

Minutes
City Council Legislative Subcommittee
Friday, February 7, 2025, at 10:00 a.m.

- I. Greeting: Mayor McEachern opened the meeting at 10:05 a.m. Mayor McEachern, Councilor Tabor, Councilor Cook, City Manager Conard and Senior Assistant City Attorney Ferrini were present. Nanthan Lunney, Finance Director, joined the meeting remotely.
- II. Approval of September 20, 2024 Minutes. Councilor Tabor moved and Councilor Cook seconded a motion to approve the September 20, 2024 Minutes. The Committee **voted unanimously** to approve the Minutes.
- III. Senior Assistant City Attorney Ferrini (hereinafter “Attorney Ferrini”) mentioned there were over 1,000 bills this session and the purpose of this meeting was to get guidance from the Committee on prioritizing legislative issues of interest. Attorney Ferrini discussed several bills the City has registered in support or opposition prior to this meeting as the bills were consistent with the City’s Legislative Principles.

Bills the City has registered in support or opposition:

- A. HB 97-The City registered in support of SAG Funding bill HB 97.
- B. HB 197- The City registered in support of HB 197 which would obligate the State to pay 7.5% of employer’s portion of retirement for teachers, police and fire. Attorney Ferrini stated that this bill was similar to bills from prior sessions, but with the current State budget, it is unlikely that this bill will pass this session.
- C. SB 113 – The City registered in support of SB 113 that supports State funding for the homeless.
- D. HB 137 – The City registered in support of HB 137 which would permit municipalities to continue to retain excess SWEPT.
- E. HB 675 & HB 669 – The City registered in opposition to HB 675 and HB 669 which would require municipalities to remit excess SWEPT to the State.
- F. HB 595 – The City registered in supports of HB 595 which would create coastal resiliency zones. Councilor Cook reported that she testified at the public hearing on the bill and noted during her testimony that the City had registered in support of the bill, and she testified in her personal capacity as a resident. Councilor Cook stated that most people who testified were in support of the bill, and it has bipartisan support. She stated the bill will be amended, noting that the word “coastal” will be amended to “resiliency” zones because there is flooding in the north country as well as the coast. Attorney Ferrini noted that if the bill passed out of the House and crossed over to the Senate, the City’s Planning and Sustainability Director has some statistics from the City that could be included in future testimony.

- IV. Review of City's Legislative Principles – The Committee reviewed existing Legislative Principles to discuss amendments to existing principles or recommendations for new principles for City Council approval. The Committee did not make any amendments or propose any new Legislative Principles for the Council to consider.

Attorney Ferrini noted that the City has not adopted any Legislative Principles relative to Right to Know bills but the City was asked by NHMA to provide data to the House Judiciary Committee seeking information on HB 66, a bill that would change the Right to Know law to apply to all “persons”, not citizens, and require that municipalities email requests, not require that records be picked up. Attorney Ferrini noted that Staff Attorney Jennifer Smith provided some data to the Committee regarding out-of-state business requests, AI requests, examples of broad requests and requests that produce voluminous documents. Regarding emailing requests, Attorney Ferrini noted that the City reported that responses by email may be too voluminous. The Committee discussed the current law requiring records to be picked up, which demonstrates the requestor's interest in the record. Attorney Ferrini reported that 90% of a legal admin's time and 70% of the Staff Attorney's time is currently spent on Right to Know requests. The Committee further discussed the bill but did not take a position on the bill or adopt any legislative policies on Right to Know legislation.

- V. Discussion of priorities for testimony on legislative issues of interest to the City:
- A. PUC Utility Rate Rules - HB 760. Councilor Tabor explained that the PUC wants utilities to buy 30% of their supply on the spot market that is locked in for 6 months. Those rates can vary greatly, and the utility wanted to pass increases on spot rates to cover losses to customers, not just on those that use the utility, but on everyone charged through the rate, including those who use community power and solar power. The Community Power Coalition cried foul as this was deemed very anti-competition and would allow private profits for utilities but socialize the losses. This would be fundamentally harmful to community power and against deregulation. HB 760 would end subsidizing losses through all customers and would permit recovering losses from direct customers only.
 - B. Housing/Zoning – The Committee discussed generally the conflict between two legislation principles, a principle that supports affordable housing and a principle that opposes removing local control by making statewide zoning changes. Attorney Ferrini addressed the two conflicting legislative principles and stated she reviewed over 20 bills with the Planning and Sustainability Director who noted that he saw no conflict with the path the City was heading regarding amendment to our zoning ordinance and certain bills that support housing.

The following housing bills were identified and discussed by the Committee:

HB 342 is a bill that would not require a variance for lot size and lot coverage if the proposed building density conforms to the surrounding neighborhood. The Planning and Sustainability Director has no objections to this bill and noted that it would save administrative time and that setbacks would still apply.

HB 457 is a bill that would prohibit municipalities from adopting any ordinance that restricts the number of occupants of any dwelling unit to less than two occupants per bedroom. The Planning and Sustainability Director has said that this might support workforce housing and shared housing.

HB 572 is a bill that supports the partnership in housing program, a low-interest loan and grant program under the housing champion fund to assist municipalities and developers in building modestly priced housing.

HB 577 expands accessory dwelling units by right to include detached units, adding definitions related to accessory dwelling units, and increasing the maximum square footage.

HB 604 is a loan forgiveness program for low-income homeowners to build or renovate accessory dwelling units.

Councilor Cook moved and Councilor Tabor seconded a motion to support the above-mentioned housing bills. The Committee **voted unanimously** to support the housing bills.

Councilor Cook has HB 631 which permits residential building in commercial zones by right. Councilor Cook noted that the bill provided 20% retail and height limit of 65 feet in height. Attorney Ferrini stated that the Planning and Sustainability Director had not recommended the bill as drafted. The Committee discussed monitoring the bill at crossover and suggesting edits once in the Senate.

- C. Education Funding – Attorney Ferrini noted that prior CC2 testimony opposing SWEPT remittance bills will be posted to the Legislative Subcommittee webpage. She also noted that the NHMA policies had been updated on the webpage and that a list of bills the City has registered in support or opposition will also be listed on the webpage.
- D. Coastal Resiliency – HB 595 had already been discussed by the Committee.

Councilor Tabor moved and Councilor Cook seconded a motion to advocate in support of HB 760. The Committee **voted unanimously** in favor of the motion.

- E. State's budget and discussion of downshifting of costs from the State to municipalities – General discussion with the Committee and the City's Finance Director, Nathan Lunney, regarding the State's budget and its impact on City. The Mayor commented on the State's budget, noting that the State's revenue is down due to the removal of capital gains and the overestimate of the business profits tax, which is down approximately 41%, due in part to the projections including what had been ARPA funds. The Mayor stated that most efforts will be to fix the broken budget this session and we should watch for amendment to bills that would reduce funds to municipalities, like meals and rooms and other bills that fund municipalities, given budget concerns.

Nathan Lunney, Finance Director, noted, as he had at the February 3, 2025 City Council meeting, that he is monitoring federal and state funds that might be at risk and will continue to monitor and advise the Council as the City learns more.

The Mayor asked that the Committee's next meeting include our legislative delegation.

- VI. Councilor Tabor moved and Councilor Cook seconded a motion to adjourn. The Motion **passed unanimously** and the meeting adjourned at 10:46 a.m.