

**CONSENT CALENDAR**

**February 7, 2022**

**HOUSE OF REPRESENTATIVES**

**REPORT OF COMMITTEE**

**The Committee on Resources, Recreation and Development to which was referred HB 1339,**

**AN ACT relative to the Winnepesaukee River basin control replacement fund. Having considered the same, report the same with the recommendation that the bill OUGHT TO PASS.**

**Rep. Gregg Hough**

**FOR THE COMMITTEE**

## COMMITTEE REPORT

Committee:	<b>Resources, Recreation and Development</b>
Bill Number:	<b>HB 1339</b>
Title:	<b>relative to the Winnepesaukee River basin control replacement fund.</b>
Date:	<b>February 7, 2022</b>
Consent Calendar:	<b>CONSENT</b>
Recommendation:	<b>OUGHT TO PASS</b>

### STATEMENT OF INTENT

This bill aims to update and improve the use and maintenance of the funds for needed repairs by member communities whose repair costs may exceed their community's normal budgetary items. Based upon the unanimous agreement and support of all the contributing members of the fund the committee voted unanimously recommended that this bill ought to pass.

Vote 21-0.

Rep. Gregg Hough  
FOR THE COMMITTEE

Original: House Clerk  
Cc: Committee Bill File

## CONSENT CALENDAR

Resources, Recreation and Development

**HB 1339**, relative to the Winnepesaukee River basin control replacement fund. **OUGHT TO PASS.**  
Rep. Gregg Hough for Resources, Recreation and Development. This bill aims to update and improve the use and maintenance of the funds for needed repairs by member communities whose repair costs may exceed their community's normal budgetary items. Based upon the unanimous agreement and support of all the contributing members of the fund the committee voted unanimously recommended that this bill ought to pass. **Vote 21-0.**

Original: House Clerk

Cc: Committee Bill File

**HOUSE COMMITTEE ON RESOURCES, RECREATION AND DEVELOPMENT**

**EXECUTIVE SESSION on HB 1339**

**BILL TITLE:** relative to the Winnepesaukee River basin control replacement fund.

**DATE:** February 2, 2022

**LOB ROOM:** 305 - 307

**MOTIONS:** OUGHT TO PASS

Moved by Rep. Hough

Seconded by Rep. Harvey-Bolia

Vote: 21-0

**CONSENT CALENDAR: YES**

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

Respectfully submitted,

Rep Juliet Harvey-Bolia, Clerk





2022 SESSION

Resources, Recreation and Development

Bill #: 1399 Motion: OTP AM #: \_\_\_\_\_ Exec Session Date: 2-2-22

<u>Members</u>	<u>YEAS</u>	<u>Nays</u>	<u>NV</u>
Renzullo, Andrew Chairman	✓		
Harb, Robert D. Vice Chairman	✓		
Hough, Gregg	✓		
Gould, Linda R.	✓		
Horgan, James F.	✓		
Creighton, Jim L.	✓		
Dodge, Dustin	✓		
Harvey-Bolia, Juliet Clerk	✓		
Healey, Robert V.	✓		
Mayville, Mary L.	✓		
Post, Lisa C.M.	✓		
Smith, Suzanne J.	✓		
<del>Spang, Judith T.</del> <u>RUNG</u>	✓		
Grassie, Chuck W.	✓		
Gottling, Suzanne H.	✓		
Cohen, Bruce L.	✓		
Connors, Erika F.	✓		
Vail, Suzanne M.	✓		
Kelley, Eamon P.	✓		
<del>Moran, Melbourne R.</del> <u>PEREZ</u>	✓		
Egan, Timothy T.	✓		

