c: Portsmouth City Council  
Portsmouth Legislative Delegates  
Karen Conard, City Manager

SB 437-LOCAL - AS INTRODUCED

2022 SESSION

22-2995  
04/05

SENATE BILL        **437-LOCAL**

AN ACT            relative to the additional municipal fee for transportation improvements.

SPONSORS:        Sen. Perkins Kwoka, Dist 21; Sen. D'Allesandro, Dist 20; Sen. Ward, Dist 8

COMMITTEE:      Ways and Means

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ANALYSIS

This bill increases the maximum fee that a municipality may charge for municipal transportation improvement purposes.

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Explanation:      Matter added to current law appears in ***bold italics***.  
                         Matter removed from current law appears ~~[in brackets and struckthrough.]~~  
                         Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

**SB 437-LOCAL - AS INTRODUCED**

22-2995

04/05

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Two*

AN ACT                   relative to the additional municipal fee for transportation improvements.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1           1 Municipal Permits for Registration; Fees for Registration Permits. Amend RSA 261:153, VI(b)  
2 to read as follows:

3                   (b) The maximum fee charged under this paragraph shall be [~~\$5~~] **\$15**. The municipality  
4 shall establish the required fee, up to the maximum amount allowable, based on anticipated funding  
5 needs for transportation improvements. The additional fee shall be collected from all vehicles, both  
6 passenger and commercial, with the exception of all terrain vehicles as defined in RSA 215-A:1, I-b  
7 and antique motor vehicles or motorcycles, as defined in RSA 259:4.

8           2 Effective Date. This act shall take effect July 1, 2022.



## CITY OF PORTSMOUTH

Municipal Complex  
1 Junkins Avenue  
Portsmouth, New Hampshire 03801  
mayor@cityofportsmouth.com  
(603) 610-7200

Deaglan McEachern  
Mayor

January 24, 2022

Chairman Bob Giuda  
State House  
Senate Ways and Means Committee  
107 North Main Street  
Concord, NH 03301

Re: The City of Portsmouth's written testimony in support of SB 441

Chairman Giuda and Members of the Senate Ways and Means Committee:

I am writing in support of SB 441, a bill that would give additional sources of revenue to municipalities through the receipt of a portion of fines collected for motor vehicle offenses. With the downshifting of costs previously paid by the State and the County to local communities, local municipal budgets have had to absorb these costs. This has increased the burden on the property tax paid by the local taxpayer. This burden is exacerbated by the Legislature's refusal to pass legislation that permits municipalities to raise additional sources of revenue to lessen the burden on the property tax. SB 441, if passed, would give municipalities an additional source of revenue which would help lessen the burden on the property tax.

Before discussing this legislation, I was unaware that none of the revenue from the fines collected for motor vehicle offenses go to the municipality that collects them. I believe many other residents of the state will be surprised to learn this fact as well. Some residents could think there would be an incentive for municipalities to write more tickets if they were to receive a portion of the motor vehicle fines collected. I believe this misperception can be overcome by education and proper local management and oversight, just as is done by the State Police, and certainly not a reason to vote SB 441 Inexpedient to Legislate.

We all want safe streets and as a City Councilor, and now Mayor, I have received numerous requests from residents for our Police Department to monitor speeding on City streets. We simply do not have the resources to respond to all of these requests. Funding received from motor vehicle violations could be used to help provide municipalities with additional resources to address these citizens' concerns.

The fiscal note to SB 441 indicates that if 20% of the fines were distributed to municipalities, the Highway Fund would be reduced by \$1 million. Although we as a City recognizes the importance of the Highway Fund, the reduction of that fund by approximately \$1 million next fiscal year pales in comparison to the increase in costs borne by municipalities annually due to the state's downshifting, with last year's steep increase in retirement costs being one such example.

For the reasons set forth above, I urge this Committee to vote SB 441 Ought to Pass. Thank you for your consideration.

