30Mar2011... 1226h

2011 SESSION

11-1086 09/01

HOUSE BILL **2-FN-A-LOCAL**

AN ACT relative to state fees, funds, revenues, and expenditures.

SPONSORS: Rep. Weyler, Rock 8

COMMITTEE: Finance

AMENDED ANALYSIS

- 1. Funds meals and rooms distributions to cities and towns for the biennium ending June 30, 2013 at no more than the fiscal year 2011 level of distribution.
 - 2. Repeals RSA 31-A, relating to revenue sharing with cities and towns.
- 3. Requires a portion of funds received for the recording surcharge assessed by registers of deeds to be deposited each year of the biennium in the land and community heritage investment program administrative fund with the remainder being deposited in the general fund.
- 4. Provides that no school building aid or alternative school building aid grants shall be made to school districts for projects approved on or after June 30, 2011 through June 30, 2013, and provides a waiver of the suspension of school building aid.
- 5. Limits the uses of funds held in the driver training fund, eliminates payment to secondary schools and districts, and removes responsibility of the department of education for driver education.
- 6. Requires the workers' compensation administration fund to fund all costs of the administration of workers' compensation under RSA 281-A.
- 7. Requires the commissioner of the department of health and human services to submit a Medicaid state plan amendment to suspend direct and indirect graduate medical education payments to hospitals for the biennium ending June 30, 2013.
- 8. Authorizes the commissioner of the department of health and human services to fill unfunded positions during the biennium ending June 30, 2013 under certain circumstances.
 - 9. Repeals the catastrophic illness program.
- 10. Suspends funding for catastrophic aid payments to hospitals for the biennium ending June 30, 2013.
- 11. Requires the commissioners of the departments of health and human services and revenue administration to renew their memorandum of understanding for the biennium ending June 30, 2013 for the purpose of determining and reviewing eligibility for medical assistance and Temporary Assistance to Needy Families.
- 12. Provides that the department of health and human services shall not change program eligibility standards without fiscal committee approval unless such changes are required by federal law and allows the department to transfer funds within and among accounting units.
 - 13. Amends the statute governing eligibility for mental health services.

- 14. Requires the commissioner of the department of health and human services to provide services only to those children who have a serious emotional disturbance and who have interagency involvement.
- 15. Requires that for the biennium ending June 30, 2013, any person receiving adult mental health services who fails to demonstrate the functional impairments as described in department of health and human services rule He-M 401 for 4 consecutive weeks shall be discharged from services.
- 16. Requires the commissioner of the department of health and human services to reduce the annual Medicaid payment limit for persons who do not have a severe mental disability for the biennium ending June 30, 2013.
- 17. Modifies the provisions for county reimbursements for nursing home services through state fiscal year 2014.
- 18. Requires the department of health and human services to apply for a waiver to deliver and pay for Medicaid services to Medicaid-eligible persons with severe mental disabilities through a prepaid health plan.
- 19. Provides that the rate for services, placements, and programs paid for by the department for delinquent children, child protection act, and children in need of services are to be maintained at the rates in effect on June 30, 2011.
- 20. Requires the commissioner of the department of health and human services to notify the commissioner of the department of administrative services regarding transfers or reassigned personnel.
- 21. Requires the commissioners of the departments of safety and health and human services to negotiate a reduced fee for performing certain state criminal records checks.
 - 22. Repeals the prevention programs for juveniles and incentive grants for such programs.
- 23. Requires the department of health and human services to contract with a certain community mental health program to provide all Medicaid services to Medicaid-eligible persons with severe mental disabilities in region 6.
- 24. Allows the department of health and human services to use a new assessment tool to determine eligibility for nursing facility care even if such tool is not reviewed by the county-state finance committee or the oversight committee on health and human services.
- 25. Requires the department of health and human services to raise the income eligibility for elderly and adult clients under the Social Services Block Grant program every January, by the percentage amount of the cost of living increase in social security benefits on a yearly basis.
- 26. Establishes 2 temporary special funds in the state treasurer's office to receive and temporarily hold funds for certain New Hampshire hospital programs.
- 27. Suspends the funding for the developmental services waitlist for the biennium ending June 30, 2013.
- 28. Modifies the allocation and use of the moneys in the uncompensated care fund for the biennium ending June 30, 2013.
- 29. Directs the commissioner of the department of health and human services to pursue certain consolidation initiatives to achieve general fund appropriations reductions in fiscal years 2012 and

2013 and to report the progress of such efforts to the committees of the house and senate with jurisdiction over health and human services and finance issues.

- 30. Requires the commissioner of the department of health and human services to submit a state plan amendment to administer the children's health insurance program.
- 31. Allows the commissioner of the department of health and human services to recover for medical assistance for a spouse of an individual or a parent if an individual is under the age of 21.
- 32. Clarifies the liability of expenses payable by the department of health and human services under the child protection act.
- 33. Establishes that for the biennium ending June 30, 2013, a portion of the nursing facility assessment and intermediate care facility assessment shall be used for purposes of long-term care services provided by the state.
- 34. Authorizes the commissioner of the department of transportation to enter into agreements to lease-purchase vehicles and equipment.
 - 35. Appropriates federal emergency assistance grants to the department of transportation.
- 36. Establishes the department of labor restricted fund to fund operations of the department of labor from fees, licenses, certificates, and civil penalties.
- 37. Eliminates the special fund for payment of mediators and guardians ad litem in cases where parents are indigent. Requires mediator fees to be paid from the mediation and arbitration fund when both parties are indigent and requires the supreme court to determine by rule a percentage amount of the entry fee for each petition in domestic relations cases to be deposited into the mediation and arbitration fund to pay mediator fees when both parties are indigent.
- 38. Extends the commission to inventory state assets, enterprises, and resources and to make recommendations as to those that may be monetized by sale or lease and extends an appropriation to the commission.
- 39. Requires that proceeds from the sale of the lakes region facility property be deposited into the general fund.
 - 40. Suspends bumping rights.
- 41. Makes an appropriation for selecting and retaining an independent business processing consultant.
- 42. Makes an appropriation to the McAuliffe-Shepard discovery center for the purpose of supporting the transition of the discovery center to a fiscally self-sufficient entity.
 - 43. Repeals the tax on gambling winnings.
- 44. Authorizes the lottery commission to use monetary incentives to promote increased sales and compensate lottery sales representatives based upon performance.
 - 45. Modifies lottery sales commission rates.
 - 46. Authorizes monetary incentives to liquor commission employees.
- 47. Suspends the deposit of liquor revenues in the alcohol abuse prevention and treatment fund for the biennium ending June 30, 2013.

- 48. Transfers the water quality laboratory services from the department of environmental services to the department of health and human services.
- 49. Adds the board of accountancy, the real estate appraiser board, and the board of manufactured housing to the joint board of licensure and certification.
- 50. Suspends the statutory limitation on highway funds allocated to the department of safety for the biennium ending June 30, 2013.
- 51. Revises the duties of the office of energy and planning by removing certain program responsibilities, including the coordination of federal funds, economic development reporting requirements, the water protection assistance program, housing and conservation planning, the high-level radioactive waste act, and land use board member training.
- 52. Requires municipal zoning and ordinance documents, including amendments, to be filed with the office of energy and planning and authorizes the office to gather such information from municipalities in order to generate publicly available lists and surveys.
- 53. Permits the parole board to impose an extended term of recommittal for certain high risk offenders and those offenders convicted of a felonious sexual offense.
- 54. Requires the department of corrections to place a prisoner who is paroled from a sentence for a sexual offense or an offense against a child on intensive supervision.
- 55. Transfers the balance of the New Hampshire excellence in higher education endowment trust fund in part to the university system of New Hampshire and in part to the community college system of New Hampshire.
- 56. Repeals the postsecondary education commission and transfers all powers, duties, and programs to the department of education.
- 57. Transfers authority over regulation of private postsecondary career schools from the postsecondary education commission to the department of education.
- 58. Establishes a total appropriation for the fiscal years ending June 30, 2012 and June 30, 2013 for Virtual Learning Academy Charter School students regardless of enrollment and establishes a limitation on total state expenditures for chartered public schools.
- 59.(a) Determines the per pupil cost of the opportunity for an adequate education which includes aid distributed to schools based on the number of pupils eligible to receive special education, or eligible for a free or reduced-price lunch, or who are English language learners.
- (b) Provides fiscal capacity disparity aid, in addition to aid for the cost of the opportunity for an adequate education, based on a municipality's equalized valuation, including utilities, per pupil and median family income.
- (c) Provides that for the biennium ending June 30, 2013, no municipality shall receive a total education grant in a fiscal year which is greater than the total education grant received in the 2011 fiscal year.
- (d) Provides that a municipality which is scheduled to receive a total education grant in a fiscal year which is less than the grant such municipality received in the 2011 fiscal year shall receive an additional grant from the education trust fund in an amount equal to 100 percent of the amount of the decrease.

- (e) Repeals the statutory provisions requiring that excess education tax payments be remitted to the department of revenue administration thereby permitting municipalities to retain any excess education tax revenues.
- (f) Establishes a joint legislative oversight committee on accountability for an adequate education.
- 60. Provides that the state shall pay the greater of \$5,450 or the sum of \$2,000 plus the amount calculated under RSA 198:40-a to chartered public school pupils.
- 61. Authorizes a school district to hold a special meeting in response to anticipated reductions or increases in state aid for education pursuant to RSA 198:41.
- 62. Authorizes that any funds from the federal Education Jobs program not expended by a school district during the 2011 fiscal year shall be carried over for use in the school district's 2012 fiscal year.
- 63. Changes the renewal of licenses of veterinarians by the board of veterinary medicine to be biennial rather than annual.
 - 64. Makes various changes to the state retirement system including:
- (a) Increasing retirement ages of group I and group II members for service retirement, disability retirement, vested deferred retirement, and split benefits.
- (b) Changing the definitions of earnable compensation and average final compensation used in calculating retirement benefits.
 - (c) Changing the composition of the board of trustees.
 - (d) Eliminating the special account.
 - (e) Eliminating the retirement system funding of medical benefits premium payments.
 - (f) Increasing contribution rates.
 - (g) Establishing a voluntary defined contribution plan administered by the board of trustees.
 - (h) Prohibiting a member in service from concurrently receiving benefits.

circulation.

- 65. Provides statutory construction for certain terms relating to publication for statewide circulation.
- 66. Authorizes the department of transportation to acquire and develop land for use as a turnpike service plaza in the town of Hampton on I-95.
- 67. Authorizes the liquor commission to sell or develop land for the purpose of constructing, operating, and maintaining a turnpike service area in the town of Hampton on I-95.
- 68. Requires the department of resources and economic development to construct, maintain, repair, and staff rest areas and welcome centers along the state's highways.
- 69. Establishes a bureau of visitor service in the department of resources and economic development.

- 70. Modifies the amount of reimbursement paid to towns and cities for land acquired by the United States for flood control.
- 71. Removes the responsibility for the administration and enforcement of the timber tax and the excavation tax from the department of revenue administration and transfers the enforcement authority for the excavation tax to local assessing officials and for the timber tax to the department of resources and economic development. The bill also repeals the administration and enforcement fee for filing a notice of intent to excavate.
- 72. Adds certain functions of the equalization standards board to the functions of the assessing standards board.
- 73. Requires a review of health care facility needs in New Hampshire by the department of health and human services, the insurance department, and the health services planning and review board.
- 74. Modifies the percentage of the penalty assessment designated to the police standards and training council training fund.
- 75. Requires the governor to implement a plan to reduce total appropriations for compensation and benefits.
- 76. Allows for transfers of federal grant funds between class codes and to newly created class codes and permits certain budgeted federal grant appropriation balances from one state fiscal year to be carried over to the following fiscal years subject to the approval of the commissioner of administrative services.
 - 77. Establishes hiring priority for laid off state employees.
- 78. Continues executive orders freezing executive branch hiring, out-of-state travel, and purchases.
- 79. Requires any budget surplus remaining at the end of fiscal year 2011 to remain in the general fund.
- 80. Prohibits the department of information technology from discontinuing technical support services to any executive branch agency.
- 81. Allows departments, agencies, and branches to transfer moneys from any class line, except for personnel and benefit class lines, within their approved budgets to class line 027 to fund information technology related projects which would not otherwise be funded.
- 82. Authorizes the department of information technology to transfer funds within and among its accounting units, subject to the approval of the fiscal committee of the general court.
- 83. Abolishes the department of cultural resources, transferring the division of libraries and the division of historical resources to the department of state, and transferring the New Hampshire film and television commission to the department of resources and economic development.
- 84. Allows the annual contribution for unfunded accrued liability of the judicial retirement plan to be calculated over a 30-year period or the maximum period allowed, whichever is less and requires recalculation of the employer contribution rate for the biennium ending June 30, 2013.
- 85. Prohibits the department of justice from expending any funds appropriated for the biennium ending June 30, 2013 for the purpose of legal action against the general court.
 - 86. Requires the department of justice to retain outside counsel whose business office is located

in New Hampshire.

- 87. Requires regulatory boards and commissions whose fees are 125 percent of operating expenses to reimburse the department of justice for counsel or assistance services rendered by the department of justice.
- 88. States the intent of the general court that the department of environmental services continue to perform all of its assigned functions and responsibilities to protect public health and promote public safety within its biennial appropriations.
- 89. Requires transfers from the special fund for the improvement and automation of vital records at the state and local levels, also known as the vital records improvement fund, to the general fund.
- 90. Eliminates the position of director of economic development within the department of resources and economic development and transfers all powers, duties, and responsibilities to the commissioner of the department of resources and economic development.
- 91. Suspends distribution of a portion of the rooms and meals tax to the division of travel and tourism development for the biennium ending June 30, 2013.
- 92. Requires the department of cultural resources to review federal program guidelines for certain programs and seek to amend its 5-year plan to use such money for other purposes.
- 93. Requires the judicial branch to continue to operate the Claremont, Colebrook, Milford, Plaistow, and Keene District Courts in fiscal years 2012 and 2013 within its operating budget.
- 94. Repeals New Hampshire's regional greenhouse gas initiative cap and trade program for controlling carbon dioxide emissions and also clarifies how the moneys in the greenhouse gas emissions reduction fund may be used.
- 95. Eliminates the position of director of economic development within the department of resources and economic development and transfers all powers, duties, and responsibilities to the commissioner of the department of resources and economic development.
 - 96. Establishes a special legislative account.
- 97. Sets the annual salary of the registers of probate at \$100 per year, contingent upon the passage of HB 609-FN of the 2011 legislative session.
- 98. Provides that the payment by the state of the premium for the medical benefit for state retirees, their spouses, and dependents shall be subject to a limit on total state general fund cost.
- 99. Suspends until fiscal year 2014 any increase in the medical benefit subsidy paid to eligible retirees in the retirement system.
 - 100. Limits judicial appointments to June 30, 2011 levels.
- 101. Requires that any balance remaining in the navigation safety fund at the close of each fiscal year lapse to the general fund.
 - 102. Credits fines paid by mail to the division of motor vehicles to the general fund.
- 103. Limits the rulemaking authority of state agencies to establish or increase fees, or establish or modify an agency program or responsibility in a manner that increases costs to persons affected by the rule.

- 104. Transfers regulation of carnival and amusement rides from the division of safety services to the division of fire safety.
- 105. Requires the state board of education to review all administrative rules related to special education or special education and related services to ensure such rules only require minimum compliance with the federal Individuals with Disabilities Education Act.
- 106. Requires the fish and game department to develop a plan for implementation of a sustainable funding source for its search and rescue operations.
- 107. Provides that all penalty assessments imposed under the drug-free school zone statute shall be deposited in the general fund. The bill also repeals the drug-free school zone sign fund.
 - 108. Modifies appropriation language for statewide special education programs.
- 109. Requires the development of a plan to transfer collection of aviation registration fees from the department of transportation to the department of safety.
- 110. Repeals the requirement that the department of education select and contract with an independent organization to provide recommendations for special education program evaluation.
- 111. Establishes a committee to study the relationship between the department of education and the local education authorities to identify potential cost-saving changes to the relationship.
- 112. Transfers the marine patrol bureau from the division of safety services, department of safety, to the division of state police.
 - 113. Deletes the state match for donations to the fish and game nongame species account.
- 114. Reduces the license fees for taking, possessing, or transporting finfish from coastal or estuarine waters.
- 115. Establishes certain divisions within the fish and game department for the biennium ending June 30, 2013.
- 116. Establishes a committee to study funding options for the police standards and training council and the department of safety, division of fire standards and training and emergency medical services, including the option of charging attendees an amount for tuition.
- 117. Requires fines for fish and game violations to be remitted to the state treasurer for deposit in the general fund.
 - 118. Eliminates the division of safety services in the department of safety.
- 119. Creates a committee to study the usage of contractors to perform certain duties performed by the department of transportation in order to save highway funds.
- 120. Suspends reimbursements to the foster grandparent program through the senior volunteer grant program.
 - 121. Repeals RSA 169-D, relative to children in need of services (CHINS).
- 122. Requires the commissioner of health and human services to report on coverage options for certain recipients of healthy kids corporation benefits.
 - 123. Repeals the chapter relative to discretionary adoption subsidies for hard to place children.

- 124. Removes the discretion of the commissioner of the department of health and human services to transfer cases between the employment program and assistance program for 2-parent families in order to meet federal work participation funding requirements.
- 125. Removes the commissioner's authority to operate an emergency assistance program to aid families with dependent children.
- 126. Prohibits persons fleeing to avoid criminal prosecution from receiving public assistance benefits.
- 127. Modifies eligibility for cash assistance for purposes of aid to the permanently and totally disabled.
- 128. Requires certain funds from drug rebates to be deposited in a separate account for the department of health and human services to expend for pharmacy services.
- 129. Clarifies the duty and authority of the commissioner of health and human services for the Medicaid hospital outpatient reimbursement methodology.
- 130. Requires the commissioner of the department of health and human services to transfer and incorporate the administrative unit responsible for the provision of substance abuse services into the bureau of behavioral health.
- 131. Prohibits use of state or federal appropriations for contracts with the Dartmouth Psychiatric Research Center or the Behavioral Health Policy Institute.
- 132. Suspends the position of medical director within the department of health and human services for the biennium ending June 30, 2013.
 - 133. Suspends RSA 126-G, relative to family support services.
- 134. Prohibits the department of health and human service from allocating state general funds to support ServiceLink Resource Centers for the biennium ending June 30, 2013.
- 135. Suspends funding for the Alzheimer's disease and related disorders (ADRD) program through June 30, 2013.
 - 136. Suspends congregate housing and congregate services.
- 137. Authorizes the department of health and human services to reimburse the parent of a child who is medically fragile or has a chronic illness for home health aide services provided by the parent. The program is a 3-year pilot program.
- 138. Allows the office of reimbursements, department of health and human services, to file liens to recover moneys owed for services rendered by the New Hampshire hospital, Glencliff home, and certain other institutions.
- 139. Requires a petitioner in any petition for spousal support who is a recipient of medical assistance under the state Medicaid program to serve the department of health and human services with a copy of the petition. This bill also allows a guardian to allocate income to a ward's estate.
- 140. Prohibits appropriations in the family planning accounting unit to be used to fund abortions.
- 141. Suspends local aid to assisted persons for the biennium ending June 30, 2013 and requires towns to maintain spending for aid to assisted persons at current level unless demand for or cost of aid decreases.

- 142. Removes the commissioner of the department of health and human services and the commissioner of the department of education from the healthy kids board.
- 143. Requires the commissioner of the department of health and human services to issue a 5-year request for proposal to enter into a contract with a vendor or vendors of a managed care model after consultation with the fiscal committee of the general court to provide for managed care services to the Medicaid population. The commissioner, in consultation with the fiscal committee of the general court, is granted rulemaking authority.
- 144. Freezes the number of unclassified, non-classified, and labor grade 30 or above classified positions for the biennium ending June 30, 2013 and requires certain departments to eliminate 5 percent of such positions.
 - 145. Requires a waiver from the governor and council for reclassification of a classified position.
- 146. Repeals the renewal fee for an operator license for collection of meals and rooms taxes, and the waiver provisions therefor.
 - 147. Reduces fees for licenses to sell animals or birds customarily used as household pets.
 - 148. Reduces the filing fees under the condominium act and the land sales full disclosure act.
 - 149. Deletes the general fund designation for a portion of the marriage license fee.
- 150. Provides that, upon expiration of a collective bargaining agreement, parties subject to the agreement shall become at-will employees whose salaries, benefits, and terms and conditions of employment shall be at the discretion of the employer.
- 151. States the intent of the house of representatives to consider and support 4 bills laid on the table by the house if state revenues exceed the adopted revenue estimates with any additional state revenue realized beyond the supported reductions to be deposited in the rainy day fund.
- 152. Repeals the law regarding coverage for services and items covered under the medical assistance program.

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.

30Mar2011... 1226h

11-1086 09/01

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Eleven

AN ACT relative to state fees, funds, revenues, and expenditures.

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

- 1 Meals and Rooms Tax; Distribution to Cities and Towns. Notwithstanding any other provision of law, for each fiscal year of the biennium ending June 30, 2013, the state treasurer shall fund the distribution of revenue to cities and towns pursuant to the formula for determining the amount of revenue returnable to cities and towns under RSA 78-A:26, I and II at no more than the fiscal year 2011 distribution.
- 2 Repeal of Revenue Sharing. RSA 31-A, relative to the distribution of revenue to cities and towns, is repealed.
 - 3 Reference to Revenue Sharing Removed. Amend RSA 31:94-d to read as follows:
- 31:94-d Debt During Transition Period. Towns, cities, and counties which have adopted the provisions of RSA 31:94-a may incur debt under the provisions of RSA 33 in an amount not to exceed 1/3 of all taxes assessed on April 1 of the year following adoption of RSA 31:94-a, excluding payments upon outstanding debts, said debt to be discharged in not more than 20 years. For the purposes of this section, taxes assessed shall include all taxes reimbursed to the town, city or county [in accordance with the provisions of RSA 31-A]. Debt incurred pursuant to this section shall not be included in the debt limit of the town, city or county, and the funds borrowed pursuant to this section shall be used only to defray additional costs that result from the adoption of an 18 month transitional accounting period.
- 4 Repeal. School Portion of Revenue Sharing; Education Trust Fund. RSA 198:39, I(j) relative to inclusion of the school portion of any revenue sharing funds distributed pursuant to RSA 31-A:4, is repealed.
- 5 Recording Surcharge. Notwithstanding the provisions of RSA 478:17-g, II(c), for the fiscal year ending June 30, 2012 an amount of \$120,000, and for the fiscal year ending June 30, 2013 an amount of \$120,000, received from the recording surcharge assessed by registrars of deeds under RSA 478:17-g, II(a) shall be deposited in the land and community heritage investment program administrative fund under RSA 227-M:7-a, and the remainder of funds received for the surcharge shall be credited to the general fund.
 - 6 School Building Aid; Alternative School Building Aid.
- I. Notwithstanding RSA 198:15-a through RSA 198:15-hh and RSA 198:15-u through RSA 198:15-w, and notwithstanding the school building aid funding provisions of 2009, 144:11, the

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 2 -

commissioner of the department of education shall issue no school building aid or alternative school building aid for any project approved on or after June 30, 2011 through June 30, 2013.

- II.(a) The commissioner of the department of education, upon recommendation of the state fire marshal, may grant a waiver to the suspension of school building aid under paragraph I if the state fire marshal or designee determines, based on reasonable information and belief, that:
- (1) The condition of such school building or portion thereof constitutes a clear and imminent danger to the life or safety of occupants or other persons, and requires remediation prior to July 1, 2013; or
- (2) A structural deficiency in the function or operation of a school building or portion thereof presents a substantial risk to the life or safety of the occupants or other persons, and is more than a technical violation of the fire code, and requires remediation prior to July 1, 2013.
- (b) Any school building aid provided under a waiver granted pursuant to this paragraph shall be limited to the costs associated with the remediation of the conditions or structural deficiencies set forth in this paragraph.
- III. Paragraph I of this section shall not apply to the Unity School District for the project approved by the town at a special meeting held on August 23, 2010.
 - 7 Driver Training Fund. Amend RSA 263:52 to read as follows: 263:52 Driver Training Fund.

 2

- I. The proceeds from original license fees as provided in RSA 263:42 and the vanity plate service fee collected in accordance with RSA 261:89, plus the fee for the renewal of the use of such plates, after costs of such plates or designation of effective periods thereof and issuance of same have been appropriated and deducted, shall be expended [solely] for [courses of instruction and training im] course materials, licensing of schools, and certification of instructors in connection with safe motor vehicle driving conducted in or under the supervision of secondary schools. [After all costs of administration of the program each year of the biennium have been reserved, the balance which is appropriated to the driver training program shall be paid to the state treasurer by June 30 of each year.] Such balance shall be kept in a separate fund. [which shall be paid out on or before September 15 of each year to participating schools prorated on a per pupil basis for those who have completed the driver education program. Subject to final approval by the governor and council.] The commissioner of safety [jointly with the commissioner of education] shall adopt, pursuant to RSA 541-A, and publish, rules governing the courses of instruction and training [and determining eligibility of secondary schools to receive moneys from the fund established by this section].
- II. The \$40 vanity plate service fee and the fee for renewal of vanity number plates shall automatically be credited to the driver training fund until all fees in such fund equal the amount of money estimated by the general court as available for expenditure for [the] course materials, licensing of schools, and certification services in connection with driver training [program] from that fund for that fiscal year[, which shall include \$150 for each pupil who has completed the

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 3 -

- driver education program]. Once the driver training course materials, licensing of schools, and certification services have been funded in accordance with the legislative estimates [have been matched] for the current fiscal year, the next 1.5 million dollars shall be transferred to the department of safety as restricted revenue, thereafter the balance of all such fees shall be transferred to the general fund and shall be available as unrestricted revenue.
 - 8 Driver Training; Rulemaking Authority; Commissioner of Safety. Amend RSA 21-P:14, I to read as follows:
 - I. The commissioner of safety shall [act jointly with the commissioner of education to] develop and adopt rules, under RSA 541-A, relating to driver education courses to be given in the secondary schools of the state and motor vehicle drivers' schools licensed under the provisions of RSA 263:44, and relating to the licensing of the schools and of their teachers and instructors, which rules shall cover the subjects of:
 - (a) Facilities and equipment.

 $\frac{20}{21}$

- (b) The educational background and other qualifications of teachers and instructors.
- (c) Curriculum and hours during which instruction may be given.
- (d) Amounts of insurance with respect to training vehicles and other facilities of the school, which may be in addition to any other insurance coverage required by law.
 - (e) Payments to secondary schools or districts.
- (f)] Admission and advertising practices, together with terms of enrollment, of schools licensed under the provisions of RSA 263:44.
- [(g)] (f) Uniform classifications for certification of driver education instructors, including the same types of certification levels and the same qualifications required for each level for both private and public school instructors, and a system of fees for certification.
- [(h)] (g) Any other subject which in the judgment of the [commissioners] commissioner requires rulemaking to promote the effectiveness of driver education courses.
- 9 Repeal. RSA 21-N:6, VI, relative to administering department responsibilities for driver education, is repealed.
 - 10 Workers' Compensation; Administration Fund. Amend RSA 281-A:59, III to read as follows:
- III. Each insurance carrier and self-insurer, including the state, shall make payments to the fund of its pro rata share of one fiscal year's costs to be appropriated out of the fund. The governor is authorized to draw a warrant for any sum payable by the state under this paragraph out of any money in the treasury not otherwise appropriated. The pro rata share shall be computed on the basis which the total workers' compensation benefits, including medical benefits, paid by each insurance carrier and self-insurer bore to the total workers' compensation benefits, including medical benefits, paid by all insurance carriers and self-insurers in the fiscal year ending in the preceding calendar year; provided, however, that no insurance carrier or self-insurer shall pay an assessment of less than \$100. The commissioner shall assess each insurance carrier and self-insurer as soon as

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 4 -

possible after July 1 of each year. Total assessments shall not exceed the amount appropriated for the fund, which shall include the budget of the workers' compensation division of the department of labor for the fiscal year in which the assessment is made and all other costs of administering this chapter. The balance in the fund at the beginning of the new fiscal year shall proportionately reduce the assessments under this section. The commissioner shall have the authority to adopt rules, pursuant to RSA 541-A, relative to the manner in which such payments are to be made.

- 11 Department of Health and Human Services; Direct Graduate Medical Education; Suspension. Notwithstanding 2010S, 1:40, the commissioner of the department of health and human services shall submit a Title XIX Medicaid state plan amendment to the federal Centers for Medicare and Medicaid Services to suspend the provision of direct graduate medical education payments to hospitals as contemplated at 42 U.S.C. section 1396a(a)(30)(A) effective July 1, 2011 through June 30, 2013. Upon approval of the state plan amendment, and as of the effective date of the state plan amendment, any obligations for payment of direct graduate medical education shall be suspended for the biennium ending June 30, 2013.
- Department of Health and Human Services; Indirect Graduate Medical Education; Suspension. Notwithstanding 2010S, 1:83, the commissioner of the department of health and human services shall submit a Title XIX Medicaid state plan amendment to the federal Centers for Medicare and Medicaid Services to suspend the provision of indirect graduate medical education payments to hospitals effective July 1, 2011 through June 30, 2013. Upon approval of the state plan amendment, and as of the effective date of the state plan amendment, any obligations for payment of indirect graduate medical education shall be suspended for the biennium ending June 30, 2013.
- 13 Department of Health and Human Services; Authority to Fill Unfunded Positions. Notwithstanding any provision of law, the commissioner of the department of health and human services may fill unfunded positions during the biennium ending June 30, 2013, provided that the total expenditure for such positions shall not exceed the amount appropriated for personal services, permanent, and personal services, unclassified.
 - 14 Repeal. The following are repealed:

 2

- I. RSA 137-G, relative to the catastrophic illness program.
- II. RSA 6:12, I(b)(145), relative to application of receipts from the catastrophic illness fund.
- 15 Health and Human Services; Suspension of Catastrophic Aid Payment to Hospitals. Notwithstanding 2009, 144:160 and 2010S, 1:84, the commissioner of the department of health and human services shall submit a Title XIX Medicaid state plan amendment to the federal Centers for Medicare and Medicaid Services to suspend all catastrophic aid payments to hospitals effective July 1, 2011 through June 30, 2013.
- 16 Department of Health and Human Services; Department of Revenue Administration; Medical Assistance; Memorandum of Understanding.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 5 -

 2

- I. For the purpose of determining and reviewing eligibility for medical assistance pursuant to Titles XIX and XXI of the Social Security Act and eligibility for Temporary Assistance to Needy Families (TANF), the commissioner of the department of health and human services (DHHS) and the commissioner of the department of revenue administration (DRA) shall renew the existing memorandum of understanding for the period of July 1, 2011 through June 30, 2013 under which:
- (a) DHHS may supply DRA with the financial information of applicants for and recipients of Titles XIX or XXI medical assistance, or TANF.
- (b) DRA shall verify the accuracy of such financial information to the applicant or recipient and not to DHHS.
- (c) DRA shall notify DHHS that the verification has been provided to the applicant or recipient.
- (d) DHHS shall request the DRA verification be furnished to the DHHS by the applicant or recipient.
 - (e) DHHS shall comply with all applicable laws for timely case processing.
- II. Nothing in this arrangement shall be construed to change the protections of confidentiality provided to individuals and information relating to them under applicable laws, and DRA and DHHS each shall at all times maintain the confidential nature of the records in its possession.
- III. DHHS and DRA shall report annually to the fiscal committee of the general court on the benefits and costs of this program.
- 17 Department of Health and Human Services; Program Eligibility; Additional Revenues; Transfer Among Accounts.
- I. For the biennium ending June 30, 2013, the department of health and human services shall not authorize, without prior consultation with the house health and human services and elderly affairs committee and the senate health and human services committee and the approval of the fiscal committee of the general court and governor and council, any change to program eligibility standards or benefit levels that might be expected to increase or decrease enrollment in the program or increase expenditures from any source of funds; provided, however, that no such prior approval shall be required if a change to a federal program in which the state is participating as of the effective date of this section is required by federal law.
- II. Notwithstanding any provision of the law to the contrary, for the biennium ending June 30, 2013, the fiscal committee of the general court and the governor and council may authorize the commissioner of the department of health and human services to accept and expend additional revenues in excess of \$50,000, that are in addition to the budgeted amounts, from any source, which become available to the department; provided, that such expenditures do not increase eligibility standards or benefit levels.

HB 2-FN-A-LOCAL - AS AMENDED BY THE HOUSE - Page 6 -

1

 2

3

4

5 6

7

8

9

10

11

12

13

14

1516

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

III. Notwithstanding the provisions of RSA 9:17-a or any other provision of law to the contrary except RSA 9:17-c, and subject to the approval of the fiscal committee of the general court and governor and council, for the biennium ending June 30, 2013, the commissioner of the department of health and human services is hereby authorized to transfer funds within and among all accounting units within the department, as the commissioner deems necessary and appropriate to address present or projected budget deficits, or to respond to changes in federal laws, regulations, or programs, and otherwise as necessary for the efficient management of the department, with the exception of class 60 transfers.

18 New Hampshire Mental Health Services; Discrimination Prohibited. Amend RSA 135-C:13 to read as follows:

135-C:13 Discrimination Prohibited; Eligibility for Services. Every severely mentally disabled person shall be eligible for admission to the state mental health services system, and no such person shall be denied services because of race, color or religion, sex, or inability to pay. In the event that a person does not have the ability to pay, the agency responsible for providing services may conduct a clinical assessment and may prioritize services based on clinical needs. Emergency services may be provided as appropriate. [Eligible persons shall include formerly severely mentally disabled persons who without continued services would probably become severely mentally disabled again. Each client has a right to adequate and humane treatment provided in accordance with generally accepted clinical and professional standards. The treatment shall include such psychological, psychiatric, habilitative, rehabilitative, vocational and case management services which are necessary and appropriate to bring about an improvement, when possible, in the client's condition and which are available within the state mental health services system. If necessary services are not available, such service shall be documented through individual service plans. When services have been documented to be necessary but unavailable, each agency responsible for provision of such services shall notify the department of the need for them, and the department shall utilize such information for budgetary planning purposes. The treatment may include housing and such other services as the department may elect to provide to severely mentally disabled persons. Eligibility for services in the mental health system for persons under 21 years of age shall be determined after consideration of the services provided under RSA 186-C, RSA 169-B, RSA 169-C, RSA 169-D, or any other law. The commissioner shall adopt rules, pursuant to RSA 541-A, relative to the eligibility of severely mentally disabled persons to receive state services and the service guarantees for clients in the state system. Admission to the state mental health services system and access to treatment and other services within the system shall be contingent upon the availability of appropriations.

19 Department of Health and Human Services; Limitation on Services to Children. Notwithstanding any provision of law to the contrary and for the biennium ending June 30, 2013, the commissioner of the department of health and human services shall provide services only to

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 7 -

children who have a serious emotional disturbance and who have interagency involvement, including services provided by one or more of the following agencies: the department of education, the division of children, youth, and families, or the division of juvenile justice services.

- 20 Department of Health and Human Services; Discharge from Services. For the biennium ending June 30, 2013, any person receiving adult mental health services who fails to demonstrate the functional impairments as described in department of health and human services rule He-M 401 for a period of 4 consecutive weeks shall be discharged from services.
- 21 Department of Health and Human Services; Reduction of Annual Medicaid Payment Limit. The commissioner of the department of health and human services shall amend the state Medicaid plan to reduce the annual Medicaid payment limit for persons who do not have a severe mental disability from \$1,800 to \$300 effective July 1, 2011 through June 30, 2013.
- 22 County Payment of Funds for Persons Eligible to Receive Nursing Home Services; Limitation on County Payments. RSA 167:18-a, II is repealed and reenacted to read as follows:
- II.(a) The total billings to all counties made pursuant to this section shall not exceed the amounts set forth below for state fiscal years 2011-2014:
 - (1) State fiscal year 2011, \$105,000,000.
 - (2) State fiscal year 2012, \$105,000,000.
 - (3) State fiscal year 2013, \$107,000,000.
 - (4) State fiscal year 2014, \$109,000,000.