21 0

**HOUSE COMMITTEE ON RESOURCES, RECREATION AND DEVELOPMENT**

**PUBLIC HEARING ON HB 1339**

**BILL TITLE:** relative to the Winnepesaukee River basin control replacement fund.

**DATE:** January 12, 2022

**LOB ROOM:** 305 - 307                      **Time Public Hearing Called to Order:** 9:10 a.m.

**Time Adjourned:** 9:20 a.m.

**Committee Members:** Reps. Renzullo, Harb, Harvey-Bolia, Hough, Gould, Horgan, Creighton, Dodge, Healey, Mayville, Post, Suzanne Smith, Gottling, Cohen, E. Kelley and Egan

**Bill Sponsors:**

**Rep. Johnson**

**Rep. Silber**

**Sen. Bradley**

**TESTIMONY**

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

**Rep. Johnson deferred to Mr. Wesley Anderson, Chair of the Winnepesaukee River Basin Program Advisory Board spoke in favor of the bill.**

**Sharon McMillin, Environmental Administrator stated she would answer questions and that the department takes no position on the bill.**

Respectfully submitted,

Rep. Juliet Harvey-Bolia, Clerk





# House Remote Testify

Resources, Recreation and Development Committee Testify List for Bill HB1339 on 2022-01-12

Support: 1 Oppose: 0 Neutral: 0 Total to Testify: 0

[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>Non-Germane</u>	<u>Signed Up</u>
Bradley, Senator Jeb	SD3, NH jeb.bradley@leg.state.nh.us	An Elected Official	SD3	Support	No	No	1/7/2022 5:29 PM

Testimony for  
HB 1339 (Dawn J)

Statement to:

House Resources, Recreation and Development Committee on proposed changes to RSA 485-A:51  
Replacement Fund

Jan 12, 2022

My name is Wesley Anderson, and I am the Chairman of the Winnepesaukee River Basin Program  
Advisory Board.

The Board consists of the 10 municipalities/organizations that send their sewage to the Program's  
regional sewage treatment plant in Franklin.

The regional collection system and the treatment plant is operated by the NH Department of  
Environmental Services.

The Advisory Board's main functions:

- Reviewing the capital improvement program
- Review the contracts to plan, design and construct capital improvements that require approval  
by the Governor and Executive Council.
- Reviewing the Program's budget

The ten members pay all costs associated with the operations and maintenance of the system.

The only state funds the program receives are from grants and loans that any sewage treatment system  
can receive.

There have been no major changes to the system's cost distribution plan since the 1980s when the  
system began operations.

The Board, its member communities and the Program Administrator have been working for several  
years on changes to the funding model so that it more closely represents current usage of the system by  
the member communities/organization.

This is necessary as actual municipal growth rates do not align with the predictions in the 1980s plans,  
water consumption changes due to more efficient fixtures in buildings, and maintenance of the  
municipalities own systems.

The members are billed to support the costs of four functions. The methods for updating the  
distribution of costs for three of the four functions can be updated without any changes to existing laws.  
The fourth, the replacement fund can only be updated by the Legislature.

The replacement fund is the account the Department of Environmental Services uses to fund the cost of  
repairs of unanticipated failures that cost more than can be funded from the operations and  
maintenance account and yet is not costly enough to require a bond to fund the repairs.

Presently the costs of repairs funded through the replacement fund are distributed to member communities based on their use of the portion of the system that failed. The impacted municipalities are required to pay back the fund for the cost of those repairs over 10 years.

The proposed change, approved by the member communities, will have the impacted communities paying 50% of the cost of the repairs and 50% of the costs is distributed based on respective use of the infrastructure.

All other aspects of the existing law are unchanged except for some clarifying language regarding the proportional assessment of the Fund as established by the Attorney General's office during their review of the draft legislation.

The member communities ask for your support to change the existing law on the WRBP's replacement fund.

Thank you for considering our request.

HB 1339 - AS INTRODUCED

2022 SESSION

22-2557

08/10

HOUSE BILL **1339**

AN ACT relative to the Winnepesaukee River basin control replacement fund.

