

# Committee Report

**REGULAR CALENDAR**

**March 10, 2021**

**HOUSE OF REPRESENTATIVES**

**REPORT OF COMMITTEE**

**The Majority of the Committee on Municipal and County Government to which was referred HB 484,**

**AN ACT relative to budget committee recommendations on warrant articles. Having considered the same, report the same with the recommendation that the bill OUGHT TO PASS.**

**Rep. Everett McBride**

**FOR THE MAJORITY OF THE COMMITTEE**

**MAJORITY  
COMMITTEE REPORT**

Committee:	<b>Municipal and County Government</b>
Bill Number:	<b>HB 484</b>
Title:	<b>relative to budget committee recommendations on warrant articles.</b>
Date:	<b>March 10, 2021</b>
Consent Calendar:	<b>REGULAR</b>
Recommendation:	<b>OUGHT TO PASS</b>

**STATEMENT OF INTENT**

This bill clarifies that a budget committee or an advisory budget committee shall only provide a printed recommendation on the town, school district or village district warrant next to a warrant article, submitted by the governing body or by petition, that includes an appropriation or an expenditure. The duties and authorities of a budget committee pursuant to RSA 32:16 are to prepare the budget, conduct public budget hearings, and forward copies of final budget and recommendations on special warrant articles. Special warrant articles are defined as any article in the warrant which proposes an appropriation (RSA 32:3). Expenditures are included in this bill since expenditures are monetary figures coming directly from a past appropriation. This bill provides needed clarification in RSA 32 that the inclusion of recommendations by a budget committee on non-monetary articles is not authorized, delineating the separation of authorities between a governing body and a budget committee. Thus, this bill properly ensures recommendations on matters of governance and policy rest solely with a governing body in accordance with NH statute.

Vote 10-9.

Rep. Everett McBride  
FOR THE MAJORITY

Original: House Clerk  
Cc: Committee Bill File

## REGULAR CALENDAR

Municipal and County Government

**HB 484**, relative to budget committee recommendations on warrant articles. **MAJORITY: OUGHT TO PASS. MINORITY: INEXPEDIENT TO LEGISLATE.**

Rep. Everett McBride for the **Majority** of Municipal and County Government. This bill clarifies that a budget committee or an advisory budget committee shall only provide a printed recommendation on the town, school district or village district warrant next to a warrant article, submitted by the governing body or by petition, that includes an appropriation or an expenditure. The duties and authorities of a budget committee pursuant to RSA 32:16 are to prepare the budget, conduct public budget hearings, and forward copies of final budget and recommendations on special warrant articles. Special warrant articles are defined as any article in the warrant which proposes an appropriation (RSA 32:3). Expenditures are included in this bill since expenditures are monetary figures coming directly from a past appropriation. This bill provides needed clarification in RSA 32 that the inclusion of recommendations by a budget committee on non-monetary articles is not authorized, delineating the separation of authorities between a governing body and a budget committee. Thus, this bill properly ensures recommendations on matters of governance and policy rest solely with a governing body in accordance with NH statute. **Vote 10-9.**

Original: House Clerk

Cc: Committee Bill File

**REGULAR CALENDAR**

**March 10, 2021**

**HOUSE OF REPRESENTATIVES**

**REPORT OF COMMITTEE**

**The Minority of the Committee on Municipal and County Government to which was referred HB 484,**

**AN ACT relative to budget committee recommendations on warrant articles. Having considered the same, and being unable to agree with the Majority, report with the following resolution: RESOLVED, that it is INEXPEDIENT TO LEGISLATE.**

**Rep. Jim Maggiore**

**FOR THE MINORITY OF THE COMMITTEE**

## **MINORITY COMMITTEE REPORT**

Committee:	<b>Municipal and County Government</b>
Bill Number:	<b>HB 484</b>
Title:	<b>relative to budget committee recommendations on warrant articles.</b>
Date:	<b>March 10, 2021</b>
Consent Calendar:	<b>REGULAR</b>
Recommendation:	<b>INEXPEDIENT TO LEGISLATE</b>