- (b) The caps on total billings for fiscal years after fiscal year 2014 shall be established by the legislature at least on a biennial basis.
- 23 New Subparagraph; County Payment of Funds for Persons Eligible to Receive Nursing Home Services; Additional Credit. Amend RSA 167:18-a, III by inserting after subparagraph (b) the following new subparagraph:
- (c) For the biennium ending June 30, 2013, the counties shall have an additional credit against the amounts due for long term care expenditures under RSA 167:18-a. The credit in the amount of \$2,498,000 for the fiscal year ending June 30, 2012 and \$2,547,000 for the fiscal year ending June 30, 2013 shall be in addition to the \$5,000,000 annual credit set forth in subparagraph (a). The additional credit shall be allocated among the counties based on the percentage of total payments each county had for the preceding fiscal year from the nursing facility trust fund under RSA 151-E:15 and shall be made available to the counties as soon as possible after the start of the fiscal year. The total aggregate obligation of the counties shall be reduced by the amount of the credit in each fiscal year.
- 24 Repeal of Prospective Repeal. 2007, 263:26, relative to the repeal of RSA 167:18-a, is repealed.
- 25 Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, 1915(b) Prepaid Health Plan. The department of health and human

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 8 -

services shall seek approval from the federal Centers for Medicare and Medicaid Services (CMS) for a 1915(b) waiver to deliver and pay for Medicaid services to Medicaid-eligible persons with severe mental disabilities through a prepaid health plan. Upon receipt of approval, the department shall promptly implement the prepaid health plan by entering into contracts with community mental health service providers, subject to approval by the governor and executive council.

 2

- 26 Department of Health and Human Services; Division for Children, Youth and Families. Notwithstanding any provision of law or administrative rule to the contrary, for the biennium ending June 30, 2013, the rates for all services, placements, and programs that are paid for by the department of health and human services pursuant to RSA 169-B:40, 169-C:27, 169-D:29, with the exception of rates for contracted services and for out of state placements, shall be the rate in effect for the particular service, placement, or program as of June 30, 2011.
- 27 Health and Human Services; General Provisions. Amend RSA 126-A:3, I(b) to read as follows:
 - (b) Transfer or reassign personnel within and between any division, office, unit, or other component of the department. Upon written notice to the commissioner of administrative services, such changes shall be reflected in the state's payroll and financial systems accounts.
 - 28 Department of Health and Human Services; Department of Safety Agreement Relative to Fee for State Criminal Record Check. Notwithstanding any provision of law to the contrary, the commissioner of the department of safety and the commissioner of the department of health and human services shall negotiate a reduced fee for performing a state criminal record check of department of health and human services employees, service providers, and licensed and license-exempt child day care providers.
 - 29 Repeal. RSA 170-G:4, XVI, relative to prevention programs for juveniles, is repealed.
 - 30 Prevention Programs for Juveniles; Reference Deletion. Amend RSA 169-D:17, I(e) to read as follows:
 - (e) Requiring any child to attend structured after-school or evening programs which address some of the child's compliance issues, as well as supervise the child during the time of the day in which the child most values his or her freedom and the time which is most often used to perform unruly acts. The cost of said programs shall be paid by private insurance, if available, or otherwise by the child, parent, guardian, or person having custody of the child, or may be available to the child free of charge based on the limited means of the family or based on the program's receipt of other funding[, including but not limited to funding distributed pursuant to RSA 170 G:4, XVI]. Payment shall be made pursuant to RSA 169-D:29 only for those programs that have been certified pursuant to RSA 170-G:4, XVIII.
 - 31 Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, Services in Region 6. The department of health and human services

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 9 -

shall contract with the community mental health program designated under He-M 403 to provide all Medicaid services to Medicaid-eligible persons with severe mental disabilities in region 6, with the exception of community residential services.

- 32 Repeal. RSA 151-E:3, III, relative to an assessment tool to determine clinical eligibility for nursing facility care, is repealed.
- 33 Health and Human Services; Social Services Block Grant Cost of Living Adjustment to Income Levels. Notwithstanding any other provision of law, the department of health and human services shall raise the income eligibility for elderly and adult clients under the Social Services Block Grant program every January, by the percentage amount of the cost of living increase in social security benefits on a yearly basis.
- 34 Treasury; Establishment of Revolving Funds for New Hampshire Hospital Accounting Units 05-95-94-940010-9064 and 05-95-94-940010-8028. There shall be established in the state treasury 2 funds for use as a depository account by the department of health and human services, New Hampshire hospital. The funds shall be nonlapsing, continually appropriated to the department, and used to receive and temporarily hold funds for the hospital's education programs and emergency preparedness events until the funds are disbursed.
- 35 Suspension; Department of Health and Human Services; Bureau of Developmental Services; Full Funding of Wait List. Notwithstanding any provision of law to the contrary, RSA 171-A:1-a shall be suspended for the biennium ending June 30, 2013.
 - 36 Uncompensated Care Fund; Definitions. Amend RSA 167:63, IV to read as follows:
- IV. "Hospital" means general hospitals [and special hospitals for rehabilitation] required to be licensed under RSA 151 [and receiving medicaid diagnosis related group (DRG) payments], but not including government facilities.
 - 37 Uncompensated Care Fund. Amend RSA 167:64, I to read as follows:
- I. There is hereby established in the state treasury an uncompensated care fund which shall consist of the moneys collected pursuant to RSA 84-A. Investment earnings of the fund shall be credited to the fund. Moneys paid into the fund shall be exempt from any state budget reductions, and the commissioner is authorized to expend these funds, together with matching federal funds, as follows:
- (a) [No less than 50 percent of the moneys paid into the fund shall be utilized to support uncompensated care in hospitals in accordance with rules adopted by the commissioner, pursuant to RSA 541-A.] Moneys shall first be utilized to support uncompensated care in critical access hospitals in accordance with rules adopted by the commissioner, pursuant to RSA 541-A. For fiscal year 2012 and fiscal year 2013, funds remaining after uncompensated care payments are made to critical access hospitals shall be made available to the department of health and human services to support medical provider payments and shall not be paid into the general fund.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 10 -

 2

- (b) The commissioner is hereby authorized and directed to develop and implement, in connection with the payment by the state to hospitals for reimbursement of uncompensated care costs for state fiscal year 2012 and state fiscal year 2013, a schedule of payments for reimbursement of the uncompensated care costs of those hospitals that are subject to the tax liability imposed under RSA 84-A and that participate in the state Medicaid program. The reimbursement of uncompensated care costs paid in state fiscal year 2012 and state fiscal year 2013 shall be in accordance with the schedule of payments to hospitals [shall] that take effect on [January 4] or before July 1, 2011, subject to the prior review and approval of [the fiscal committee of the general court and] the federal Centers for Medicare and Medicaid Services, and shall be structured in a manner that[:-(i) reduces to the greatest extent practicable the disproportionate impact among hospitals of uncompensated care costs; (ii) permits maximum available federal financial participation for these payments in accordance with Title XIX of the Social Security Act; and (iii)] is consistent with all federal laws and regulations governing Title XIX disproportionate share hospital payment adjustments and permissible sources of state financial participation as provided for under 42 C.F.R. part 433 and all other applicable federal regulations.
- (c) For purposes of this section, uncompensated care costs shall include: charity care costs, any portion of Medicaid patient care costs that are unreimbursed by Medicaid payments, and any portion of bad debt costs that the commissioner determines would meet the criteria under 42 U.S.C. section 1396r-4(g) governing hospital-specific limits on disproportionate share hospital payments under Title XIX of the Social Security Act.
- (d) The commissioner may provide reimbursement for uncompensated care costs in accordance with the approved schedule of payments through either Medicaid fee for service rate adjustments or disproportionate share hospital payment adjustments, or a combination thereof. Funds available under this section shall be [first] allocated to ensure that critical access hospitals [and rehabilitation hospitals] receive reimbursement for reported uncompensated care costs at the rate of 100 percent of the individual hospital limit for disproportionate share payments as determined by the commissioner consistent with the provisions of 42 U.S.C. section 1396r-4(g). [Non-critical access hospitals shall receive reimbursement at the highest uniform percentage of each hospital limit as the funds made available under this section permit. The commissioner may create additional categories of need and make further reasonable distinctions among hospitals when determining the methodology for payments under this section, as necessary, to ensure that no hospital is unduly burdened by the fiscal effect of uncompensated care costs.]
- (e) One percent of the payments made from the class lines in the budget of the office of the commissioner, department of health and human services, entitled "hospital disproportionate share," "New Hampshire hospital disproportionate share," and "hospital uncompensated care pool" shall be placed in a separate class line reserved for the expenses of the department in administering this subdivision.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 11 -

38 Uncompensated Care Fund; Duties of the Commissioner. Amend RSA 167:65, II and III to read as follows:

 2

- II. Seek input from the [chairman of the] senate health and human services committee, the [chairman of the] house health, human services and elderly affairs committee, the [chairmen of the] house and senate finance committees, [the insurance department] and [representatives of] the hospitals currently participating in the uncompensated care program [in developing] during the development of the uncompensated care payment system required under paragraph I, and present a report [detailing all the options and making recommendations] describing the planned payment methodology to the oversight committee on health and human services, established under RSA 126-A:13, [not later than January 1, 2010] prior to the payments being made.
- III. Submit the Medicaid state plan amendment and an estimate of the fiscal impact of such plan amendment to the fiscal committee of the general court for its review [and approval] prior to submission of the plan amendment to the federal Centers for Medicare and Medicaid Services and implementation of the plan.
 - 39 Uncompensated Care Fund; Definitions. Amend RSA 167:63, IV to read as follows:
- IV. "Hospital" means general hospitals and special hospitals for rehabilitation required to be licensed under RSA 151 and receiving medicaid diagnosis related group (DRG) payments, but not including government facilities.
 - 40 Uncompensated Care Fund. Amend RSA 167:64, I to read as follows:
- I. There is hereby established in the state treasury an uncompensated care fund which shall consist of the moneys collected pursuant to RSA 84-A. Investment earnings of the fund shall be credited to the fund. Moneys paid into the fund shall be exempt from any state budget reductions, and the commissioner is authorized to expend these funds, together with matching federal funds, as follows:
- (a) No less than 50 percent of the moneys paid into the fund shall be utilized to support uncompensated care in hospitals in accordance with rules adopted by the commissioner, pursuant to RSA 541-A. [Moneys shall first be utilized to support uncompensated eare in critical access hospitals in accordance with rules adopted by the commissioner, pursuant to RSA 541-A. For fiscal year 2012 and fiscal year 2013, funds remaining after uncompensated care payments are made to critical access hospitals shall be made available to the department of health and human services to support medical provider payments and shall not be paid into the general fund.]
- (b) The commissioner is hereby authorized and directed to develop and implement[, in connection with the payment by the state to hospitals for reimbursement of uncompensated care costs for state fiscal year 2012 and thereafter state fiscal year 2013,] a schedule of payments for reimbursement of the uncompensated care costs of those hospitals that are subject to the tax liability imposed under RSA 84-A and that participate in the state Medicaid program. The [reimbursement]

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 12 -

 2

of uncompensated care costs paid in state fiscal year 2012 and state fiscal year 2013 shall be in accordance with the] schedule of payments to hospitals [that] shall take effect on [or before July 1] January 1, 2011, subject to the prior review and approval of the fiscal committee of the general court and the federal Centers for Medicare and Medicaid Services, and shall be structured in a manner that: (i) reduces to the greatest extent practicable the disproportionate impact among hospitals of uncompensated care costs; (ii) permits maximum available federal financial participation for these payments in accordance with Title XIX of the Social Security Act; and (iii) is consistent with all federal laws and regulations governing Title XIX disproportionate share hospital payment adjustments and permissible sources of state financial participation as provided for under 42 C.F.R. part 433 [and all other applicable federal regulations].

- (c) For purposes of this section, uncompensated care costs shall include: charity care costs, any portion of Medicaid patient care costs that are unreimbursed by Medicaid payments, and any portion of bad debt costs that the commissioner determines would meet the criteria under 42 U.S.C. section 1396r-4(g) governing hospital-specific limits on disproportionate share hospital payments under Title XIX of the Social Security Act.
- (d) The commissioner may provide reimbursement for uncompensated care costs in accordance with the approved schedule of payments through either Medicaid fee for service rate adjustments or disproportionate share hospital payment adjustments, or a combination thereof. Funds available under this section shall be *first* allocated to ensure that critical access hospitals and rehabilitation hospitals receive reimbursement for reported uncompensated care costs at the rate of 100 percent of the individual hospital limit for disproportionate share payments as determined by the commissioner consistent with the provisions of 42 U.S.C. section 1396r-4(g). Noncritical access hospitals shall receive reimbursement at the highest uniform percentage of each hospital limit as the funds made available under this section permit. The commissioner may create additional categories of need and make further reasonable distinctions among hospitals when determining the methodology for payments under this section, as necessary, to ensure that no hospital is unduly burdened by the fiscal effect of uncompensated care costs.
- (e) One percent of the payments made from the class lines in the budget of the office of the commissioner, department of health and human services, entitled "hospital disproportionate share," "New Hampshire hospital disproportionate share," and "hospital uncompensated care pool" shall be placed in a separate class line reserved for the expenses of the department in administering this subdivision.
- 41 Uncompensated Care Fund; Duties of the Commissioner. Amend RSA 167:65, II and III to read as follows:
- II. Seek input from the *chairman of the* senate health and human services committee, the *chairman of the* house health, human services and elderly affairs committee, the *chairmen of the*

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 13 -

 2

house and senate finance committees, the insurance department and [the] representatives of hospitals currently participating in the uncompensated care program [during the development of] in developing the uncompensated care payment system required under paragraph I, and present a report [describing the planned payment methodology] detailing all the options and making recommendations to the oversight committee on health and human services, established under RSA 126-A:13, [prior to the payments being made] not later than January 1, 2010.

III. Submit the Medicaid state plan amendment and an estimate of the fiscal impact of such plan amendment to the fiscal committee of the general court for its review *and approval* prior to submission of the plan amendment to the federal Centers for Medicare and Medicaid Services and implementation of the plan.

June 30, 2013, the commissioner of the department of health and human services is directed to pursue operating and service consolidation initiatives, in an effort to improve service delivery, obtain operating efficiencies, and promote the well-being of the state's citizens. The commissioner shall consolidate district offices of the department of health and human services to achieve a reduction of \$648,000 in general fund appropriations for the biennium ending June 30, 2013. The commissioner, through 2 percent attrition in field operations staff assigned to the division for children, youth, and families and the division of juvenile justice services, shall achieve a reduction of \$744,000 in general fund appropriations for the fiscal year ending June 30, 2012, and a reduction of \$754,000 in general fund appropriations for the fiscal year ending June 30, 2013. The commissioner shall provide regular notice of these efforts to the committees with jurisdiction over health and human services and finance of the house and senate.

43 Children's Health Insurance Program. RSA 126-A:3, VIII is repealed and reenacted to read as follows:

VIII. The commissioner shall submit a Title XXI state plan amendment, subject to approval by the fiscal committee of the general court and the oversight committee on health and human services, to administer the children's health insurance program within the department commencing upon implementation of Medicaid managed care. The commissioner shall operate the children's health insurance program utilizing the program model that demonstrates the greatest efficiency and value which includes, but is not limited to, Medicaid expansion, accountable care organization, or risk-based managed care models.

44 Responsibility for Public Medical Assistance. Amend RSA 167:3-b to read as follows:

167:3-b Responsibility for Public Medical Assistance. The provisions of RSA 167:2, 3 and 3-a, do not apply to the administration of medical assistance, except with respect to the spouse of the individual who needs medical care or services, or the parent of such individual, if said individual is under the age of 21.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 14 -

45 Child Protection Act; Liability of Expenses and Hearing on Liability. Amend RSA 169-C:27, I(b) to read as follows:

 2

- (b) Subparagraph (a) shall not apply to expenses incurred for special education and related services, or to expenses incurred for evaluation, care, and treatment of the child at the [Philbrook center] New Hampshire hospital or to expenses incurred for the cost of accompanied transportation or to expenses incurred for the cost of alcohol and drug testing.
- 46 Nursing Facility Quality Assessment; Contingency. Notwithstanding RSA 84-C:11, I, for the biennium ending June 30, 2013, the nursing facility quality assessment imposed by RSA 84-C shall not be assessed, and no return shall be required to be made, upon the occurrence of any proceeds collected from nursing facilities as defined in RSA 84-C:1, V(a), from the nursing facility quality assessment being expended by the state or any state agency for any purpose other than funding nursing facility expenditures through the nursing facility trust fund under RSA 151-E:14 and long-term care services through the department of health and human services.
- 47 Intermediate Care Facilities; Use of ICF Separate Account. Notwithstanding the provisions of RSA 84-D:5, for the biennium ending June 30, 2013, moneys from the ICF separate account may be expended by the state for long-term care services through the department of health and human services.
- 48 Quality Assessment Expenditures; State Expenditures for Long-Term Care Services. For the biennium ending June 30, 2013, notwithstanding the provisions of RSA 151-E:14 and RSA 151-E:15-a, 25 percent of the receipts from the nursing facility quality assessment under RSA 84-C:3 and the ICF quality assessment under RSA 84-D:3 shall be deposited as restricted revenue in accounts of the department of health and human services and shall be used in support of long-term care services and not for any other purpose.
- 49 Department of Transportation; Agreements to Lease-Purchase Vehicles and Equipment Authorized. For the biennium ending June 30, 2013, the commissioner of the department of transportation is authorized, with the prior approval of the fiscal committee of the general court, to enter into agreements to lease-purchase vehicles and equipment.
- 50 Department of Transportation; Federal Assistance Grant; Appropriation. Any sum received in the fiscal years ending June 30, 2012 or June 30, 2013 from the Federal Emergency Management Agency of Federal Highway Administration's Emergency Relief Program or any other federal program providing emergency assistance to the department of transportation to reimburse costs incurred for emergency response, including but not limited to, equipment rental, snow plowing, sanding, salting, flood damage response, and personnel overtime during any emergency declared shall be collected by the appropriate agency and appropriated to the department of transportation.
- 51 New Sections; Department of Labor Nonlapsing Restricted Fund. Amend RSA 273 by inserting after section 1 the following new sections:
- 37 273:1-a Budget and Accounting. The department of labor shall budget and account for its

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 15 -

operations through restricted funds rather than through the general fund; said restricted funds to be funded through all fees, licenses, certificates, and civil penalties of the department of labor, as well as existing assessment procedures.

273:1-b Restricted Fund. There is hereby established in the state treasury a department of labor restricted fund for the sole purpose of paying costs of operating the department of labor other than workers' compensation. All moneys in the restricted fund shall be continually appropriated to the department of labor. The commissioner shall administer the fund, and the state treasurer shall be the custodian of the fund. All moneys in the fund in excess of amounts used by the department for authorized personnel expenses, administrative costs, and other related costs for the operation of the department, shall be transferred on June 30 of each year to the general fund. The existence and operation of this restricted fund shall not affect the continued existence and operation of the administration fund established by RSA 281-A:59.

- 52 New Subparagraph; General Revenue Exceptions. Amend RSA 6:12, I(b) by inserting after subparagraph 304 the following new subparagraph:
- 15 (305) Moneys deposited in the department of labor restricted fund established in RSA 273:1-b.
- 53 Reference Changes. Amend the following RSA provisions by replacing the words "general fund" or "state's general fund" with "department of labor restricted fund established in RSA 273:1-b":
 RSA 157-A:10-a, I; 157-B:13-a, I; 273:11-a, I; 275-F:9, I; 277-B:12, II; 277-B:13; 281-A:4-a, I; 281-A:7,
- 20 I(a)(2); 281-A:43, I(d); 281-A:43, I (e); 281-A:59, IV; 281-A:60, I(r); 281-A:70.

- 21 54 Reference Changed. Amend RSA 277-B:12, III to read as follows:
 - III. Any client company which does business with an unlicensed employee leasing company may be fined by the commissioner up to \$1,000 per employee for each day the violation continues. Any funds collected under this section shall be deposited in the [general fund as unrestricted revenue] department of labor restricted fund established in RSA 273:1-b.
 - 55 Reference Changed. Amend RSA 277-B:15-a, I to read as follows:
 - I. Employee leasing firms shall maintain a list of current and past clients which shall be available for inspection by the department of labor without notice. The list shall be submitted to the labor department on a quarterly basis. Failure to maintain an updated client list shall subject the licensee to a \$1,000 fine, and a \$2,500 fine and loss of license for a second or subsequent offense if deemed appropriate by the commissioner. Funds generated from fines shall be deposited in the [general fund as unrestricted revenue] department of labor restricted fund established in RSA 273:1-b.
 - 56 Reference Changed. Amend RSA 281-A:5-d, III to read as follows:
 - III. Any client company which knowingly does business with an unlicensed third party administrator may, after written notification, be fined up to \$1,000 per day for each day the violation continues. Any funds collected under this section shall be deposited in the [general fund as

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 16 -

unrestricted revenue department of labor restricted fund established in RSA 273:1-b.

57 Reference Changed. Amend RSA 281-A:43, II to read as follows:

II. A decision of the commissioner, the commissioner's authorized representative, or the board shall take effect and shall become final, in the absence of an appeal from it, 30 days from the date of the decision. Payment of weekly compensation and entitlement to medical and vocational benefits, if necessary and so ordered by the commissioner or the board, shall begin or continue as soon as possible, but no later than 5 working days after the decision's effective date, and shall not be terminated except in accordance with the terms of the decision or of a final court determination. If the commissioner determines that the employer or carrier has failed to comply with any order, then the commissioner may assess a penalty not to exceed \$100 for each day of noncompliance, beginning on the date of notification of its assessment. Upon continued failure to comply with an order to make payment of the compensation or medical benefits, or to institute vocational rehabilitation, or to pay the penalty, or any combination thereof, the commissioner shall petition the superior court for an injunction to comply. The commissioner shall deposit [with the state treasurer] into the department of labor restricted fund established in RSA 273:1-b any penalty collected under this section.

58 Reference Changed. Amend RSA 281-A:53, I to read as follows:

- I. Every employer or self-insurer shall record in sufficient detail and shall report or cause to be reported to the commissioner any injury sustained by an employee in the course of employment as soon as possible, but no later than 5 days after the employer learns of the occurrence of such an injury. If an injury results in a disability extending beyond 3 days, the employer shall file with the commissioner a supplemental report giving notice of such disability as soon as possible after such waiting period, but no later than 7 days after the accidental injury. The employer shall supply a copy of either report to the nearest claims office of the employer's insurance carrier. A self-insurer need not file the supplemental report with the commissioner and may keep the insurance copy of the employer's first report as a file copy. If any employer fails without sufficient cause as determined by the commissioner to file a first report as set forth in this paragraph, the commissioner shall assess a civil penalty of up to \$2,500. If any employer fails to pay a civil penalty, the commissioner shall recover such penalty payment by a civil action in the superior court of the county of jurisdiction. Civil penalties owed under this section shall be paid to the commissioner, who shall deposit them [with the state treasurer] into the department of labor restricted fund established in RSA 273:1-b.
 - 59 Reference Added. Amend RSA 275:57, IV to read as follows:
- IV. An employer who willfully violates the provisions of this section may be assessed interest and a civil penalty of up to \$1,000 per violation, which shall be deposited into the department of labor restricted fund established in RSA 273:1-b.
 - 60 Reference Added. Amend RSA 276-A:7-a to read as follows:

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 17 -

- 276-A:7-a Civil Penalties. In addition to other penalties and remedies imposed under this chapter, the commissioner may assess a civil penalty on an employer not to exceed \$2,500 for each violation of any provision of this chapter or rule adopted pursuant to this chapter, which shall be deposited into the department of labor restricted fund established in RSA 273:1-b. In assessing this penalty, the commissioner shall consider the nature of the violation, the employer's history of violations, and the employer's good faith.
 - 61 Reference Changed. Amend RSA 281-A:42, III to read as follows:

 2

- III. Upon failure of any insurance carrier or self-insurer to comply with either an order for payment of compensation or an assessment of a civil penalty, the commissioner shall recover either or both in a civil action in the superior court of the county of jurisdiction. Anyone owing a civil penalty under this section shall pay it to the commissioner, who shall deposit it [with the state treasurer] into the department of labor restricted fund established in RSA 273:1-b.
 - 62 Reference Added. Amend RSA 281-A:23-a, VI(b) to read as follows:
- (b) If the commissioner determines that a managed care program has failed to comply with the provisions of this section or the rules adopted to implement such section, but that such failure does not warrant withdrawal of approval of the program, the commissioner may, after notice to the managed care program and hearing, assess a civil penalty of not more than \$100 for each such failure, which shall be deposited into the department of labor restricted fund established in RSA 273:1-b. If a managed care program fails to pay such penalty, the commissioner shall recover the penalty in a civil action in the superior court of the county of jurisdiction.
- 63 Reference Added. Amend RSA 281-A:30, VII to read as follows:
- VII. A carrier or self-insurer failing without sufficient cause to make payment under this section within the period specified by the commissioner shall be assessed a civil penalty of \$100 for each day that the payment is overdue, which shall be deposited into the department of labor restricted fund established in RSA 273:1-b.
 - 64 Reference Added. Amend RSA 281-A:55, V to read as follows:
- V. An insurance carrier or self-insurer failing without sufficient cause to make payment under this section within the period specified by the commissioner shall be assessed a civil penalty of \$100 for each day that the payment is overdue, which shall be deposited into the department of labor restricted fund established in RSA 273:1-b.
 - 65 Guardian ad Litem Fees. Amend RSA 461-A:16, IV to read as follows:
- IV. The fees for services for the guardian ad litem and others utilized by the guardian and approved by the court shall be a charge against the parties in a proportional amount as the court may determine. [Where the parties are indigent, compensation for guardians ad litem and others utilized by the guardian and approved by the court shall be based upon the applicable fee schedule established by the supreme court for indigent defense counsel.]
 - 66 Liability for Expenses. RSA 461-A:17 is repealed and reenacted to read as follows:

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 18 -

461-A:17 Guardians ad Litem and Mediators; Liability for Expenses. The judicial council shall have no responsibility for the payment of the costs of a mediator or guardian ad litem for any party under this chapter.

67 Reference Deleted. Amend RSA 21-I:7-b to read as follows:

21-I:7-b Unit of Cost Containment. There is established within the office of the commissioner of administrative services a unit of cost containment. The unit of cost containment shall be responsible for all functions and duties authorized under RSA 604-A, regarding payment, recoupment and monitoring of indigent defense funds. [It shall also be responsible for all functions authorized under RSA 461 A:18 relative to recouping guardian ad litem funds.] The commissioner is authorized to employ personnel as necessary to accomplish the duties and functions of the unit of cost containment.

68 Mediation of Cases Involving Children; Payment of Mediator Fees by Indigent Parties. Amend RSA 461-A:7, X to read as follows:

X. In the event both parties are indigent, the mediator shall be paid a set fee for his or her services. The amount of the fee shall be set annually by supreme court rule. The court may order each party to pay a proportional amount of said fee. The fee shall be paid from the [special fund established pursuant to RSA 461 A:17] mediation and arbitration fund established in RSA 490-E:4 and repaid by the parties in accordance with RSA 461-A:18, including fees for presuit marital mediation authorized pursuant to RSA 490-E:2, V. The supreme court shall determine by rule a percentage amount of the entry fee paid to each clerk of court for each petition in domestic relations cases to be deposited into the mediation and arbitration fund to be used to pay for mediation where both parties are indigent. At no time shall the percentage amount exceed 25 percent of the entry fee for each petition.

- 69 Repayment of Mediator and Guardian Ad Litem Fees. Amend RSA 461-A:18, I to read as follows:
- I. In any case where a mediator has been appointed pursuant to RSA 461-A:7 or a guardian ad litem has been appointed pursuant to RSA 461-A:16 and the responsible party's proportional share of the expense is ordered to be paid by the judicial council from the special fund established pursuant to RSA [461-A:17] 490-E:4, the party shall be ordered by the court to repay the state through the unit of cost containment, office of administrative services, the fees and expenses paid on the party's behalf as the court may order consistent with the party's ability to pay, such ability to be determined by the unit of cost containment.
 - 70 Mediation and Arbitration Fund. Amend RSA 490-E:4, I(a) to read as follows:
- 34 (a) All moneys collected pursuant to *RSA 461-A:7, X,* RSA 490:27, II, RSA 490-D:12, III, 35 RSA 503:4, II, and RSA 502-A:28, III.
 - 71 Child Protection Act; Liability of Expenses. Amend RSA 169-C:27, I(f) to read as follows:
 - (f) [Notwithstanding any provision of law to the contrary,] Neither the department nor

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 19 -

the judicial council shall have [no responsibility] authority for the payment of the cost of assigned counsel for any party under this chapter.

72 Adequate Representation Costs. Amend RSA 604-A:1-a to read as follows:

604-A:1-a Neglected or Abused Children. In cases involving a neglected or abused child, when a guardian ad litem is appointed for the child as provided in RSA 169-C:10, the cost of such appointment shall be paid from funds appropriated for indigent defense pursuant to this chapter. [In cases involving a neglected or abused child, when an attorney is appointed to represent a parent determined to be indigent pursuant to RSA 169 C:10, II, the cost of such appointment shall be paid from funds appropriated for indigent defense pursuant to this chapter.]

73 Child Protection Act; Guardians ad Litem. Amend RSA 169-C:10, I to read as follows:

- I. In cases brought pursuant to this chapter involving a neglected or abused child, the court shall appoint a [guardian ad litem or] Court Appointed Special Advocate (CASA) or other approved program guardian ad litem for the child. If a CASA or other approved program guardian ad litem is unavailable for appointment, the court may then appoint an attorney or other guardian ad litem as the guardian ad litem for the child. The court shall not appoint an attorney for any guardian ad litem appointed for the child[, but may appoint an attorney or any other qualified individual as the guardian ad litem for the child]. The CASA or other approved program guardian ad litem shall have the same authority and access to information as any other guardian ad litem. For purposes of this paragraph, "unavailable for appointment" means that there is no CASA or other approved program guardian ad litem available for appointment by the court following a finding of reasonable cause at the preliminary hearing held under RSA 169-C:15 so that the child's interests may effectively be represented in preparation for and at an adjudicatory hearing.
 - 74 Child Protection Act; Preliminary Hearing. Amend RSA 169-C:15, III(a) to read as follows:
- (a) Appoint a CASA or other approved program guardian ad litem or an attorney or other qualified guardian ad litem to represent the child pursuant to RSA 169-C:10.
 - 75 Termination of Parental Rights. Amend RSA 170-C:13 to read as follows:
 - 170-C:13 Fees and Court Costs.

- I. The petitioner shall pay all entry fees and court costs including costs of giving notice, costs of advertising, and court-appointed guardian ad litem fees [shall be paid by the petitioner]. The court, however, may waive entry fees and court costs where payment would work a hardship on the petitioner. Where the court waives payment by the petitioner, the state, through the court system, shall pay court costs and the fee of any court appointed guardian ad litem.
- II. The department of health and human services is exempted from paying any entry fees and court costs.
- III. When appointment of counsel is made by the court pursuant to RSA 170-C:10 for a parent determined to be financially unable to employ counsel, the judicial council shall

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 20 -

bear no financial responsibility for the payment of appointed attorney costs in such cases where the state is not the moving party for the termination of parental rights.

- 76 Appropriation; Department of Administrative Services. The sum of \$250,000 is hereby appropriated to the department of administrative services for the biennium ending June 30, 2013 for the same purposes as specified in 2010S, 1:96 and under the same terms and conditions. The governor is authorized to draw a warrant for said sum out of any money in the treasury not otherwise appropriated.
- 77 Commission to Inventory State Assets, Enterprises, and Resources and to Make Recommendations as to Those That May be Monetized by Sale or Lease; Effective Date of Repeal. Amend 2010S, 1:123, V to read as follows:
 - V. Section 97 of this act shall take effect July 1, [2011] 2013.

 2

- 78 Sale of Property. Notwithstanding RSA 10, the commissioner of administrative services is authorized to issue a request for proposals for the sale of the lakes region facility property in Laconia. The commissioner is authorized to employ a consultant with real estate and financial expertise in the preparation of such request for proposals, and may draw upon the funds appropriated under 2010S, 1:96 in order to employ such a consultant during the biennium ending June 30, 2013. The sale of the lakes region facility property shall be subject to RSA 4:40. All proceeds from the sale shall be deposited into the general fund.
- 79 Department of Administrative Services; Suspension of Bumping Rights. The displacement of classified state employees by more senior classified state employees, or so-called bumping, pursuant to administrative rule Per 1101.02(i) through (l) under the authority of RSA 21-I:43 by the director of the division of personnel is hereby suspended from the effective date of this section to June 30, 2013. The procedure for layoffs of permanent employees pursuant to administrative rule Per 1101.02 (a) through (f) are hereby suspended from the effective date of this section through June 30, 2013.
 - 80 Department of Administrative Services; Consolidation of Human Resources.
- I. The commissioner of administrative services, with the prior approval of the fiscal committee of the general court and the governor and council, is authorized to make such transfers of appropriation items and changes in allocations of funds available for operational purposes to the department of administrative services, from any other agency, as may be necessary or desirable to effectuate the efficient consolidation of human resource and payroll functions within state government.
- II. The commissioner of administrative services is authorized to establish the number of total personnel required for human resource and payroll management in state government and, with the prior approval of the governor and council, is authorized to eliminate unnecessary positions and to transfer to the department of administrative services any position in another agency identified by the commissioner of administrative services as necessary or desirable to effectuate the efficient consolidation of human resource and payroll functions within state government. Such transfers shall

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 21 -

 2

include the transfer of all associated books, papers, records, personnel files, and equipment, including but not limited to work station and information technology equipment, and shall include the transfer of any unexpended appropriations for any of the foregoing, as well as any unexpended appropriations for salary/payroll, benefits, support costs, or any other costs associated with the transferred personnel.

- III. The commissioner of administrative services may locate personnel whose positions have been transferred in such work spaces as the commissioner determines will efficiently effectuate the consolidation of human resource and payroll functions. Such work spaces may include either space currently owned or rented by the state, or space which may be rented by the commissioner utilizing amounts which may be saved by the state as the result of the consolidation of human resources and payroll functions.
- IV. The consolidation of human resource and payroll functions shall achieve a savings in the fiscal year ending on June 30, 2013 of no less than \$1,428,000 in total funds and \$571,200 in general funds.
- 81 Department of Administrative Services; Consolidation of Certain Business Processing Functions.
- I. The commissioner of administrative services, with the prior approval of the fiscal committee of the general court and the governor and council, is authorized to make such transfers of appropriation items and changes in allocations of funds available for operational purposes to the department of administrative services, from any other agency, as may be necessary or desirable to effectuate the efficient consolidation of business processing functions within state government. Such business processing functions shall include (i) accounts receivable, (ii) accounts payable, (iii) collection of fines, penalties, fees, restitution, remittances, and other moneys due to the state, and (iv) such other finance and accounting functions and transactions the commissioner of administrative services determines would achieve substantial efficiencies from consolidation.
- II. The commissioner of administrative services is authorized to issue a request for proposals or purchases in accordance with RSA 21-I:22 and RSA 21-I:22-a for the services and assistance of a qualified consultant to evaluate and identify opportunities for business processing consolidation in state government and to make recommendations, including for a proposed implementation plan, for consolidation of such functions.
- III. The commissioner of administrative services is authorized to establish the number of total personnel required for business processing functions in the executive branch of state government and, with the prior approval of the governor and council, is authorized to eliminate unnecessary positions and to transfer to the department of administrative services any position in another agency identified by the commissioner of administrative services as necessary or desirable to effectuate the efficient consolidation of business processing functions within state government. Such transfers shall include the transfer of all associated books, papers, records, personnel files, and

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 22 -

equipment, including but not limited to work station and information technology equipment, and shall include the transfer of any unexpended appropriations for any of the foregoing, as well as any unexpended appropriations for salary/payroll, benefits, support costs, or any other costs associated with the transferred personnel.