Sincerely,

Deaglan McEachern, Mayor of City of Portsmouth

c: Portsmouth City Council  
Portsmouth Legislative Delegates  
Karen Conard, City Manager

SB 441-FN-LOCAL - AS INTRODUCED

2022 SESSION

22-3017  
08/10

SENATE BILL        ***441-FN-LOCAL***

AN ACT            relative to the municipal share of fines for motor vehicle speeding offenses.

SPONSORS:        Sen. Perkins Kwoka, Dist 21; Rep. Vann, Hills. 24

COMMITTEE:      Ways and Means

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ANALYSIS

This bill provides for municipalities to receive a portion of fines collected for motor vehicle offenses.

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Explanation:      Matter added to current law appears in ***bold italics***.  
                         Matter removed from current law appears [~~in brackets and struckthrough.~~]  
                         Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Two*

AN ACT                   relative to the municipal share of fines for motor vehicle speeding offenses.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1           1 Duties of Clerks; Disposition of Fines. Amend RSA 502-A:8, I to read as follows:

2           I. The clerk of the applicable circuit court established in RSA 490-F shall receive all fines  
3 and forfeitures paid into the district court from any source. The clerk of any circuit court may accept  
4 payment of the fine by credit card in lieu of cash payment. Any transaction costs assessed by the  
5 issuer of the credit card shall be paid out of the portion of the fine amount which is deposited with  
6 the treasurer and not out of the penalty assessment charged by a district court. The clerk shall  
7 forward **80 percent of the total** fines collected for violations of title XXI to the treasurer for deposit  
8 in the highway fund ***within 14 days and shall retain the remainder for the municipality in***  
9 ***which the violation occurred.*** [~~and~~] ***The clerk shall forward*** fines collected for violations of  
10 title LXII and all other statutes to the treasurer for deposit in the general fund within 14 days. The  
11 clerk shall separately indicate which fines were for violations of title XXI. Fines and forfeitures  
12 collected by the clerk ***for remittance to municipalities for violations of title XXI and*** for  
13 violations of municipal ordinances, codes, or regulations, except those adopted pursuant to RSA  
14 31:39, I(g); RSA 41:11; RSA 47:17, IV, VI, VII, or VIII; and RSA 105:6 and RSA 105:7, shall be  
15 remitted monthly to the treasurer of the municipality prosecuting said violations, for the use of the  
16 municipality. All expenses related to the processing of parking violations and the administrative  
17 collection of parking fines shall be the responsibility of the local unit of government, and all fines  
18 collected shall be retained in their entirety by the local unit of government.

19           2 Effective Date. This act shall take effect January 1, 2023.

**SB 441-FN-LOCAL- FISCAL NOTE  
 AS INTRODUCED**

AN ACT relative to the municipal share of fines for motor vehicle speeding offenses.

**FISCAL IMPACT:**     State             County             Local             None

STATE:	Estimated Increase / (Decrease)			
	FY 2022	FY 2023	FY 2024	FY 2025
<b>Appropriation</b>	\$0	\$0	\$0	\$0
<b>Revenue</b>	\$0	Decrease of Approximately \$1 million	Decrease of Approximately \$1 million	Decrease of Approximately \$1 million
<b>Expenditures</b>	\$0	Indeterminable Decrease	Indeterminable Decrease	Indeterminable Decrease
<b>Funding Source:</b>	<input checked="" type="checkbox"/> General	<input type="checkbox"/> Education	<input checked="" type="checkbox"/> Highway	<input type="checkbox"/> Other

**LOCAL:**

<b>Revenue</b>	\$0	Increase of Approximately \$1 million	Increase of Approximately \$1 million	Increase of Approximately \$1 million
<b>Expenditures</b>	\$0	\$0	\$0	\$0