### **STATEMENT OF INTENT**

The purpose of a municipal budget committee is to assist voters in the prudent appropriations of public funds. This responsibility includes a requirement that any warrant article with an appropriation include a notation whether or not the warrant article is recommended by the municipal budget committee (RSA 32:5, V (a)). RSA 32 does not prohibit a municipal budget committee from making recommendations on non-monetary warrant articles on the official warrant. HB 484 would prohibit the municipal budget committee from providing their recommendations on non-budgetary warrant articles even if those articles could have a budgetary impact in future years. The minority of the committee believe that prohibiting a simple vote tally on a warrant article will deprive residents of the insight they expect from their elected representative. The minority on the committee oppose the Ought to Pass motion and hope municipal budget committees will retain the ability to convey important information about current and future appropriations in a simple and clear manner.

Rep. Jim Maggiore  
FOR THE MINORITY

Original: House Clerk  
Cc: Committee Bill File

## REGULAR CALENDAR

Municipal and County Government

**HB 484**, relative to budget committee recommendations on warrant articles. **INEXPEDIENT TO LEGISLATE.**

Rep. Jim Maggiore for the **Minority** of Municipal and County Government. The purpose of a municipal budget committee is to assist voters in the prudent appropriations of public funds. This responsibility includes a requirement that any warrant article with an appropriation include a notation whether or not the warrant article is recommended by the municipal budget committee (RSA 32:5, V (a)). RSA 32 does not prohibit a municipal budget committee from making recommendations on non-monetary warrant articles on the official warrant. HB 484 would prohibit the municipal budget committee from providing their recommendations on non-budgetary warrant articles even if those articles could have a budgetary impact in future years. The minority of the committee believe that prohibiting a simple vote tally on a warrant article will deprive residents of the insight they expect from their elected representative. The minority on the committee oppose the Ought to Pass motion and hope municipal budget committees will retain the ability to convey important information about current and future appropriations in a simple and clear manner.

Original: House Clerk

Cc: Committee Bill File

# Voting Sheets



**HOUSE COMMITTEE ON MUNICIPAL AND COUNTY GOVERNMENT**

**EXECUTIVE SESSION on HB 484**

**BILL TITLE:** relative to budget committee recommendations on warrant articles.

**DATE:** March 8, 2021

**LOB ROOM:** Hybrid

**MOTIONS: OUGHT TO PASS**

Moved by Rep. McBride

Seconded by Rep. Tripp

Vote: 10-9

**CONSENT CALENDAR: NO**

**Statement of Intent: Refer to Committee Report**

Respectfully submitted,

Rep John MacDonald, Clerk



2021 SESSION

Municipal and County Government

HB484

Bill #: \_\_\_\_\_ Motion: OTP AM #: \_\_\_\_\_ Exec Session Date: 3/8/21

<u>Members</u>	<u>YEAS</u>	<u>Nays</u>	<u>NV</u>
Dolan, Tom Chairman	10		
Piemonte, Tony Vice Chairman	1		
MacDonald, John T. Clerk	2		
Tripp, Richard P.	3		
Guthrie, Joseph A. <i>Wallace</i>	4		
Lascelles, Richard W.	5		
McBride, Everett P.	6		
Melvin, Charles R.	7		
Ayer, Paul F.	8		
Pauer, Diane	9		
Porter, Marjorie A.		1	
Treleaven, Susan GS		2	
Gilman, Julie D.		3	
Maggiore, Jim V.		4	
Stavis, Laurel		5	
Mangipudi, Latha D.		6	
Vann, Ivy C.		7	
Klee, Patricia S.		8	
Gallager, Eric B.		9	
<b>TOTAL VOTE:</b>	10	9	

# Public Hearing

HOUSE COMMITTEE ON MUNICIPAL AND COUNTY GOVERNMENT

PUBLIC HEARING ON HB 484

**BILL TITLE:** relative to budget committee recommendations on warrant articles.

**DATE:** March 8, 2021

**LOB ROOM:** Hybrid **Time Public Hearing Called to Order:** 8:54 a.m.

**Time Adjourned:** 9:50 a.m.

**Committee Members:** Reps. Dolan, Piemonte, J. MacDonald, Tripp, Lascelles, McBride, Melvin, Ayer, Pauer, Porter, Treleaven, Gilman, Maggiore, Stavis, Mangipudi, Vann, Klee and Gallagher

**Bill Sponsors:**

Rep. Pauer

Rep. Silber

Rep. Yakubovich

Rep. Notter

TESTIMONY

\* Use asterisk if written testimony and/or amendments are submitted.