 2

- IV. The commissioner of administrative services may locate personnel whose positions have been transferred in such work spaces as the commissioner determines will efficiently effectuate the consolidation of business functions. Such work spaces may include either space currently owned or rented by the state, or space which may be rented by the commissioner utilizing amounts which may be saved by the state as the result of the consolidation of human resources and payroll functions.
- V. The consolidation of business processing functions shall achieve a savings in the fiscal year ending on June 30, 2012 of no less than \$352,000 in total funds and \$88,000 in general funds, and savings in the fiscal year ending on June 30, 2013 of \$1,000,000 in total funds and \$250,000 in general funds.
- 82 Appropriation; Department of Administrative Services. The sum of \$250,000 is hereby appropriated to the department of administrative services for the biennium ending June 30, 2013, for the purpose of selecting and retaining an independent business processing consultant, through a request for proposals or purchases process, for evaluating and making recommendation relative to the consolidation of business processing functions within state government. The governor is authorized to draw a warrant for said sum out of any money in the treasury not otherwise appropriated.
 - 83 Sweepstakes Fund. Amend RSA 284:21-j, I to read as follows:
- I. The state treasurer shall credit all moneys received from the lottery commission and all moneys received from the racing and charitable gaming commission under *RSA 284*, RSA 287-D, and RSA 287-E, and interest received on such moneys, to a special fund from which the treasurer shall pay all expenses of the commission incident to the administration of this subdivision and all administration and enforcement expenses of the racing and charitable gaming commission under *RSA 284*, RSA 287-D, and RSA 287-E. Any balance left in such fund after such expenses are paid shall be deposited in the education trust fund established under RSA 198:39.
 - 84 McAuliffe-Shepard Discovery Center; Appropriation.
- I. The sum of \$227,000 is hereby appropriated for the fiscal year ending June 30, 2013 to the McAuliffe-Shepard discovery center for the purpose of supporting the transition of the discovery center to a fiscally self-sufficient entity. This sum shall be in addition to any revenue or grants that may become available to the discovery center. The governor is authorized to draw a warrant for such amount out of any money in the treasury not otherwise appropriated.
- II. The discovery center shall, no later than December 15, 2011, report to the fiscal committee of the general court and the governor and council detailing the discovery center's plan to maintain its operations in fiscal year 2013 as a state agency utilizing no more than the general funds

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 23 -

- appropriated under this section, or its plan to become a self-sufficient not-for-profit organization no later than January 1, 2013.
 - 85 Repeal. The following are repealed:

- I. RSA 21-J:13, XIII, relative to rulemaking for collection of taxes on gambling winnings.
- II. RSA 77:38–77:50, relative to taxation of gambling winnings.
- 86 Lottery Commission; Incentive Program. The lottery commission may develop and implement an employee recognition program for monetary incentives to promote increased sales and compensate lottery sales representatives based upon performance and funded from an existing lottery budget line item. The incentive program shall be implemented through rules adopted by the lottery commission in accordance with RSA 541-A. The lottery commission shall report quarterly to the fiscal committee of the general court on the status of the incentive program.
- 87 Lottery Retailer Commissions. Amend the introductory paragraph of RSA 284:21-h, II(d) to read as follows:
- (d) May be sold by or for the lottery commission at designated locations, other than grounds and campuses of public and private schools, colleges, and universities, by persons, whether natural, associate, or corporate, authorized to sell such tickets on a [minimum] 5 percent commission basis for services rendered. The commission [may establish higher sales] shall pay a 10 percent commission [rates no greater than 6 percent and other sales incentives deemed necessary to increase lottery sales] on those sales made during a fiscal year which exceed the sales made during the previous fiscal year. The lottery commission shall report quarterly to the fiscal committee of the general court on commissions paid under this subparagraph. All sales shall be subject to the rules and regulations of the commission provided:
- 88 Liquor Commission; Employee Incentive Program. The liquor commission may develop and implement an employee incentive system for monetary incentives for its store managers and employees to reward superior customer service, organization and appearance of retail stores, creativity and attractiveness of displays, workplace safety records, and other relevant and objective criteria related to customer service and sales. The liquor commission shall report quarterly to the fiscal committee of the general court on the status of the incentive program. The incentive program shall be implemented through rules adopted by the commission in accordance with RSA 541-A.
- 89 New Section; Temporary State Liquor Stores. Amend RSA 177 by inserting after section 1 the following new section:
- 177:1-a Temporary State Stores. The commission may lease, rent, and equip, in the name of the state, stores or space in buildings such as airports or shopping malls and in large venues such as racetracks, temporary stores for the sale or promotion of liquor or related products as are necessary to carry out the provisions of this chapter, except that no such store shall be operated within 200 feet of any public or private school, church, chapel, or parish house. The liquor commission shall report quarterly to the fiscal committee of the general court on the status of temporary stores.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 24 -

90 Liquor Commission; Liquor Revenues to Alcohol Abuse Prevention and Treatment Fund Suspended. Notwithstanding RSA 176:16, III, for the biennium ending June 30, 2013, all gross revenue derived by the liquor commission from the sale of liquor and related products, or from license fees, shall be deposited into the liquor commission fund.

 2

- 91 Department of Environmental Services; Water Quality Laboratory Services; Transfer of Functions, Positions, Equipment, Records, and Accounts; Rules Continued.
- I. Notwithstanding any provision of law to the contrary, all of the functions, positions, powers, duties, responsibilities, and funding of the water quality laboratory authorized by RSA 21-O:12 shall be transferred to the department of health and human services on July 1, 2011. The transfer provided in this section shall include all of the equipment, books, papers, and records of the water quality laboratory.
- II. All existing rules, statutory responsibilities, regulations, and procedures relating to enforcement in effect, in operation, or adopted in or by the water quality laboratory are transferred to the department of health and human services, and are declared in effect and shall continue in effect until rescinded, revised, or amended in accordance with applicable law.
- 92 Department of Health and Human Services; Laboratory Services. Amend the introductory paragraph of RSA 131:3-a to read as follows:
- 131:3-a Fee Required. Notwithstanding the provisions of RSA 131:4, the commissioner of [environmental services] the department of health and human services shall collect a fee for analyses made pursuant to RSA 131:3 on the following schedule:
 - 93 Department of Health and Human Services. Amend RSA 131:3-a, II to read as follows:
- II. All such fees collected by the commissioner of [environmental services] the department of health and human services from federal or state grants or from other state agencies shall be credited against the operating costs of the laboratory. Fees collected from public or private clients shall be deposited with the state treasurer as unrestricted revenue, with the exception that 50 percent of every analysis fee shall be deposited with the state treasurer and reserved in a special nonlapsing fund to be used by the commissioner of [environmental services] the department of health and human services for the purchase of replacement or new laboratory equipment designed to improve service. The commissioner may, with prior approval of the governor and council, use funds in the nonlapsing account for unanticipated personnel or supply expenditures made necessary by unexpected changes in or additions to federal or state required laboratory analyses, or unusual volume of samples.
 - 94 Repeal. RSA 125:15-b, relative to access to laboratory data and results, is repealed.
- 95 Office of the Commissioner of Environmental Services; Reference Deleted. Amend RSA 21-O:12, VI to read as follows:
- VI. Laboratory services shall include such expert assistants and such facilities as are necessary to support the investigatory, analytical, and enforcement functions of the department of

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 25 -

- environmental services. The commissioner shall provide the commissioner of the department of health and human services with direct access to all raw data, test results, and other information and samples received or generated by the laboratories in the department deemed necessary by the commissioner of the department of health and human services in order to carry out his *or her* responsibilities to protect the public health. [The commissioner shall consult with the commissioner of the department of health and human services relative to such access as provided by RSA 125:15-b.]
- 8 96 Joint Board of Licensure and Certification; Accountants, Real Estate Appraisers, and

Manufactured Housing Builders Added. Amend RSA 310-A:1, as follows:

9

10

11

12

13

14

15

16

17

18

21

22

23

24

- 310-A:1 Joint Board Established. There shall be a joint board of licensure and certification for professional engineers, architects, accountants, land surveyors, foresters, professional geologists, natural scientists, landscape architects, court reporters, real estate appraisers, manufactured housing builders, and home inspectors consisting of each of the members of the board of professional engineers, board of architects, state board of licensure for land surveyors, foresters' board, board of professional geologists, the board of natural scientists, the board of landscape architects, the board of court reporters, [and] the board of home inspectors, the board of accountancy, the real estate appraiser board, and the board of manufactured housing. [The joint board shall meet at least quarterly to carry out its duties established under this chapter.]
- 97 New Section; Manufactured Housing Board; Administrative Functions Transferred to Joint Board. Amend RSA 205-A by inserting after section 29 the following new section:
 - 205-A:29-a Administrative and Business Processing Functions. All administrative, clerical, and business processing functions of the board shall be transferred to the joint board of licensure and certification, established in RSA 310-A:1, on July 1, 2011.
 - 98 New Paragraph; Board of Accountancy; Administrative Functions Transferred to Joint Board. Amend RSA 309-B:4 by inserting after paragraph IX the following new paragraph:
- X. All administrative, clerical, and business processing functions of the board shall be transferred to the joint board of licensure and certification, established in RSA 310-A:1, on July 1, 28 2011.
- 99 New Paragraph; Real Estate Appraisers Board; Administrative Functions Transferred to 30 Joint Board. Amend RSA 310-B:4 by inserting after paragraph IX the following new paragraph:
- X. All administrative, clerical, and business processing functions of the board shall be transferred to the joint board of licensure and certification, established in RSA 310-A:1, on July 1, 2011.
- 34 100 Commissions and Boards; Functioning within Department of State. Amend RSA 5:13 to 35 read as follows:
- 5:13 Commissions and Boards Functioning Within Department. The ballot law commission, the boxing and wrestling commission[, the board of accountancy] and the joint board of licensure and

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 26 -

certification shall each function within the department of state as a separate organizational entity and with all the powers and duties as heretofore provided, except as otherwise provided by law.

101 Repeal. RSA 5:13-b, relative to the attachment of the real estate appraiser board to the

4 department of state, is repealed.

 2

- 102 State Budget; Allocation of Gross Appropriations from Highway Fund; Suspension of Allocation to Department of Safety. For the biennium ending June 30, 2013, RSA 9:9-b, II, relative to the highway fund allocation to the department of safety, shall be suspended.
 - 103 Duties of the Office of Energy and Planning. Amend RSA 4-C:1, II(g)-(i) to read as follows:
- (g) Participate and advise in matters of land use planning regarding [lakes and rivers management programs] water resources and floodplain management.
- (h) Take a leadership role in encouraging smart growth and preserving farmland, open space land, and traditional village centers.
- (i) Administer the following programs: the statewide comprehensive outdoor recreation plan, the national flood insurance program, the land conservation investment program, [the seenic and cultural byways system,] fuel assistance contracts, and weatherization contracts. The office shall employ necessary personnel to administer these programs. In administering fuel assistance and weatherization contracts, the office shall ensure that when an individual applies for fuel assistance or weatherization, the individual shall be provided with application forms and information about the Link-Up New Hampshire and Lifeline Telephone Assistance programs, and shall be provided assistance in applying for these programs.
 - 104 Office of Energy and Planning. Amend RSA 4-C:2, I, to read as follows:
 - I. The office of energy and planning, under the direction of the governor, shall:
- (a) Assist the governor in preparing, publishing, and revising the comprehensive development plan required under RSA 9-A.
- (b) [Develop and maintain a technical data base of information to support statewide policy development and planning.
- (e) Coordinate and monitor the planning efforts of various state agencies and departments to ensure that program plans published by such agencies are consistent with the policies and priorities established in the comprehensive development plan.
- [(d)] (c) Coordinate and monitor the planning efforts of the regional planning commissions to ensure that the plans published by the commissions are consistent, to the extent practical, with the policies and priorities established in the state development plan.
- 105 Repeal. RSA 4-C:4, relative to the coordination of federal funds in the office of energy and planning, is repealed.
- 35 106 Old Age and Survivors Insurance; Reference Change. Amend RSA 101:2, VI to read as follows:
- 37 IV. The term "state agency" means the commissioner of health and human services and any

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 27 -

- 1 person to which the commissioner has delegated any functions under this chapter, or any other 2 agency duly designated to administer the provisions of this chapter by the governor and council in 3 accordance with RSA 124:4 [and RSA 4 C:4]; 4 107 Office of Energy and Planning; Rulemaking. Amend RSA 4-C:5 to read as follows: 4-C:5 Rulemaking Authority. The director of the office of energy and planning shall adopt rules, 5 6 as necessary, under RSA 541-A[: 7 L, establishing procedures for grant programs administered by the office. These rules shall 8 be adopted for all [federal or] state grant programs administered by the office in which the office has 9 authority to establish requirements or procedures or interpret [federal requirements and] state 10 statutes. These rules shall include, as appropriate: 11 [(a)] *I.* Application or grant distribution procedures. 12 [(b)] *II.* Criteria and procedures for evaluating applications. 13 [(e)] *III.* Procedures for administration of funds by grantees. 14 [(d)] *IV*. Monitoring and report procedures. 15 [(e)] V. Appeal procedures for parties dissatisfied with grant decisions. [H. As provided by RSA 4 C:16, I(a).] 16 17 108 Repeal. The following are repealed: 18 I. RSA 4-C:5-a, relative to model ordinances. 19 II. RSA 4-C:6-a, relative to reports on economic development loans and grants. 109 Review of Reports by Department of Resources and Economic Development; Reference 20 21 Change. Amend RSA 12-A:34 to read as follows: 22 12-A:34 Review of Reports Required. For the purpose of ensuring comparability of impact 23 reports on economic development programs issued under [RSA 4 C:6 a,] RSA 12-A:33, and RSA 162-24A:23-a, the department of resources and economic development, in consultation with the legislative 25 budget assistant, shall periodically review such reports at least once every 5 years and make 26 recommendations to be utilized by the agencies making such reports for an improved and consistent 27 methodology for assessing the quantity and quality of jobs created and saved and the growth 28 potential and environmental impacts of such programs. This section shall not apply to promotional 29 literature. 110 Repeal. The following are repealed: 30 31 I. RSA 4-C:19-23, relative to the water protection assistance program. 32 II. RSA 485-C:3, III, relative to cooperation between the department of environmental 33 services and the office of state planning in implementing the water protection assistance program.
 - III. RSA 21-O:3, IX, relative to the office of state planning's role in the water protection assistance program.
 - 111 Local Land Use; Master Plan. Amend RSA 674:2, III(d) to read as follows:

34

35

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 28 -

- (d) A natural resources section which identifies and inventories any critical or sensitive areas or resources, not only those in the local community, but also those shared with abutting communities. This section provides a factual basis for any land development regulations that may be enacted to protect natural areas. A key component in preparing this section is to identify any conflicts between other elements of the master plan and natural resources, as well as conflicts with plans of abutting communities. [The natural resources section of the master plan should include a local water resources management and protection plan as specified in RSA 4 C:22.]
- 8 112 Repeal. RSA 4-C:24-28 and RSA 4-C:30, relative to housing and conservation planning, are repealed.
 - 113 Repeal. RSA 125-G, relative to the high-level radioactive waste act, is repealed.
- 11 114 Land Use Boards; Training. Amend RSA 673:3-a to read as follows:

 2

- 673:3-a Training. Within [6 months] the first year of assuming office, [for the first time, any non-ex-officio] a new member of [the] a zoning board of adjustment [and the] or planning board may [at the member's option] complete [at least 6 hours of] training [for the member's respective position. The training shall be designed and furnished] offered by the office of energy and planning. The office of energy and planning may provide this training, which may be designed in a variety of formats including, but not limited to, web-based, distance learning, traditional classroom style, or self study.
- 115 Zoning Ordinances; Place for Filing Documents and Reporting Amendments. RSA 675:9 is repealed and reenacted to read as follows:
- 675:9 Place for Filing Documents; Reporting of Adoptions or Amendments. A copy of each master plan, zoning ordinance, historic district ordinance, capital improvement plan, building code, subdivision regulation, historic district regulation, site plan review regulation or amendment which is adopted by a municipality shall be placed in a central file with the office of energy and planning; provided, however, that failure to file these documents or amendments with the office of energy and planning shall not affect the validity of the document. Every municipality which adopts a master plan, zoning ordinance, historic district ordinance, capital improvement plan, building code, subdivision regulation or site plan review regulation or amendment thereto, shall inform the office of energy and planning of such adoption or amendment. The office of energy and planning is hereby authorized to gather this information by way of an annual survey of the municipalities or other such means as may be deemed appropriate. The office of energy and planning shall periodically create lists and reports of the information gathered for use by the municipalities and the general public.
 - 116 Parole of Prisoners; Effect of Recommittal. Amend RSA 651-A:19 to read as follows:
 - 651-A:19 Effect of Recommittal.
- I. A prisoner who is recommitted shall serve 90 days in prison before being placed back on parole or the remainder of his or her maximum sentence, whichever is shorter, or may be subject to an extended term of recommittal pursuant to paragraphs III and IV. The time between the

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 29 -

return of the parolee to prison after arrest and revocation of parole shall be considered as time
served as a portion of the maximum sentence.
II. Prisoners who are recommitted shall be [housed separately in a prison housing unit that
provides] provided access to focused, evidence-based programming aimed at reengaging parolees in
their parole plan.
III. The parole board may impose an extended term of recommittal for greater than
90 days if:
(a) The prisoner has previously been recommitted for a parole violation; or
(b) The prisoner was on parole for a sexual offense as defined in RSA 651-B:1, V
or an offense against a child as defined in RSA 651-B:1, VII; and
(1) The conduct underlying the parole violation is related to his or her
offense or offending pattern; or
(2) The prisoner has displayed a combination of dynamic risk factors,
including but not limited to, homelessness, loss of supports, substance abuse, or non-
compliance with treatment, as determined by the department of corrections sexual offender
treatment program staff; or
(3) Both subparagraphs (1) and (2); or
(c) The nature of the conduct underlying the parole violation constitutes a
criminal act or is otherwise so serious as to warrant an extended period of recommittal.
IV.(a) A prisoner may be brought before the parole board at any time during the 90-
day term of recommittal to determine whether a longer term is warranted if:
(1) The prisoner did not meaningfully participate in the evidence-based
programming during the 90-day recommittal period; or
(2) The prisoner received one or more major disciplinary violations during
the 90-day recommittal period.
(b) The prisoner shall be provided notice of the hearing and the basis of the
parole board's consideration of an extended term.
V. The imposition of an extended term of recommittal pursuant to paragraph III or
IV shall be supported by written findings and a written order.
VI. Any prisoner who is subject to an extended term of recommittal shall, upon
request, be entitled to a hearing before the parole board after serving 6 months of his or her
term of recommittal and every 6 months thereafter.
VII. At the revocation hearing, the parole board may impose a term of recommittal
for less than 90 days if:

(b) The prisoner was not on parole for a sexual offense as defined in RSA 651-B:1, V or an offense against a child as defined in RSA 651-B:1, VII;

35

36 37 (a) The prisoner has not been previously recommitted for a parole violation;

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 30 -

(c) The parole violation is not substantially related to his or her offense or offending pattern; and

- (d) The parole board determines that a lesser period of recommittal will aid in the rehabilitation of the parolee.
 - 117 Parole of Prisoners; Terms of Release. Amend RSA 651-A:6, I(c) to read as follows:
- (c) All prisoners who have not been previously paroled, or who were recommitted to prison more than one year prior to the expiration of the maximum term of his or her sentence, shall be released on parole at least 9 months prior to the expiration of the maximum term of his or her sentence. A prisoner who is paroled under this subparagraph from a sentence for a sexual offense as defined in RSA 651-B:1, V or an offense against a child as defined in RSA 651-B:1, VII shall be placed on intensive supervision as prescribed in rules adopted by the commissioner of the department of corrections pursuant to RSA 541-A. This [provision] subparagraph shall not apply to any prisoner who is the subject of a pending petition for civil commitment pursuant to RSA 135-E. In the event that the prisoner is not civilly committed, he or she shall be released on parole for the remainder of his or her sentence.
- 118 Applicability. RSA 651-A:19 as inserted by section 116 of this act shall apply to any person who is on parole as of July 1, 2010. The version of RSA 651-A:19 as inserted by 2010, 247:10 shall not apply to any person who had absconded on parole prior to October 1, 2010 and was a fugitive as of that date.
- 119 New Paragraph; College Tuition Savings Plan. Amend RSA 195-H:4 by inserting after paragraph IV the following new paragraph:
- V. Annual administrative fees less any annual administrative costs that are generated from the New Hampshire college tuition savings plan shall be allocated in the following manner: 70 percent of such total fees shall be paid annually prior to the end of each state fiscal year to the university system of New Hampshire and 30 percent of such total fees shall be paid annually prior to the end of each state fiscal year to the community college system of New Hampshire.
- 120 New Hampshire Excellence in Higher Education Endowment Trust Fund. The balance of the New Hampshire excellence in higher education endowment trust fund established pursuant to RSA 6:38, as of June 30, 2011 shall be transferred as follows: 70 percent of such fund balance shall be paid to the university system of New Hampshire and 30 percent of such fund balance shall be paid to the community college system of New Hampshire. The fund balance transfers to the university system of New Hampshire and to the community college system of New Hampshire shall be paid no later than July 30, 2011.
 - 121 Repeals. The following are repealed:
- I. RSA 6:12, I(b)(115), relative to moneys deposited into the New Hampshire excellence in higher education endowment trust fund.
 - II. RSA 6:12, I(b)(140), relative to moneys deposited in the forgivable loan fund and the loan

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 31 -

- 1 repayment fund in the workforce incentive program under RSA 188-D:18-f through RSA 188-D:18-h.
- 2 RSA 6:12, I(b)(241), relative to moneys deposited by the postsecondary education 3 commission in the essential functions fund established under RSA 188-D:8, IX.
 - IV. RSA 6:12, I(b)(243), relative to moneys used for the New Hampshire incentive program established in RSA 188-D:10.
- 6 V. RSA 6:12, I(b)(244), relative to moneys used for the leveraged incentive grant program 7 established in RSA 188-D:33.
- 8 VI. RSA 6:12, I(b)(245), relative to moneys used for the granite state scholars program 9 established in RSA 188-D:36.
- 10 VII. RSA 6:12, I(b)(247), relative to moneys used for the veterinary/medical/optometric 11 education program established in RSA 200-J.
- 12 VIII. RSA 6:12, I(b)(270), relative to the large animal veterinarian net tuition repayment 13 fund established in RSA 200-J:7.
- 14 IX. RSA 6:12-d, II(k), relative to the surety indemnification accounts of the postsecondary 15 education commission.
- 16 X. RSA 6:38, relative to the New Hampshire excellence in higher education endowment trust 17 fund.
- 18 XI. RSA 188-D, relative to the postsecondary education commission.

4

5

34

35

- 19 XII. RSA 195-H:3, VIII, relative to the New Hampshire college tuition savings plan advisory commission's rulemaking authority for the administration of the New Hampshire excellence in 20 21 higher education endowment trust fund.
- 22 XIII. RSA 200-J, relative to the veterinary/medical/optometric education program.
- 23 122 Compensation of Certain State Officers. Amend RSA 94:1-a, I(b) by deleting:
- 24 EE Postsecondary education commission executive director
- 25 123 Branches or Extension Courses in This State. Amend RSA 186:13-b to read as follows:
- 26 186:13-b Branches or Extension Courses in This State. Any out-of-state institution of higher
- 27 learning planning to establish a branch, branches, or extension courses, in this state, shall apply to
- 28 the [postsecondary education commission] department of education for an evaluation of its plans.
- 29 Plans for each such branch, branches, or extension courses shall thereupon be evaluated, and, if
- 30 approved, the branch, branches, or extension courses shall thereupon be accredited for such period
- 31 and under such regulations as [said commission] the department may determine. If a branch, or
- 32 branches, or program of extension courses are disapproved at any time by [said commission] the
- 33 *department* all operations and publicity of it shall cease without delay.
 - 124 State College and University System. Amend RSA 187-A:20-a, I to read as follows:
- I. A person who is a New Hampshire resident, who is under 25 years of age, and who enrolls 36 in a program leading to a certificate, associate, or bachelor degree at any public postsecondary institution within the state, approved by the [postsecondary education commission pursuant to

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 32 -

RSA 188 D] department of education, shall not be required to pay tuition for attendance at such institution if he or she is the child of a firefighter or police officer who died while in performance of his or her duties, and whose death was found to be compensable pursuant to RSA 281-A.

125 Scholarships for Orphans of Veterans. Amend RSA 193:21 to read as follows:

4

5

6 7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36 37 193:21 Payment. The amounts payable to recipients shall be determined by the [postsecondary education commission] department of education. The [commission] department shall determine the eligibility in accordance with rules adopted under RSA 541-A of the children who make application for the benefits provided for in this subdivision[, provided that no member of the commission shall receive any compensation for such service.]

126 College Tuition Savings Plan; Commission Established. Amend RSA 195-H:2, I(a)(7) to read as follows:

(7) [One member of the postsecondary education commission, appointed by the members of such commission] The commissioner of the department of education, or designee.

127 The New England Higher Education Compact; Membership of Board. Amend RSA 200-A:3 to read as follows:

200-A:3 Membership of Board. There shall be 8 resident members from New Hampshire on the New England Board of Higher Education as provided in article II of the compact. One of such resident members shall always be the chancellor of the university system. The second resident member shall be the [executive director of the postsecondary education commission] commissioner of the department of education. The third resident member shall be the chancellor of the community college system of New Hampshire. The fourth and fifth resident members shall be citizens of the state appointed by the governor and council. The sixth resident member shall be a member of the house of representatives appointed by the speaker of the house. The seventh member shall be a member of the senate appointed by the president of the senate. The eighth resident member shall be a representative of a private college in New Hampshire appointed by the governor and council. The term of office for each of the first 3 resident members shall be concurrent with his or her term as chancellor or [executive director] commissioner. The term of office for each of the latter 5 resident members shall be for 4 years and until a successor is appointed and qualified, except that the term of any member of the general court shall terminate if such member shall cease to be a state legislator. In that case, another member shall be appointed in a like manner for the unexpired term. The term of the member representing a private college shall end if the member's association with the private college terminates. Each member of the board shall receive his or her expenses actually and necessarily incurred by the member in the performance of his or her duties as a member. In addition to their expenses, the fourth, fifth, sixth, seventh, and eighth members shall receive \$15 per day compensation for time actually spent in the work as a member of the New England Board of Higher Education, provided that the total for expenses and per diem compensation for any of such 5 members shall not exceed the sum of \$500 during any one fiscal year.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 33 -

All expenses and per diem compensation shall be audited by the commissioner of administrative services as expenses of other employees are audited and shall be a charge against any appropriation provided for this purpose.

 2

128 The New England Higher Education Compact; Membership of Board. Amend RSA 200-A:5 and 6 to read as follows:

200-A:5 Certification to [Postsecondary Education Commission] Department of Education. The New England Board of Higher Education shall certify to the [postsecondary education eommission] department of education on or before October 1 of the year preceding each legislative session the amounts needed to carry out the purposes of RSA 200-A:4 for the coming biennium. Upon such certification, the [postsecondary education commission] department of education shall include such amounts in the budget request for its department. The sums appropriated by the legislature in accordance with the provisions of this subdivision shall be a continuing appropriation and shall not lapse.

200-A:6 Payments From Funds. The amount that may be or may become due to any college, university, or institution shall be payable by the state treasurer to such institution from funds appropriated for carrying out the purposes hereof upon certification by the New England Board of Higher Education. Said board, before approving such vouchers, shall satisfy itself that such student would be unable to receive the course of instruction at any institution of public education in New Hampshire, and shall satisfy itself that the charge made by said institution is in accordance with the terms and conditions of the regional and/or reciprocal agreement in effect between the New England Board of Higher Education and the charging institution. The [postsecondary education commission] department of education shall examine and audit the accounts showing the payments made by the board under the authority of this section. In submitting the budget request made by it pursuant to the certification of the board as provided in RSA 200-A:5, the [postsecondary education commission] department of education shall forward with such request a report of such examination and audit, showing the details of such payments for the 2 fiscal years next preceding the time of said budget requests.

129 The New England Higher Education Compact; Membership of Board. Amend RSA 200-A:8 and 9 to read as follows:

200-A:8 Enforcement. The [postsecondary education commission] department of education is authorized to enforce the collection of accounts that become due under the loan provisions of this chapter.

200-A:9 Repayment of Funds by Medical Students. The [postsecondary education commission] department of education shall prepare a note for signature of any medical student who is a recipient hereunder. The note shall be in an amount that equals the amount paid by the state treasurer for their respective enrollment. Repayment of the note shall be made in equal annual installments beginning on the anniversary date of the recipient's graduation date or termination of

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 34 -

 2

enrollment, whichever shall first occur, provided, however, that if the recipient continues without interruption of his or her medical education and/or his or her intern requirements said anniversary date shall be the anniversary of the date on which said continued education or internship terminates. Within a period equal to twice the number of school years of his respective enrollment, plus one year, all installments shall be paid in full to the [postsecondary education commission] department of education shall reduce any annual installment by 1/2, providing the recipient has practiced medicine on a full time basis in New Hampshire during 8 of the preceding 12 months.

130 CART Provider and Sign Language Interpreter Net Tuition Program. Amend RSA 200-M:1, II to read as follows:

- II. "Net tuition" means tuition costs for post-secondary school education that was directed toward the completion of a degree or certificate in judicial reporting, broadcast captioning, realtime transcription, or sign language interpretation, or any other degree or certificate that the [postsecondary education commission] department of education deems acceptable for purposes of CART provider and sign language interpreter net tuition repayment.
- 131 CART Provider and Sign Language Interpreter Net Tuition Program. Amend RSA 200-M:2 and 3 to read as follows:
 - 200-M:2 CART Provider and Sign Language Interpreter Net Tuition Repayment Program Established. The [postsecondary education commission] department of education shall administer a program for the promotion, acquisition, and retention of CART providers and sign language interpreters in the state.
 - 200-M:3 Application; Repayment. An individual who has completed eligible CART or sign language interpreter training in accordance with rules adopted pursuant to RSA 200-M:5, including internships and residencies, and agrees to work as a CART provider or a sign language interpreter in this state, may apply to the [postsecondary education commission] department of education for repayment under the CART provider and sign language interpreter net tuition repayment program and become eligible to be reimbursed up to 100 percent of his or her qualifying tuition not to exceed the cost of 4 years of in-state tuition at the university of New Hampshire, during a 5-year period of working as a CART provider or sign language interpreter. A 10 percent net tuition repayment shall be made upon completion of the first year of employment in this state, with an additional 10 percent made after the second year of work, an additional 20 percent after the third year of work, an additional 30 percent after the fifth year of work.
- 132 CART Provider and Sign Language Interpreter Net Tuition Program. Amend RSA 200-M:4, I to read as follows:
- I. There is hereby established in the office of the state treasurer a fund to be known as the CART provider and sign language interpreter net tuition repayment fund. The fund shall include

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 35 -

 2

any sums appropriated for such purpose. In addition, the [postsecondary education commission is authorized to] department of education may accept public sector and private sector grants, gifts, or donations of any kind for the purpose of funding the provisions of this chapter. The moneys in this fund shall be nonlapsing and shall be continually appropriated to the [postsecondary education commission] department of education. The fund may be expended by the [postsecondary education education commission] department of education to accomplish the purposes of this chapter. The state treasurer may invest moneys in the fund as provided by law, with interest received on such investment credited to the fund.

133 CART Provider and Sign Language Interpreter Net Tuition Program. Amend RSA 200-M:5 to read as follows:

of education shall adopt rules, pursuant to RSA 541-A, relative to procedures, eligibility, and qualifications for applicants, qualifying educational costs, criteria for terms of service by a CART provider and/or sign language interpreter, procedures for repayment of net tuition costs, and the administration of the program by the [postsecondary education commission] department of education. The commissioner of the [postsecondary education commission] department of education shall annually report to the general court on the effectiveness of this program.

- 134 Nurse Practice Act; Education Programs. Amend RSA 326-B:32, I(b)(1) to read as follows:
- (1) Seek and receive approval from the [postsecondary education commission] department of education prior to applying for approval from the board.
 - 135 Nurse Practice Act; Education Programs. Amend RSA 326-B:32, I(c) to read as follows:
- (c) The board shall approve, disapprove, or withdraw approval for nursing assistant education programs that meet or fail to meet the requirements of this chapter and the rules adopted by the board. The board shall require that nursing assistant education programs seek and receive approval from the [postsecondary education commission] department of education prior to applying for approval from the board.
 - 136 Higher Education Corporations; Terms Defined. Amend RSA 292:8-b, I to read as follows:
- I. ["Commission" means the postsecondary education commission, established by RSA 188-D-] "Department" means the department of education established in RSA 21-N.
- 137 Higher Education Corporations. Amend RSA 292:8-c through RSA 292:8-h to read as follows:
- 292:8-c Organization. The articles of agreement for the purpose of organizing a corporation for the establishment of an institution for postsecondary education or higher learning shall be submitted to the [postsecondary education commission] department for its consent for said incorporation.
- 292:8-d Approval. No articles of agreement for the incorporation of institutions for postsecondary or higher education shall be recorded in the office of the secretary of state unless or until consent for said incorporation has been obtained from the [emmission] department.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 36 -

292:8-e General Statement. The [commission] *department* shall approve as a corporation of higher learning only such institutions as have been evaluated according to procedures and standards established by the [commission] *department*.

292:8-f Submission of Plans. Any person desiring to establish an institution of higher learning shall submit to the [eommission] department, at the time approval is requested for its articles of incorporation, its plans, which shall be evaluated by the [eommission] department prior to granting its certificate. Such evaluation shall include among other things the adequacy of the buildings or proposed buildings, instructional facilities and provisions for safety and well-being of its students, the qualifications of the faculty, the character of the program of studies and the adequacy of financial resources.

292:8-g Limitation on Name. Notwithstanding the provisions of RSA 292:3 no person, school, association, or corporation shall use in any way the term "junior college" or "college" or "university" in connection with an institution, or use any other name, title or descriptive matter tending to designate that it is an institution of higher learning unless it has been incorporated under the provisions of this chapter. The provisions of this section shall not apply to a person, school, association or corporation which has been authorized to use said terms by law prior to January 1, 1965. Any person, school, association or corporation authorized by a special act of the legislature shall not change its name to include any of said terms under the provisions of RSA 292:8-l unless its amendment therefor shall be submitted to and approved by the [commission] department prior to being filed in the office of the secretary of state.

292:8-h Granting of Degrees.

 2

- I. This section shall apply to all educational institutions within the state granting degrees or seeking to do so, except the following:
- (a) Any institution now granting degrees which has been in continuous operation since before 1775;
 - (b) [Repealed.]
- (c) Publicly supported institutions placed by the legislature under the authority of the state board of education.
- II. No educational institution shall grant degrees unless authorized by name to do so by an act of the legislature.
- III. The [postsecondary education commission] department shall specify the degrees an institution may grant, and the [commission] department may renew, for a set term of years, degree granting authority granted by the legislature. The [commission's] department's actions shall be subject to biennial certification by the legislature. The [commission] department shall report its action by January 31 of each odd-numbered year to both the house and senate standing committees on education.
- 138 Higher Education Corporations; Freedom From Liability. Amend RSA 292:8-ee and

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 37 -

RSA 292:8-ff to read as follows:

292:8-ee Freedom From Liability. No [member of the postsecondary education commission] employee of the department nor any member of an evaluation committee established under any provision of this subdivision shall be held personally liable, either as an individual or as a member of a group, for any loss which may accrue to an educational institution as a result of the denial of degree granting authority under any section of this subdivision, so long as said employee or member was acting in good faith in the furtherance of duties as [a member of the postsecondary education commission] an employee of the department or an evaluation committee. All such members shall be entitled to the protections afforded by RSA 99-D.

292:8-ff Continuing Review.