**METHODOLOGY:**

This bill provides for municipalities to receive a portion of fines collected for motor vehicle offenses. The Judicial Branch indicates this bill would modify how fines collected under Title XXI are distributed. Current law provides that the court transmit fines collected for violations of Title XXI to the State Treasurer within 14 days for deposit in the Highway Fund. The bill would provide that 80% of the fines collected be transmitted to the Treasurer with the remainder retained for the municipality in which the violation occurred. If the bill passes, the Judicial Branch will need to reconfigure its Odyssey case management system to report the new split funding distribution to the Treasurer and the municipalities, and to match the municipality to the specific fine collected under Title XXI. The Branch estimates the cost to reconfigure the Odyssey system would be \$5,000. The Branch assumes it would send checks to 90% of the State's 234 municipalities on a monthly basis, at an estimated cost of approximately \$1,850 per year, assuming no increase in mailing costs. The Branch projects that the courts will collect approximately \$5.4 million in Highway Fund revenues from Title XXI violation fines. If 20% is diverted to municipalities, the decrease to the Highway Fund would be approximately \$1,080,000.



The Department of Safety indicates this bill would reduced revenue to the Highway Fund, but there would be no impact on revenue to the Division of Motor Vehicles. Local revenue would increase by an offsetting amount. There would be no impact on county revenue or county and local expenditures.

**AGENCIES CONTACTED:**

Judicial Branch and Department of Safety

HB 1204-FN-A-LOCAL - AS INTRODUCED

2022 SESSION

22-2056  
10/11

HOUSE BILL

***1204-FN-A-LOCAL***

AN ACT

reducing the rate of the meals and rooms tax and increasing the revenue sharing of meals and rooms tax revenue with municipalities.

SPONSORS:

Rep. Deshaies, Carr. 6; Rep. J. MacDonald, Carr. 6; Rep. Crawford, Carr. 4; Rep. Bordes, Belk. 3

COMMITTEE:

Ways and Means

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ANALYSIS

This bill reduces the rate of the tax on meals, rooms, and gross rental receipts, and increases the percentage of meals and rooms tax revenues distributed to municipalities.

.....  
Explanation:

Matter added to current law appears in ***bold italics***.

Matter removed from current law appears [~~in brackets and struck through.~~]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Two*

AN ACT reducing the rate of the meals and rooms tax and increasing the revenue sharing of meals and rooms tax revenue with municipalities.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1 Imposition of Tax. Amend RSA 78-A:6 to read as follows:

2 78-A:6 Imposition of Tax.

3 I. A tax of ~~[8.5]~~ **7.9** percent of the rent is imposed upon each occupancy.

4 II. A tax is imposed on taxable meals based upon the charge therefor as follows:

5 (a) ~~[Four]~~ **Two** cents for a charge between \$.36 and \$.37 inclusive;

6 (b) ~~[Five]~~ **Three** cents for a charge between \$.38 and \$.50 inclusive;

7 (c) ~~[Six]~~ **Four** cents for a charge between \$.51 and \$.62 inclusive;

8 (d) ~~[Seven]~~ **Five** cents for a charge between \$.63 and \$.75 inclusive;

9 (e) ~~[Eight]~~ **Six** cents for a charge between \$.76 and \$.87 inclusive;

10 (f) ~~[Nine]~~ **Seven** cents for a charge between \$.88 and \$1.00 inclusive;

11 (g) ~~[Eight and a half]~~ **7.9** percent of the charge for taxable meals over \$1.00, provided  
12 that fractions of cents shall be rounded up to the next whole cent.

13 II-a. A tax of ~~[8.5]~~ **7.9** percent is imposed upon the gross rental receipts of each rental.

14 III. The operator shall collect the taxes imposed by this section and shall pay them over to  
15 the state as provided in this chapter.

16 2 Applicability. RSA 78-A:6, as amended by section 1 of this act, shall be applicable to taxable  
17 periods beginning on or after July 1, 2023.