**Rep. Pauer** - Prime sponsor of the bill. Introduced the bill. Some budget committees are publishing recommendation on non money articles. The bill clarifies the RSA 32:16. The responsibility of the budget committee is fiduciary only. This bill clarifies the duties and authorities of the budget committee.

Rep. Porter: We would like to establish a committee to establish a youth committee and it has a cost. Would the budget committee be able to recommend? ANS: Reviewed the RSA for the budget committee duties.

Rep. Lascelles: They are taken from the rainy day funds. Would the budget committee make a recommendation under these cases? ANS: Yes, there is an appropriation.

Chairman Dolan: In Londonderry, if there is no money being spent, the budget committee is silent. They may speak as a member of the community. Would this still be allowed? ANS: Yes, that is correct.

Rep. Gallagher: Freedom of speech concerns? ANS: Freedom of speech doesn't apply to this bill.

Rep. Treleaven: Definition of fiduciary? ANS: Referring to money.

**\*James LeFebvre, Chairman, County Budget Committee** - Sent in written statement. Rep. McCarthy drafted a bill. This bill would have allowed budget committee to recommend warrant articles. Currently, Conway has a warrant article for a trust fund in the amount of 50,000. If this bill was in affect, we would not have that ability. Would like the bill to be ITL.

**Brian Rater, Chairman, Hollis Finance Committee** - Opposed to the bill. We have a warrant article for a school, may have expenses. The voters expect budget committee members to give their.

**Eric Pauer** - Supports the bill. I was appointed to the study committee to look in budget committee for Hollis. Only recommend money articles (appropriation on money articles). Brookline School District, make recommendations to non-monetary warrant articles. Request OTP.

Rep. Porter: Does that RSA prohibit the budget committee from commenting? ANS: The purpose of this bill is to clarify it.

Rep. Maggiore: Our budget committee does not make a recommendation. If it is in statute in allowing the budget committee to make a recommendation. What is wrong with that? ANS: The function of the budget committee is to weigh in on financial and not policy and governance.

Rep. Tripp: Isn't the first session, that things that cost money are discussed, rather than relying on the recommendation of the budget committee? ANS: There is a lot of opportunity to learn about the warrant articles, This will insure knowing what is going in to the warrant article.

Rep. Stavis: Once you legislate something, you are prohibiting freedom of speech. ANS: If the warrant article doesn't have fiduciary on appropriation, then the budget committee should not be a recommendation.

Rep. Gilman: Articles for repairing and school on a town building? ANS: The budget committee would be able to weight in since both involve expenditures.

**Chris Hyde, Current Member of Hollis Budget Committee** - Opposes the bill. Articles that have a change in revenue on expectations. It may not be included in the warrant article. It will take away the ability to comment on an article that will have a definite impact financially.

Rep. Mangipudi: It would affect receiving impute from the community? ANS: Yes.

Rep. Tripp: Freedom of speech issue. In mu mind, that would be a freedom of speech issue. What is your comments? ANS by Mr. Pauer: All of the articles and questions are raised at town meeting. Why did you make those recommendations? It let's the people know of the change that may be needed to raise taxes.

Rep. Treleaven: Unintended consequences. If there is no financial of fiscal, the budget committee would not be able to comment on it? ANS: We have been told that the voters want our recommendation. Detailed analysis needed for the voter.

Chairman Dolan: Should the Town Manager issue a letter to the Speaker of the House wanting fair redistricting? Would that require a response from the budget committee? ANS: No recommendation. We should not restrict residents from getting information from our committee.

**\*Cordell Johnston, NH Municipal Association** - Supports the bill. The bill may not be necessary. It may be helpful in clarifying it. I am not sure where this leaves vs. perhaps this bill should be retained for future study.