- I. The [emmission] department shall conduct periodic reevaluations of educational institutions incorporated under this chapter, and of any degree granting authority under RSA 292:8-h.
- II. The [commission] department shall conduct a special reevaluation of any educational institution, if:
 - (a) The institution is sold or transferred to, or merged with, another entity; or
 - (b) There is a substantial change in the governance of the institution.
- III. The [commission] department shall suspend or revoke the accreditation or degree granting authority of any institution which no longer meets the standards established by rule [under RSA 188 D:8 a].
- IV. Any institution which has not conducted regular instruction for 3 consecutive years and whose charter has not been repealed shall, before announcing a resumption of instruction, submit plans and be evaluated and approved under RSA 292:8-f.
- V. Any institution which has not awarded a particular degree for 4 years shall seek and receive approval by the [commission] department before awarding that degree.
 - 139 Higher Education Corporations; Injunctive Relief. Amend RSA 292:8-j to read as follows:
- 292:8-j Injunctive Relief. In addition to the penalty provided by RSA 292:8-i, the [eommission] department may institute in any court of competent jurisdiction, an action to prevent or restrain any violation of the provisions of RSA 292:8-g or 8-h and the court shall adjudge to the plaintiff such relief by way of injunction (which may be mandatory) or otherwise as may be proper under all the facts and circumstances of the case, in order to fully effectuate the purpose of this subdivision.
 - 140 Higher Education Corporations; Reports Required. Amend RSA 292:8-kk to read as follows: 292:8-kk Reports Required.
- I. When any institution of higher learning ceases the regular conduct of instruction, either temporarily or permanently, whether or not the corporation is dissolved, the original written academic record, or a legible, certified copy thereof as defined by the institution, of each student who has been registered for instruction at the institution shall be forwarded to the [postsecondary]

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 38 -

- education commission] department together with an explanation of the institution's credit and grading system. The [postsecondary education commission] department shall preserve these records and upon request of the individual concerned, shall furnish a certified copy, or reasonable number of such copies, of the individual's record. The fee for each record so furnished to be paid to the [commission] department shall be sufficient to cover related costs.
 - II. All transcript request fees collected by the [postsecondary education commission] department under this section shall be deposited into a nonlapsing, revolving fund to be used for managing the storage, maintenance, and retrieval of closed school transcripts.
- 141 College Tuition Savings Plan; Commission Established. Amend the introductory paragraph in RSA 195-H:2, I(a) to read as follows:
- (a) There is established the New Hampshire college tuition savings plan advisory commission which shall ensure the proper administration and management of the savings plan. The advisory commission shall ensure that the savings plan complies with the requirements of section 529 of the Internal Revenue Code of 1986, as amended, and any related federal law applicable to the savings plan. [The commission shall also be responsible for ensuring the proper administration, implementation, and management of the New Hampshire excellence in higher education endowment trust fund established in RSA 6:38.] The commission shall consist of the following members:
- 142 Postsecondary Education Commission; Transfer of Powers, Duties, and Programs to the Department of Education.
- I. Notwithstanding any law, the following programs are hereby transferred to the department of education as of July 1, 2011:
 - (a) Scholarships for orphans of veterans pursuant to RSA 193:19-21;
- (b) Scholarships awarded under New England board of higher education compact pursuant to RSA 200-A;
 - (c) College access challenge grant;

 2

- (d) Provision of closed school transcripts pursuant to RSA 292:8-kk;
- (e) Private postsecondary career school licensing pursuant to RSA 188-D:19-28;
- 28 (f) Tuition reimbursement through the student tuition guarantee fund pursuant to RSA 29 188-D:20-b;
 - (g) The Paul Douglas scholarship program;
 - (h) Veterans Education Services pursuant to RSA 188-D:24;
- 32 (i) Approval of new educational programs pursuant to RSA 188-D:8 and RSA 292:8-b 33 through RSA 292:8-kk.
 - II. The transfer required in this section shall include all of the equipment, books, papers, and records of the postsecondary education commission. All existing rules, statutory responsibilities, regulations, and procedures relating to the transferred programs in effect, in operation, or adopted in or by the postsecondary education commission are hereby transferred to the department of education

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 39 -

1	and are declared in effect and shall continue in effect until rescinded, revised, or amended in
2	accordance with applicable law.
3	143 New Subparagraphs; Department of Education; Establishment and General Functions.
4	Amend RSA 21-N:2, II by inserting after subparagraph (c) the following new subparagraphs:
5	(d) Administration of scholarships for orphans of veterans program pursuant to
6	RSA 193:19-21.
7	(e) Administration of scholarships under the New England higher education compact
8	pursuant to RSA 200-A.
9	(f) Administration of the college access challenge grant program.
10	(g) Preservation and provision of closed school transcripts under RSA 292:8-kk.
11	(h) Administration and oversight of the licensing of private postsecondary career schools
12	pursuant to RSA 188-G.
13	(i) Administration of the student tuition guarantee fund pursuant to RSA 188-G:4.
14	(j) Administration of the Paul Douglas scholarship program.
15	(k) Administration of veterans education and services pursuant to RSA 188-G:12.
16	(l) Administration of the approval of new programs of study at approved institutions of
17	higher learning under 292:8-b through RSA 292:8-kk.
18	144 New Chapter; Private Postsecondary Career Schools. Amend RSA by inserting after
19	chapter 188-F the following new chapter:
20	CHAPTER 188-G
21	PRIVATE POSTSECONDARY CAREER SCHOOLS
22	188-G:1 Definitions; Exclusions.
23	I. In this chapter:
24	(a) "Alternative delivery" means a mode of instruction, which does not involve face-to-
25	face instruction between instructor and student in the same geographic location. This mode of
26	instruction shall include Internet, televised, video, telephonic, and correspondence media.
27	(b) "Commissioner" means the commissioner of the department of education.
28	(c) "Conference" or "seminar" means a scheduled meeting of 2 or more persons for
29	discussing matters of common concern and where, if training or education is offered, it shall be
30	incidental to the purpose of the conference.
31	(d) "Department" means the department of education.
32	(e) "Entity" means any individual, firm, partnership, association, corporation,
33	organization, trust, school, or other legal entity or combination of these entities.
34	(f) "Operating balance" means the amount of funds necessary for indemnification as
35	determined by the commissioner.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 40 -

1	(g) "Physical presence" means any physical location, place of contact, telephone
2	exchange, or mail drop in this state, and if an individual is conducting one or more of the following
3	activities within this state:
4	(1) Advertising.
5	(2) Solicitation of potential students.
6	(3) Enrollment of students.
7	(4) Providing student services.
8	(5) Student mentoring.
9	(6) Instruction of students.
10	(h) "Private postsecondary career school" means any for-profit or nonprofit
11	postsecondary career entity maintaining a physical presence in this state providing education or
12	training for tuition or a fee that enhances a person's occupational skills, or provides continuing
13	education or certification, or fulfills a training or education requirement in one's employment, career,
14	trade, profession, or occupation. Schools that offer resident or non-resident programs, including
15	programs using modes of alternative delivery, beyond the secondary school level to an entity shall be
16	included in this definition regardless of the fact that the school's tuition and fees from education and
17	training programs constitute only a part of the school's revenue.
18	(i) "Vendor" means an entity that promotes or exchanges goods or services for money.
19	(j) "Workshop" means a brief, intensive education or training program that focuses on
20	developing techniques and skills in a particular area.
21	II. "Private postsecondary career school" shall not include:
22	(a) Schools authorized to grant degrees pursuant to RSA 292.
23	(b) Schools specifically licensed as an education or training school by a state agency
24	other than the department of education.
25	(c) Schools operated by a business organization exclusively for the training of that
26	business' own employees and at no charge to its employees.
27	(d) Schools offering noncredit courses exclusively for avocational purposes.
28	(e) Schools established, operated, and governed by the state of New Hampshire or any of
29	its political subdivisions, or any other state or its political subdivisions.
30	(f) Noncredit courses or programs sponsored by recognized trade, business, or
31	professional organizations solely for the instruction of their members that do not prepare or qualify
32	individuals for employment in any occupation or trade.
33	(g) Schools that offer programs and courses exclusively on federal military installations.
34	(h) Companies, individuals, or other legal entities that offer training at seminars,
35	workshops, or conferences, if:
36	(1) Any training or education offered is incidental to the purpose of the seminar,

37

workshop, or conference; and

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE

- Page 41 -1 (2) The attendee receiving the training is not awarded any form of a certificate, 2 diploma, or credit including continuing education units for having received the training. 3 (i) Vendors that offer incidental training associated with the purchase of a product from 4 said vendor, if the training is at no cost, its purpose is to familiarize the purchaser with its use and the purchaser is not awarded any form of a certificate or diploma for having received the training. 5 6 (j) An individual or facility training students under 14 C.F.R. part 91 or 14 C.F.R. part 7 141, or receiving flight or ground instruction required by the Federal Aviation Administration. 8 (k) Entities offering only training courses at a total cost, including tuition and all other 9 fees and charges of not more than \$800 per course for which no payment, including a deposit, is 10 required or collected prior to the first day of the course. This subparagraph shall not apply to 11 entities that use alternative delivery methods. 12 (1) Entities offering training in the trades that have been approved by a state agency 13 with appropriate jurisdiction, including but not limited to the plumbers' board, the electricians' 14 board, the office of the state fire marshal, and the division of fire standards and training and 15 emergency medical services. (m) Computer technology vendors that offer fee based training on courses of instruction 16 17 in the use of hardware or software if the course is offered to purchasers of such hardware or 18 software, or to the purchaser's employees, by a person who manufactures and sells, develops and 19 sells, or supports the hardware or software, and if the seller is not primarily engaged in the business 20 of providing courses of instruction in the use of the hardware or software. 21 Entities that license software, the content of which is focused on training or 22education, if the entity: 23 (1) Is primarily engaged in the business of licensing software; 24(2) Licenses its software primarily to other legal entities, and not directly to an end 25 user or individual student; 26 (3) Does not confer degrees, diplomas, continuing education units, or any other form 27 of credit in connection with the software that it licenses; 28 (4) Is not accredited and does not seek accreditation in connection with the software 29 that it licenses or the content it offers; and 30 Does not offer an admissions process, financial aid, career advice, or job 31 placement in connection with the software that it licenses.
 - 188-G:2 Licenses and Fees.

32

33

34

35

36

I. Prior to registering or renewing a business or trade name, or soliciting students for enrollment, an entity maintaining a physical presence in this state shall be reviewed by the commissioner to determine if the entity requires a license. The commissioner shall establish procedures to accomplish this review.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 42 -

 2

- II. A private postsecondary career school maintaining a physical presence in this state shall register to obtain a license or license renewal from the department. The license shall be issued or renewed pursuant to rules, adopted under RSA 541-A, by the department. The rules shall establish minimum criteria, including but not limited to, financial stability, educational program, administrative and staff qualifications, business procedures, facilities, equipment, and ethical practices to be met by licensees, and criteria for rejecting a licensing applicant and for suspending or revoking a license.
- III. A school that is not required to obtain a license may apply for a license and, upon issuance of the license, shall be subject to the provisions of this chapter. Such school may voluntarily surrender its license and revert to its original status.
- IV. The department shall adopt rules pursuant to RSA 541-A to establish reasonable fines, reimbursement rates for consultants, and procedures for complaint investigations and enforcement actions, which are necessary for the administration of this chapter.
- V. A private postsecondary career school which the department has determined requires a license shall, prior to the issuance of a license, comply with this section, RSA 188-G:3, and RSA 188-G:4.
- 188-G:3 Surety Indemnification. Before a license is issued or renewed, a school shall meet the requirements of this section or RSA 188-G:4, by providing acceptable surety indemnification as determined in this section.
- I. A surety bond shall be provided by the school in an amount prescribed in this section. The obligation of the bond is that the school, its officers, agents, and employees shall faithfully perform the terms and conditions of contracts for tuition and other instructional fees entered into between the school and entity enrolling as students. The bond shall be issued by a company authorized to do business in the state of New Hampshire. The bond shall be issued in the name of the department of education, and is to be used only for payment of a refund of tuition and instructional fees due to a student or potential student, and the expense of investigating and processing the claims.
- II. The amount of such bond shall be based on income from tuition at 10 percent of gross tuition, with a \$10,000 minimum. If a school licensed under RSA 188-G:2 should fail to provide the services required in a contract with any entity, as determined by a court of competent jurisdiction, the bond shall be forfeited, and the proceeds distributed by the commissioner of the department of education in such manner as justice and the circumstances require.
- III. The bond company may not be relieved of liability on the bond unless it gives the school and the department of education 90 days written notice of the company's intent to cancel the bond. If at any time the company that issued the bond cancels or discontinues the coverage, the school's license is revoked as a matter of law on the effective date of the cancellation or discontinuance of bond coverage, unless a replacement bond is obtained and provided to the department of education.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 43 -

- IV. For the purposes of this section the forms of indemnification other than a surety bond which may be furnished to the department of education for licensure are the following:
- (a) An irrevocable letter of credit, maintained for the licensing period as a minimum, issued by a financial institution authorized to do business in New Hampshire in an amount to be determined by the department of education with the department of education designated as the beneficiary; or
- (b) A term deposit account held in the state treasury, payable to the department of education, shall be held in trust for the benefit of students entitled thereto under this section. Said account shall be maintained for the licensing period as a minimum, in an amount determined by the department of education. Any interest shall be paid annually to the appropriate school, unless the term deposit account is activated due to a school closing. Should the licensee for any reason, while not in default, discontinue operation, all moneys on deposit, including any interest, shall be released to the appropriate school subject to the approval of the commissioner of the department of education.
 - 188-G:4 Student Tuition Guaranty Fund.

 2

- I.(a) A student tuition guaranty fund is hereby established within the department of education and shall be administered by the commissioner of the department of education.
- (b) The fund shall be funded from an annual fee to be established by the commissioner of the department of education and assessed against each school duly licensed by the department of education and all applicants for a license under RSA 188-G:2.
- (c) The funds shall be placed in an interest-bearing account in the office of the state treasurer and the state treasurer shall deposit all interest earned on the funds into the account.
- (d) The fund shall be used to reimburse students when a school has failed to faithfully perform its contractual obligations for tuition and instructional fees in the event of a school closing, and the expense of investigating and processing the claims. The owner of a school which fails to perform its contractual obligations shall be personally liable to reimburse the fund for the difference between the per student amount paid into the fund by the school and the amount paid out of the fund to a student to settle a claim made against the school.
- II. The commissioner of the department of education shall adopt rules, pursuant to RSA 541-A, relative to the administration and maintenance of the fund.
- 188-G:5 Inspections. The commissioner of the department of education may at any time inspect the premises, curriculum, teaching materials, faculty performance, sales literature, financial data, or other matters which are relevant to the educational and business activities of a licensed school in order to determine compliance with applicable laws and rules.
- 188-G:6 Revocation; Hearing. The commissioner of the department of education may, after due notice and hearing, revoke the license of any school licensed pursuant to RSA 188-G:2 for violating the provisions of this chapter or rules adopted hereunder. The provisions of RSA 541 shall apply to actions taken pursuant to this section.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 44 -

- 1 188-G:7 Waiting Period. Every contract that purports to bind any entity to pay money to a 2 private postsecondary career school in return for training shall be construed to be a home solicitation 3 sales contract under RSA 361-B and shall be subject to the provisions of RSA 361-B.
- 4 188-G:8 Veterans Services Approval. The department of education may approve for veterans' education and services any institution licensed under this chapter. The department may adopt rules, under RSA 541-A, relative to the procedures for approval of institutions for veterans' 6 education and benefits.
- 8 188-G:9 Use of Fees. Notwithstanding any provision of law to the contrary, all license fees 9 collected under the provisions of this chapter shall be retained by the department of education for 10 use in meeting the expenses of administering this chapter.
 - 188-G:10 Rulemaking Authority. The commissioner of the department of education shall adopt such rules, pursuant to RSA 541-A, as may be necessary in order to carry out the provisions of this chapter.
 - 188-G:11 Penalty.

5

7

11

12

13

14

17

18

19

20

23

24

25

26

27

28

29

- 15 I. Whoever violates any provision of this chapter shall be guilty of a misdemeanor if a 16 natural person, or guilty of a felony if any other person.
 - II. Whenever the commissioner of the department of education determines that a person is violating any provision of this chapter or the rules adopted hereunder, the commissioner shall request the attorney general, or other appropriate official having jurisdiction, to provide appropriate relief.
- 21 III. The commissioner, upon verifying that a school is operating without a license, shall 22 issue a cease and desist order to such school.
 - IV. The department of education shall be notified whenever a cease and desist order is issued to a school, or if a school fails to provide the services required under a contract with any entity causing the bond to be forfeited, or if a school is required to have a license but is operating without a license.
 - 188-G:12 Veterans Education and Services Approval. The department of education may approve for veterans' education and services any institution licensed under this chapter. The department may adopt rules, under RSA 541-A, relative to the procedures for approval of institutions for veterans' education and benefits.
- 31 Application of Receipts; Funds Collected by the Department of Education. Amend 32 RSA 6:12, I(b)(228) to read as follows:
- 33 (228) Fees [deposited in the postsecondary education vocational school licensing fund 34 under RSA 188 D:25 collected by the department of education pursuant to RSA 188-G:9.
- 146 Application of Receipts; Student Tuition Guaranty Fund. Amend RSA 6:12, I(b)(233) to 35 36 read as follows:

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 45 -

- 1 (233)Moneys deposited in the student tuition guaranty fund established in 2 RSA [188 D:20 b] 188-G:4. 3 147 New Subparagraphs; Department of Education; Rulemaking. Amend RSA 21-N:9, II by 4 inserting after subparagraph (bb) the following new subparagraphs: (cc) Licensing of private postsecondary career schools in New Hampshire pursuant to 5 RSA 188-G. 6 7 (dd) Procedures and standards for the evaluation and classification of educational 8 institutions. 9 Procedures and standards for authorization to grant specific degrees under (ee) 10 RSA 292:8-h. 11 Criteria and standards for the evaluation and approval of nonpublic educational 12 institutions. 13 (gg) The establishment and collection of fees for direct and indirect costs related to the 14 degree-granting authority associated with in-state and out-of-state visits, reviews, and requests from 15 postsecondary educational institutions. 16 148 Funding Limitations; Virtual Learning Academy Charter School; Chartered Public Schools. 17 Notwithstanding the memorandum of agreement between the New Hampshire department of education and the Virtual Learning Academy Charter School (VLACS) dated 18 19 December 22, 2010, the total expenditure for aid for VLACS students shall not exceed \$3,224,280 for 20 the fiscal year ending June 30, 2012 and \$3,805,980 for the fiscal year ending June 30, 2013 21 regardless of enrollment. Any revised memorandum of agreement between the department of 22 education and the VLACS shall specifically provide that aid to students is subject to the 23 appropriation of funds by the legislature. 24 II. Notwithstanding RSA 194-B:11, I(b) and (c), total state expenditures for chartered public 25 schools established under RSA 194-B shall not exceed \$10,254,540 for the fiscal year ending June 30, 26 2012 and \$11,528,740 for the fiscal year ending June 30, 2013. In the event that enrollment 27 increases to the extent that the appropriations for each fiscal year are insufficient, payments to 28 charter schools shall be prorated on a per student basis among the total number of chartered public 29 school pupils. 30 149 Adequate Education: Definitions. RSA 198:38 is repealed and reenacted to read as follows: 31
 - 198:38 Definitions. In this section:
 - "Average daily membership in residence" or "ADMR" means the average daily membership in residence of pupils in kindergarten through grade 12, as defined in RSA 189:1-d, IV of the second school year preceding the year in which the calculation is made, provided that no kindergarten pupil shall count as more than 1/2 day attendance per calendar year.
 - II. "Commissioner" means the commissioner of the department of education.
 - III. "Department" means the department of education.

32

33

34

35

36

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 46 -

1 IV. "Determination year" means the fiscal year that was 3 years prior to the fiscal year for 2 which aid is to be determined. Unless otherwise indicated, determination year data shall be used to 3 calculate aid. 4 V. "Educationally disabled child" or "educationally disabled pupil" shall mean "educationally disabled child" as defined in RSA 186-C:2, I. 5 VI. "English language learner" means a child who has a predominant language other than 6 7 English or who is educationally disadvantaged by a limited English proficiency, and who is receiving 8 regularly scheduled English language instruction. 9 VII. "Pupils eligible for a free or reduced-price meal" means pupils in kindergarten through 10 grade 12 who are eligible for the federal free or reduced-price meal program. 11 VIII. "School district" means school district as defined in RSA 194:1 and shall include 12 cooperative school districts as defined in RSA 195:1, I. 13 150 Adequate Education; Base Cost Per Pupil. RSA 198:40-a is repealed and reenacted to read 14 as follows: 15 198:40-a Adequate Education; Base Cost Per Pupil. 16 I. The commissioner shall determine the base cost per pupil of the opportunity for an 17 adequate education in each school district using the most recent statewide salary data available, 18 divided into quartiles, as follows: (a)(1) The average of the 3rd and 4th quartiles of salary for a teacher possessing at least a 19 20 bachelor's degree with no experience, multiplied by 1.33, then multiply the product by 1.05. 21 (2) For a teacher teaching art, music, world languages, media/technology, health, or 22physical education, multiply the amount determined under subparagraph (a)(1) by .20. 23 (b) The average of the 3rd and 4th quartiles of salary for a principal possessing at least a 24master's degree and 3 years of educator experience, multiplied by 1.33, then multiply the product by 25 1.05. 26 (c) The average of the 3rd and 4th quartiles of salary for a guidance counselor possessing 27at least a master's degree, multiplied by 1.33, then multiply the product by 1.05. 28 (d) The average of the 3rd and 4th quartiles of salary for a library/media specialist 29 possessing at least a bachelor's degree with no experience, multiplied by 1.33, then multiply the 30 product by 1.05. (e) The average of the 3rd and 4th quartiles of salary for a technology coordinator 31 32 possessing at least a bachelor's degree with no experience, multiplied by 1.33, then multiply the 33 product by 1.05. (f) The average of the 3rd and 4th quartiles of salary for a reading specialist possessing at 34

(g) The average of the 3rd and 4th quartiles of salary for an administrative assistant,

least a master's degree at step 2 of the teacher salary schedule for that position, multiplied by 1.33,

35

36

37

then multiply the product by 1.05.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 47 -

1 multiplied by 1.33, then multiply the product by 1.05.

- (h) The average of the 3rd and 4th quartiles of salary for a custodian, multiplied by 1.33, then multiply the product by 1.05.
- II. In each biennium, the commissioner shall calculate the base cost per pupil of the opportunity for an adequate education in each school district as the sum of the following:
- (a)(1) For teachers of pupils in kindergarten through grade 2, divide the ADMR of pupils in the municipality in kindergarten through grade 2 by 25, then multiply the result by the salary for teachers determined in subparagraph I(a)(1).
- (2) For teachers of pupils in grades 3 through 12, divide the ADMR of pupils in the municipality in grades 3 through 12 by 30, then multiply the result by the salary for teachers determined in subparagraph I(a)(1).
- (3) For a teacher teaching art, music, world languages, media/technology, health, or physical education to pupils in kindergarten through grade 2, divide the ADMR of pupils in the municipality in kindergarten through grade 2 by 25, then multiply the result by the amount determined in subparagraph I(a)(2).
- (4) For a teacher teaching art, music, world languages, media/technology, health, or physical education to pupils in grades 3 through 12, divide the ADMR of pupils in the municipality in grades 3 through 12 by 30, then multiply the result by the amount determined in subparagraph I(a)(2).
- (b) For principals, divide the ADMR of pupils in the municipality in kindergarten through grade 12 by 500, then multiply the result by the salary for principals determined in subparagraph I(b).
- (c)(1) For guidance counselors for pupils in kindergarten through grade 8, divide the ADMR of pupils in the municipality in kindergarten through grade 8 by 500, then multiply the result by the salary for guidance counselors determined in subparagraph I(c).
- (2) For guidance counselors for pupils in grades 9 through 12, divide the ADMR of pupils in the municipality in grades 9 through 12 by 300, then multiply the result by the salary for guidance counselors determined in subparagraph I(c).
- (d) For library/media specialists, divide the ADMR of pupils in the municipality in kindergarten through grade 12 by 500, then multiply the result by the salary for library/media specialists determined in subparagraph I(d).
- (e) For technology coordinators, divide the ADMR of pupils in the municipality in kindergarten through grade 12 by 1,200, then multiply the result by the salary for technology coordinators determined in subparagraph I(e).
- (f) For reading specialists, divide the ADMR of pupils in the municipality in kindergarten through grade 8 by 500, then multiply the result by the salary for reading specialists determined in subparagraph I(f).

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 48 -

(g) For administrative assistants, divide the ADMR of pupils in the municipality in kindergarten through grade 12 by 500, then multiply this amount by the salary for administrative assistants determined in subparagraph I(g).

- (h) For custodians, divide the ADMR of pupils in the municipality in kindergarten through grade 12 by 500, then multiply this amount by the salary for custodians determined in subparagraph I(h).
- (i) For instructional materials, multiply the ADMR of pupils in the municipality in kindergarten through grade 12 by \$130.
 - (j)(1) For technology costs for pupils in kindergarten through grade 8, multiply the ADMR of pupils in the municipality in kindergarten through grade 8 by \$25.
 - (2) For technology costs for pupils in grades 9 through 12, multiply the ADMR of pupils in the municipality in grades 9 through 12 by \$65.
 - (k) For transportation costs, multiply the ADMR of pupils in the municipality in kindergarten through grade 8 by \$304.
 - III. In addition to the base cost calculated under paragraphs I and II:
 - (a) An additional \$1,725 for each pupil who is in kindergarten through grade 12, who is eligible for the federal free and reduced-price meal program, and who attends a public school in which at least 12 percent of pupils reported in the school's ADMR in the determination year are eligible for the federal free and reduced-price meal program.
 - (b) An additional \$675 for each pupil reported in the public school's ADMR in the determination year who is an English language learner and who is receiving English language instruction.
 - (c) An additional \$1,856 for each pupil reported in the public school's ADMR in the determination year who is receiving special education.
 - IV.(a) The sum total calculated under paragraphs I-III of this section shall be the cost of the opportunity for an adequate education in each year of the biennium.
 - (b) Prior to or coinciding with the first disbursement of each fiscal year under RSA 198:42, the department shall notify a school district of the total amount of funds that have been allocated for each school within its jurisdiction during the fiscal year based on the sum of the school district's adequate education grant amount plus the amount available to the school district from the education tax. In addition, the department shall furnish to each municipality a report showing the municipality's cost of an adequate education sorted by a pupil's municipality of residence.
 - V. The department shall notify school districts of the estimated amounts of grants by the November 15 preceding the fiscal year for which aid is determined. The commissioner shall provide to the general court all data or reports requested by the general court in a form which the general court determines will facilitate the calculations required in this section.
 - 151 Adequate Education; Provisions for Grants to Municipalities. RSA 198:40-b is repealed and

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 49 -

1	reenacted	to.	hoor	00	f_11	01170
1	reenacted	to	reau	as	1011	ows:

 2

198:40-b Provisions for Grants to Municipalities.

- I. For the biennium ending June 30, 2013, no municipality shall receive a total education grant in a fiscal year which is greater than the total education grant received in the fiscal year ending June 30, 2011.
- II. Each fiscal year, the commissioner of the department of education shall determine if a municipality is scheduled to receive a total education grant which is less than the total education grant received in the fiscal year ending June 30, 2011, and shall disburse to such municipality an additional grant from the education trust fund in an amount equal to 100 percent of the amount of the decrease.
- 152 Adequate Education; Provisions for Grants to Municipalities; Version Effective July 1, 2013. Amend RSA 198:40-b to read as follows:
 - 198:40-b Provisions for Grants to Municipalities.
 - [I. For the biennium ending June 30, 2013, no municipality shall receive a total education grant in a fiscal year which is greater than the total education grant received in the fiscal year ending June 30, 2011.
 - H-] Each fiscal year, the commissioner of the department of education shall determine if a municipality is scheduled to receive a total education grant which is less than the total education grant received in the fiscal year ending June 30, 2011, and shall disburse to such municipality an additional grant from the education trust fund in an amount equal to 100 percent of the amount of the decrease.
 - 153 Adequate Education; Fiscal Capacity Disparity Aid. RSA 198:40-c is repealed and reenacted to read as follows:
 - 198:40-c Fiscal Capacity Disparity Aid.
 - I. In addition to aid for the cost of the opportunity for an adequate education provided under RSA 198:40-a, each fiscal year the department shall provide fiscal capacity disparity aid to a municipality's school districts as follows:
 - (a) The department of revenue administration shall calculate the equalized valuation per pupil for each municipality in the state and shall sort the results into quartiles based on equalized valuation per pupil. The quartile containing municipalities with the lowest equalized valuation per pupil shall then be divided in half.
 - (b) A municipality with an equalized valuation per pupil in the lower half of the lowest quartile and which has a median family income which is less than the state average median family income shall receive fiscal capacity disparity aid in the amount of \$3,360 multiplied by the municipality's average daily membership in residence.
 - (c) A municipality with an equalized valuation per pupil in the upper half of the lowest quartile which has a median family income which is less than the state average median family

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 50 -

- 1 income shall receive fiscal capacity disparity aid in the amount of \$2,100 multiplied by the 2 municipality's average daily membership in residence.
 - II. Aid under this section shall be distributed pursuant to RSA 198:42.
 - III. In this section:

3

4

5

6 7

8

9

10 11

12

13

14

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

- "Equalized valuation per pupil" means a municipality's equalized valuation, including properties subject to taxation under RSA 82 and RSA 83-F, as determined by the department of revenue administration, that was the basis for the local tax assessment in the determination year, divided by the school district's average daily membership in residence, as defined in RSA 189:1-d for the determination year, provided that no kindergarten pupil shall count as more than ½ day attendance per calendar day.
- "Median family income" means the most recent census data published for New Hampshire counties and municipalities by the United States Census Bureau, United States Department of Commerce, as of October 1 preceding the beginning of the biennium for which aid is to be determined.
- 15 154 Adequate Education; Determination of Grants; Excess Tax. Amend the section heading in 16 RSA 198:41 and RSA 198:41, I-II to read as follows:
 - 198:41 Determination of *Education* Grants [and Excess Tax].
 - I. Except for municipalities where all school districts therein provide education to all of their pupils by paying tuition to other institutions, the department of education shall determine the amount of the *total* education grant for the municipality as follows:
 - (a) Add the per pupil cost of providing the opportunity for an adequate education for which each pupil is eligible pursuant to RSA 198:40-a, I-III, and from such amount;
 - (b) Subtract the amount of the education [property] tax warrant to be issued by the commissioner of revenue administration for such municipality reported pursuant to RSA 76:9 for the next tax year, and from such amount; and
 - (c) Add the fiscal capacity disparity aid pursuant to RSA 198:40-c.
 - II. For municipalities where all school districts therein provide education to all of their pupils by paying tuition to other institutions, the department of education shall determine the amount of the [adequate] total education grant for each municipality as the lesser of the 2 following calculations:
 - (a) The amount calculated in accordance with paragraph I of this section; or
 - (b) The total amount paid for items of current education expense as determined by the department of education minus the amount of the education [property] tax warrant to be issued by the commissioner of revenue administration for such municipality reported pursuant to RSA 76:9 for the next tax year.
- 36 155 Excess Education Property Tax Payment; Subdivision Heading Amended. Amend the subdivision heading preceding RSA 198:46 to read as follows:

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 51 -

	_
1	[Excess Education Property Tax Payment]
2	Local Control and Alternative Kindergarten Programs
3	156 Application of Receipts. Amend RSA 6:12, I(b)(65) to read as follows:
4	(65) Money received under RSA 77-A, RSA 77-E, RSA 78, RSA 78-A, RSA 78-B,
5	RSA 83-F, [RSA 198:46,] and from the sweepstakes fund, which shall be credited to the education
6	trust fund under RSA 198:39.
7	157 Commissioner's Warrant. Amend RSA 76:8, II to read as follows:
8	II. The commissioner shall issue a warrant under the commissioner's hand and official seal
9	for the amount computed in paragraph I to the selectmen or assessors of each municipality by
10	December 15 directing them to assess such sum and pay it to the municipality for the use of the
11	school district or districts [and, if there is an excess education tax payment due pursuant to
12	RSA 198:46, directing them to assess the amount of the excess payment and pay it to the department
13	of revenue administration for deposit in the education trust fund]. Such sums shall be assessed at
14	such times as may be prescribed for other taxes assessed by such selectmen or assessors of the
15	municipality.
16	158 Joint Legislative Oversight Committee on Accountability for an Adequate Education.
17	I.(a) There is hereby established the joint legislative oversight committee on accountability
18	for an adequate education. The members of the committee shall be as follows:
19	(1) Three members of the house of representatives, which shall include 2 members of
20	the house education committee and one member of the house finance committee, appointed by the
21	speaker of the house of representatives.
22	(2) Three members of the senate, which shall include 2 members of the senate
23	education committee and one member of the senate finance committee, appointed by the president of
24	the senate.
25	(b) Members of the committee shall receive mileage at the legislative rate when
26	attending to the duties of the committee.
27	II. The committee shall review and study the assessment and assistance methods, reporting
28	requirements, and other methods of accountability presently being used by the department of
29	education and local school districts to determine whether such methods, programs, and standards
30	will ensure the delivery of an adequate education as set forth in RSA 193-E:2-a.
31	III. Following a public hearing, the committee shall report its findings and recommendations
32	concerning the sufficiency of existing statutory law to provide accountability for the delivery of the
33	opportunity for an adequate education as defined in RSA 193-E:2-a, and the possible need for
34	additional legislation, to the governor, the speaker of the house of representatives, the president of
35	the senate, and the state librarian no later than November 15, 2011.
36	159 Chartered Public Schools; Funding. Amend RSA 194-B:11, I(b) to read as follows:

(b) For any chartered public school authorized by the state board of education pursuant

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 52 -

- to RSA 194-B:3-a, the state shall pay [tuition] the greater of \$5,450 or the sum of \$2,000 plus the
 amount calculated pursuant to RSA 198:40-a [and RSA 198:40-e] directly to the chartered public
 school for each pupil who is a resident of this state in attendance at such chartered public school.
 - 160 References Amended. Amend the following RSA sections by replacing "statewide education property tax" or "education property taxes" with "education tax" or "education taxes," as the context dictates: RSA 76:8, I; the introductory paragraph in RSA 198:57, IV, and RSA 198:57, VI(a).
 - 161 Repeal. The following are repealed:

- I. RSA 198:46, relative to excess education tax payments.
- II. RSA 198:47, relative to forms used for the reporting and remitting of excess education tax payments.
 - III. RSA 198:39, I(g), relative to excess education tax payments deposited into the education trust fund.
 - 162 Special Meetings; Reduction, Rescission, or Increase in Appropriations for State Education Funding. Notwithstanding any other provision of law, in response to anticipated reductions or increases in state revenues for education pursuant to RSA 198:41 to school districts, the governing body of any town, school district, or village district, including those that have adopted RSA 40:13, may call a special meeting of the legislative body to consider a reduction, rescission, or increase of appropriations made at an annual meeting, subject to the following:
 - I. The governing body of any town, village district, or school district that has adopted the provisions of RSA 40:13 may elect to hold and conduct the meeting in accordance with the provisions of this section and without regard to the provisions of RSA 40:13. A special meeting under this section shall not be petitioned under RSA 39:3 and no petitioned warrant articles shall be inserted in the warrant.
 - II. The governing body's warrant shall specify, in one or more articles, the amounts of appropriations proposed for reduction, rescission, or increase from the operating budget or separate warrant articles, or both, adopted at the annual meeting.
 - III. The governing body shall hold a public hearing on the proposed reductions, rescissions, or increase at least 14 days prior to the meeting. Notice of the time, place, and subject of such hearing shall be posted in at least 2 public places within the political subdivision, one of which shall be on the political subdivision's website, if such exists, at least 7 days prior to the hearing.
 - IV. The governing body of such town, village district, or school district shall post a notice of the meeting, which shall include the warrant, in at least 2 public places within the political subdivision, one of which shall be on the political subdivision's website, if such exists, at least 7 days prior to the meeting. Additional notice shall be published in a newspaper of local or regional circulation in the political subdivision, provided that if there is no newspaper of local or regional

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 53 -

circulation in which notice can be published at least 7 days before the date of the meeting, public notice shall be posted in at least one additional place within the political subdivision.

- V. The meeting shall be conducted in accordance with RSA 40:1 through RSA 40:11. The most recently updated checklist shall be used.
- VI. The legislative body may approve or disapprove any proposed reduction, rescission, or increase of appropriations, or may approve lesser reductions, but the legislative body may not approve greater reductions, or reduce or rescind an appropriation not specified in the warrant, or act on any other business at the meeting.
- VII. Except as provided in this section, provisions of the following chapters of the RSAs, as they apply to special meetings of the legislative bodies of towns, school districts, and village districts, shall not be required for special meetings held pursuant to this section: RSA 31, RSA 32, RSA 39, RSA 49-D, RSA 52, RSA 197, RSA 654, RSA 669, RSA 670, and RSA 671.
- 163 Repeal. Municipal Budget Law, Lapse of Appropriations. Notwithstanding any law to the contrary, the \$20,000,000 in federal funds approved by the fiscal committee of the general court for distribution to local school districts in fiscal year 2011 from the Education Jobs program shall not lapse at the end of the school district's 2011 fiscal year. Any such moneys not expended by the school districts by the end of their 2011 fiscal year shall be carried over for use in the school district's 2012 fiscal year in accordance with federal law.
- 164 Veterinary Medicine; Biennial License Renewal. Amend RSA 332-B:13 to read as follows: 332-B:13 License Expiration and Renewal.
 - I. All licenses shall expire biennially on December 31 of each even-numbered year for even-numbered licenses and on December 31 of each odd-numbered year for odd-numbered licenses but may automatically be renewed by filing a renewal application and paying a renewal fee established in rules adopted by the board, subject to paragraph II; except that in calendar year 2012, licenses issued for even-numbered licenses shall be for 2 years and licenses issued for odd-numbered licenses shall be for one year, and the board shall charge fees accordingly. Not later than one month prior to the expiration date, the board shall mail a notice to licensed veterinarians that their license will expire on December 31 and provide them with a license renewal application. Persons previously licensed who allow their license to lapse shall be required to file a reinstatement application containing such information as required by the board. Persons who have allowed their license to lapse more than 5 years shall apply for reinstatement of licensure in accordance with RSA 332-B:17.
 - II. The board may by rule waive the payment of the [registration] renewal fee of a licensed veterinarian during the period when the person is on active duty with any branch of the armed services of the United States, not to exceed 3 years or the duration of a national emergency, whichever is longer.
 - III. As a condition of renewal of license, each licensed veterinarian shall be required to show

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 54 -

1 proof that he or she has attended an approved educational program or programs totaling at least [12]

2 24 hours [per calendar year] in the 2-year period preceding each renewal date. Approved

3 educational programs shall be at the discretion of the board, in accordance with rules adopted by the

4 board. The board may excuse a licensee from all or a portion of the educational requirement upon

the filing of a petition establishing good cause for the waiver as set forth in rules adopted by the

6 board.