18 3 Meals and Rooms Tax; Reference to Rate. Amend RSA 78-A:7, I(a) to read as follows:

19 I.(a) The operator shall either state the amount of the tax to each occupant, purchaser of a  
20 meal, or renter, or state that the tax is included in the price of the occupancy, meal, or gross rental  
21 receipts received. If the amount of the tax is not separately stated, the purchaser's or occupant's  
22 contract or receipt shall include the following language:

23 "The ~~[9]~~ **7.9** percent tax on meals and rooms is included for the costs of meals and lodging only."

24 4 Distribution of Revenues; Percentage Increased. Amend RSA 78-A:26, III to read as follows:

25 III. On or before December 1, 2021 and each December 1 thereafter, ~~[39]~~ **40** percent of the  
26 net income determined under the introductory paragraph of paragraph I of the most recent fiscal  
27 year, after deductions for the cost of administration and revenues deposited in the education trust  
28 fund pursuant to paragraph II, shall be deposited into the meals and rooms municipal revenue fund  
29 for distribution to the unincorporated towns, unorganized places, towns, and cities. The amount to  
30 be distributed to each such town, place, or city shall be determined by multiplying the total amount

**HB 1204-FN-A-LOCAL - AS INTRODUCED**

**- Page 2 -**

1 to be distributed by a fraction, the numerator of which shall be the population of the unincorporated  
2 town, unorganized place, town, or city and the denominator of which shall be the population of the  
3 state. The population figures shall be based on the latest resident population figures furnished by  
4 the office of planning and development.

5 5 Effective Date. This act shall take effect July 1, 2023.

**HB 1204-FN-A-LOCAL- FISCAL NOTE  
AS INTRODUCED**

AN ACT reducing the rate of the meals and rooms tax and increasing the revenue sharing of meals and rooms tax revenue with municipalities.

**FISCAL IMPACT:**     State             County             Local             None

STATE:	Estimated Increase / (Decrease)			
	FY 2022	FY 2023	FY 2024	FY 2025
<b>Appropriation</b>	\$0	\$0	\$0	\$0
<b>Revenue</b>	\$0	\$0	Indeterminable Decrease	Indeterminable Decrease
<b>Expenditures</b>	\$0	\$0	Indeterminable Increase	Indeterminable Increase
<b>Funding Source:</b>	<input type="checkbox"/> General <input checked="" type="checkbox"/> Education <input type="checkbox"/> Highway <input checked="" type="checkbox"/> Other - Meals and Rooms Municipal Revenue Fund			

**LOCAL:**

<b>Revenue</b>	\$0	\$0	Indeterminable Increase	Indeterminable Increase
<b>Expenditures</b>	\$0	\$0	\$0	\$0

**METHODOLOGY:**

This bill decreases the Meals and Rentals (M&R) tax rate from 8.5% to 7.9% for taxable periods beginning on or after July 1, 2023. Additionally the bill increases the M&R distribution to municipalities from 30% to 40%. The exact fiscal impact of this bill cannot be determined, however the Department is able to provide an estimate of the M&R tax rate reduction from 8.5% to 7.9% based on the following information and assumptions:

- FY 2021 M&R tax base of \$3,750,004,222 derived by dividing the total tax collected by 9%. Total tax revenue collected of \$337,500,380, which includes \$328,146,248 of M&R on cash basis plus \$9,354,132 of retained commissions (approximately 2.8% (rounded) of total collected);
- Estimated FY 2021 revenue of \$309,915,901 assuming a 8.5% tax rate (\$3,750,004,222 \* 8.5% - (\$8,834,458 or 2.8% (rounded) commission retained);
- Estimated FY 2021 revenue of \$288,039,484 assuming a 7.9% tax rate (\$3,750,004,222 \* 7.9% - (\$8,210,849 or 2.8% (rounded) commission retained);
- Since the effective date of this bill is July 1, 2023 and M&R revenue is due by the 15th day of the month following the taxable period, the impact on revenue would not occur

until August 2023. On average, 90.9% of M&R revenue is collected between August and June of each fiscal year.