**Tom Gehan, Hollis - Chair of Budget Committee** - Non appropriating articles, veterans property tax credit. Land use change tax (reduced revenue). The results of articles non money can result in 100% of millions of dollars. Our budget committee brings a lot of experience to our community. Voters want us to voice our opinion on warrant articles.

Respectfully submitted,

Rep. John MacDonald  
Clerk

# House Remote Testify

## Municipal and County Government Committee Testify List for Bill HB484 on 2021

Support: 4 Oppose: 16 Neutral: 0 Total to Testify: 4

[Export to Excel](#)

<u>Name</u>	<u>City, State</u> <u>Email Address</u>	<u>Title</u>	<u>Representing</u>	<u>Position</u>	<u>Testifying</u>	<u>Si</u>
Gehan, Tom	Hollis, NH tkgehan@yahoo.com	An Elected Official	Myself	Oppose	Yes (0m)	3/
Johnston, Cordell	Concord, NH cjohnston@nhmunicipal.org	A Lobbyist	NH Municipal Association	Support	Yes (2m)	3/
LeFebvre, James	Intervale, NH lefebvrej@att.net	An Elected Official	Myself	Oppose	Yes (8m)	3/
Rater, Brian	Brookline, NH Blrn94@gmail.com	An Elected Official	Myself	Oppose	Yes (2m)	3/

# Testimony

**Archived:** Wednesday, July 28, 2021 11:32:24 AM  
**From:** [David Bickford](#)  
**Sent:** Sunday, March 7, 2021 8:12:52 PM  
**To:** ~House Municipal and County Govt  
**Subject:** HB 484 Ought to Pass  
**Importance:** Normal

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This bill would help budget committee members better understand their limitations.

In the Town of New Durham, I have witnessed the Budget Committee voting on an article that was not pertaining to appropriations. With some help from a New Hampshire Municipal Association lawyer, I was able to convince the members they acted in error. It is inappropriate for the Committee to be influencing Articles outside it's realm.

Some years latter it happened again causing unnecessary quarreling over what the committee should or should not be doing.

This bill would help clarify the budget committee's duty. Please vote HB 484 OTP.

David A. Bickford

183 Brackett Road

New Durham, NH 03855

603-859-7899 or 603-285-1356 cell

[davidabickford51@yahoo.com](mailto:davidabickford51@yahoo.com)

Sent from [Mail](#) for Windows 10



To: New Hampshire House Municipal and County Government Committee  
From: Tom Gehan, Hollis Budget Committee Chair  
RE: Testimony in opposition to House Bill 484 relative to budget committee  
recommendations on warrant articles

I would like to thank the Committee for the opportunity to share my testimony in opposition to HB484. My name is Tom Gehan. I am Chair of the Hollis budget committee though my comments are my own and do not represent a position taken by my committee.

My opposition to this bill stems from two main concerns. The first relates to the provisions of the Municipal Budget Law (RSA 32). The second relates to the broader role of elected officials.

RSA 32:1 Statement of Purpose reads in part:

“A town or district may establish a municipal budget committee to assist its voters in the prudent appropriation of public funds.”

Case law further clarifies the role of a budget committee. The New Hampshire Supreme Court, in *Hecker vs. McKernan*, 105 N.H. 195 (1963), has said the purpose of the municipal budget committee law is to:

“[T]o provide a committee with special knowledge to oversee and analyze the expenditures of the various town departments and districts. In this manner the electorate, which would ordinarily be without the detailed knowledge necessary to vote intelligently on certain budgetary problems, might be given sufficient information to determine the annual amounts necessary to properly manage town affairs.”

This bill prohibits a budget committee from providing a recommendation next to the affected warrant article unless the warrant article includes an appropriation or expenditure. However, many articles routinely appear on Town or School District warrants that do not appropriate

specific dollar amounts but nevertheless have significant appropriating implications. Examples of these types of articles include:

- Changes to the elderly property tax exemption (RSA 72:39-b)
- Changes to the Veterans property tax credit (RSA 72:28-b)
- Implementation of a tax cap (RSA 32:5-b)
- Changes to Cooperative (COOP) School District net cost apportionment (RSA 195:18)

None of these examples appropriate funds in the year they are considered, however can create tremendous changes in appropriations in later years. The Hollis Brookline COOP has repeatedly considered articles proposing dramatic changes to cost apportionment. These articles do not technically appropriate funds but have the potential to shift tens of millions of dollars of tax appropriations between member towns in subsequent years.