165 Veterinary Medicine; Reference to Annual Renewal Changed. Amend RSA 332-B:8 to read as follows:

332-B:8 Status of Persons Previously Licensed. Any person holding a valid license to practice veterinary medicine in this state on August 24, 1971, shall be recognized as a licensed veterinarian and shall be entitled to retain this status so long as the person complies with the provisions of this chapter, including [annual] biennial renewal of the license.

June 30, 2013, the New Hampshire retirement system shall calculate for each municipality the difference between the actual fiscal year 2011 contribution paid pursuant to RSA 100-A:16, II (a) and (b) and the decrease in the amount of the employer share of normal contributions resulting from the increase in the employee share of contributions pursuant to the amendment of RSA 100-A:16, I(a) by section 182 of this act. In the event that the actual fiscal year 2011 contribution paid to a municipality was greater than the decrease in the employer share of normal contribution, the system shall distribute a grant to such municipality equal to 100 percent of said difference. However, in no event, shall the total aggregate amount of said grants exceed \$4,600,000 for the fiscal year ending June 30, 2012, and \$2,700,000 for the fiscal year ending June 30, 2013. The system shall provide a report to the joint legislative fiscal committee of the general court detailing the total amount of grants distributed by municipality pursuant to this section within 30 days after the close of each fiscal year in which such grants were distributed.

167 Retirement System; Definitions; Average Final Compensation. Amend RSA 100-A:1, XVIII to read as follows:

XVIII. "Average final compensation" shall mean, for members who retire prior to July 1, 2016, the average annual earnable compensation of a member during his or her highest 3 years of creditable service, or during all of the years in his or her creditable service if less than 3 years. For members who retire on or after July 1, 2016, "average final compensation" shall mean the average annual earnable compensation of a member during his or her highest 5 years of creditable service, or during all of the years in his or her creditable service if less than 5 years.

168 Retirement System; Definition of Earnable Compensation. Amend RSA 100-A:1, XVII to read as follows:

XVII. "Earnable compensation" shall mean:

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 55 -

1

 2

3 4

56

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28 29

30

31

32

33

34

35

36

37

(a) For all members in service on or before June 30, 2011 and who retire prior to before July 1, 2016, the full base rate of compensation paid plus any overtime pay, holiday and vacation pay, sick pay, longevity or severance pay, cost of living bonus, additional pay for extracurricular and instructional activities or for other extra or special duty, and any military differential pay, plus the fair market value of non-cash compensation paid to, or on behalf of, the member for meals or living quarters if subject to federal income tax, but excluding other compensation except cash incentives paid by an employer to encourage members to retire, supplemental pay paid by the employer while the member is receiving workers' compensation, and teacher development pay that is not part of the contracted annual salary. However, earnable compensation in the final 12 months of creditable service prior to termination of employment shall be limited to 1-1/2 times the higher of the earnable compensation in the 12-month period preceding the final 12 months or the highest compensation year as determined for the purpose of calculating average final compensation, but excluding the final 12 months. Any compensation received in the final 12 months of employment in excess of such limit shall not be subject to member or employer contributions to the retirement system and shall not be considered in the computation of average final compensation. Provided that, the annual compensation limit for members of governmental defined benefit pension plans under section 401(a)(17) of the United States Internal Revenue Code of 1986, as amended, shall apply to earnable compensation for all employees, teachers, permanent firemen, and permanent policemen who first become eligible for membership in the system on or after July 1, 1996. Earnable compensation shall not include compensation in any form paid later than 120 days after the member's termination of employment from a retirement eligible position, with the limited exceptions of disability related severance pay paid to a member or retiree no later than 120 days after a decision by the board of trustees granting the member or retiree disability retirement benefits pursuant to RSA 100-A:6 and of severance pay which a member was entitled to be paid within 120 days after termination but which, without the consent of the member and not through any fault of the member, was paid more than 120 days after the member's termination. The member shall have the burden of proving to the board of trustees that any severance payment paid later than 120 days after the member's termination of employment is earnable compensation and meets the requirements of an asserted exception to the 120-day post-termination payment requirement.

(b) For any member in active service on and after July 1, 2011 and who retires after July 1, 2016, the full base rate of compensation paid plus any compensation for mandatory training and any military differential pay. However, earnable compensation in the final 2 12-month periods of creditable service prior to termination of employment shall each be limited to 1-1/2 times the highest compensation year as determined for the purpose of calculating average final compensation, but excluding the final 24 months. Any compensation received in the final 24 months of employment in excess of such limit shall

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 56 -

not be subject to member or employer contributions to the retirement system and shall not be considered in the computation of average final compensation. Provided that, the annual compensation limit for members of governmental defined benefit pension plans under section 401(a)(17) of the United States Internal Revenue Code of 1986, as amended, shall apply to earnable compensation for all employees, teachers, permanent firemen, and permanent policemen. Earnable compensation shall not include compensation in any form paid later than 120 days after the member's termination of employment from a retirement eligible position.

169 Membership; Employees; Full-Time Requirement. Amend RSA 100-A:3, III to read as follows:

III. The board of trustees may, in its discretion, accept as members any class of full-time employees, or any class of teachers, permanent policemen or permanent firemen, whose compensation is only partly paid by an employer or who are serving on a temporary or other than per annum basis, and it may also, in its discretion, make optional with such employees, teachers, permanent policemen or permanent firemen in any such class their individual entrance into membership. Provided, however, that membership as an employee as defined in RSA 100-A:1, V shall require full-time employment, which shall not be satisfied by the combination of service in one or more part-time positions. In addition, no member in a full-time position as an employee shall be permitted to make contributions or to accrue benefits under this chapter on account of any such part-time employment. Any rule or practice adopted by the board which is inconsistent with the requirements of this paragraph shall be without effect.

170 Service Retirement; Age Increased. Amend RSA 100-A:5 to read as follows:

100-A:5 Service Retirement Benefits.

I. Group I Members.

(a) Any group I member, who may retire on a service retirement allowance upon written application to the board of trustees setting forth at what time, not less than 30 days nor more than 90 days subsequent to the filing thereof, the member desires to be retired, provided the member at the time so specified for retirement has attained age 60 if the member is in vested status before July 1, 2011 or age 65 if the member is not in vested status on or after July 1, 2011, and notwithstanding that during such period of notification the member may have separated from service. For the purposes of this section, a teacher member of group I who remains in service throughout a school year shall be deemed to be in service during July and August at the end of such school year.

(b) Upon service retirement, an employee member or teacher member of group I shall receive a service retirement allowance which shall consist of a member annuity which shall be the actuarial equivalent of the member's accumulated contributions at the time of retirement, and a

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 57 -

state annuity. Prior to the member's attainment of age 65, the state annuity, together with the member annuity, shall be equal to 1/60 of the member's average final compensation multiplied by the number of years of creditable service. After attainment of age 65, the state annuity, together with the member annuity, shall be equal to 1/66 of the member's average final compensation multiplied by the number of years of creditable service.

- (c) Notwithstanding any other provision of law, any group I member who meets the requirements of RSA 100-A:10, I(a), and who has either completed at least 20 years of creditable service which, when combined with his age equals at least 70 years, or who has attained the age of 50, but not the age of 60 if the member is in vested status before July 1, 2011 or the age of 65 if the member is not in vested status on or after July 1, 2011, may elect to retire and have benefits commence immediately as a reduced service retirement allowance upon written application to the board of trustees setting forth the time, not less than 30 days nor more than 90 days subsequent to the filing thereof, at which the member desires to have benefits commence. The service retirement allowance shall be determined in accordance with RSA 100-A:5, I(b) and shall be reduced, for each month by which the date on which benefits commence precedes the month after which the member attains 60 years of age if the member is in vested status before July 1, 2011 or 65 years of age if the member is not in vested status on or after July 1, 2011, by 1/8 of one percent if the member has 35 years or more of creditable service, by 1/4 of one percent if the member has 30 years but less than 35 years of creditable service, by 1/3 of one percent if the member has at least 25 years but less than 30 years of creditable service, by 5/12 of one percent if the member has at least 20 years but less than 25 years of creditable service, and by 5/9 of one percent if the member has less than 20 years of creditable service.
 - (d) [Repealed.]

1

2

3 4

56

7

8

9

10

11

12

13

14

15

1617

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

- II. Group II Members.
- (a) Any group II member in service, who is in vested status before July 1, 2011, who has attained age 45 and completed 20 years of creditable service, or who has attained age 60 regardless of the number of years of creditable service, and a group II member who commenced service or is not in vested status on or after July 1, 2011, who has attained age 50 and completed 25 years of creditable service, or who has attained age 65 regardless of the number of years of creditable service, may retire on a service retirement allowance upon written application to the board of trustees setting forth at what time not less than 30 days nor more than 90 days subsequent to the filing thereof the member desires to be retired, notwithstanding that during such period of notification the member may have separated from service.
- (b) Upon service retirement, a group II member shall receive a service retirement allowance which shall consist of:
- (1) A member annuity which shall be the actuarial equivalent of his accumulated contributions at the time of retirement; and

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 58 -

- (2) For members who are in vested status before July 1, 2011, a state annuity which, together with his or her member annuity, shall be equal to 2-1/2 percent of his or her average final compensation multiplied by the number of years of his or her creditable service not in excess of 40 years, or for members who commenced service or are not in vested status on or after July 1, 2011, a state annuity which, together with his or her member annuity, shall be equal to 2 percent of his or her average final compensation multiplied by the number of years of his or her creditable service not in excess of 50 years.
- (c)(1) Notwithstanding any provision of RSA 100-A to the contrary, any group II member who is in vested status before July 1, 2011 and has retired on or after the effective date of this subparagraph after attaining the age of 45 with at least 20 years of creditable service, and any group II member who commenced service or is not in vested status on or after July 1, 2011 and has retired on or after the effective date of this subparagraph after attaining the age of 50 with at least 25 years of creditable service, shall receive a minimum annual service retirement allowance of \$10,000. If such group II member has elected to convert the retirement allowance into an optional allowance for the surviving spouse under RSA 100-A:13, the surviving spouse shall be entitled to a proportional share of the \$10,000.
 - (2) [Repealed.]
 - (3) [Repealed.]

- 171 Disability Retirement; Group I Age Increased. Amend RSA 100-A:6, I(b) to read as follows:
- (b)(1) Upon ordinary disability retirement, the group I member who has attained age 60 if the member is in vested status before July 1, 2011 or the age of 65 if the member is not in vested status on or after July 1, 2011 shall receive an ordinary disability retirement allowance which shall consist of a member annuity and shall be the actuarial equivalent of the member's accumulated contributions at the time of his ordinary disability retirement, and a state annuity as follows:
- (A) Prior to the member's attainment of age 65, the state annuity, together with the member annuity, shall be equal to 1/60 of the member's average final compensation at the time of his ordinary disability retirement multiplied by the number of years of creditable service at the time of his ordinary disability retirement;
- (B) After attainment of age 65, the state annuity, together with the member annuity, shall be equal to 1/66 of the member's average final compensation at the time of his ordinary disability retirement multiplied by the number of years of creditable service at the time of his ordinary disability retirement;
- (C) Regardless of age at disability, the ordinary disability retirement allowance shall not be less than 25 percent of the member's average final compensation at the time of his *or her* disability retirement.
 - (2) Upon ordinary disability retirement, the group I member who has not attained

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 59 -

 2

age 60 if the member is in vested status before July 1, 2011 or the age of 65 if the member is not in vested status on or after July 1, 2011 shall receive an ordinary disability retirement allowance which shall consist of: a member annuity which shall be the actuarial equivalent of the member's accumulated contributions at the time of his ordinary disability retirement; and a state annuity which, together with the member annuity, shall be equal to 1.5 percent of the member's average final compensation at the time of his ordinary disability retirement multiplied by the number of years of creditable service at that time of his ordinary disability retirement. However, regardless of age at disability, the ordinary disability retirement allowance shall not be less than 25 percent of the member's average final compensation at the time of his or her disability retirement.

172 Accidental Disability Retirement; Group I. Amend RSA 100-A:6, I(d) to read as follows:

- (d)(1) Upon accidental disability retirement, the group I member who has attained age 60 if the member is in vested status before July 1, 2011 or the age of 65 if the member is not in vested status on or after July 1, 2011 shall receive an accidental disability retirement allowance which shall consist of a member annuity and shall be the actuarial equivalent of the member's accumulated contributions at the time of his accidental disability retirement, and a state annuity as follows:
- (A) Prior to the member's attainment of age 65, the state annuity, together with the member annuity, shall be equal to 1/60 of the member's average final compensation at the time of his accidental disability retirement multiplied by the number of years of creditable service at the time of his accidental disability retirement;
- (B) After attainment of age 65, the state annuity, together with the member annuity, shall be equal to 1/66 of the member's average final compensation at the time of his accidental disability retirement multiplied by the number of years of creditable service at the time of his accidental disability retirement;
- (C) Regardless of age at disability, such allowance shall not be less than 50 percent of the member's average final compensation at the time of his accidental disability retirement.
- (2) Upon accidental disability retirement, the group I member who has not attained age 60 if the member is in vested status before July 1, 2011 or the age of 65 if the member is not in vested status on or after July 1, 2011 shall receive an accidental disability retirement allowance which shall consist of: the member annuity which shall be the actuarial equivalent of the member's accumulated contributions at the time of his accidental disability retirement; and a state annuity which, together with the member annuity, shall be equal to 50 percent of the member's average final compensation at the time of his disability retirement.
 - 173 Ordinary Disability Retirement; Group II. Amend RSA 100-A:6, II(b) to read as follows:
- (b) Upon ordinary disability retirement, the group II member shall receive an ordinary disability retirement allowance which shall consist of: a member annuity which shall be the

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 60 -

actuarial equivalent of his accumulated contributions at the time of his or her ordinary disability retirement; and a state annuity which, together with his or her member annuity, for members who are in vested status before July 1, 2011, shall be equal to 2-1/2 percent of his or her average final compensation at the time of [his] ordinary disability retirement multiplied by the number of years of his or her creditable service not in excess of 40 at the time of [his] ordinary disability retirement, or for members who commenced service or are not in vested status on or after July 1, 2011, shall be equal to 2 percent of his or her average final compensation at the time of ordinary disability retirement multiplied by the number of years of his or her creditable service not in excess of 50 at the time of ordinary disability retirement, provided, however, that such allowance shall not be less than 25 percent of the member's final compensation at the time of his or her disability retirement.

174 Accidental Disability Retirement; Group II. Amend RSA 100-A:6, II(d) to read as follows:

- (d) Upon accidental disability retirement, the group II member shall receive an accidental disability retirement allowance equal to 2/3 of his *or her* average final compensation at the time of [his] disability retirement.
- (1) For members who are in vested status before July 1, 2011, any group II member who has more than 26-2/3 years of service, a supplemental disability retirement allowance shall be paid. Such supplement shall be equal to 2-1/2 percent of his or her average final compensation multiplied by the number of years of his or her creditable service in excess of 26-2/3 but not in excess of 40 years.
- (2) For members who commenced service or are not in vested status on or after July 1, 2011, any group II member who has more than 33-1/3 years of service, a supplemental disability retirement allowance shall be paid. Such supplement shall be equal to 2 percent of his or her average final compensation multiplied by the number of years of his or her creditable service in excess of 33-1/3 but not in excess of 50 years.
- (3) An accidental disability retirement allowance together with a supplemental disability retirement allowance, as provided in this subparagraph, shall not exceed 100 percent of the disability retiree's average final compensation.
 - 175 Vested Deferred; Group II Age Increased. Amend RSA 100-A:10, II(b) to read as follows:
- (b) For members who are in vested status before July 1, 2011, upon the member's attainment of age 45, provided the member would then have completed 20 years of creditable service, otherwise the subsequent date on which such 20 years would have been completed, or at any time after age 60, or for members who commenced service or are not in vested status on or after July 1, 2011, upon the member's attainment of age 50, provided the member would then have completed 25 years of creditable service, otherwise the subsequent date on which such 25 years would have been completed, or at any time after age 65, a group II member who meets the requirement of subparagraph (a) may make application on a form prescribed by the board

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 61 -

of trustees and receive a vested deferred retirement allowance which shall consist of: (1) A member annuity which shall be the actuarial equivalent of accumulated contributions on the date the member's retirement allowance commences; and (2) A state annuity which, together with the member annuity, shall be equal to a service retirement allowance based on the member's average final compensation and creditable service at the time the member's service is terminated.

176 Return of Contributions. Amend RSA 100-A:11, I(c) to read as follows:

 2

- (c) Upon the death of a group I member who has elected, pursuant to RSA 100-A:10, to receive a vested deferred retirement allowance before his or her attainment of age 60 if the member is in vested status before July 1, 2011 or the age of 65 if the member is not in vested status on or after July 1, 2011, the amount of his accumulated contributions at the time of his or her death shall be paid to the person or persons, if any, nominated by [him] the member, if living, otherwise to the member's estate.
 - 177 Split Benefits; Minimum Age. Amend RSA 100-A:19-b to read as follows:
 - 100-A:19-b Minimum Age. For the purposes of this subdivision only, minimum age shall mean:
- I. For a member who has completed less than 20 years combined creditable service in both group I and group II, 60 years if the member is in vested status before July 1, 2011 or 65 years if the member is not in vested status on or after July 1, 2011.
- II. For a member who is in vested status before July 1, 2011 and, who has completed 20 or more years of combined creditable service, one year shall be deducted from age 60 for each year of creditable group II service, provided that the age shall not be less than 45 years. For a member who commenced service or is not in vested status on or after July 1, 2011 and, who has completed 25 or more years of combined creditable service, one year shall be deducted from age 65 for each year of creditable group II service, provided that the age shall not be less than 50 years.
- 178 Split Benefits; Reduced Early Retirement; Minimum Age. Amend RSA 100-A:19-d to read as follows:
- 100-A:19-d Reduced Early Retirement. Notwithstanding any other provision of law, any retirement system member who has creditable service in both group I and group II with at least 10 years combined creditable service, and who has attained an age which is at least 45 for members who are in vested status with group II service prior to July 1, 2011 or at least 50 for members who commenced group II service or are not in vested status on or after July 1, 2011 and is within 10 years of the minimum age set forth in RSA 100-A:19-b, may elect to retire and have benefits commence immediately as a reduced split-benefit service retirement allowance. Application shall be as provided in RSA 100-A:5, I(c). The allowance shall be determined as a split-benefit service retirement allowance in accordance with RSA 100-A:19-c, and the total combined split-benefit service allowance shall be reduced by the percentages shown in RSA 100-A:5, I(c), based on the total combined length of creditable service, for each month by which the date on

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 62 -

which benefits commence precedes the month after which the member attains the minimum age set forth in RSA 100-A:19-b.

179 State Employees; Retirement. Amend RSA 21-I:30, II(a) to read as follows:

 $\frac{23}{24}$

(a) Has at least 10 years of creditable service for the state if the employee's service began prior to July 1, 2003 or 20 years of creditable service if the employee's service began on or after July 1, 2003, and who also is at least 60 years of age at the time of retirement if the employee is in vested status before July 1, 2011 or at least 65 years of age at the time of retirement if the employee is not in vested status on or after July 1, 2011; or

180 State Employees; Group Insurance Benefits; Group II. Amend RSA 21-I:30, III to read as follows:

- III. Any vested deferred state retiree may receive medical and surgical benefits under this section if the vested deferred state retiree is eligible. To be eligible, a group I vested deferred state retiree shall have at least 10 years of creditable service with the state if the employee's service began prior to July 1, 2003 or 20 years of creditable service with the state if the employee's service began on or after July 1, 2003 and a group II vested deferred state retiree shall have at least 20 years of creditable service with the state if the employee's service with the state began on or after July 1, 2010. In addition, if the vested deferred state retiree is a member of group I, such retiree shall be at least 60 years of age to be eligible if the member is in vested status before July 1, 2011 or 65 years of age if the member is not in vested status on or after July 1, 2011. If the vested deferred state retiree is a member of group II who is in vested status before July 1, 2011, such retiree shall not be eligible until 20 years from the date of becoming a member of group II and shall be at least 45 years of age, and any group II member who commenced service or is not in vested status on or after July 1, 2011 shall not be eligible until 25 years from the date of becoming a member of group II and shall be at least 50 years of age.
- 181 Retirement Age Changed; Vested Status. Notwithstanding the provisions of RSA 100-A:5, RSA 100-A:6, RSA 100-A:10, RSA 100-A:11, RSA 100-A:19-b, and RSA 21-I:30 relating to retirement at age 60, persons who are in vested status in the retirement system or as a state employee under RSA 21-I:30 on the effective date of this section shall be permitted to retire on an unreduced service retirement, disability retirement, vested deferred retirement, or split benefit retirement at the following ages, based on the corresponding number of years of creditable service:
 - I. At least 10 but not 15 years of creditable service, age 64.
- II. At least 15 but not 20 years of creditable service, age 63.
 - III. At least 20 but not 25 years of creditable service, age 62.
- 34 IV. At least 25 but not 30 years of creditable service, age 61.
- V. At least 30 years of creditable service, age 60.
- 36 182 Financing; Contribution Rates; Group II Member Payroll Deduction. Amend RSA 100-A:16, 37 I(a) to read as follows:

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 63 -

(a) The member annuity savings fund shall be a fund in which shall be accumulated the contributions deducted from the compensation of members to provide for their member annuities together with any amounts transferred thereto from a similar fund under one or more of the predecessor systems. Such contribution shall be, for each member, dependent upon the member's employment classification at the rate determined in accordance with the following table:

Employees of employers other than the state 5.00

- 7 Employees of the state hired on or before June 30, 2009 5.00]
- 8 Employees [of the state hired after June 30, 2009 7.00], 7.00
- 9 Teachers [5.00], 7.00

1

 2

3

4

5

6

12

13

14

15

1617

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

- 10 Permanent Policemen [9.30], 11.55
- 11 Permanent Firemen [9.30], 11.80

The board of trustees shall certify to the proper authority or officer responsible for making up the payroll of each employer, and such authority or officer shall cause to be deducted from the compensation of each member, except group II members who commenced service before July 1, 2011 with creditable service in excess of 40 years, or group II members who commenced service on or after July 1, 2011 with creditable service in excess of 50 years, as provided in RSA 100-A:5, II(b) and RSA 100-A:6, II(b), on each and every payroll of such employer for each and every payroll period, the percentage of earnable compensation applicable to such member. No deduction from earnable compensation under this paragraph shall apply to any group II member who commenced service before July 1, 2011 with creditable service in excess of 40 years, or group II member who commenced service on or after July 1, 2011 with creditable service in excess of 50 years, as provided in RSA 100-A:5, II(b) and RSA 100-A:6, II(b), and this provision for such members shall not affect the method of determining average final compensation as provided in RSA 100-A:1, XVIII. In determining the amount earnable by a member in a payroll period, the board may consider the rate of compensation payable to such member on the first day of a payroll period as continuing throughout the payroll period and it may omit deduction from compensation for any period less than a full payroll period if such person was not a member on the first day of the payroll period, and to facilitate the making of deductions it may modify the deduction required of any member by such an amount as shall not exceed 1/10 of one percent of the annual earnable compensation upon the basis of which such deduction is made. The amounts deducted shall be reported to the board of trustees. Each of such amounts, when deducted, shall be paid to the retirement system at such times as may be designated by the board of trustees and credited to the individual account, in the member annuity savings fund, of the member from whose compensation the deduction was made.

183 Local Adoption of Contribution Rates for Political Subdivision Members. Amend RSA 100-A:24, I to read as follows:

I. Employees who have become members of the retirement system under the provisions of

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 64 -

this subdivision shall contribute at the [same] rates of contribution [and on the same basis as state employees] required by RSA 100-A:16, I, except that a governing body participating as an employer under this chapter may elect to apply a higher or lower rate of employee contribution.

 2

 184 Retirement System; Recalculation of Employer Rates; Recertification. Notwithstanding the notice requirements of RSA 100-A:16, III, the board of trustees of the retirement system shall recalculate employer contribution rates for the state fiscal years 2012 and 2013 to reflect the requirements of RSA 100-A:16, II(a) and RSA 100-A:24, I as amended by this act. Notwithstanding the notice requirements of RSA 100-A:16, III, such employer contribution rates shall be effective for the biennium beginning July 1, 2011, and the recertification of employer contribution percentages, applicable beginning July 1, 2011, shall be provided to each employer within a reasonable period of time not to exceed 30 days from the effective date of this section. The exception to the notice requirements of RSA 100-A:16, III in this section shall be limited to the applicable employer contribution rates for the biennium beginning July 1, 2011.

185 New Section; Retirement System; Return to Work. Amend RSA 100-A by inserting after section 27 the following new section:

100-A:27-a Return to Work; Suspension of Benefits. Beginning July 1, 2011, no person for whom membership in the retirement system is optional under RSA 100-A:3, I, and no person employed by an employer on a full- or part-time basis or as a consultant for longer than 3 months in a year, may concurrently receive benefits under this chapter as a retired member. Benefits shall be suspended during any such period of employment.

186 Repeal. 2002, 137:7, relative to the application of the repeal of former RSA 100-A:3, I(c), is repealed.

187 Retirement System; Administration; Membership of Board. Amend RSA 100-A:14, I to read as follows:

I. The administration of this system is vested in a board of [14] 13 trustees. Each newly appointed or reappointed trustee shall have familiarity with or experience in finance or business management. The state treasurer shall be an ex officio voting member of the board. The governor and council shall appoint [2] 4 trustees, to be known as non-member trustees, who shall be qualified persons with investment and/or financial experience as provided in this paragraph and not be members of the system, and who shall serve for a term of 2 years and until their successors are appointed and qualified. The non-member trustees of the board shall have substantial experience in the field of institutional investment or finance, taking into account factors such as educational background, business experience, and professional licensure and designations. The original appointment of [ene] 2 of the non-member trustees shall be for a term of one year. The remaining [11] 8 members of the board shall consist of [2 employees, 2 teachers, 2 permanent policemen, 2 permanent firemen, one member of the senate who shall be appointed annually by the senate

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 65 -

president, one member of the house of representatives who serves on the executive departments and administration committee and who shall be appointed annually by the speaker of the house, and one person representing management in local government. Whenever a vacancy occurs, the senate president or the speaker of the house shall fill the vacancy in the same manner by appointing a senate or a house member who shall serve for the unexpired term.] 4 member representatives and 4 employer representatives. The New Hampshire state employees' association, New Hampshire education association, the New Hampshire police association, and the New Hampshire state permanent firemen's association, [and the New Hampshire Local Government Center shall each annually nominate from their members a panel of 5 persons, all of whom except for the panel of the Local Government Center shall be active members of the retirement system, or one of the 4 predecessor systems,] no later than May 31 of each year, and the panels so named shall be filed with the secretary of state no later than June 10 of each year. From [each of] the above named panels, the governor and council shall appoint [one person annually to] the active member representatives of the board [, except for the panel of the Local Government Center, which shall have one person appointed every 2 years as needed so as to maintain the representation on the board. The governor and council shall appoint the employer representatives of the board with the advice of employer organizations. Members appointed to the board in the manner aforesaid shall serve for a term of 2 years. Each member so appointed shall hold office until his or her successor shall be appointed and qualified. Whenever a vacancy occurs, the governor and council shall fill the vacancy by appointing a member who shall serve for the unexpired term [from the same panel from which the former member was appointed. The governor shall designate one of the nonmember trustees to serve as chairman of said board of trustees.

188 Application; Board of Trustees Membership. Members of the board of trustees for the retirement system on the effective date of this section shall serve for the remainder of their terms. In order to conform to changes to the retirement system board of trustees made by this act, upon a vacancy occurring in the membership on the board of trustees after the effective date of this section, the appointment of a trustee shall be made to reasonably conform to the trustee designations in RSA 100-A:14, I.

28 RSA 100-A:14, I.

1

 2

3

4

5 6

7

8

9

10

11

12

13

14

1516

17

18 19

20

21

22

23

2425

26

27

29

30

31

32

33

34

35

36

37

- 189 Repeal of Special Account. RSA 100-A:16, II(h) (j), relative to the special account, are repealed.
 - 190 Transfer of Balance of Special Account. Any funds remaining in the special account on the effective date of the repeal of the special account by this act shall be transferred to the respective components of the state annuity accumulation fund.
 - 191 Definition of Terminal Funding. Amend RSA 100-A:1, XXX to read as follows:

XXX. "Terminal funding" shall mean providing the full present value of the total liability for benefit improvement. [Unless otherwise specified, the source of terminal funding shall be the special account established under RSA 100 A:16, II(h).]

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 66 -

192 Benefits Upon Death After Retirement; References to Special Account. Amend RSA 100-A:12, I-a and II to read as follows:

 2

I-a. In addition to any other provision of this section, upon the death of a retired group II member of the New Hampshire retirement system or any predecessor system, who retired pursuant to RSA 100-A:5, II with at least 20 years of creditable service or pursuant to RSA 100-A:6, II(a) prior to April 1, 1987, there shall be paid to the member's spouse at the time of retirement, if surviving, an allowance to continue until the spouse's death or remarriage equal to 50 percent of the service or ordinary disability retirement allowance payable to the retired member prior to the member's death. The total cost of terminally funding the benefits provided by this paragraph shall be funded from the [special account established under RSA 100 A:16, II(h)] state annuity accumulation fund.

II. Upon the death of a group II member who has retired on or after April 1, 1987, or upon the death of a group II member who has filed an application for retirement benefits with the board of trustees after January 1, 1991, there shall be paid to the person nominated by the member by written designation filed with the board, if living, otherwise to the retired member's estate, in addition to the amount payable under RSA 100-A:11 a lump sum of \$3,600 if the member retired before July 1, 1988, and if the member is married on the date of such member's retirement, there shall be paid to such surviving spouse an allowance to continue until the spouse's death or remarriage equal to 50 percent of the member's service, ordinary disability, or accidental disability retirement allowance payments. For any person who is a group II member as of June 30, 1988, and who retires on or after July 1, 1988, the lump sum payment shall be \$10,000. For any person who becomes a member of group II on or after July 1, 1988, and on or prior to July 1, 1993, the lump sum payment shall be \$3,600. It is the intent of the legislature that future group II members shall be included only if the total cost of such inclusion can be *terminally* funded [by reimbursement from the special account established under RSA 100 A:16, II(h)].

193 Supplemental Allowance; Reference to Special Account. Amend RSA 100-A:41-a, III to read as follows:

- III.(a) The payment of any such supplemental allowance shall be contingent on terminal funding of the total actuarial cost thereof. [Such terminal funding shall be from the special account established under RSA 100 A:16, II(h).]
- (b) [No supplemental allowance shall reduce the funds in the respective component of the special account to an amount less than zero.
- (e)] Cost of living adjustments shall be retroactive to the member's eligibility date pursuant to paragraph I.
- 34 194 Additional Temporary Supplemental Allowances. Amend RSA 100-A:41-d to read as 35 follows:
- 36 100-A:41-d Additional Temporary Supplemental Allowances.
- 37 I. The additional supplemental allowance in this paragraph shall apply only for the fiscal

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 67 -

 2

 year beginning July 1, 2008, the state fiscal year beginning July 1, 2009, and the state fiscal year beginning July 1, 2010. Any retired member of the New Hampshire retirement system or any of its predecessor systems who has been retired for at least 12 months and whose annual retirement allowance is based on at least 15 years of service and is \$20,000 or less, or any beneficiary of such member who is receiving an allowance, shall be entitled to receive an additional supplemental allowance, in addition to the provisions of RSA 100-A:41-a, on the retired member's latest anniversary date. The amount of the additional temporary supplemental allowance under this paragraph shall be \$1,000[, paid from the respective component of the special account].

II. The supplemental allowance in this paragraph shall apply only for the fiscal year beginning July 1, 2008, the state fiscal year beginning July 1, 2009, and the state fiscal year beginning July 1, 2010. Any retired member of the New Hampshire retirement system or any of its predecessor systems who retired prior to January 1, 1993, or any beneficiary of such member who is receiving an allowance, shall be entitled to receive an additional supplemental allowance, in addition to the provisions of RSA 100-A:41-a and paragraph I, on the retired member's latest anniversary date. The amount of the additional temporary supplemental allowance under this paragraph shall be \$500[, paid from the respective component of the special account].

III. The supplemental allowance in this paragraph shall apply only for the fiscal years beginning July 1, 2008 up to and including the fiscal year beginning July 1, [2011] 2010. In addition to paragraphs I and II, any retired member of the New Hampshire retirement system or any of its predecessor systems or any beneficiary of such retired member who is receiving an allowance, except for a retired state member, or his or her beneficiary, whose medical benefits are paid by the state pursuant to RSA 21-I[, who is receiving a medical benefit subsidy payment under RSA 100 A:52 or RSA 100 A:52 a], shall be entitled to receive an additional supplemental allowance, in addition to the provisions of RSA 100-A:41-a, on the retired member's latest anniversary date. The amount of the additional temporary supplemental allowance under this paragraph shall be \$500 for retirees taking a one-person medical benefit and \$1,000 for retirees taking a 2-person medical benefit[, paid from the respective component of the special account]. Provided, however that no 2-person subsidy recipient may receive more than \$1,000 per year under this paragraph, and that once a recipient is entitled to Medicare, the additional allowance under this paragraph shall be reduced to 60 percent of the non-Medicare eligible retiree amounts.

IV. The additional supplemental allowances under this section shall be issued as separate payment to eligible members or their beneficiaries on or after July 1. Supplemental allowances under this section shall not become a permanent addition to the base retirement allowance.

[V. No supplemental allowance shall be paid if it would reduce the funds in the respective component of the special account to an amount less than zero. If insufficient funds exist in the special account to fund all the supplemental allowances provided for in this section and in RSA 100-A:41 a, the available funds shall be used first to fund the supplemental allowance in RSA 100-A:41 a

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 68 -

- then to fund the supplemental allowance in paragraphs I, II, and III of this section, in that order,
- 2 195 Repeal of Medical Benefits Provisions. The following are repealed:
 - I. RSA 100-A:52 through RSA 100-A:52-b, relative to payment by the retirement system for certain group I and group II medical benefits.
 - II. RSA 100-A:53, relative to method of financing group II medical benefits.
- 6 III. RSA 100-A:53-b through RSA 100-A:53-d, relative to the method of financing group I medical benefits.
 - IV. RSA 100-A:53-e, relative to temporary contribution amounts and ratification.
- 9 V. RSA 100-A:55, relative to application of medical benefits payments.
- 10 VI. RSA 21-I:30-a, II, relative the offset of retirement system medical benefits payments.
- VII. RSA 99:9, V, relative to benefits for certain classified employees laid off in 1998.
 - 196 Medical Benefits; Miscellaneous Provisions; Discontinuance. Amend RSA 100-A:54 to read as follows:
 - 100-A:54 Miscellaneous Provisions.

- I. [It is the intention of the state of New Hampshire that the New Hampshire retirement system continue to provide medical benefits under RSA 100 A:52 subject to RSA 100 A:55, and that the employer make contributions in such amounts as the board of trustees shall deem necessary and appropriate under RSA 100 A:16 for such purpose. Any forfeitures of a member's interest in the medical benefit accounts as provided under this section prior to any discontinuance of medical benefits by the legislature shall be applied to reduce any subsequent employer contributions made pursuant to this section.
- H-] The legislature [may] shall discontinue contributions under this subdivision with respect to medical benefits provided under former RSA 100-A:52 [ex] and cease providing such medical benefits [for any reason, at any time, in which event]. The funds allocated to provide such medical benefits, if any remain, shall be used to continue medical benefits to members who were eligible for them under former RSA 100-A:52 and 100-A:55 prior to the discontinuance date as long as any funds remain. However, if after the satisfaction of all medical benefits provided under former RSA 100-A:52 there remain any funds, the program shall be deemed to be terminated and such remainder shall be returned to the appropriate employer, as defined in RSA 100-A:1, IV, in accordance with section 401(h)(5) of the Internal Revenue Code.
- [HI.] II. The retirement system shall deduct from the monthly retirement allowance of retired state employees under the age of 65 years receiving medical and surgical benefits provided pursuant to RSA 21-I:30, the premium contribution amounts of \$65 per month for each such retiree and \$65 per month for each applicable spouse; provided that the charge to each household shall not exceed \$130 per month. Deducted amounts[, which shall be in addition to and notwithstanding any amounts payable by the retirement system pursuant to RSA 100 A:52, RSA 100 A:52 a, and RSA 100 A:52 b,] shall be deposited in the employee and retiree benefit risk management fund. In

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 69 -

the event the retiree's monthly allowance is insufficient to cover the certified contribution amount, the retirement system shall so notify the department of administrative services, which shall invoice and collect from the retiree the remaining contribution amount.

