CHAPTER 105 SB 87 - FINAL VERSION

03/11/2021 0584s

2021 SESSION

21-0870 11/10

SENATE BILL 87

AN ACT adopting omnibus legislation relative to municipal finance.

SPONSORS: Sen. Birdsell, Dist 19

COMMITTEE: Election Law and Municipal Affairs

AMENDED ANALYSIS

This bill adopts legislation relative to:

I. The expenditure of water funds.

II. Uncollectible financial remittances to municipalities.

III. The use of capital reserve funds.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

21-0870 11/10

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT adopting omnibus legislation relative to municipal finance.

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

1	105:1 Sponsorship. This act consists of the following proposed legislation:
2	Part I. LSR 21-0870, relative to the expenditure of water funds, sponsored by Sen. Birdsell,
3	Prime/Dist. 19.
4	Part II. LSR 21-0958, relative to uncollectible financial remittances to municipalities,
5	sponsored by Sen. Carson, Prime/Dist. 14.
6	Part III. LSR 21-0983, relative to the use of capital reserve funds, sponsored by Sen.
7	Bradley, Prime/Dist. 3.
8	105:2 Legislation Enacted. The general court hereby enacts the following legislation:
9	PART I
10	Relative to the Expenditure of Water Funds.
11	1 New Paragraph; Water Funds. Amend RSA 38:29 by inserting after paragraph I the
12	following new paragraph:
13	I-a. The funds received from the collection of water wheeling charges, below the threshold
14	for regulation by the public utilities commission, derived from intermunicipal agreements, by
15	municipalities governed under RSA 49-D:3, I shall be dedicated to the maintenance and upkeep of
16	the portions of the water system necessary to fulfill the intermunicipal agreement. In no case shall
17	less than 50 percent of the funds received be expended for this purpose and pursuant to RSA 38:28.
18	Upon the approval of the legislative body of the municipality, any remaining funds may be expended
19	for the following purposes:
20	(a) Pursuant to RSA 38:28.
21	(b) For the acquisition, construction, payment of the interest on any debt incurred,
22	management, maintenance, operation, and repair of sewer systems, or construction, enlargement, or
23	improvement of such systems.
24	(c) Capital reserve funds of the water or sewer system.
25	(d) For the expansion or replacement of natural gas lines or systems, by a municipal gas
26	system or gas provider regulated by the public utilities commission.
27	(e) For the purposes set forth in RSA 162-G:4.
28	(f) For the purposes set forth in RSA 162-K:6, III and RSA 162-K:8.
29	2 Effective Date. Part I of this act shall take effect 60 days after its passage.
30	PART II

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1	Relative to Uncollectible Financial Remittances to Municipalities.
2	1 Collection of Taxes; Uncollectible Remittances. Amend RSA 80:56 to read as follows:
3	80:56 Uncollectible [Cheeks] Remittances. Whenever any [cheek] remittance, whether by
4	check or electronic means, issued to a city or town for the payment of taxes, permit fees, licenses,
5	special assessments, water or sewer bills, for any combination of these or for any other municipal
6	services is returned to the city or town official as uncollectible, the city or town shall charge a fee of
7	\$25 plus all protest, bank, and legal fees in addition to the amount of said [eheek] remittance to the
8	person who [issued] made such [eheek] remittance to cover the cost of collecting the debt that the
9	[eheek] remittance was [issued] to pay. The \$25 fee together with any protest or legal fees collected
10	shall be for the use of the city or town.
11	2 Effective Date. Part II of this act shall take effect 60 days after its passage.
12	PART III
13	Relative to the Use of Capital Reserve Funds.
14	1 Capital Reserve Funds; Expenditures; Lease/Purchase Agreements. Amend RSA 35:15, III to
15	read as follows:
16	III.(a) Notwithstanding the prohibition of debt retirement fund establishment in RSA 33:2,
17	capital reserve funds may be used for multiple payments under a financing agreement for the
18	purpose for which the capital reserve was established, including a lease/purchase agreement. [H
19	the financing agreement is a lease/purchase agreement the following shall apply:
20	(1) The lease/purchase agreement does not contain an "escape clause" or "non-
21	appropriation clause"; and
22	(2) The lease/purchase agreement has been ratified by the legislative body by a vote
23	by ballot of 2/3 of all the voters present and voting at an annual or special meeting.]
24	(b) If agents have been named according to RSA 35:15, then no further vote is required
25	to disburse funds following the initial vote which ratified the financing agreement.
	2 Effective Date. Part III of this act shall take effect 60 days after its passage.
	Approved: July 01, 2021 Effective Date:
	Part I shall take effect August 30, 2021

Part II shall take effect August 30, 2021 Part III shall take effect August 30, 2021