Hollis voters routinely seek the “special knowledge” of my budget committee and that of the Hollis Brookline COOP School District budget committee when considering these types of articles. Suppressing budget committee recommendations on these matters is a disservice to voters.

My second concern relates to the objective of this bill. What is the perceived risk or problem being addressed? Unfortunately, I believe the bill engenders a misperception that budget committees are ill-suited to make recommendations on articles that don't make dollar-specific appropriations. I feel this bill risks undermining the credibility and effectiveness of budget committees. I hope that we can all agree that budget committee members possess substantial expertise in municipal affairs, and diligently and conscientiously execute their responsibilities.

In short, I believe New Hampshire citizens benefit from hearing from their elected officials. Let voters hear all recommendations and make their own decisions. I ask members to oppose HB484.

My sincere thanks for your time and consideration.

**Archived:** Thursday, April 22, 2021 8:53:14 AM

**From:** [Tom Gehan](#)

**Sent:** Friday, March 5, 2021 10:53:39 AM

**To:** [~House Municipal and County Govt](#)

**Subject:** NH House Remote Testify: 8:30 am - HB484 in House Municipal and County Government

**Importance:** Normal

**Attachments:** [HB 484 Testimony T.K.Gehan 2021.03.08.pdf](#) ;

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Good morning,

I have signed up to testify before the Committee this coming Monday. Please find attached my written comments.

Best regards,  
Tom Gehan

**Archived:** Thursday, April 22, 2021 8:53:14 AM  
**From:** [John Cross](#)  
**Sent:** Tuesday, March 16, 2021 11:45:32 AM  
**To:** [~House Municipal and County Govt](#)  
**Subject:** Please DO NOT support HB484  
**Importance:** Normal

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HB484 prohibits a budget committee from providing a recommendation next to the affected warrant article unless the warrant article includes an appropriation or expenditure.

The town committees are generally more involved with, and as a result more informed about, warrant articles, than the general public. The public elects these officials to serve on committees and focus on subjects of interest to the town so that the rest of the public does not have to spend their time doing so. In this framework, a committee is expressly in place to obtain a relative expert knowledge of applicable warrant articles, and if they do not convey their understanding and expertise to the public, then their purpose is diminished and the public only fractionally benefits from their time and effort.

Therefore, to fully realize the benefit of our committees, we should in fact require that they provide their judgement on warrant articles for us (the public) to consider. Their recommendation, of course, does not force anyone to vote a certain way, it is simply valuable data that a voter can/should consider among other information.

Please DO NOT SUPPORT HB484, as it reduces the budget committee benefit to its constituents. Further, no good reason for HB484 has been presented, it only, without reason, restricts information.

Thank you.

John Cross  
Brookline, NH

**Archived:** Thursday, April 22, 2021 8:53:14 AM  
**From:** [Jim Belanger](#)  
**Sent:** Friday, March 5, 2021 9:52:20 AM  
**To:** ~House Municipal and County Govt  
**Subject:** HB484  
**Importance:** Normal

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Hi gang,

Vote down HB484 please.

The voters have a right to know what their elected bodies think of a warrant article no matter what it involves.

I realize this was probably well meaning but it kind of infringes on Freedom os Speech in a way.

Sorry Rep Pauer.

--

Hon. Jim Belanger  
Hollis, NH  
[www.belangers.us](http://www.belangers.us)

## HOUSE BILL 484 TESTIMONY– MARCH 8, 2021

**INTRODUCTION:** I wish to thank the committee for taking the time to listen to my comments regarding HB 484. I am Jim LeFebvre, current chairman of the Conway Municipal Budget Committee, and I am testifying in opposition to the bill. I would like to take a moment or two to thank the Honorable Frank McCarthy, a member of the General Court and of the Municipal and County Government Committee when the 2018 revision to RSA 32:5V A was signed by the Governor and became state law effective August 11, 2018. His assistance was invaluable, as he was a key player in the 2018 revision. Regrettably he is unable to be with us today, as he is out of the area.