- 197 Purchase of Creditable Service. Amend RSA 100-A:3, VI(c) to read as follows:
- (c) Except for service described in subparagraph (d), in no case shall prior service purchased as credible service in the New Hampshire retirement system under the provisions of this section be deemed to be creditable service for the purposes of eligibility for medical benefits after retirement under the provisions of RSA 21-I:30[, RSA 100 A:52, RSA 100 A:52 a, or RSA 100 A:52 b].
 - 198 Armed Forces Credit. Amend RSA 100-A:4, VI(c) to read as follows:

1

 2

3

4

5 6

7

8 9

10

11

12

1314

15

1617

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

- (c) Additional creditable service purchased under this paragraph shall not be used as creditable service for the purpose of determining service retirement eligibility or for the purpose of eligibility for medical and surgical benefits as a retired employee under RSA 21-I:30[, RSA 100-A:52, RSA 100-A:52-a, or RSA 100-A:52-b].
 - 199 Peace Corps and AmeriCorps Credit. Amend RSA 100-A:4, VIII to read as follows:
- Any employee, teacher, permanent policeman, or permanent fireman who has completed at least 5 years of membership service and who terminates his or her employment in order to enter directly into the Peace Corps or AmeriCorps, shall be entitled to service credit for the period of such Peace Corps or AmeriCorps service, provided he or she again becomes employed within a year after the termination of such service and provided further that he or she elects to make, and makes while in active service and within a period of time equal to 3 times the length of time of such service, but not more than 5 years, all payments of the full actuarial cost to the system. The full actuarial cost of service credit purchases under this paragraph shall be determined by the actuary based on methods and assumptions recommended by the actuary and approved by the board of trustees. The member may be required to prepay all or part of the actuarial calculation fee, as determined by the board. Credit shall not be granted until the active member has fully paid for such service credit in a lump sum or by installment payments as permitted by the board. The member's payment shall be credited to the member annuity savings fund. The amount of service credit purchased under this paragraph shall not exceed the least of (a) 2 years or (b) the member's actual period of Peace Corps and AmeriCorps service or (c) 5 years minus the period of nonqualified service credit purchased by the member pursuant to former RSA 100-A:4, VII. Creditable service purchased under this paragraph shall not be used for the purpose of eligibility for medical and surgical benefits as a retired employee under RSA 21-I:30[, RSA 100 A:52, RSA 100 A:52 a, or RSA 100 A:52 b].
 - 200 Purchase of Out-of-State Credit. Amend RSA 100-A:4-b, III to read as follows:
- III. In no case shall out-of-state service purchased as creditable service in the New Hampshire retirement system under the provisions of this section be deemed to be creditable state service for the purposes of eligibility for medical benefits after retirement under the provisions of RSA 21-I:30 [or RSA 100 A:52 a].

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 70 -

201 Purchase of Out-of-State Group II Service. Amend RSA 100-A:4-c, IV to read as follows:

IV. In no case shall out-of-state service purchased as creditable service in the New Hampshire retirement system under the provisions of this section be deemed to be creditable service for the purposes of eligibility for medical benefits after retirement under the provisions of [RSA 100 A:52 through 100 A:55 or] RSA 21-I:26 through 21-I:36.

202 Political Subdivision Members. Amend RSA 100-A:22 to read as follows:

1

2

3

4

5

6 7

8

9

10

11

12

13

14

15

16

17

18

1920

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

100-A:22 Modifications. Membership in the retirement system shall be optional for officers and employees of the employer who are in the service of the employer on the date when participation becomes effective, and any such officer or employee who elects to join the retirement system within one year thereafter shall be credited with prior service covering such periods of prior service rendered to such employer for which the employer is willing to make accrued liability contributions. If the employer is unable or unwilling to make such contributions, a member in service may petition the board of trustees for periods of prior service rendered to such employer. Upon payment by the member of the amount determined in accordance with RSA 100-A:3, VI(b) and with the approval of the board, the member shall receive credit for such prior service. Thereafter, service for such employer on account of which contributions are made by the employer and member shall also be considered as creditable service. However, in no event shall prior service purchased as creditable service under this section be used as creditable service for the purpose of eligibility for medical benefits [under RSA 100 A:52, RSA 100 A:52 a, or RSA 100 A:52 b]. Membership shall be compulsory for all employees entering the service of such employer after the date participation becomes effective. Municipalities may, by action of their city council or board of selectmen, exempt their chief administrative officer, at the time of initial hiring or appointment, from compulsory membership provided herein. The chief fiscal officer of the employer, and the heads of its departments, shall submit to the board of trustees such information and shall cause to be performed with respect to the employees of such employer, who are members of the retirement system, such duties as shall be prescribed by the trustees in order to carry out the provisions of this chapter.

203 New Subdivision; Voluntary Contribution Plan. Amend RSA 100-A by inserting after section 57 the following new subdivision:

Voluntary Contribution Plan

100-A:58 Voluntary Contribution Plan Established. There is hereby established a voluntary retirement benefit plan for members of the retirement system which shall be in addition to and separate from the provisions of RSA 100-A:1 through RSA 100-A:57, except for definitions in RSA 100-A:1 used in this subdivision. The voluntary contribution plan is intended to qualify under 26 U.S.C. section 401(a) and section 414(d), the Internal Revenue Code, as a qualified retirement plan established and maintained by the state for its employees and for the employees of political subdivision employers in the state. All contributions and all investments, reinvestments, interest, or other moneys held by the board shall not be assets of the retirement system administered by the

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 71 -

- board of trustees or subject to control of the board of trustees of the retirement system. All assets
 received by the plan shall be held for the exclusive benefit of plan participants and their beneficiaries
 and applied solely as provided by the plan.
 - 100-A:59 Participation. Any active member of the retirement system may elect to participate in the voluntary contribution plan established in this subdivision.
 - 100-A:60 Administration; Rulemaking.

- I. The administrator of the plan shall be the board of trustees of the retirement system, who shall carry out all duties and responsibilities under this subdivision.
- II. The board shall adopt rules, pursuant to RSA 541-A, relative to the procedure for payroll deductions or other participant contributions, administration of the investment choices of members and beneficiaries, and forms necessary for the administration of this subdivision.
- III. The board shall obtain or cause to be obtained any necessary approvals, rulings, opinions, and confirmations from federal authorities or agencies.
- 100-A:61 Administration of Plan. The board shall have the authority to contract with a third-party administrator for the voluntary contribution plan for the administration of assets accumulated under each participant's account. Expenses of the implementation, administration, and maintenance of the voluntary contribution plan shall be paid from contributions to the plan, income and assets of the plan, or fees or charges imposed on the participants.
- 100-A:62 Limitations on Contributions. Notwithstanding any other provisions of this plan, the annual additions to each member's individual account under this plan may not exceed, for any limitation year, the amount permitted under 26 U.S.C. section 415 at any time. If the amount of a member's voluntary contribution plan contributions exceeds the limitation of 26 U.S.C. section 415(c) for any limitation year, the administrator shall take any necessary remedial action to correct an excess contribution. The provisions of 26 U.S.C. section 415, and the regulations adopted under that statute, as applied to qualified defined contribution plans of governmental employees are incorporated as part of the terms and conditions of the plan.
 - 100-A:63 Investment of Individual Accounts.
- I. The administrator shall provide a range of investment options and permit a participant to exercise investment control over the participant's assets in the member's individual account as provided in this section. If a participant exercises control over the assets in the individual account, the participant is not considered a fiduciary for any reason on the basis of exercising that control.
- II. A participant may direct investment of plan funds held in an account among available investment funds in accordance with rules established by the administrator.
- III. A participant may elect to change or transfer all or a portion of the participant's existing account balance among available investment funds in accordance with the rules established by the administrator. Only the last election received by the administrator before the transmittal of contributions to the trust fund for allocation to the individual account shall be used to direct the

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 72 -

- 1 investment of the contributions received.
 - IV. Except to the extent clearly set out in the terms of the investment plans offered by the employer to the employee, the employer is not liable to the participant for investment losses if the prudent investment standard has been met.
 - V. The employer, administrator, state, or board, or a person or entity who is otherwise a fiduciary, is not liable for any participant's investment loss that results from the participant's directing the investment of plan assets allocated to the participant's account.
- 8 100-A:64 Withdrawal of Funds. Distributions from an account of a member shall be permitted 9 in the following circumstances, subject to applicable limitations under federal regulations:
 - I. Termination of employment.
- II. Retirement.

- III. Upon turning age 59-1/2 and still employed as limited by federal regulations.
- 13 IV. If the member becomes disabled.
 - V. If the member dies.
- 15 VI. Based on financial hardship as defined in applicable federal regulations.
- 16 100-A:65 Assets and Liabilities.
 - I. This subdivision does not create or permit any obligation on the board or the state to provide any guarantee of investment return or any other guarantee for the benefit of any individual or entity.
 - II. Moneys or other assets of the voluntary contribution plan shall not be considered state moneys or assets.
 - III. The board and the state may not insure, guarantee, or have any similar responsibility or any liability with respect to accounts, moneys, or gains or losses of investment returns, under the voluntary contribution plan.
 - 204 Severability; Contingent Amendment; Effective Date.
 - I. The provisions of this act making various amendments concerning the New Hampshire retirement system shall be severable and if any phrase, clause, sentence or provision of this act is declared to be contrary to the constitution of this state or of the United States or the applicability thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this act and the applicability thereof to any government, agency, person, or circumstance shall not be affected thereby.
 - II. If as provided in paragraph I of this section, any phrase, clause, sentence, or provision is held contrary to the constitution of this state or of the United States, the remaining provisions of the act shall be in full force and effect as to all severable matters, and section 205 of this act shall take effect on the July 1 next following the date that the board of trustees certifies to the secretary of state and the director of legislative services of the occurrence of a final ruling on the declaration described in paragraph I.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 73 -

- 205 Member Contribution Rates; Contingent Version. Amend the introductory paragraph of RSA 100-A:16, I(a) and the contribution rates following the introductory paragraph to read as follows:
- (a) The member annuity savings fund shall be a fund in which shall be accumulated the contributions deducted from the compensation of members to provide for their member annuities together with any amounts transferred thereto from a similar fund under one or more of the predecessor systems. [Except as provided in RSA 100 A:24, I,] Such contribution shall be, for each member, [dependent upon the member's employment classification at the rate determined in accordance with the following table:

Group I members, 7.00

Group II members, 11.00] the rate percent of each member's compensation as determined by the retirement system which shall by annual total represent 75 percent of the normal contribution and accrued liability contribution determined under paragraph II.

- 206 Statutory Construction; Publication of Notice. Amend RSA 21:32 to read as follows:
- 16 21:32 Publication of Notice; Publication for Statewide Circulation.
 - *I.* By the words "publish," "published," "publishing," or "publication," when notice is required or permitted to be given by publication, shall be intended publication in a newspaper circulated in the vicinity, and the publication shall be for 3 weeks successively, and the last publication one week, at least, before the day or thing of which notice is given, unless otherwise specially provided.
 - II. The terms "publication of daily statewide circulation," "publication of general statewide circulation," or "publication in a newspaper of statewide circulation" regarding any requirement of any executive branch state agency, board, department, or official to provide notice under state law in respect to any real or personal property, act, event, hearing, or other occurrence, by advertisement or notice, shall mean publication of such notice at the offices of the agency, board, department, or official; prominently on a publicly accessible Internet site maintained by the agency, board, department, or official; and in any local or regional publication circulated where the real or personal property is located or where the act, event, hearing, or other occurrence is to take place, all in accordance with the time frame for notice prescribed by law.

207 Turnpike System; Further Authority. The commissioner of transportation may acquire and develop, through a request for proposals (RFP) process, land as required for the purpose of constructing, operating, and maintaining a turnpike service plaza for motorists at the existing northbound and southbound rest areas in the town of Hampton on Interstate Route 95. Each turnpike service plaza shall be a full service rest area and may include a fueling station, food and beverage service, a convenience store, and a liquor store. Any real estate acquired pursuant to this authority shall be subject to the requirements of RSA 4:40. The value of any land acquired shall be

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 74 -

based upon an independent appraisal. Notwithstanding any law to the contrary, the proceeds of any 2 development fee shall be deposited into the general fund.

208 Liquor Commission; Development of I-95 Rest Areas. The liquor commission is authorized to sell and/or develop through a request for proposals (RFP) process land as required for the purpose of constructing, operating, and maintaining a turnpike service plaza for motorists at the existing northbound and southbound rest areas in the town of Hampton on Interstate Route 95. Each turnpike service plaza shall be a full service rest area that may include a fueling station, food, and beverage service, a convenience store, and a liquor store, including an expansion of an existing liquor store. Any real estate acquired pursuant to this authority shall be subject to the requirements of RSA 4:40. All proceeds from the sale and/or development of land for this purpose shall be deposited into the general fund.

209 Rest Areas and Welcome Centers. Amend RSA 12-A by inserting after section 43-a the following new section:

12-A:43-b Rest Areas and Welcome Centers.

1

3

4

5 6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30 31

32

33

34

35

36

37

- I. The department of resources and economic development shall be responsible for the construction, maintenance, repair, and staffing of rest areas and welcome centers along the state's highways. There is established in the department a bureau of visitor service to administer these functions. The commissioner may consult with the local chambers of commerce relative to said functions, and shall have the authority to enter into contracts with private or public entities for said functions as the commissioner deems appropriate.
- Notwithstanding paragraph I, the department of transportation and the liquor commission may undertake and/or participate in the development of new welcome centers in Hooksett on the northbound and southbound lanes of Interstate Route 93 and in Hampton on the northbound and southbound lanes of Interstate Route 95 as authorized by the legislature.
 - 210 Repeal. RSA 228:106, relative to the bureau of visitor service, is repealed.
- 211 Flood Control; Reimbursement to Cities and Towns. Amend RSA 122:4 to read as follows:
 - 122:4 Reimbursement to Cities and Towns.

I. On a date not later than 30 days following the establishment and approval of tax rates for each city and town affected by and subject to the provisions of this chapter, the state treasurer shall pay to each town and city in which any taxable real estate or interest therein has been acquired under this chapter by the United States and thus become tax exempt for such year, a sum equal to the taxes which would have been assessed against the real estate or interest therein in such town or city if the same had been included in the list of taxable property as proposed by the commissioner of revenue administration in RSA 122:6. For land acquired by the United States under this chapter, reimbursement shall be made upon a valuation determined as provided herein on a permanently continuing basis, and if growing wood and timber was taxable as real estate on the date of acquisition by the United States of the land on which it stood, it shall be deemed to be land

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 75 -

1

 2

3

4

5 6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

hereunder. For all artificial improvements on land acquired by the United States under this chapter, including buildings, structures and other artificial real estate fixtures of any kind, reimbursement shall be made upon a valuation determined initially as provided herein and thereafter annually reduced by 2-1/2 percent so that at the end of 40 years reimbursement therefor shall have terminated. On land and improvements thereon acquired by the United States under this chapter the initial assessed valuation of the land and improvements for purposes of reimbursement shall be the locally assessed valuation thereon for the tax year in which acquired as adjusted by the assessors and the commissioner of revenue administration acting as a joint board, so as to make such valuation proportional to the value of all other property in such town or city subject to taxation. For purposes of this section the joint board may subdivide such assessment equitably between land and improvements thereon or between real estate acquired and that not acquired, if the official assessment was not thus subdivided. The valuations of improvements thus determined shall thereafter be annually reduced over a 40-year period as above provided. On land, and artificial improvements, the valuations initially established as above provided in a town or city shall be reviewed by the commissioner at least once in every 5 years and more frequently if reasonably necessary and be changed as necessary to make them proportional with the assessed value of all other taxable property in such town or city. The amount of the reimbursement due to each town and city hereunder shall be determined by the commissioner and certified by it to the state treasurer not later than 30 days following the establishment and approval of the tax rates of each town and city under this chapter. The commissioner shall reduce the amount of reimbursement thus determined by any amount paid or due that town or city for that year by or from the United States, another state, an interstate flood control agency or other source, because of such loss of taxable valuation. The governor is authorized to draw [his] a warrant for the payment of such reimbursements out of any money in the treasury not otherwise appropriated. Provided, however, that reimbursement payments for loss of taxes on account of the acquisition of railroad or public utility property shall be reduced to the extent that such railroad or public utility property is relocated and reconstructed in the same town or city as a result of such acquisition, and thereby is included to that extent in the list of taxable property in said town or city as relocated.

II. Notwithstanding paragraph I, the commissioner of revenue administration shall reduce the amount of reimbursement thus determined by any amount paid or due the state on behalf of a town or city for that year by or from the United States, another state, an interstate flood control agency or other source, because of such loss of taxable valuation. Any subsequent payments received by the state from the United States, another state, an interstate flood control agency or other source shall first be applied to outstanding amounts due the state, and any remainder shall be apportioned to the towns.

212 Excavation Tax; Definition; Earth; Exceptions. Amend RSA 72-B:1, I(c) to read as follows:

(c) Any excavation upon a parcel of land which does not exceed 1,000 cubic yards within

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 76 -

any tax year; however, the owner of such excavation shall be required to file a notice of intent to excavate pursuant to RSA 72-B:8, but such [owner shall not be subject to the enforcement fee under RSA 72-B:16 and such] parcel shall not be subject to the excavation tax lien under RSA 72-B:7[, I].

213 Excavation Tax; Bond; Notice. Amend RSA 72-B:5, III to read as follows:

1

 2

3

4

5 6

7

8

9

10

11

12

13

14

1516

17

18 19

20

21

22

23

24

25

26

27

28 29

30

31

32

33

34

35

36

37

III. If an owner ceases to own land in the town where such owner is excavating after filing an intent to excavate form, such owner shall notify the assessing officials [and the department] in writing of the change in ownership within 15 days of such change. An owner who neglects to so notify the assessing official [or the department] shall be guilty of a misdemeanor.

214 Notice of Intent to Excavate. Amend RSA 72-B:8 to read as follows:

72-B:8 Notice of Intent to Excavate. Every owner, as defined in RSA 72-B:2, VIII, who intends to excavate earth shall, at the beginning of each tax year and prior to excavating, file with the proper assessing officials in the city, town, or unincorporated place where such excavating is to take place a notice of intent to excavate [as provided by the commissioner], stating the owner's name; type of ownership; residence; telephone number; tax map, block, and lot number; the town, city, or unincorporated place where the excavating will take place; an estimate of the volume of earth to be excavated; an estimate of the type of earth to be excavated; and such other information as may be necessary to locate, identify, verify, and determine the full extent of the excavation and extent of compliance with RSA 155-E and RSA 485-A:17. A separate intent shall be filed for each separate tract of land as identified by the municipal tax maps. If the excavation is located in more than one municipality, a separate intent to excavate shall be filed with each municipality. A supplemental notice of intent to excavate shall be filed in the same manner stating any additional volume of earth to be excavated in excess of the original estimate within the same tax year. The assessing officials shall, within 30 days of signing a notice of intent to excavate, notify the tax collector that an intent to excavate has been filed. The assessing officials may decline to sign an intent to excavate for noncompliance by the owner with applicable requirements of RSA 72-B:5 relative to bonding, RSA 155-E relative to local regulation excavations, RSA 485-A:17 relative to terrain alterations or RSA 79-A, relative to current use. The notice of intent to excavate shall serve as notice that the land is subject to a tax lien pursuant to RSA 72-B:7. [The appropriate copies of all intents to excavate received by a city, town, or unincorporated place shall within 30 days be assigned a number in accordance with the guidelines provided by the commissioner, then forwarded to the commissioner by the assessing officials. Upon receipt of an original intent to excavate, the [commissioner] assessing officials shall furnish to the owner a certificate to excavate and report of excavated material form. Each certificate shall be posted by the owner filing such intent to excavate in a conspicuous place within the area of excavating. Excavating before the appropriate notice of intent to excavate has been filed with the city, town, or unincorporated place and signed by the appropriate municipal officials shall constitute a violation by the owner or any other person doing the excavation, or both. Failure to post the certificate on the job in a conspicuous place upon receipt shall constitute

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 77 -

a violation[, and failure of the assessing officials to forward the appropriate copies of the intent to exeavate to the department within 30 days after receipt shall constitute a violation].

1

2

3

4

5 6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

215 Excavation Tax; Report of Excavated Material. Amend RSA 72-B:9 to read as follows:

72-B:9 Report of Excavated Material. Every owner who has filed a notice of intent to excavate as provided in RSA 72-B:8 shall sign under the penalties of perjury and file with the assessing officials a report of all excavated material for each intent to excavate filed. [The report shall be upon a form provided by the commissioner, with 2 copies to be sent to the commissioner.] If no earth was excavated during the tax year, then the report of excavated material shall be returned stating so. If excavating is completed during the tax year, the owner shall file the report of excavated material no later than 30 days following the completion of the excavating. The assessing officials shall make an assessment of the excavation tax within 30 days after receipt of the report of excavated material form. The report of excavated material form shall contain the owner's name, telephone number, residence, tax map, block, and lot number, the town, city, or unincorporated place where the excavation occurred, the volume and type of earth in cubic yards, and such other information as may be necessary to locate, identify, verify, and determine the full extent of excavation, reclamation, and extent of compliance with either RSA 155-E or RSA 485-A:17, for which each report is filed. The report of excavated material form pertaining to excavating still in progress through March 31 of any year shall be filed no later than the following April 15 for all earth excavated during the tax year up to and including March 31. The report shall be accompanied by an estimate of the size of the excavation area as it existed at the end of the tax year, or in the alternative, a statement that the size of the excavation area has not changed since the prior tax year. A person who fails to file a report of excavated material with the proper assessing officials [or to send copies of the report as required in this section to the commissioner shall be guilty of a misdemeanor. Any owner who falsifies a report of excavated material form shall be guilty of a misdemeanor.

- 216 Repeals; Excavation Tax. The following are repealed:
- I. RSA 72-B:1, III and IV, relative to definitions of commissioner and department of revenue administration.
 - II. RSA 72-B:16, relative to the administration and enforcement fee.
 - III. RSA 72-B:17, enforcement by the department of revenue administration.
 - IV. RSA 72-B:18, rulemaking by the commissioner of revenue administration.
 - 217 Timber Tax; Definition of Stumpage Value. Amend RSA 79:1, III to read as follows:
- III. "Stumpage value" means the amount determined by the assessing officials in the same manner as other property values for the purposes of taxation at the time the timber is cut. The assessing official shall take into consideration the location of the timber, the quality of the timber, the size of the sale, and any other factors necessary to harvest the wood or timber that affect the value of timber being cut. Stumpage value of all forest products except those customarily measured by the cord, by weight, or by the piece shall be determined on the basis of international 1/4 inch rule

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 78 -

- log scale. If there are questions by the assessors regarding the true and accurate stumpage values reflected in contracts presented by the owner as the basis for timber tax assessment, the department of revenue administration, property appraisal division, shall be available to assist or advise the municipalities in the proper calculation of the stumpage value for assessment purposes. The burden shall be upon the owner filing the "Report of Wood Cut" form to demonstrate the reasonableness of a claim under this paragraph.
- (a) For standing timber sold to a purchaser, the assessing official shall consider the stumpage price paid on a per cord, per 1,000 board foot, by weight or other basis when calculating stumpage value. If the assessing official finds that a claim is not commercially reasonable then the assessing official may, after conducting an inspection of the property, use [the] an average stumpage value [list provided by the department of revenue].
- (b) For sales of timber where the product is not sold as standing timber, the assessing official shall use [the] *an* average stumpage value [list provided by the department of revenue administration].
 - 218 Timber Tax; Appeal. Amend RSA 79:8 to read as follows:

 2

- 79:8 Appeal and Abatement. An owner may, within 90 days of notice of the tax, appeal to the assessing officials in writing for an abatement from the original assessment, but no owner shall be entitled to an abatement unless the owner has complied with the provisions of RSA 79:10 and RSA 79:11. If the assessing officials neglect or refuse to abate, an owner may, at his or her election within 6 months of notice of such tax and not afterwards, petition the superior court of the county where the operation took place, or the board of tax and land appeals. The owner shall not be subject to a fee for filing such appeal with the board of tax and land appeals. During the appeal, the board of tax and land appeals, on its own motion or by request of the owner or municipality made to the board of tax and land appeals, shall have the discretion to call upon the [department of revenue administration and the] division of forests and lands, department of resources and economic development, to provide expert testimony at no cost to the party.
 - 219 Notice of Intent to Cut. Amend RSA 79:10, I to read as follows:
- I.(a) Every owner, as defined in RSA 79:1, II, shall, prior to commencing each cutting operation and at the beginning of each new tax year into which the cutting operation shall continue, file with the proper assessing officials in the city, town, or unincorporated place where such cutting is to take place a notice of intent to cut [provided by the commissioner of revenue administration], stating the owner's name, residence, an estimate of the volume of each species to be cut, and such other information as may be required. A supplemental notice of intent shall be filed in the same manner for any additional volume of wood or timber to be cut in excess of the original estimate and within the tax year.
- (b) [Any intent received by a city, town, or unincorporated place shall, within 30 days, be assigned a number in accordance with the guidelines provided by the commissioner of revenue

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 79 -

 2

administration, and be signed by the assessing officials.] If the conditions for approval have not been met, the assessing officials shall send a letter to the owner or the person responsible for cutting, explaining the reason for the intent not being signed. The assessing officials shall [immediately forward any signed intent to the commissioner of revenue administration and shall also] supply a copy of the signed intent to the owner upon request. [Failure of the assessing officials to forward signed intent to cut forms to the department of revenue administration shall constitute a violation.]

- (c) The assessing officials shall, within 30 days of signing a notice of intent, notify the tax collector that an intent has been filed. The notice of intent shall serve as notice that the land is holden to taxes pursuant to RSA 79:6.
- (d) [Upon receipt of an intent, the commissioner of revenue administration] The assessing officials shall furnish, without cost to the owner, a certificate and a report of wood cut form. Such certificate shall be posted by the owner filing such intent in a conspicuous place within the area of cutting for each operation conducted within a city, town, or unincorporated place. An owner may start an operation upon posting the certificate or upon posting, in a water proof covering in the same place and manner that the certificate will be posted upon receipt, a copy of the intent to cut form that was signed by the assessing officials. In lieu of a signed intent to cut form, a copy of the form as submitted by the owner to the assessing officials may be substituted for posting purposes when the owner, or the person responsible for the cut, has been notified that the intent to cut form has been signed. The owner, or the person responsible for the cut, shall clearly print on the form [the number assigned to it pursuant to subparagraph (b), and] the date, time, and name of the municipal official or employee who provided the notification.
- (e) Starting or continuing an operation while the required certificate or intent to cut form is not posted in accordance with this section shall constitute a violation by the owner or any other person doing the cutting, or both.
- (f) Starting an operation before the original notice of intent to cut or supplemental intent to cut has been filed with the city or town and signed by the appropriate municipal officials shall constitute a violation by the owner or any other person doing the cutting, or both.
- (g) A copy of all intents received by [the commissioner of revenue administration] assessing officials shall be forwarded to the division of forests and lands of the department of resources and economic development.
 - 220 Report of Wood Cut. Amend RSA 79:11, I to read as follows:
- I. Every owner who has filed a notice of intent to cut as provided in RSA 79:10 shall make under the penalties of perjury and file with the assessing officials a report of all wood and timber cut within 60 days after completion of an operation. [The report shall be upon a form provided by the commissioner of revenue administration, with 2 copies to be sent to him.] The report shall state if no growing wood and timber was cut on an operation for which a notice of intent to cut was filed. The assessing officials may require that a report of cut be filed immediately upon the completion or

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 80 -

 2

 termination of the cutting referred to in a notice of intent to cut. Reports of cut shall contain the name, residence of the owner, volume of wood and timber cut by species or species group and primary products, and such other information as may be necessary to enable the assessing officials to locate, identify, verify and determine the full amount and true stumpage value of all wood and timber cut on the operation for which the report is filed. In addition, the person who did the cutting or the person responsible for the cutting must sign and verify the volumes of wood and timber reported to have been cut by the owner. The [commissioner of revenue administration] assessing officials shall send one copy of the report of cut to the division of forests and lands of the department of resources and economic development. A report of wood and timber severed covering operations still in progress through March 31 of any year shall be filed not later than May 15 of said year for all wood and timber severed during the tax year up to and including March 31.

221 Timber; Yield Tax Special Assessment. Amend RSA 79:11-a to read as follows:

79:11-a Special Assessment. Whenever it shall appear to the assessing officials that an owner has completed or terminated a cutting operation and the collection of the tax thereon may be placed in jeopardy, they may require that a report of cut be filed immediately with the assessing officials [as agents for the commissioner of revenue administration for such operation] and make a special assessment of the yield tax against the owner to whom such tax should be assessed and commit a warrant to the tax collector for the same. In any case where the report of cut is not filed within 24 hours of the request for the report, the assessing officials may make a special assessment of the yield tax basing the assessment on such evidence as is available to them. The collector upon receipt of the warrant shall make demand for payment of such tax and may use any provisions of law to collect the tax committed to him *or her* in such warrant. In a case where an owner has terminated or completed an operation at least 30 days prior to April 1 of any year, he may, after filing the report of cut as required by RSA 79:11, request that the assessing officials make a special assessment of the yield tax against the owner of the wood and timber severed on such operation. In such cases the assessing officials shall make such special assessment of the yield tax and commit a warrant to the collector for the same and the collector shall proceed in the collection of the same.

222 Certification of Yield Taxes Assessed. Amend RSA 79:19, I to read as follows:

I. The assessing officials of every town and city shall annually on or before June 15 certify to the commissioner of resources and economic development the normal yield taxes assessed for the tax year ending the preceding March 31. [Such certification shall be filed in duplicate upon a form prescribed and provided by the commissioner and shall contain such information as the commissioner shall require. Any assessing official who fails to file the certification as provided herein shall, upon complaint, be guilty of a violation.]

223 Enforcement. Amend RSA 79:28, I to read as follows:

I. [The department of revenue administration shall administer and enforce this chapter.]
The director of the division of forests and lands and his *or her* agents shall [also] have enforcement

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 81 -

- authority in regard to the proper filing and reporting of intents to cut, posting of certificates and intents to cut, and proper filing and reporting of the timber cut [and shall otherwise assist in enforcement of this chapter as agreed upon by the commissioner of the department of revenue administration and the director, division of forests and lands]. It is the intent of this section to authorize the [commissioner of the department of revenue administration and the] director, division of forests and lands, and [their] his or her agents, to have enforcement authority and the right to
 - 224 Repeal; Timber Tax. The following are repealed:

7

8

9

10

11

12

15

16

17

20

24

25

26

27

28

29

30

31

32

33

34

35

36

37

- I. RSA 79:26, relative to distribution by the state treasurer.
 - II. RSA 79:30, rulemaking by the commissioner of revenue administration.

stop any operation in violation of RSA 79 and report same to local authorities.

- III. RSA 79:31, relative to guidance on the yield tax by the department of revenue administration.
- 13 225 Assistant Director of Document Processing Deleted. Amend RSA 21-J:5, IV to read as 14 follows:
 - IV. The commissioner shall appoint an assistant director for each division. Assistant division directors shall be classified employees, except for the assistant director of audits [and the assistant director of document processing], who shall be an unclassified [employees] employee.
- 18 226 Unclassified Salaries. Amend RSA 94:1-a by deleting:
- 19 FF Department of revenue administration director of document processing
 - 227 Document Processing Division. Amend RSA 21-J:12 to read as follows:
- 21-J:12 Document Processing Division. There is established within the department the division 22 of document processing[, under the supervision of an unclassified director of document processing 23 who shall be responsible] for processing all tax returns filed with the department.
 - 228 Equalization Standards Board; Administrative Merger. Beginning on July 1, 2011, the administrative and business processing functions of the equalization standards board under RSA 21-J:14-c shall be merged with and performed by the assessing standards board under RSA 21-J:14-a.
 - 229 Governor's Commission on Disability; Client Assistance Program; Contingent Transfer of Appropriation. The appropriation for the administration of the client assistance program that is received by the governor's commission on disability pursuant to 29 U.S.C. section 732 for fiscal years 2012 and 2013 shall be transferred to the New Hampshire Disability Rights Center upon certification by the governor to the commissioner of administrative services that the program has been redesignated to the New Hampshire Disability Rights Center. If the redesignation occurs and the governor's certification is made after July 1, 2011, the unexpended portion of the appropriation shall be transferred.
 - 230 Review of Health Care Facility Construction. The commissioner of insurance, in consultation with the commissioner of health and human services and the director of public health, shall conduct a comprehensive review of health care facility needs in New Hampshire and the health

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 82 -

services planning and review board for the purpose of determining whether the goals of the state's current system of avoiding duplication of services, containing health care cost increases, and providing for a rational allocation of health care resources are being met and whether further reforms are needed. The commissioner of insurance shall report his or her findings and recommendations to the governor, with copies to the speaker of the house of representatives and the president of the senate by November 15, 2011. The department of health and human services and the health services planning and review board shall cooperate with the commissioner of insurance and provide such data, information, and other assistance as is requested.

231 Penalty Assessment; Waiver of Penalty. Amend RSA 188-F:31, IV as follows:

 2

IV. The clerk of each court shall collect all penalty assessments and shall transmit the amount collected under paragraphs I-III to the state treasurer for deposit in the following funds. The state treasurer shall deposit [54.17] 60.00 percent of the amount collected in the police standards and training council training fund, 16.67 percent of the amount collected in the victims' assistance fund, and 16.67 percent of the amount collected in the judicial branch information technology fund, and the remainder in the general fund.

232 Compensation and Benefit Cost Reductions. For the biennium ending June 30, 2013, the governor shall implement a plan to reduce total appropriations for compensation and/or benefits by an additional \$50,000,000, of which the general fund component shall be \$20,000,000. The plan for compensation and/or benefit savings may be negotiated with employees, or achieved through other compensation and/or benefit savings measures or personnel reductions.

233 Department Budgets; Transfer of Federal Funds. For the biennium ending June 30, 2013, in order to maximize the use of federal grant funds and to avoid lapsing such funds where changes in the state or federal accounting systems, changes in federal grant guidelines, or overestimation or underestimation of funds required in various class codes due to program needs or requirements have occurred subsequent to the passage of the budget, every department as defined in RSA 9:1 is hereby authorized, for the biennium ending June 30, 2013, subject to the prior approval of the fiscal committee of the general court and the approval of governor and council, to transfer funds in or out of any class code and to create new class codes within federally funded areas of the department's operating budget so long as such transfers do not result in an overexpenditure of any grant.

234 Use of Federal Grants. In order to maximize the use of federal grant funds and not lapse such funds, every department as defined in RSA 9:1 is hereby authorized to carry forward budgeted appropriation balances from federal grants for the duration of that federal grant award from one state fiscal year to the following fiscal years subject to the approval of the commissioner of administrative services.

235 Rehiring of Laid Off State Employees.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 83 -

I. For purposes of this section, "laid off" means any person who receives written notice of the state's intent to lay him or her off or who is laid off between July 1, 2010 and June 30, 2012, as a result of reorganization or downsizing of state government.