SPONSORS: Rep. Johnson, Belk. 3; Rep. Silber, Belk. 2; Sen. Bradley, Dist 3

COMMITTEE: Resources, Recreation and Development

---

ANALYSIS

This bill changes how the Winnepesaukee River basin control replacement fund is capitalized.

---

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 relative to the Winnepesaukee River basin control replacement fund.

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

1 1 Winnepesaukee River Basin Control Replacement Fund. Amend RSA 485-A:51 to read as  
2 follows:

3 485-A:51 Replacement Fund Established.

4 I. There is established a nonlapsing, revolving fund to provide capital for repair and  
5 replacement of major components of the water pollution control facilities administered under this  
6 subdivision which cannot be absorbed as regular budgetary items. The replacement fund is to be  
7 capitalized by contributions from the members served by the facilities based on each member's  
8 projected usage of the facilities.

9 II. The fund shall *be capitalized at an amount* equal to 5 percent *of the value* of the  
10 equipment and other depreciable assets of the treatment facilities. The value of the equipment and  
11 other depreciable assets shall be computed every 5 years, beginning in 1990, and shall be based on  
12 current replacement costs.

13 III. Each member's share of the total fund *capital* shall be contributed over a period of 10  
14 years after the initial establishment of the fund and shall be paid as a yearly surcharge to the  
15 member's operating charges. Thereafter, each member's surcharge shall be prorated as membership  
16 and design changes require.

17 IV. Once a member has fully funded its share of the replacement fund *capital*, the member  
18 shall make no further contributions until the fund is utilized for repair or replacement of a facility  
19 used by that member *or the asset valuation increases such that the fund capitalization*  
20 *increases as established in paragraphs II and III.* [~~Expenses for which the fund is used shall~~  
21 ~~be proportionally charged against each member's contributions to the fund for the facilities utilizing~~  
22 ~~the fund, which will subsequently be reimbursed by the member in successive years in addition to~~  
23 ~~the member's yearly contribution to the fund, until the member's share of the fund is fully restored.]  
24 *Following any expenditure from the fund, 50 percent of the expenditure shall be*  
25 *replenished by contributions from those members that utilize the facilities receiving*  
26 *funding based on each member's proportional usages of said facilities, and 50 percent of*  
27 *the expenditure shall be shared among all members using their respective percentage*  
28 *assessment for replacement fund contributions pursuant to paragraph III. The*  
29 *expenditures shall be reimbursed by the members over a 10-year period in addition to the*  
30 *members yearly contribution to the fund until the member's share of the fund is fully*  
31 *restored.*~~

HB 1339 - AS INTRODUCED

- Page 2 -

1 V. If a repair or replacement cost exceeds the value of the fund established for that  
2 particular facility, the repair cost shall be paid out of the portion of the fund established for other  
3 facilities, [but reimbursement to the fund shall always be assessed back to members based on their  
4 projected usage of the facilities needing repair] *however, reimbursement to the fund shall*  
5 *always be assessed back to members in accordance with the apportionment set forth in*  
6 *paragraph IV.*

7 VI. As new facilities, if any, are added to the system, additional assessments shall be made  
8 to the members benefiting from these facilities, prorated on the basis of projected use.

9 VII. If a new member joins the system, the assessments shall be modified to reflect the new  
10 member's *proportional* benefit from the facilities, and excess prior payments made by other  
11 members, if any, shall be credited to their accounts.

12 VIII. All contracts paid for using the fund shall be submitted to the governor and council for  
13 approval.

14 IX. This nonlapsing, revolving special purpose fund is continually appropriated to be used by  
15 the department in accordance with this subdivision. All moneys shall be deposited with the state  
16 treasurer who shall keep this money in a separate fund, notwithstanding RSA 6:12. The state  
17 treasurer shall invest the moneys deposited with him as provided by law. Interest received on  
18 investments made by the state treasurer shall also be credited to the fund. All such interest shall be  
19 added to each member's share of the fund based on each member's contribution to it.

20 2 Effective Date. This act shall take effect 60 days after its passage.