I would like to begin by commenting briefly on the background of the 2018 change, as I understand it.

- A few years ago, the Town of Conway transferred ownership of a town road to a business entity. The Conway Municipal Budget Committee (CMBC) of that year (I was the chairman), held that this legal transfer would impact on future budgets, even if it were solely a matter of increase/decrease in the town's road maintenance costs. On that basis, the Committee voted to have the CMBC's position on this warrant article recorded for the information of the voters (the town's legislative body). The attorney representing the business disputed the CMBC's action, and after concurrence by the Town of Conway's Town Attorney, the record of the CMBC's vote was removed from the warrant article.
- Following the preceding event, at least one voter approached the Honorable Frank McCarthy to address this situation with a revision to RSA 32:5 V a. Representative McCarthy, working with the assistance of legislative services and a municipal association representative, drafted a bill (HB 1392), which, following a minor amendment from the state senate (with the support of the Municipal Association at the time) was adopted. This bill's legislative intent, according to conversations I have had with former Representative McCarthy, was to allow Budget Committees to vote on, and have those votes placed on all warrant articles, regardless of monetary impact. HB 1392 was passed on June 12, 2018 and went into effect on August 11, 2018.
- Former Representative McCarthy and I both believe that the 2018 revision to RSA 32:5 V a provides municipal budget committees with authority to record their votes and have those votes placed on any warrant article proposed by the governing body. "A budget committee adopted under RSA 32:14 may, on its own initiative, require that the tallies of its votes be printed next to the affected article."
- As I read the contents of HB 484, it is designed to ensure that a MBC's recommendation can be affixed to the affected warrant article only when the warrant article submitted by the governing body (or by petition) includes an appropriation or expenditure.

- The Town of Conway has a proposed Warrant Article (Article 22) for the voters (legislative body) consideration on April 13, 2021. This warrant article is defined as “non-monetary” by the town’s governing body. This article calls for establishment of a “Short Term Rental Expendable Trust Fund” utilizing \$50,000 of taxpayer monies. If HB 484 were in effect today, this warrant article would be placed on the ballot without a recorded and affixed MBC vote, simply due to its designation as “non-monetary” by the governing body. It should be noted that the CMBC has supported this warrant article by a 12-0-0 vote on February 10, 2021, and that tally is listed on the ballot today.
- If my understanding of the language of HB 484 is correct, and it were in effect today it would strip the CMBC’s recommendation from the current article. This would have the effect of removing an oversight safeguard for the voters, and is, I believe, contrary to good government practice.
- Therefore, I request that this proposed change to RSA 32:5 be deemed “inappropriate to legislate” or that equivalent verbiage be used to effectively defeat this bill and provide all MBCs with undoubted ability to vote on all warrant articles to be considered by voters (the local legislative body) at town meeting, be that meeting under SB2 or the traditional town meeting.

In closing, I wish to thank the committee for the opportunity to discuss the potential impact of HB 484 on the current authority of MBC’s as we understand it.

Regards,

James R. LeFebvre  
Chairman, CMBC  
40 Pond View Road  
North Conway, NH 03860  
603-356-7206  
Mailing Address: POB 749, Intervale NH 03845

Cc: personal file

**Archived:** Thursday, April 22, 2021 9:02:37 AM

**From:** Eric Pauer

**Sent:** Friday, March 5, 2021 9:56:32 AM

**To:** ~House Municipal and County Govt

**Subject:** Testimony in Favor of HB 484 - "Relative to budget committee recommendations on warrant articles"

**Importance:** Normal

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Dear House Municipal and County Government Committee,

I am writing to you in support of HB 484, "Relative to budget committee recommendations on warrant articles".

At the 2020 Brookline Town Meeting, voters approved a warrant article to direct the Selectboard to form a study committee, to determine the feasibility and suitability of adopting an official budget committee (BudCom) for the town and school district (RSA 32:14). I was appointed to this BudCom study committee and became the committee chair. During our work starting in May 2020, we learned a great deal about the roles and responsibilities of an official BudCom, consulting with peer towns having an official BudCom or an advisory BudCom, NH Municipal Association (NHMA), NH School Board Association, and NH Department of Revenue. We became subject matter experts on the official BudCom. Brookline's 2021 Town Warrant includes a warrant article to adopt an official BudCom, to be considered during our town meeting scheduled for March 27. For reference, the BudCom Study Committee website with our Final Presentation and Report is online at <https://brooklinenh.us/budcom-study-committee>.