 2

- II. It is the intent of the general court that any position which becomes available in a department or establishment, as defined in RSA 9:1, shall be filled, if possible, by a state employee laid off, as defined in paragraph I, if such person is not currently employed in a full-time position by the state of New Hampshire and if he or she meets the minimum qualifications for the position.
- III. The head of each department or agency shall submit the name and classification of any individual laid off between July 1, 2010 and June 30, 2012, to the director of the division of personnel within 10 days of the layoff.
- IV. Any full-time state employee who was laid off as defined in this section, who before the layoff was receiving state-paid medical benefits under the provisions of RSA 21-I:26-36, who is not eligible to retire and receive post-retirement medical benefits under the provisions of RSA 21-I:26-36 or RSA 100-A:52-55, and who is not eligible for employer-paid medical or health care coverage under the plan of any other employer, or as the spouse of a person covered under the plan of any other employer, or under the state plan as the spouse of a state employee, shall continue to receive such state-paid benefits, as if continuing in active employment, for a period not to exceed 3 months after the date of termination of state employment. For the 3-month period, the state shall pay the full costs of continuing medical and health care coverage. This 3-month period shall be included in the calculation of the entitlements required under the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) and any amendments thereto. Following the 3-month period, the state is authorized to make payments as necessary to comply with Title III of the American Recovery and Reinvestment Act of 2009 regarding COBRA continuation coverage.
- 236 Continuation of Executive Orders. Executive Order 2008-1, directing a freeze of executive branch hiring, equipment purchases, and out-of-state travel and Executive Order 2008-8, directing a freeze of executive branch purchases, shall remain in effect until June 30, 2013, unless earlier terminated by order of the governor.
- 237 General Fund Balance. Notwithstanding RSA 9:13-e, II, any budget surplus for the close of the fiscal biennium ending June 30, 2011 shall not be deposited in the revenue stabilization account but shall remain in the general fund.
- 238 Department of Information Technology; Technical Support Services. The department of information technology shall not discontinue technical support services to any executive branch agency, except at the request of the agency.
- 239 Transfers Authorized to Fund Information Technology Related Projects. Notwithstanding any provision of law to the contrary, departments, agencies, and branches may transfer moneys from any class line, except from personnel and benefit class lines, within their approved budgets to class line 027 to fund information technology related projects which would not otherwise be funded.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 84 -

- 240 Department of Information Technology; Transfers Among Accounts. Notwithstanding the provisions of RSA 9:17-a or any other provision of law to the contrary, the department of information technology may, subject to the approval of the fiscal committee of the general court, transfer funds within and among all accounting units within said department as necessary for the efficient management of the department.
- 241 Department of Cultural Resources Abolished. Transfer of State Library and Division of Historical Resources Functions, Positions, Equipment, Records, and Accounts; Rules Continued.
- I. The department of cultural resources shall be abolished effective July 1, 2011. Notwithstanding any provision of law to the contrary, all of the functions, positions, powers, duties, responsibilities, and funding of the state library and division of historical resources shall be transferred to the secretary of state on July 1, 2011. The transfer provided in this section shall include all of the equipment, books, papers, and records of the department of cultural resources as it relates to the state library and the division of historical resources.
- II. All existing rules, statutory responsibilities, regulations, and procedures relating to the state library and division of historical resources in effect, in operation, or adopted in or by the department of cultural resources are transferred to the secretary of state, and are declared in effect and shall continue in effect until rescinded, revised, or amended in accordance with applicable law.
- 242 Transfer of New Hampshire Film and Television Commission Functions, Positions, Equipment, Records, and Accounts; Rules Continued.
- I. Notwithstanding any provision of law to the contrary, all of the functions, positions, powers, duties, responsibilities, and funding of the New Hampshire film and television commission shall be transferred to the department of resources and economic development on July 1, 2011. The transfer provided in this section shall include all of the equipment, books, papers, and records of the department of cultural resources as it relates to the film and television commission.
- II. All existing rules, statutory responsibilities, regulations, and procedures relating to the film and television commission in effect, in operation, or adopted in or by the department of cultural resources are transferred to the department of resources and economic development, and are declared in effect and shall continue in effect until rescinded, revised, or amended in accordance with applicable law.
- 243 New Subdivision; Department of State; Division of Libraries and Division of Historical Resources. Amend RSA 5 by inserting after section 51 the following new subdivision:

Division of Libraries and Division of Historical Resources

- 5:52 Division of Libraries and Division of Historical Resources Established; Directors.
- I. There are established within the department of state the division of libraries and the division of historical resources.
- II. The secretary of state shall nominate each division director for appointment by the governor, with the consent of the council. Division directors shall serve for a term of 4 years. The director of the division of historical resources shall be qualified by reason of professional competence,

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 85 -

- education, and experience. The director of the division of libraries, who shall also be known as the state librarian, shall hold a master of library science degree from an accredited library school and
- 3 shall have had at least 4 years' experience in a library in an administrative capacity. An accredited
- 4 library school means an institution of higher education which is accredited by the American Library
- 5 Association to grant a degree of master of library science.
- 6 III. The salaries of the division directors shall be as specified in RSA 94:1-a.
- 5:53 Division of Libraries. There is hereby established within the department of state the division of libraries, which shall also be known as the state library, under the supervision of an unclassified director of libraries, who shall also be known as the state librarian and who shall be responsible for the following functions in accordance with applicable law:
 - I. Operating a state library in order to provide general and specific reference services, including, but not limited to, services designed to assist the general court and the judicial branch.
- II. Operating the New Hampshire automated information system as provided for by RSA 201-A:22, I.
 - III. Promoting and coordinating a statewide library system.
 - IV. Providing for library services for persons with disabilities.
- V. With the advice of the state library advisory council, administering all federal funds collected under RSA 201-A:13.
 - VI. Otherwise administering the provisions of title XVI.

11

12

15

16

19

20

21

22

23

2425

26

27

28

29

30

31

32

33

34

35

36

- 5:54 Division of Historical Resources. There is hereby established within the department of state, the division of historical resources, which shall also be known as the state historic preservation office, under the supervision of an unclassified director of historical resources, who shall be responsible for administering the state historic preservation program in accordance with RSA 227-C.
 - 5:55 Duties of Secretary of State. The secretary of state shall:
- I. Have the authority to adopt rules, pursuant to RSA 541-A, necessary to assure the continuance or granting of federal funds or other assistance intended to promote library service or historic preservation efforts not otherwise provided for by law.
- II. Have authority, with regard to the administration of RSA 19-A, and with the approval of a majority of the members of the New Hampshire state council on the arts as established by RSA 19-A:2, to:
 - (a) Accept gifts, contributions, and bequests of unrestricted funds from individuals, foundations, corporations, and other organizations or institutions for the purpose of furthering the educational objectives of the programs established pursuant to RSA 19-A.
- (b) Make and sign any agreements and do and perform any acts that may be necessary, desirable, or proper to carry out the purposes of RSA 19-A.
- (c) Request and receive from any department, division, board, bureau, commission, or

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 86 -

1 other agency of the state such assistance and data as will enable the commissioner to carry out 2 properly the powers and duties under this subdivision.

3

4

5 6

7

8

9

10

11

12

13

15

16

17

18 19

20 21

22

23

24

25

26

27

28

29

30

31

32

33

34

- (d) Receive funds provided by the National Endowment for the Arts under the National Foundation on the Arts and the Humanities Act of 1965, and under such additional federal legislation and state appropriations as may be enacted.
- (e) Allocate and disburse said funds by entering into contracts and agreements with any department, agency, or subdivision of federal, state, county, or municipal government or any individual, foundation, corporation, association, or public authority in order to carry out the purposes of RSA 19-A, subject to approval by the governor and council.
- 5:56 Donations. The secretary of state may receive and accept at any time such sums of money as may be donated for any purpose related to cultural resources. Money so received shall be converted into a continuous fund or funds, which shall not lapse, to be held by the state treasurer from which payments shall be made in accordance with the stipulations of the donor.
- 14 5:57 Rulemaking Authority. The secretary of state shall adopt rules, pursuant to RSA 541-A, relative to:
 - I. The use and control of the state library and its holdings, as authorized by RSA 201-A:9, I; provided that the rules shall be subject to review and recommendation by the state library advisory council established by RSA 201-A:3.
 - II. The New Hampshire automated information system, as authorized by RSA 201-A:25, II.
 - III. The statewide library development system, as authorized by RSA 201-D:10; provided that the rules shall be subject to review and recommendation by the state library advisory council established by RSA 201-A:3.
 - IV. Historic preservation activities, as authorized by RSA 227-C:5, provided that the rules shall be subject to ratification by the state historical resources council established by RSA 227-C:13.
 - V. Requirements for selecting art to be funded by the state art fund, as authorized by RSA 19-A:10, I, subject to ratification by the New Hampshire state council on the arts, established by RSA 19-A.
 - VI. Standards for city and town libraries; provided that the state library advisory council review and make recommendations relative to the standards by a majority vote of all members.
 - VII. New Hampshire state government information access libraries and retention schedules for state publications as provided in RSA 202-B.
 - VIII. The administration of the museum property act, as authorized by RSA 201-E:7.
 - 244 New Section; Department of Resources and Economic Development; New Hampshire Film and Television Commission. Amend RSA 12-A by inserting after section 41-a the following new section:
- 36 12-A:41-b New Hampshire Film and Television Commission Established; Members; Duties.
- 37 There is established a New Hampshire film and television commission within the

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 87 -

1	department of resources and economic development. The purposes of the commission shall be:
2	(a) To promote the economic development of the film and television industry in
3	New Hampshire.
4	(b) To promote the utilization of location sites by the film and television industry in the
5	state of New Hampshire.
6	(c) To increase the use of New Hampshire hotels, restaurants, and local businesses by
7	visiting film and television production companies.
8	II. The commission shall:
9	(a) Identify opportunities for activities related to the film and television industries.
10	(b) Recommend both long-range and short-term programs that will result in economic
11	gain for the state.
12	(c) Educate state, local, and private officials and organizations regarding the benefits
13	and rewards that can result from increased development of this industry.
14	(d) Secure sites, as appropriate, within the state suitable for filming by the motion
15	picture industry, the television industry, independent film producers, and other filmmakers.
16	III. Members of the commission shall be as follows:
17	(a) Five members appointed by the commissioner of the department of resources and
18	economic development, including:
19	(1) Three members representing the film and television industry.
20	(2) Two members of the general public with an interest in the film industry.
21	(b) The commissioner of the department of resources and economic development, or
22	designee.
23	(c) The secretary of state, or designee.
24	(d) The commissioner of safety, or designee.
25	(e) The executive director of the fish and game department, or designee.
26	(f) A representative of the New Hampshire Association of Chamber of Commerce
27	Executives, appointed by that organization.
28	(g) A representative of the New Hampshire Municipal Association, appointed by that
29	organization.
30	(h) A representative of the New Hampshire Police Chiefs' Association, appointed by that
31	organization.
32	(i) A member of the senate, appointed by the senate president.
33	(j) A member of the house of representatives, appointed by the speaker of the house of
34	representatives.
35	IV. Members appointed under subparagraph III(a) shall serve as voting members of the
36	commission; all other members shall serve as ex-officio members of the commission. The term of
37	office for members shall be 3 years and until a successor is appointed, except that members of the

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 88 -

- 1 executive branch and legislature shall serve a term coterminous with their appointment or term in
- 2 office. The initial members of the commission shall serve staggered terms. Vacancies shall be filled
- 3 in the same manner and for the unexpired terms. The members of the commission shall serve
- 4 without compensation, but shall be reimbursed for necessary travel and other necessary expenses.
- 5 Legislative members shall receive mileage at the legislative rate when attending to the duties of the
- 6 commission.
- 7 V. The members shall annually elect a person from among its membership to act as
- 8 chairperson.
- 9 VI. The department of resources and economic development shall cooperate with the
- 10 commission and shall provide necessary information and staff support.
- 11 245 Reference Change; State Promotional Initiatives. Amend RSA 21-Q:1 to read as follows:
- 12 21-Q:1 State Promotional Initiatives. In consultation with the New Hampshire film and
- 13 television commission, established in RSA [21-K:23] 12-A:41-b, a state agency that contracts with
- 14 the private sector for the use of film or video in an advertising, promotional, or educational program
- 15 shall use New Hampshire talent whenever possible. In this section, "New Hampshire talent" means
- 16 the people used both in front of and behind the camera associated with the film and television
- 17 industry.
- 18 246 Reference Change; Special Fund. Amend RSA 6:12, I(b)(222) to read as follows:
- 19 (222) Moneys deposited in the [department of] cultural resources donations fund
- 20 under RSA [21 K:4 a] 5:56.
- 21 247 Reference Change; Council on Resources and Development. Amend 162-C:1, X to read as
- 22 follows:
- 23 X. The [commissioner] secretary of state or appropriate division director, [department of
- 24 cultural resources, or designee.
- 25 248 Reference Change; State Library. Amend RSA 201-A:1 to read as follows:
- 26 201-A:1 State Library. There shall be a state library as provided for in RSA [21 K:5] 5:53. The
- 27 state library shall be the official clearinghouse of state government information.
- 28 249 Name Change. Amend the following RSA provisions by replacing "commissioner,"
- 29 "commissioner of cultural resources" and "commissioner of the department of cultural resources"
- 30 with "secretary of state": 4:9-c, I(i); 12-L:4, IV; 19-A:5, IV; 19-A:10 (introductory paragraph); 19-
- 31 A:11; 79-D:14, II; 162-H:3; 201-A:23, II; 201-B:3; 201-D:1, VIII; 201-D:2; 201-D:3; 201-D:6; 201-D:9,
- 32 IV; 201-D:10 (introductory paragraph); 201-E:7; 202-A:12; 202-A:18; 202-A:19; 227-C:3; 227-c:5
- 33 (introductory paragraph); 227-C:7; 227-C:8; 227-C:8-d, IV; 227-C:8-g; 227-C:9; 227-C:10; 227-C:11;
- 34 227-C:29; 227-M:4, II(e); 238:23, I; and 261:97-d, I(a).
- 35 250 Name Change. Amend the following RSA provisions by replacing "department of cultural
- 36 resources" with "department of state: "4:8-a, I; 12-A:10-e, VIII; 19-A:10, IV; 201-A:22, I; 216-A:3-c, V;
- 37 227-C:28; 227-C:31; 261:97-b, I; 261:97-c, I; 261:97-f, I; and 634:1, V(d).

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 89 -

- 1 251 Reference Change; State Historic Preservation Office. Amend 227-C:2 to read as follows:
- 2 227-C:2 State Historic Preservation Office. The division of historical resources, department of
- 3 [eultural resources] state established by RSA [21 K:7] 5:54 shall also be known as the state historic
- 4 preservation office. The director, division of historical resources shall also be known as the state
- 5 historic preservation officer.

10

11

12

13

1415

16

17

18

19

20

29

30

31

32

33

34

35

- 6 252 Reference Change; Preservation of State Historic Resources. Amend RSA 227-C:4, XI to read as follows:
- 8 XI. Providing technical review and comment relative to the [eommissioner's] secretary of 9 state's powers and duties in the preservation of state historic resources under RSA 227-C:6-8.
 - 253 Reference Changes; State Heritage Collections Committee; Membership. Amend RSA 227-C:19 to read as follows:
 - 227-C:19 Membership. The committee shall consist of [11] 10 members: the governor or designee; a representative appointed by the speaker of the house; a senator appointed by the president of the senate; the [commissioner of the department of cultural resources] secretary of state or designee; the commissioner of administrative services or designee; the chairman of the joint legislative historical committee; [the director of the division of arts, department of cultural resources;] the director of the division of parks and recreation, department of resources and economic development; the state archeologist; the state archivist, division of archives and records management; and the state curator. Official actions of the committee shall require an affirmative vote of 6 or more members before becoming effective.
- 21 254 Repeal. The following are repealed:
- I. RSA 19-A:8, II, relative to the definition of commissioner.
- 23 II. RSA 21-K, relative to the department of cultural resources.
- 24 III. RSA 201-D:1, VI, relative to the definition of commissioner.
- 25 IV. RSA 227-C:1, I, relative to the definition of commissioner.
- V. RSA 227-C:1, III, relative to the definition of department.
- 27 255 Method of Financing; Unfunded Accrued Liability. Amend RSA 100-C:13, III(d) to read as follows:
 - (d) Immediately following the actuarial valuation prepared under paragraph I, the board shall have an actuary determine the amount of the unfunded accrued liability as the amount of the total liabilities of the state annuity accumulation fund which is not dischargeable by the total of the funds in hand to the credit of the state annuity accumulation fund, and the normal contributions to be made on account of the members during the remainder of their active service. The amount so determined shall be known as the "unfunded accrued liability". On the basis of the unfunded accrued liability, the board shall have an actuary determine the level annual contribution required to discharge such amount over a period of [20 years from the date of implementation of this chapter] 30 years or the maximum period allowed by standards adopted by the Government

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 90 -

Accounting Standards Board, whichever is less.

 Judicial Retirement Plan; Recalculation and Recertification of Employer Rate. Notwithstanding the requirements of RSA 100-C:13, I, the board of trustees of the judicial retirement plan shall direct the plan's actuary to recalculate the employer contribution rate for the state fiscal years 2012 and 2013 to reflect the requirements of RSA 100-C:13, III(d) as amended by section 255 of this act. Such recalculated employer contribution rate shall be recertified by the board of trustees to the judicial branch and shall be used by the judicial branch for state fiscal years 2012 and 2013 until the next biennial valuation.

257 Department of Justice; Prohibition on Certain Expenditures. The department of justice shall not expend any funds appropriated for the biennium ending June 30, 2013 for the purpose of legal action against the general court.

258 Department of Justice; Outside Counsel. Notwithstanding any law to the contrary, for the biennium ending June 30, 2013, when seeking outside counsel on a new matter, the department of justice shall retain only outside counsel whose business office is located within New Hampshire. If the attorney general determines the counsel necessary for a specific type of litigation is not available in this state, the attorney general shall request from the fiscal committee of the general court authorization to retain counsel whose business office is not located in New Hampshire.

259 Regulatory Boards and Commissions; Reimbursement to Department of Justice. For the biennium ending June 30, 2013, any regulatory board or commission whose fees are established to produce estimated revenues of 125 percent of direct operating expenses that seeks counsel or assistance from the department of justice shall reimburse the department of justice for the counsel or assistance services rendered.

260 Department of Environmental Services; Responsibilities. It is the intent of the general court that the department of environmental services continue to perform all of its assigned functions and responsibilities as contained in statute and rules, to protect public health and promote public safety within the appropriations provided to the department for the biennium ending June 30, 2013.

261 Vital Records Improvement Fund; Transfers to General Fund. Notwithstanding RSA 5-C:15, the department of state shall transfer \$400,000 in the fiscal year ending June 30, 2012 and \$400,000 in the fiscal year ending June 30, 2013 from the special fund for the improvement and automation of vital records at the state and local levels established in RSA 5-C:15, also known as the vital records improvement fund, to the general fund.

262 Department of Corrections; Transfers of Mixed Source Funding Authorized for One Year. Notwithstanding RSA 9:16-a, the department of corrections may transfer funds that are not composed of the same funding source mix into the correctional industries inventory accounting unit 02-46-46-462010-5731 for only the fiscal year ending June 30, 2013; provided that any transfer of \$2,500 or more shall require prior approval of the fiscal committee of the general court and the governor and council, and provided that no funds may be transferred in violation of the provisions of

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 91 -

- 1 RSA 9:17-a, 17-b, or 17-c or in violation of any restrictions otherwise provided by law.
- 2 263 Department of Resources and Economic Development; Directors of Divisions. Amend RSA
- 3 12-A:3 to read as follows:

14

15

1617

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

- 12-A:3 Directors of Divisions. The commissioner shall nominate for appointment by the governor and council a director of forests and lands, [a director of economic development,] a director of travel and tourism development, and a director of parks and recreation, each of whom shall serve, subject to the provisions of RSA 4:1, for a term of 4 years from the date of appointment and until a successor is appointed and qualified. Any vacancy in such office shall be filled for the unexpired term in the same manner as the original appointment. Directors of divisions shall be responsible for
- the administration and operation of their respective divisions subject to the supervisory authority of
- 11 the commissioner as set forth in RSA 12-A:2.
- 12 264 Department of Resources and Economic Development; Director of Economic Development.
- Amend the subdivision heading preceding RSA 12-A:22 and RSA 12-A:22 to read as follows:

[Director of] Economic Development

- 12-A:22 [Director of] Economic Development; Commissioner's Duties. The [director of economic development, under the supervision of the] commissioner of the department of resources and economic development shall:
- I. Establish and maintain a data base on matters related to the economy of the state and its economic development.
- II. Plan, develop and administer programs to assist in the maintenance and expansion of existing industry and business in the state.
- III. Plan, develop and administer programs to encourage and promote the development of new industry and business in the state.
- IV. [Repealed.]
- V. Provide information and assistance to local and regional officials on matters related to economic development and encourage the establishment of local development plans and programs.
- VI. Research and analyze information on matters related to the economic development of the state to support and evaluate the effectiveness of promotional and assistance programs.
- VII. Prepare a written economic development program plan which integrates the various development programs and responsibilities assigned to the division. The program plan shall be consistent with the policies and priorities established in the state development plan required by RSA 9-A.
- VIII. Establish a small business innovation research support program pursuant to RSA 12-34 A:36.
- 35 IX. Develop and implement a telecommunications planning and development initiative 36 pursuant to RSA 12-A:45.
- 37 X. Plan, develop, and administer programs to assist in the implementation of the Workforce

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 92 -

- 1 Investment Act of 1998, 29 U.S.C. section 2801 et seq., as such may be amended, reauthorized, and 2 in effect from time to time, implement the state plan established by the governor and the Workforce 3 Opportunity Council, and perform the following additional functions: 4 (a) Through the Youth Council, select youth providers of training services in the local 5 areas. 6 (b) Identify eligible providers of training services in the local area. 7 (c) Identify eligible providers of intensive services, if not otherwise provided by the One-8 Stop operator. 9 (d) Develop a budget for carrying out the duties of the Workforce Opportunity Council 10 subject to the approval of the commissioner]. 11 (e) Oversee local programs of youth activities, local employment, and training service. 12 (f) Establish, in conjunction with the commissioner, local performance measures. 13 (g) [Assist the commissioner in developing] **Develop** statewide employment statistics 14 systems described in the Wagner-Peyser Act. 15 (h) Coordinate workforce investment activities authorized and implemented within the 16 state with economic development strategies, and develop the employer linkages with such activities. 17 (i) Make available to the public, on a regular basis through open meetings, information 18 regarding Workforce Opportunity Council activities including information regarding the state plan 19 prior to its submission, and information regarding membership, the designation and certification of 20 One-Stop operators and the award of grants or contracts to eligible providers of youth activities and, 21 as requested, minutes of formal meetings of the Workforce Opportunity Council. 22(j) Review the operation of programs and the availability, responsiveness, and adequacy 23 2425 effectiveness of these services and programs.
 - of state services, and make recommendations to the governor, appropriate chief elected officials, service providers, the legislature, and general public with respect to steps to improve the
 - (k) Review plans of all state agencies providing employment training, and related services, and provide comments and recommendations to the governor, the legislature, the state agencies and appropriate federal agencies on the relevancy and effectiveness of employment and training and related services delivery system in the state.

26

27

28

29

30

31

32

33

34

35

- 265 Department of Resources and Economic Development; Economic Development Advisory Council. Amend the introductory paragraph in RSA 12-A:22-a, II to read as follows:
- II. The advisory council shall consist of the [director of the division of] commissioner of the department of resources and economic development, 3 at-large members who have an interest in economic development, and a representative of each of the following:
- 266Economic Development Matching Grants Program. Amend RSA 12-A:32, II to read as follows:
- II.(a) The screening committee shall consist of the [director of the division of] commissioner

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 93 -

- 1 of the department of resources and economic development and 6 other members appointed as 2 follows: 3 (1) One member appointed by the governor and council upon nomination by the 4 commissioner of resources and economic development. (2) One member appointed by the governor and council upon nomination by the New 5 6 Hampshire Municipal Association. 7 (3) Two members appointed by the governor and council upon nomination by the 8 New Hampshire Economic Developers Association. 9 (4) One member appointed by the governor and council upon nomination by the 10 Business and Industry Association of New Hampshire. 11 (5) One member appointed by the governor and council upon nomination by the New 12 Hampshire Association of Counties. 13 Members, other than the [director of the division of] commissioner of the 14 department of resources and economic development, shall serve for a term of 3 years and until 15 their successors are appointed and qualified. 16 267 Department of Resources and Economic Development; Small Business Innovation Research 17 Support. Amend RSA 12-A:36 to read as follows: 12-A:36 Small Business Innovation Research Support. The [director of economic development, 18 19 under the supervision of the commissioner of the department of resources and economic 20 development [and pursuant to the director's duties under RSA 12 A:22,] shall establish a small 21 business innovation research support program. 22 268 Telecommunications Planning and Development Initiative. Amend RSA 12-A:45 to read as follows: 23 2412-A:45 Telecommunications Planning and Development Initiative. I.(a) The [director of economic development, under the supervision of the] commissioner of 25 the department of resources and economic development [and pursuant to the director's duties 26 27 under RSA 12 A:22, shall develop and implement a telecommunications planning and development 28 initiative which will result in a telecommunications development plan to be adopted and revised 29 regularly by the telecommunications planning and development advisory committee. 30 (b) As primary duties of this initiative, the [director] commissioner shall: 31 (1)Identify existing telecommunications infrastructure by establishing and 32 maintaining a database of telecommunications service providers, services, and infrastructure that 33 exist throughout the state. 34 (2) Publicize the state's telecommunications infrastructure, as an integral part of the
 - state's economic development efforts, by planning, developing, administering, and implementing programs to assist in the distribution of information about available telecommunications services, infrastructure, and technologies throughout all parts of the state.

35

36

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 94 -

1	(c) As secondary duties of this initiative, the [director] commissioner shall:
2	(1) Identify shortcomings in the deployment of telecommunications infrastructure
3	throughout all parts of the state.
4	(2) Work with providers of telecommunications services, educators, and municipal,
5	county, state, and other government officials to assist efforts to enhance the deployment of
6	telecommunications services.
7	II. The [director] commissioner may delegate any of the duties established in paragraph I
8	to appropriate designees within the division of economic development.
9	III. The budget for the fiscal year ending June 30, 2001 for the duties of this subdivision
10	shall not exceed \$150,000. The budget for subsequent fiscal years shall be considered in the division
11	of economic development's operating budget.
12	269 Telecommunications Planning and Development Advisory Committee. Amend RSA 12-A:46,
13	I to read as follows:
14	I. There is hereby established a telecommunications planning and development advisory
15	committee to advise and assist the [director of] commissioner of the department of resources
16	and economic development in performing the duties established in RSA 12-A:45. The committee
17	shall meet at least quarterly.
18	270 Telecommunications Planning and Development; Authority of Commissioner. Amend
19	RSA 12-A:48 to read as follows:
20	12-A:48 Authority of [Director] Commissioner to Acquire Information. The [director of]
21	commissioner of the department of resources and economic development is authorized to
22	request from telecommunications service providers such information as the [director] commissioner
23	requires to perform the duties established in RSA 12-A:45.
24	271 Technology Development and Telecommunication Planning. Amend the introductory
25	paragraph in RSA 12-A:59 to read as follows:
26	12-A:59 Technology Development and Telecommunications Planning. There is established
27	within the division of economic development, a technology development and telecommunication
28	planning function, which is intended to promote technology development and telecommunication
29	planning in the state. Under the supervision of the [director of the division of] commissioner of the
30	department of resources and economic development, the division shall:
31	272 Compensation of Certain State Officers; Position Deleted. Amend RSA 94:1-a, I(b) as
32	follows:
33	Delete
34	GG Department of resources and director of economic development
35	economic development
36	273 Energy Facility Evaluation; Site Evaluation Committee. Amend RSA 162-H:3 to read as
37	follows:

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 95 -

162-H:3 Site Evaluation Committee. The site evaluation committee shall consist of the commissioner of the department of environmental services or assistant commissioner as designee, the director of the division of water, the commissioner of the department of resources and economic development or [the director of the division of economic development as] designee, the commissioner of the department of health and human services or one of the 2 most senior administrators within the department responsible for management of public health services as designee, the executive director of the fish and game department, the director of the office of energy and planning or deputy director as designee, the director of the division of parks and recreation, the director of the division of forests and lands, the director of the division of air resources, the commissioner of the department of transportation or assistant commissioner as designee, the commissioners of the public utilities commission, and the commissioner of the department of cultural resources or director of the division of historical resources as designee. The commissioner of the department of environmental services shall be chairperson of the committee, and the chairperson of the public utilities commission shall be vice-chairperson.

- 274 New Hampshire Community Development Advisory Committee. Amend RSA 162-L:15, II(d) to read as follows:
- (d) The [director of the division of economic development,] commissioner of the department of resources and economic development, or designee.
- 275 References Amended. Amend the following RSA sections by replacing "director" with "commissioner of the department of resources and economic development:" 12-A:37; 12-A:38; 12-A:39; 12-A:40; 12-A:46, IV; 12-A:46, IX; and 12-A:49.
- 276 Distribution of Rooms and Meals Tax; Division of Travel and Tourism Development. Notwithstanding any other provision of law, for the biennium ending June 30, 2013, the state treasurer shall suspend the distribution of net income pursuant to RSA 78-A:26, I(a)(2) credited to the department of resources and economic development, division of travel and tourism development.
- 277 Department of Cultural Resources, Federal Funding. It is the intent of the general court that the department of cultural resources review the federal program guidelines for which it receives federal dollars to support library programs and seek to amend its 5-year plan to use funding that had been designated to support 3 of the interlibrary vans for other purposes. Furthermore, the review shall include a determination of programs or services the department could offer using federal library program funds. The department shall file a report of its findings with the house finance committee on or before November 30, 2011.
- 278 Operation and Funding of Certain District Courts. For the fiscal years ending June 30, 2012 and June 30, 2013, the Colebrook District Court, the Keene District Court, the Claremont District Court, the Plaistow District Court, and the Milford District Court shall remain open and the judicial branch shall pay the costs of maintaining such courts within its operating budget.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 96 -

1 279 Powers and Duties of Commissioner; Reference Deleted. Amend RSA 125-O:6, I to read as 2 follows: 3 I. Develop a trading and banking program to provide appropriate compliance flexibility in meeting the emission caps established under RSA 125-O:3, III [and allowance requirements of RSA 4 125 O:21 and RSA 125 O:22], and to encourage earlier and greater emissions reductions and the 5 development of new emission control technologies in order to maximize the cost-effectiveness with 6 7 which the environmental benefits of this chapter are achieved. 8 280 Rulemaking Authority. Amend RSA 125-O:8 to read as follows: 9 125-O:8 Rulemaking Authority. The commissioner shall adopt rules under RSA 541-A, 10 commencing no later than 180 days after the effective date of this section, relative to: 11 (a) I. The establishment of trading and banking programs as authorized by RSA 125-12 O:6. I. 13 (b) II. The establishment of a method for allocating allowances and other emissions reduction units or mechanisms as authorized by RSA 125-O:3, II and III. 14 [(e)] III. Emissions [and allowance] monitoring, [tracking,] recordkeeping, reporting, and 15 16 other such actions as may be necessary to verify compliance with this chapter. 17 (d) The method and requirements for auctioning budget allowances under RSA 125-18 O:21, which may use regional organizations. 19 (e) Defining eligible projects for early reduction allowances under RSA 125 O:21, IV, and 20 establishing criteria to quantify and grant such allowances. 21 (f) Defining eligible projects for offset allowances under RSA 125 O:21, V, and 22 establishing criteria to quantify and grant such allowances, including the accreditation of third party 23 verifiers. 24(g) The forms and information required on applications for a temporary or operating 25 permit required under RSA 125 O:22. 26 H. The public utilities commission shall adopt rules, under RSA 541 A, to administer the 27 greenhouse gas emissions reduction fund pursuant to RSA 125 O:23. 28 281 Compliance Dates. Amend RSA 125-O:9 to read as follows: 29 125-O:9 Compliance Dates. The owner or operator of each affected source shall comply with the 30 provisions of this chapter, excluding the subdivision on mercury emissions, RSA 125-O:11 through 125-O:18, [and the subdivision for CO2 emissions, RSA 125 O:19 through RSA 125 O:28,] by 31 32 December 31, 2006. 33 282 Non-Severability. Amend RSA 125-O:10 to read as follows: 34 125-0:10 Non-Severability. No provision of [RSA 125-0:1 through RSA 125-0:18 of] this

chapter shall be implemented in a manner inconsistent with the integrated, multi-pollutant strategy [er RSA 125 O:1 through RSA 125 O:18] of this chapter, and to this end, the provisions of [RSA 125-

O:1 through RSA 125 O:18 of] this chapter are not severable.

35

36

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 97 -

283 Compliance. The repeal of the regional greenhouse gas initiative program on January 1, 2012 under this act shall not affect each affected CO2 source's obligation to satisfy the program's requirements for the compliance period ending December 31, 2011, including those contained in adopted rules. All means of enforcement shall remain in place for these requirements, including the provisions of RSA 125-O:7 and any permit issued or modified by the department of environmental services in accordance with RSA 125-O:22, IV.

Use of Funds. Notwithstanding the provisions of RSA 125-O:23, all moneys in the greenhouse gas emissions reduction fund as of July 1, 2011, and all subsequent moneys deposited into the fund, shall be allocated by the commission as an additional source of funding to electric

285 Repeal. The following are repealed:

 2

- I. RSA 6:12, I(b)(272), relative to moneys deposited in the greenhouse gas emissions reduction fund.
 - II. RSA 125-O:3, III(d), relative to carbon dioxide cap.
 - III. RSA 125-0:19 through 125-0:28, relative to the regional greenhouse gas initiative.
- 286 Legislative Branch, Special Legislative Account. At the end of each fiscal year any unexpended appropriations of the legislative branch shall be transferred to a special legislative account. This special legislative account shall be nonlapsing and continually appropriated. Any balance in excess of \$3,000,000 shall, at the end of each fiscal year, lapse to the general fund. Funds may be transferred from this special legislative account with prior approval of the joint legislative facilities committee or for the office of legislative budget assistant only, with prior approval of the fiscal committee of the general court.
- 287 Salaries. RSA 548:17 is repealed and reenacted to read as follows:
- 23 548:17 Salaries. The annual salary of the registers of probate shall be \$100 per year.
- 28 Contingency. If HB 609-FN of the 2011 legislative session becomes law, section 287 of this 25 act shall take effect July 1, 2011 at 12:01 a.m. If HB 609-FN does not become law, section 287 of this 26 act shall not take effect.
 - 289 State Retiree Medical Benefit for Retiree, Spouse, and Dependents. Amend RSA 21-I:30, I to read as follows:
 - I. The state shall pay a premium toward group hospitalization, hospital medical care, surgical care and other medical benefits plan or a self-funded alternative within the limits of the funds appropriated at each legislative session and providing any change in plan or vendor is approved by the fiscal committee of the general court prior to its adoption for:
 - (a) Each state employee and permanent temporary or permanent seasonal employee as defined in RSA 98-A:3 including spouse and minor, fully dependent children, if any, and
 - (b) Subject to the funding limitation under paragraph I-a, each retired employee, as defined in paragraph II of this section, and his or her spouse, or retired employee's beneficiary, only if an option was taken at the time of retirement and the employee is not now living [, toward

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 98 -

group hospitalization, hospital medical care, surgical care and other medical benefits plan or a self-funded alternative within the limits of the funds appropriated at each legislative session and providing any change in plan or vendor is approved by the fiscal committee of the general court prior to its adoption].

I-a. The total cost to the general fund for the benefit provided in subparagraph I(b) shall not exceed \$27.5 million, including the administrative costs of the department, in each fiscal year of a biennium. If in any calendar year the total general fund cost of the retiree medical benefit is projected to exceed that amount, the commissioner of the department of administrative services shall, with the prior approval of the fiscal committee of the general court, adjust the plan design of the group hospitalization, hospital medical care, surgical care and other medical benefits plan or the self-funded alternative to reduce the cost of the benefit to that amount.