Assuming the estimated M&R revenue for FY 2021 at the 8.5% tax rate and 7.9% tax rate remains unchanged for the period of FY 2024 through FY 2026 and that 90.9% of revenue collected in FY 2024 would be impacted by the rate decrease, the following table provides an estimated impact.

<b>Meals &amp; Rentals Tax - Static Analysis using FY 2021 Revenues &amp; 8.5% Tax Rate</b>			
<b>Fiscal Year</b>	<b>Estimate Revenue with FY 2021 tax base and 8.5% rate from HB 2 (Chapter 91, Section 103-105)</b>	<b>Estimated FY Revenue under the proposed rate</b>	<b>Cumulative Fiscal Impact (Proposed Legislation Compared to Current Law)</b>
<b>2024</b>	<b>\$309,915,901</b>	<b>\$290,030,238</b>	<b>(\$19,885,663)</b>
<b>2025</b>	<b>\$309,915,901</b>	<b>\$288,039,484</b>	<b>(\$21,876,417)</b>
<b>2026</b>	<b>\$309,915,901</b>	<b>\$288,039,484</b>	<b>(\$21,876,417)</b>

The Treasury Department is not able to estimate the exact impact of the change to decrease the M&R rate from 8.5% to 7.9% and increase the net M&R income deposited into the Meals and Rooms Municipal Revenue Fund from 30% to 40%. However, the Department is able to provide an estimate of the impact based on the following assumptions:

- FY21 M&R Tax Revenue as a starting point (includes General and Education Trust Fund Revenues adding back the transfers for School Building Aid Debt Service).
- A revenue decrease of approximately 7% for FY24 based on the proposed rate reduction from 8.5% to 7.9%.
- Cost of Meals & Rooms Administration remain the same
- Cost of Education Trust Fund Revenues relating to M&R remains the same
- Amount of net income to be distributed into the M&R Municipal Revenue Fund increases from 30% to 40%
- Revenue for FY25 will remain flat.

	<b>FY 2021</b>	<b>Proposed FY 2024</b>	<b>Proposed FY 2025</b>
<b>M&amp;R Tax Revenue</b>	<b>\$343,300,000</b>	<b>\$319,067,059</b>	<b>\$319,067,059</b>
<b>(-) Cost of M&amp;R Administration</b>	<b>(\$1,969,364)</b>	<b>(\$1,969,364)</b>	<b>(\$1,969,364)</b>
<b>(-) Education Trust Fund M&amp;R Revenues</b>	<b>(\$7,248,000)</b>	<b>(\$7,248,000)</b>	<b>(\$7,248,000)</b>
<b>M&amp;R Tax Revenues Net of Authorized Expenditures</b>	<b>\$334,082,636</b>	<b>\$309,849,695</b>	<b>\$309,849,695</b>
<b>Percent of Net Income Deposited into the M&amp;R</b>	<b>30%</b>	<b>40%</b>	<b>40%</b>

Municipal Revenue Fund per RSA 78-A:26, i (c)			
Total Amount to be Distributed	\$100,224,791	\$123,939,878	\$123,939,878
Increase/(Decrease)		\$23,715,087	\$23,715,087

Based on the assumptions, the Department estimates increasing the amount of net income to be distributed into the M&R Municipal Revenue Fund from 30% to 40% will increase the municipal distribution by an estimated \$23.7 million.

**AGENCIES CONTACTED:**

Department of Revenue Administration and Treasury Department

**HB 1268 - AS INTRODUCED**

2022 SESSION

22-2170  
10/05

HOUSE BILL

**1268**

AN ACT

limiting the authority for city council bylaws and ordinances.

SPONSORS:

Rep. Harvey-Bolia, Belk. 4; Rep. Abramson, Rock. 37; Rep. Potucek, Rock. 6; Rep. Renzullo, Hills. 37; Rep. Yakubovich, Merr. 24

COMMITTEE:

Municipal and County Government

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ANALYSIS

This bill limits the authority of city councils to make bylaws and ordinances to those they are specifically empowered to make.