In this effort, we consistently heard that the one of the roles of the BudCom is to include recommendations in the warrant only on town and school district warrant articles that involve an appropriation or expenditure, i.e. monetary articles. In fact, the NHMA provides guidance on recommendations in their page "The Municipal Budget Law: Frequently Asked Questions":

**Q. Whose recommendations should appear on warrant articles and budget items?**

**A.** Recommendations should appear, if at all, only on appropriations articles. The law does not authorize the inclusion of recommendations on non-money articles. The proposed operating budget will be the one recommended by the official budget committee, if there is one, or the governing body in all other cases. Department of Revenue Administration forms to be posted with the warrant (MS6 and MS7) require a notation of the recommendations of the governing body and the official budget committee, if any, on proposed appropriations.

<https://www.nhmunicipal.org/town-city-article/municipal-budget-law-frequently-asked-questions>

The responsibilities of the official BudCom are fiduciary, including preparing and recommending operating budgets, making recommendations on monetary warrant articles, and periodic reviewing of expenditures. An advisory BudCom recommends on operating budgets and monetary warrant articles.

Non-monetary warrant articles include those involving policy and governance, which are under the purview of the governing body (generally a Selectboard or School Board). These matters are outside the authorities of a BudCom, as prescribed in RSA 32. Examples of such non-monetary warrant articles include requiring estimated tax impact on warrant articles, adoption or rescinding of official balloting (SB2), curriculum directives, establishment of study committees (with no appropriation / expenditure), and amendments to cooperative school district articles of agreement (with no appropriation / expenditure).

Interestingly, our Hollis Brookline Cooperative Official Budget Committee has included their recommendations on all of these types of non-monetary articles over the past decade, despite these warrant articles being clearly outside their fiduciary authorities and responsibilities. Having served on the Hollis Brookline Cooperative School Board from 2014 to 2017, I was disappointed by the Cooperative Budget



Committee's continual insistence to include their recommendations in the warrant on such non-monetary warrant articles.

Currently, the language of RSA 32 does not explicitly prohibit a BudCom from making recommendations on non-monetary warrant articles in the warrant, despite clear guidance from NHMA and common practice used by most BudComs across New Hampshire to stay in their fiduciary lane. HB 484 provides the needed clarification to RSA 32 so that a BudCom only provides recommendations on monetary warrant articles in the warrant, consistent with their fiduciary responsibilities and authorities. This bill's proposed language makes it clear that warrant articles involving policy and governance receive recommendations from the governing body and not from a BudCom. Thank you for your consideration, and I request that committee members to vote "Ought to Pass" on HB 484.

Sincerely,  
Eric Pauer  
Brookline

Bill as  
Introduced

HB 484 - AS INTRODUCED

2021 SESSION

21-0647  
06/11

HOUSE BILL            **484**

AN ACT                relative to budget committee recommendations on warrant articles.

SPONSORS:            Rep. Pauer, Hills. 26; Rep. Silber, Belk. 2; Rep. Yakubovich, Merr. 24; Rep. Notter, Hills. 21

COMMITTEE:          Municipal and County Government

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ANALYSIS

This bill prohibits a budget committee from providing a recommendation next to the affected warrant article unless the warrant article includes an appropriation or expenditure.

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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 One*

AN ACT                   relative to budget committee recommendations on warrant articles.

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

1           1 New Paragraph; Budget Committee; Recommendation. Amend RSA 32:5 by inserting after  
2 paragraph V-b the following new paragraph:

3           V-c. A budget committee or advisory budget committee shall provide a recommendation  
4 printed in the town, school district, or village district warrant next to the affected warrant article  
5 only when the warrant article, submitted by the governing body or by petition, includes an  
6 appropriation or expenditure.

7           2 Effective Date. This act shall take effect 60 days after its passage.