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Explanation:

Matter added to current law appears in ***bold italics***.

Matter removed from current law appears [~~in brackets and struck through.~~]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.



STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Two*

AN ACT limiting the authority for city council bylaws and ordinances.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1       1 Powers of City Councils; Bylaws and Ordinances; Limitations Added. Amend RSA 47:17, XV  
2 to read as follows:

3           XV. Miscellaneous. Relative to the grade of streets, and the grade and width of sidewalks;  
4 to the laying out and regulating public squares and walks, commons, and other public grounds,  
5 public lights, and lamps; to trees planted for shade, ornament, convenience, or use, and the fruit of  
6 the same; to trespasses committed on public buildings and other public property, and in private  
7 yards and gardens; in relation to cemeteries, public burial grounds, the burial of the dead, and the  
8 returning and keeping records thereof, and bills of mortality, and the duties of physicians, sextons  
9 and others in relation thereto; relative to public wells, cisterns, pumps, conduits, and reservoirs; the  
10 places of military parade and rendezvous, and the marching of military companies with music in the  
11 streets of the city; relative to precautions against fire; relative to oaths and bonds of city officers, and  
12 penalties upon those elected to such offices refusing to serve; and relative to licensing and regulating  
13 butchers, petty grocers, or hucksters, peddlers, hawkers, and common victualers; dealers in and  
14 keepers of shops for the purchase, sale or barter of junk, old metals or second-hand articles, and  
15 pawnbrokers; under such limitations and restrictions as to them shall appear necessary. They may  
16 make ~~[any]~~ other bylaws and regulations ~~[which may seem for the well being of]~~ **for the purpose of**  
17 **addressing locations that present a clear and present danger to** the city; but no bylaw or  
18 ordinance shall be repugnant to the constitution or laws of the state; and such bylaws and  
19 ordinances shall take effect **upon their adoption** and be in force ~~[from the time therein limited]~~ **for**  
20 **a period not to exceed 10 days**, without the sanction or confirmation of any other authority  
21 whatever.

22       2 Effective Date. This act shall take effect 60 days after its passage.

HB 1272 - AS INTRODUCED

2022 SESSION

22-2167  
10/05

HOUSE BILL            **1272**

AN ACT                limiting the authority of town health officers.

SPONSORS:            Rep. Harvey-Bolia, Belk. 4; Rep. Blasek, Hills. 21; Rep. Berezhny, Graf. 9; Rep. Post, Hills. 4; Rep. Renzullo, Hills. 37; Rep. Binford, Graf. 15; Rep. Littlefield, Belk. 3; Rep. Pauer, Hills. 26

COMMITTEE:          Municipal and County Government

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ANALYSIS

This bill limits the authority of local health officers in making bylaws or ordinances relating to public health matters.

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Explanation:          Matter added to current law appears in ***bold italics***.  
Matter removed from current law appears [~~in brackets and struck through.~~]  
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Two*

AN ACT limiting the authority of town health officers.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

- 1           1 Local Health Officers; Regulations on Public Health. Amend RSA 147:1, I to read as follows:
- 2           I. The health officers of towns may make regulations for the prevention and removal of
- 3 nuisances, and such other regulations relating to the public health as in their judgment the health
- 4 and safety of the people require, which shall take effect when approved by the selectmen, recorded
- 5 by the town clerk, and published in some newspaper printed in the town, or when copies thereof
- 6 have been posted in 2 or more public places in the town. ***Provided, however, that no bylaw or***
- 7 ***ordinance made by a local health officer shall be repugnant to the constitution or laws of***
- 8 ***this state, and such bylaws and ordinances shall take effect and be in force from the time***
- 9 ***adopted for not longer than 10 days, without the sanction or confirmation of any other***
- 10 ***authority. Such ordinances may be adopted only for the purpose of addressing locations***
- 11 ***that present a clear and present danger.***
- 12           2 Effective Date. This act shall take effect 60 days after its passage.