- *I-b.* Funds appropriated for [this] the purpose described in this section shall not be transferred or used for any other purpose.
- 290 Medical Benefits Subsidy; Payment by Retirement System. Amend RSA 100-A:52, II to read as follows:
- II. However, for the fiscal year beginning July 1, 1990, the maximum amount payable by the retirement system under this subdivision on account of each person qualified under paragraph I who is not entitled to Medicare benefits, shall be \$101.50 per month, and on account of each person qualified under paragraph I who is entitled to Medicare benefits, shall be \$64 per month. As of July 1, 1991, and on each July 1 until and including July 1, 2007, the maximum amount payable by the retirement system as provided in this paragraph shall be increased by 8 percent, compounded on previous increases. After July 1, 2007 and until and including July 1, [2011] 2012, the rate payable under this paragraph shall not be increased. As of July 1, [2012] 2013, and on each July 1 thereafter, the maximum amount payable by the retirement system as provided in this paragraph shall be increased by 4 percent, compounded on previous increases.
- 291 Judicial Appointments; Number Limited. For the biennium ending June 30, 2013, the number of judges serving on the superior, district, and probate courts shall not exceed the number of judges serving on the superior, district, and probate court, respectively, on June 30, 2011.
 - 292 Navigation Safety Fund. Amend RSA 270-E:6-a to read as follows:
- 270-E:6-a Navigation Safety Fund. There is established the navigation safety fund which shall be [nonlapsing and] continually appropriated to the department of safety, division of safety services. The state treasurer may invest moneys in the fund as provided by law and all interest received on such investment shall be credited to the fund. The fund shall only be used to promote the safety of navigation and the administration and enforcement of RSA 270, RSA 270-B, RSA 270-D, and RSA 270-E. Any balance remaining in the navigation safety fund at the close of each fiscal year shall lapse to the general fund.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 99 -

293 Fines Paid by Mail; General Fund. Amend RSA 262:44, I to read as follows:

1

 2

3

4

5

6 7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

I. Such defendant shall receive, in addition to the summons, a uniform fine schedule entitled "Notice of Fine, Division of Motor Vehicles" which shall contain the normal fines for violations of the provisions of title XXI on vehicles for which a plea may be entered by mail. The defendant shall be given a notice of fine indicating the amount of the fine plus penalty assessment at the time the summons is issued; except if, for cause, the summoning authority wishes the defendant to appear personally. Defendants summoned to appear personally shall do so on the arraignment date specified in the summons, unless otherwise ordered by the court. Defendants who are issued a summons and notice of fine and who wish to plead guilty or nolo contendere shall enter their plea on the summons and return it with payment of the fine plus penalty assessment to the director of the division of motor vehicles within 30 days of the date of the summons. The director of the division of motor vehicles may accept payment of the fine by credit card in lieu of cash payment. Any transaction costs assessed by the issuer of the credit card shall be paid out of the portion of the fine amount which is credited [as agency income] to the general fund and not out of the penalty assessment charged by the district court. The director of the division of motor vehicles shall remit the penalty assessments collected to the police standards and training council for deposit in the police standards and training council training fund and to the state treasurer to be credited and continually appropriated to the victims' assistance fund and the judicial branch information technology fund in the percentages and manner prescribed in RSA 188-F:31. Fines shall be paid over to the state treasurer, and shall be credited [as agency income by the department of safety] to the general fund within 14 days of their receipt.

294 Legislation Granting Rulemaking Authority. Amend RSA 14:39-a to read as follows:

14:39-a Legislation Granting Rulemaking Authority. Any member of the house of representatives or senate proposing legislation which includes provisions granting rulemaking authority to any agency as defined in RSA 541-A:1, II, shall include an explanation of the intent for the proposal relative to the parameters under which rulemaking authority under RSA 541-A may be used. Rulemaking provisions in proposed legislation shall not grant broad authority for the adoption of rules, including general authority to implement a program *or to adopt fees*, but shall specify the issues to be addressed by rules *and the amount of any fee*.

295 Procedure for Adoption of Rules; Legislative Approval for Rules Establishing or Increasing Fees or Costs. Amend RSA 541-A:3, VI and VII to read as follows:

VI. Responding to the committee when required under RSA 541-A:13; [and]

VII. Receiving specific legislative approval for any proposed rule that establishes or increases any fee for service or fee for licensure, or establishes or modifies an agency program or responsibility in a manner that is likely to increase costs to persons affected by the rule; and

VIII. Adopting and filing a final rule under RSA 541-A:14.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 100 -

- 1 296 New Section; Administrative Procedure Act; Limitation on Rules Establishing Fees or 2 Increasing Program Costs. Amend RSA 541-A by inserting after section 3-b the following new 3 section: 4 541-A:3-c Limitation on Rules Establishing or Increasing Fees and Costs. No agency may propose or adopt a rule under RSA 541-A:3 or RSA 541-A:19 that establishes or increases any fee for 5 6 service or fee for licensure, or establishes or modifies an agency program or responsibility in a 7 manner that increases costs to persons affected by the rule, without specific authority in the 8 authorizing legislation or specific legislative approval for such a rule. 9 297 New Paragraph; Final Adoption of Administrative Rule. Amend RSA 541-A:14 by inserting 10 after paragraph IV the following new paragraph: 11 V. Notwithstanding the foregoing, no agency may adopt a rule that establishes or increases 12 any fee for service or fee for licensure, or establishes or modifies an agency program or responsibility 13 in a manner that increases costs for persons affected by the rule, without first receiving specific 14 legislative approval for such a rule. 298 New Paragraph; Interim Rules. Amend RSA 541-A:19 by inserting after paragraph X the 15 16 following new paragraph: 17 XI. Notwithstanding the foregoing, no agency may adopt a rule that establishes or increases 18 any fee for service or fee for licensure, or establishes or modifies an agency program or responsibility 19 in a manner that increases costs for persons affected by the rule, without first receiving specific 20 legislative approval for such a rule. 21 299 New Paragraph; Rules Exempt from the Administrative Procedure Act. Amend RSA 541-22 A:21 by inserting after paragraph VI the following new paragraph: 23 Notwithstanding the foregoing, no agency may adopt a rule that establishes or 24increases any fee for service or fee for licensure, or establishes or modifies an agency program or 25 responsibility in a manner that increases costs to persons affected by the rule, without first receiving 26 specific legislative approval for such a rule. 27 300 Administrative Procedure Act; Validity of Rules. Amend RSA 541-A:22, III(c) to read as 28
 - follows:

29

30

31

32

33

34

35

- (c) Require fees unless the amount of the fee or parameters for determining the fee are specifically authorized by a statute enforced or administered by an agency. Specific authorization shall not include the designation of agency fee income in the operating budget when no other statutory authorization exists.
- 301 New Subparagraph; Administrative Procedure Act; Validity of Rules. Amend RSA 541-A:22, III by inserting after subparagraph (h) the following new subparagraph:
- (i) Establish or modify an agency program or responsibility in a manner that increases costs for persons affected by the rule.
- 37 302 New Paragraph; Division of Fire Safety; Carnival-Amusement Operators. Amend RSA 21-

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 101 -

1	P:12 by inserting after paragraph VII the following new paragraph:
2	VIII. Regulation of carnival and amusement rides, as provided for in RSA 321-A.
3	303 Reference Changed. Amend RSA 321-A:1, IV to read as follows:
4	IV. "Division" means the division of <i>fire</i> safety [services] in the department of safety.
5	304 Department of Education; Special Education Rulemaking. Not later than 180 days after the
6	effective date of this section:
7	I. The state board of education shall review all administrative rules governing special
8	education and related services currently in effect and identify any rule that requires a public school
9	to provide special education or special education and related services to a child with a disability, as
10	defined in RSA 186-C:2, I, which exceeds the requirements of the federal Individuals with
11	Disabilities Education Act; and
12	II. The state board of education shall adopt rules pursuant to RSA 541-A to amend each
13	such rule identified in paragraph I so that a public school shall only be required to provide that level
14	of special education or special education and related services which is in minimum compliance with,
15	but does not exceed, the requirements of the federal Individuals with Disabilities Education Act.
16	305 Fish and Game Department; Plan for Search and Rescue Operations Funding. On or before
17	September 30, 2011, the fish and game department shall develop a plan for implementation of a
18	sustainable funding source for its search and rescue operations. The department shall submit its
19	proposed plan to the house fish and game and marine resources committee and the senate energy
20	and natural resources committee and shall include recommended legislation for introduction in the
21	2012 legislative session which would enable the department to implement and effectuate the plan for
22	search and rescue operations funding.
23	306 Drug-Free School Zones; Penalty Assessment. Amend RSA 193-B:7 to read as follows:
24	193-B:7 Penalty Assessment[; Sign Fund].
25	[L] In addition to the penalties imposed under RSA 193-B:6, I and RSA 318-B:26, V, every
26	court shall levy a penalty assessment of \$100 for an offense in violation of RSA 193-B:2. [Such
27	penalty assessment shall be used to provide and replace drug free school zone signs.
28	II. There is created the drug free school zone sign fund in the department of education to be
29	administered by the commissioner of education.] The clerk of each court shall collect all penalty
30	assessments and, notwithstanding RSA 6:11, shall transmit the amount collected [under paragraph I
31	designated for the drug free school zone sign fund to the department of education] to the general
32	fund.
33	307 Repeal. RSA 6:12, I(b)(212), relative the drug-free school zone sign fund, is repealed.
34	308 Special Education; State Aid. Amend RSA 186-C:18, IV to read as follows:
35	IV. The state shall appropriate [\$300,000] an amount for each fiscal year to assist special

education programs that are statewide in their scope, and that meet the standards for such programs established by the state board of education. Funds under this paragraph shall be

36

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 102 -

- 1 administered and distributed by the state board of education through the commissioner.
- 2 309 Aviation Registration Fees Transfer Plan. The department of transportation shall develop a
- 3 plan to transfer responsibility for collection of aviation registration fees to the department of safety.
- 4 On or before September 30, 2011, the commissioners of transportation and safety shall submit a plan
- 5 to the fiscal committee of the general court for approval to effectuate such transfer.
- 6 310 Repeal. RSA 186-C:5, IX, requiring the department of education to select and contract with
- 7 an independent organization to provide recommendations for special education program evaluation,
- 8 is repealed.

10

11

12

13

14

15

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

- 9 311 Committee Established.
 - I. There is established a committee to study the relationship between the department of education and the local education authorities.
 - II. The members of the committee shall be as follows:
 - (a) Three members of the house of representatives, appointed by the speaker of the house of representatives.
 - (b) Two members of the senate, appointed by the president of the senate.
- III. Members of the committee shall receive mileage at the legislative rate when attending to the duties of the committee.
 - IV. The committee shall study the relationship between the department of education and the local education authorities to identify and recommend legislation for changes in that relationship in order to realize savings at the state level, the local level, or both. The committee may solicit information and testimony from those with experience or expertise relevant to the study.
 - V. The members of the study committee shall elect a chairperson from among the members. The first meeting of the committee shall be called by the first-named house member. The first meeting of the committee shall be held within 45 days of the effective date of this section. Three members of the committee shall constitute a quorum.
 - VI. The committee shall report its findings and any recommendations for proposed legislation to the speaker of the house of representatives, the president of the senate, the house clerk, the senate clerk, the governor, and the state library on or before November 1, 2011.
 - 312 Transfer of Marine Patrol from Department of Safety, Division of Safety Services, to the Division of State Police.
 - I. Notwithstanding any provision of law to the contrary, all of the functions, positions, powers, duties, responsibilities, and funding of the department of safety, division of safety services, relative to the marine patrol bureau shall be transferred to the division of state police. The transfer provided in this section shall include all of the equipment, books, papers, and records related to marine patrol functions.
- II. All existing rules, statutory responsibilities, regulations, and procedures relating to the marine patrol in effect, in operation, or adopted in or by the department of safety are transferred to

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 103 -

- 1 the division of state police, and are declared in effect and shall continue in effect until rescinded, 2 revised, or amended in accordance with applicable law. 3 313 New Subparagraph; State Police; Duty Added; Marine Patrol. Amend RSA 21-P:7, I by 4 inserting after subparagraph (f) the following new subparagraph: (g) Carrying out the duties assigned to the marine patrol bureau. 5 6 314 Fish and Game; Nongame Species Account; Donation Match Deleted. Amend RSA 212-B:6, 7 II to read as follows: 8 II. The fish and game department shall issue a certificate of participation to any individual 9 who donates not less than \$10 to the nongame species account established in paragraph I. [An 10 amount equal to the moneys donated during any fiscal year under this paragraph up to and 11 including a total of \$50,000 shall be transferred annually to the special nongame species account. 12 The governor is authorized to draw a warrant for such amount out of any money in the treasury not 13 otherwise appropriated. This is a continuing appropriation. 14 315 Hunting, Fishing, and Trapping; Fees. Amend RSA 214:9, XVI(e) to read as follows: 15 (e) The following fees shall apply: 16 (1) [\$15] \$5 for resident and nonresident individuals. 17 (2) [\$75] \$25 for charter boats and other for-hire vessels, except party boats. (3) [\$150] \$50 for party boats. 18 19 316 Fish and Game Department; Divisions Established. For the biennium ending June 30, 2013, there are established the following divisions, as defined in RSA 21-G, within the fish and game 20 21 department: 22 I. The marine division, as specified in RSA 211:65. 23 II. The fisheries division. 24 III. The wildlife division. 25 IV. The business division. 26 V. The facilities and lands division. 27 VI. The law enforcement division. 28 VII. The public affairs division. 29 VIII. The office of the executive director. 30 317 Committee Established. There is established a committee to study funding options for the 31 police standards and training council and the department of safety, division of fire standards and 32 training and emergency medical services, including the option of charging attendees an amount for 33 tuition. 34 318 Membership and Compensation. 35 I. The members of the committee shall be as follows:
- 36 (a) Three members of the house of representatives, appointed by the speaker of the
- 37 house of representatives.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 104 -

(b) Two members of the senate, appointed by the president of the senate.

- II. Members of the committee shall receive mileage at the legislative rate when attending to the duties of the committee.
 - 319 Duties. The committee shall study various funding options for the police standards and training council and the department of safety, division of fire standards and training and emergency medical services, including the option of charging attendees an amount for tuition. The committee may solicit information and testimony from those with experience or expertise relevant to the study.
 - 320 Chairperson; Quorum. The members of the study committee shall elect a chairperson from among the members. The first meeting of the committee shall be called by the first-named house member. The first meeting of the committee shall be held within 45 days of the effective date of this section. Three members of the committee shall constitute a quorum.
 - 321 Report. The committee shall report its findings and any recommendations for proposed legislation to the speaker of the house of representatives, the president of the senate, the house clerk, the senate clerk, the governor, and the state library on or before November 1, 2011.
 - 322 Fish and Game Commission; Fines. Amend RSA 206:34, I to read as follows:
 - I. The court or justice of any court in which a complaint for a violation of any law or rule relating to fish, game, fur-bearing animals, or marine species, or any complaint brought by an employee of the fish and game department for any violation of RSA 215-A or RSA 215-C, is prosecuted shall, within 30 days after any fine or forfeiture is paid, remit the amount thereof to the [executive director] state treasurer for deposit in the general fund; provided, however, that from each fine collected by a municipal or district court, there shall be deducted \$10 and 20 percent of that part of the fine which exceeds \$10, and the same shall be disposed of as provided in RSA 502:14 or RSA 502-A:8.
 - 323 Reference Deleted. Amend RSA 12-A:23, VIII to read as follows:
 - VIII. Encourage law enforcement personnel [and personnel within the division of safety services] to assist, whenever possible, the traveling public by providing them with a hospitable reception and appropriate information.
 - 324 Reference Deleted. Amend RSA 12-G:52-b, VI to read as follows:
 - VI. Nothing in this section shall be construed to limit, restrict, or modify in any way authority granted to the commissioner of safety or the director of [safety services] *state police* to remove or impound boats or moorings pursuant to RSA 270 or RSA 270-B.
 - 325 Report and Budget. Amend RSA 21-P:10-b to read as follows:
 - 21-P:10-b [Division of Safety Services] Report and Budget.
 - I. The department of safety shall submit as part of the annual report required under RSA 20:7, a report on [the training and educational programs offered or contracted by the division of safety services,] the revenue generated from safe boater education certificates[, and the budget and revenue projections of the division].

HB 2-FN-A-LOCAL - AS AMENDED BY THE HOUSE - Page 105 -

- II. In conjunction with the operating budget of the department of safety, the department shall submit a budget for the biennium beginning July 1, 2003, and for each biennium thereafter, which shall include [financial responsibility for and the costs of all training and educational programs offered or contracted by the division of safety services,] the revenue generated from safe boater education certificates[,] and all revenues and expenditures of the navigation safety fund established in RSA 270-E:6-a.
- 7 326 Compensation of Certain State Officers; Salaries Established. Amend RSA 94:1-a, I(b) as 8 follows:
- 9 Delete:

- 10 FF Department of safety director of safety services
- 11 327 Reference Deleted. Amend RSA 153:9 to read as follows:
 - 153:9 Assistants; Clerical. Subject to the state personnel regulations, and within the limits of available appropriations and funds, the [director of safety services,] department of safety[,] shall furnish such additional clerical and secretarial assistants as may be necessary to carry out the duties and functions of the state fire marshal.
- 16 328 Endangered Wildlife Species. Amend RSA 212-A:5, IV to read as follows:
 - IV. The executive director [and the director of safety services] may [independently or in concert] adopt and enforce rules temporarily restricting boat traffic on any waters of this state as [either] the executive director deems necessary to protect any threatened or endangered species of wildlife in the earliest stages of life.
- 21 329 Reference Deleted. Amend RSA 225-A:1-a to read as follows:
 - 225-A:1-a Administratively Attached. The passenger tramway safety board shall be an administratively attached agency, under RSA 21-G:10, to the department of safety[, division of safety services].
- 25 330 Reference Deleted. Amend RSA 225-A:2, II to read as follows:
- 26 II. "Department" means the department of safety [, division of safety services].
- 27 331 Passenger Tramway Safety Board. Amend RSA 225-A:3-a to read as follows:
 - 225-A:3-a Passenger Tramway Safety Board. There shall be a passenger tramway safety board of 4 appointive members [and the director of safety services ex officio]. The appointive members shall be appointed by the governor, with the advice and consent of the council, from persons representing the following interests: one member who operates a "surface lift" as [defined] described in RSA 225-A:2, I(e)-(g) only and one member from the cable and other passenger carrying devices industry, and in making such appointments consideration shall be given to recommendations made by members of the industry, so that both the devices which pull skiers riding on skis and the devices which transport passengers in cars or chairs shall have proper representation; one member to represent the public at large; and one member to represent insurance companies which engage in insuring passenger tramway operations, and in appointing such member

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 106 -

consideration shall be given to recommendations made by such insurance companies. The authority of such board shall not extend to any other matter relative to the operation of a ski area.

332 Reference Changed. Amend RSA 270:1-a, I to read as follows:

1

2

3

4

5

6 7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31 32

33 34

35

36

- I. The operator of a vessel who knows or reasonably should have known that he or she has just been involved in any accident that involved death, personal injury, or damage to property, shall immediately stop said vessel at the scene of the accident, render any assistance that he or she is capable of giving to the occupants of any other vessel involved in the accident, and give the operator or owner of any other vessel involved in such accident, and to any person injured, and to the owner of any property damaged, the operator's name and the owner's name and address, the vessel registration number, and the name and address of each occupant. If by reason of injury or absence or removal from the place of the accident or other cause, such injured person, or operator of such other vessel, or owner of the property damaged, or any of them, is unable to understand or receive the information required in this section, such information shall be given to any marine patrol officer or other police officer with jurisdiction arriving at the scene of the accident or immediately to a marine patrol officer or other police officer at the nearest police station or at marine patrol headquarters. Any person operating a vessel that is in any manner involved in the accident shall, within 15 days after such accident, report in writing to the [division] department of safety [services] the facts required hereunder together with a statement of the circumstances if any person is injured or killed or if damage to property is in excess of \$2,000. If the operator is physically or mentally incapable of making such report, the owner of the vessel involved in the accident or the owner's representative shall, after learning of the accident, forthwith make such report. The operator or the owner shall furnish to the [division] department such relevant information as the [division] department shall require.
- 333 Reference Changed. Amend RSA 270:1-b to read as follows:
- 270:1-b Penalty. Whoever fails to file the reports required by RSA 270:1-a, I or otherwise fails to comply with the requirements relating to injury to property, or relating to the report to be made to the [division] department, shall be guilty of a class A misdemeanor if a natural person, or guilty of a felony if any other person. Whoever fails to comply with the requirements when death or personal injury resulted or whoever gives information required knowing or having reason to believe that such information is false, or fails to comply with any of the other requirements thereof shall be guilty of a class B felony.
- 334 Reference Changed. Amend the introductory paragraph of RSA 270:12-a, I to read as follows:
- I. The director of [the division of safety services] **state police** and his or her duly authorized representatives shall have all the powers of a peace officer in all counties in the state in the enforcement of:
- 335 Reference Changed. Amend RSA 270:12-a, I-a to read as follows:

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 107 -

- I-a. The director of [safety services] state police and his or her duly authorized representatives shall be authorized to call upon any peace officer to render assistance to them in the performance of their duties and shall render assistance to any peace officer having jurisdiction in the area when so requested.
 - 336 Reference Changed. Amend RSA 270:12-a, III to read as follows:

 2

- III. The director of [the division of safety services] state police shall adopt rules pursuant to RSA 541-A prescribing the type and amount of training required for his or her duly authorized representatives to perform their duties under this section.
 - 337 Reference Changed. Amend RSA 270:12-c, I to read as follows:
- I. The commissioner of safety may establish a force of individuals to assist the director of [safety services] state police and the marine patrol officers to patrol the various bodies of water in the state. Any person that patrols any water body on behalf of the department shall either be a certified marine patrol officer or an auxiliary officer appointed under the provisions of this section.
 - 338 Reference Changed. Amend RSA 270:26, IV(a) to read as follows:
- IV.(a) Any person who knowingly places a swim line in any public body of water without first obtaining a permit issued by the director of [safety services] state police shall be guilty of a violation.
 - 339 Reference Changed. Amend RSA 270:27 to read as follows:
- 270:27 Boat Racing. No commercial boat, private boat, or sail boat shall race with another such boat over a predetermined course on any of the public waters of the state unless the course is laid out and marked in a manner satisfactory to the director of [safety services] state police and said race is held under a permit issued by said director to a recognized sponsoring organization stating the date and place of the race.
- 340 Reference Changed. Amend RSA 270:32, III to read as follows:
- III. The director of [safety services] state police may prohibit further scuba activity, in addition to the penalties prescribed in either paragraph I or II, until the provisions of RSA 270:31 have been complied with.
 - 341 Reference Changed. Amend RSA 270:36, I to read as follows:
 - I. "Director" means the director of the division of [safety services] state police.
- 30 342 References Changed. Amend RSA 270:45, II-III to read as follows:
 - II. Boats involved in or attending a fireworks display, a boat parade, a boat race, or any other such public events as the director of [safety services] state police may designate;
 - III. Boats which have converged at the direction of the director of [safety services] state police or the executive director of fish and game or the agents of either in order to protect members of any threatened or endangered species of wildlife which [the director of safety services or] the executive director of fish and game deems to be in immediate danger;
- 37 343 Reference Changed. Amend the introductory paragraph of RSA 270:46-a, I to read as

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 108 -

follows:

- I. In addition to any other penalty imposed, any person who is convicted of violating any of the following boating laws or rules of the division of [safety services] state police shall be assessed an administrative penalty of \$200 to be paid to the director of [safety services] state police who shall forward such sum to the state treasurer for deposit in the navigation safety fund established under RSA 270-E:6-a:
 - 344 Reference Changed. Amend RSA 270:46-a, II to read as follows:
- II. Any person who pays such penalty and who, within 6 months of conviction, completes at such person's own expense a boat safety classroom course as specified in rules adopted, under RSA 541-A, by the director of [safety services] state police shall have his or her \$200 refunded to him or her from the navigation safety fund by the director.
- 345 Reference Changed. Amend the introductory paragraph of RSA 270:46-a, III to read as follows:
 - III. In addition to any other penalty imposed, any person who is convicted of violating any of the following boating laws or rules of the division of [safety services] state police, and who has not already successfully completed an approved boating safety course shall complete a boat safety classroom course, at that person's own expense, within 6 months of conviction. Any person who fails to complete the boat safety classroom course within 6 months may be prevented from reregistering the boat:
- 346 References Changed. Amend RSA 270:59, I-II to read as follows:
- I. "Director" means the director, division of [safety services] state police, department of safety.
 - II. "Division" means the division of [safety services] state police, department of safety.
- 24 347 Reference Changed. Amend RSA 270:65 to read as follows:
 - 270:65 Special Exceptions. The division of [safety services] state police shall propose rules to develop standards for granting special exceptions for the placement of from 2 to 4 moorings adjacent to a shorefront property. The placement of 5 or more moorings adjacent to a shorefront property shall require approval pursuant to RSA 270:67, I and II.
 - 348 References Changed. Amend RSA 270:67, I(a) to read as follows:
 - (a) The division of [safety services] state police shall identify suitable locations for public mooring fields and prioritize the need for the development of such sites. In determining said locations the division of [safety services] state police shall recommend each location size and the configuration of each public mooring field. Further, it shall be determined by the division of [safety services] state police that adequate access exists to serve the needs of the users of the public mooring field. Said site proposal shall then be transmitted to the respective political subdivision or subdivisions in which the proposed mooring field is to be located, where a public hearing on said site proposal may be conducted by the division of [safety services] state police. The division of [safety

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 109 -

services] state police shall review all recommendations received and submit their final site proposal to governor and council for approval. All such recommendations shall be consistent with any existing master plans, zoning ordinances, wetlands conservation district ordinances, and capital improvement programs of the adjacent municipality.

349 References Changed. Amend RSA 270:67, II(a) to read as follows:

 2

- (a) The division of [safety services] state police may identify suitable locations for congregate mooring fields. In determining said locations the division of [safety services] state police shall recommend each location size and the configuration of each congregate mooring field. Further, it shall be determined by the division of [safety services] state police that adequate access exists to serve the needs of the users of the congregate mooring field. Said site proposal shall then be transmitted to the respective political subdivision or subdivisions in which the proposed mooring field is to be located, where a public hearing on said proposal may be conducted by the division of [safety services] state police. The division of [safety services] state police shall review all recommendations received and submit their final proposal to governor and council for approval. All such recommendations shall be consistent with any existing master plans, zoning ordinances, wetlands conservation district ordinances, and capital improvement programs of the adjacent municipality.
 - 350 Reference Changed. Amend RSA 270:67, II(d) to read as follows:
- (d) Operators in charge of maintaining congregate mooring fields may charge no more for the use of a mooring than an amount which reasonably covers the costs of mooring installations and maintenance. Said charges shall be reported to the division of [safety services] state police who shall submit an annual report to the governor and council and the general court on all congregate mooring fields.
 - 351 Reference Changed. Amend RSA 270:115 to read as follows:
- 270:115 Connecticut River. The department of safety, division of [safety services] state police, shall post at all boat launching sites on the Connecticut River, within the jurisdiction of the state, a speed limit of headway speed within 150 feet of the shoreline. Any person who violates the posted speed limits shall be guilty of a violation.
 - 352 Reference Changed. Amend RSA 270:132 to read as follows:
- 270:132 Silver Lake. The division of [safety services] state police shall institute a no wake order encompassing all of Silver Lake whenever the department of environmental services gauging station on Silver Lake measures 467.0 feet or more above sea level. The order shall remain in effect until the measure falls below 467.0 feet.
 - 353 Reference Changed. Amend RSA 270-B:3 to read as follows:
- 270-B:3 Jurisdiction. The director of [safety services] state police or his or her authorized representatives may impound any such abandoned boat or may order the removal and storage at a place of safe keeping of any such abandoned boat. All reasonable charges of such impoundment,

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 110 -

1 removal, and storage shall be a lien against the boat.

7

9

10

11

12

13

14

15

16 17

18

19

20

21

22

23

24

25

26

29

30

31

32

33

- 2 354 Reference Changed. Amend RSA 270-B:3-a to read as follows:
- 3 270-B:3-a Improperly Registered or Equipped Boats. Nothing in RSA 270-B:3 shall be construed as limiting the power of the director of [safety services] state police or his or her authorized 4 representatives to tow any boat which they find being operated without proper registration or 5 6 equipment, but such boat shall not be considered to be abandoned and the provisions of this chapter
- relating to impoundment, removal, and storage shall not apply. 8 355 Reference Changed. Amend RSA 270-B:4 to read as follows:
 - 270-B:4 Notification. The director of [safety services] state police shall notify the owner, if known, of the fact of such impoundment, removal, and storage. If the abandoned boat is registered in this state, such notification shall be mailed to the person identified as the owner on the registration at the address listed on said registration. If the boat is not so registered, notice shall be placed on file with the director of motor vehicles and published in a newspaper of general circulation.
 - 356 Reference Changed. Amend RSA 270-B:7 to read as follows:
 - 270-B:7 Disposal. Upon expiration of the 90-day period identified in RSA 270-B:5, the director of [safety services] state police may dispose of any unredeemed boat by destroying such boat or by offering such boat for sale at public auction or the director may retain such boat for use by the state; provided, however, that if the boat is sold or retained, the purchaser or the state, in the event of retention, shall pay the cost of impoundment, removal, and storage, and shall obtain release of the lien described in RSA 270-B:3. Any money received by reason of sale of such abandoned boat at public auction shall be deposited in the state general fund.
 - 357 References Changed. Amend RSA 270-D:1, IV-V to read as follows:
 - IV. "Director" means the director of the division of [safety services] state police, department of safety.
 - V. "Division" means the division of [safety services] state police, department of safety.
 - 358 Reference Changed. Amend RSA 270-D:2-a to read as follows:
- 27 270-D:2-a Boaters Guide. The department of safety, division of [safety services] state police, 28 shall publish the New Hampshire Boaters guide.
 - 359 Reference Changed. Amend RSA 270-D:3, V to read as follows:
 - V. No person shall be towed on water skis or other appurtenances unless the person is wearing a Coast Guard approved type 1, 2, or 3 PFD, except when directly participating or competing in an American Water Ski Association approved event or exhibition, authorized by a special permit issued by the director of [safety services] state police.
 - 360 Reference Changed. Amend RSA 270-E:6-a to read as follows:
- 35 270-E:6-a Navigation Safety Fund. There is established the navigation safety fund which shall 36 be nonlapsing and continually appropriated to the department of safety, division of [safety services] 37 state police. The state treasurer may invest moneys in the fund as provided by law and all interest

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 111 -

- 1 received on such investment shall be credited to the fund. The fund shall only be used to promote the safety of navigation and the administration and enforcement of RSA 270, RSA 270-B, RSA 270- 2 3 D, and RSA 270-E. 4 361 Reference Changed. Amend RSA 485-A:14, III to read as follows: III. The lawful owner of a vehicle shall notify the department of safety, division of [safety 5 6 services state police, if any person is injured or killed in an incident involving a submerged vehicle. 7 362 Reference Changed. Amend RSA 485-A:14, V to read as follows: 8 V. Any person who fails to remove a submerged or partially submerged vehicle or container, 9 as required by paragraph I, shall be guilty of a violation. Agents of the department of safety, division 10 of [safety services] state police, or any police officer having jurisdiction over the water body, may 11 issue citations for a violation of this section and issue fines of \$500 for each day the vehicle remains 12 in the water. 13 363 Reference Changed. Amend RSA 487:17, II(d) to read as follows: 14 (d) Designate, in consultation with the department of fish and game and the division of [safety services] state police, department of safety, restricted use of exotic aquatic weed control 15 16 areas. 17 364 Repeal. The following are repealed: 18 I. RSA 21-P:10, relative to division of safety services. 19 II. RSA 21-P:10-a, relative to director of safety services. 20 III. 21-P:48, I(ii). relative to membership of advisory council on emergency preparedness and 21 security. 22 365 Department of Safety; Special Assistant to the Commissioner. The commissioner of safety is 23 authorized to retain a special assistant to the commissioner for the purpose of assisting the office of 24the commissioner with special projects determined by the commissioner. The special assistant shall 25 be a temporary unclassified employee and shall be compensated at grade FF under RSA 94:1-a. The 26 authority under this section shall expire on March 1, 2012. 27 366 Committee Established. There is established a committee to develop a plan to increase the 28 usage of contractors to perform certain duties of the department of transportation, in order to 29 achieve a savings of highway funds. 30 367 Membership and Compensation. 31 I. The members of the committee shall be as follows: 32 (a) Three members of the house of representatives, appointed by the speaker of the
 - 368 Duties. The committee shall develop a plan to increase the usage of contractors to perform

II. Members of the committee shall receive mileage at the legislative rate when attending to

(b) Two members of the senate, appointed by the president of the senate.

33

34

35

36

37

house of representatives.

the duties of the committee.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 112 -

- 1 certain duties of the department of transportation, in order to achieve a savings of highway funds.
- 2 The committee may solicit information and testimony from those with experience or expertise
- 3 relevant to the issue including potential contractors and other states with high contractor utilization
- 4 rates.
- 5 369 Chairperson; Quorum. The members of the study committee shall elect a chairperson from
- 6 among the members. The first meeting of the committee shall be called by the first-named house
- 7 member. The first meeting of the committee shall be held within 45 days of the effective date of this
- 8 section. Three members of the committee shall constitute a quorum.
- 9 370 Report. The committee shall report its findings and any recommendations for proposed
- 10 legislation to the speaker of the house of representatives, the president of the senate, the house
- clerk, the senate clerk, the governor, and the state library on or before November 1, 2011.
- 12 371 Foster Grandparent Program. The reimbursements to the foster grandparent program
- 13 through the senior volunteer grant program established in RSA 161-F:40 are hereby suspended for
- the biennium ending June 30, 2013.
- 15 372 Repeal. RSA 169-D:5, relative to filing a child in need of services (CHINS) petition, is
- 16 repealed.

24

- 17 373 Repeal. The following are repealed:
- 18 I. RSA 169-D:1-4 and RSA 169-D:5-a-30, relative to children in need of services.
- 19 II. RSA 170-G:14, relative to juvenile services.
- 20 III. RSA 189:36, II, relative to CHINS petitions filed by truant officers.
- 21 IV. RSA 490-D:2, V, relative to the jurisdiction of the judicial branch family division for
- 22 matters arising under RSA 169-D.
- 23 374 County-State Finance. Amend RSA 28-B:3, VI(b) to read as follows:
 - (b) State responsibility for court-ordered expenses for services or treatment provided to
- 25 minors under RSA 169-B:40[,] and RSA 169-C:27[, and RSA 169-D:29].
- 26 375 Liability for Hearing Expenses. Amend RSA 126-A:40, I(a) to read as follows:
- 27 (a) Whenever the court issues an order for evaluation, care, or treatment of a child at the
- Philbrook center pursuant to RSA 169-B[-] or 169-C[-, or 169-D], the expenses of such evaluation,
- 29 care, or treatment shall be borne by the department, except as otherwise provided in this section.
- 30 376 Youth Access to Tobacco Products. Amend RSA 126-K:6, IV to read as follows:
- 31 IV. Notwithstanding RSA 169-B [and RSA 169-D], a person 12 years of age and older who
- 32 violates this section shall not be considered a delinquent [or a child in need of services].
- 33 377 Restraint Practices; Definition of Facility. Amend RSA 126-U:1, III(a)-(c) to read as follows:
- 34 (a) The youth services center maintained by the department of health and human
- 35 services, or any other setting established for the commitment or detention of children pursuant to
- 36 RSA 169-B[,] *or* RSA 169-C[, or RSA 169-D].
 - (b) Child care agencies regulated by RSA 170-E.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 113 -

(c) Any foster home, group home, crisis home, or shelter care setting used for the placement of children at any stage of proceedings under RSA 169-B[,] *or* RSA 169-C[, or RSA 169-D] or following disposition under those chapters.

378 Restriction on Use of Mechanical Restraint in Courtrooms. Amend RSA 126-U:13 to read as follows:

126-U:13 Restriction of the Use of Mechanical Restraint in Courtrooms. At any hearing under RSA 169-B, *or* RSA 169-C, [or RSA 169-D,] the judge may subject a child to mechanical restraint in the courtroom only when the judge finds the restraint to be reasonably necessary to maintain order, prevent the child's escape, or provide for the safety of the courtroom. Whenever practical, the judge shall provide the child and the child's attorney an opportunity to be heard to contest the use of mechanical restraint before the judge orders its use. If mechanical restraint is ordered, the judge shall make written findings of fact in support of the order.

379 Discrimination Prohibited. Amend RSA 135-C:13 to read as follows:

1

2

3

4

5 6

7

8

9

10

11

12

13

14

1516

17

18 19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

135-C:13 Discrimination Prohibited; Eligibility for Services. Every severely mentally disabled person shall be eligible for admission to the state mental health services system, and no such person shall be denied services because of race, color or religion, sex, or inability to pay. Eligible persons shall include formerly severely mentally disabled persons who without continued services would probably become severely mentally disabled again. Each client has a right to adequate and humane treatment provided in accordance with generally accepted clinical and professional standards. The treatment shall include such psychological, psychiatric, habilitative, rehabilitative, vocational and case management services which are necessary and appropriate to bring about an improvement, when possible, in the client's condition and which are available within the state mental health services system. If necessary services are not available, such service shall be documented through individual service plans. When services have been documented to be necessary but unavailable, each agency responsible for provision of such services shall notify the department of the need for them, and the department shall utilize such information for budgetary planning purposes. The treatment may include housing and such other services as the department may elect to provide to severely mentally disabled persons. Eligibility for services in the mental health system for persons under 21 years of age shall be determined after consideration of the services provided under RSA 186-C, RSA 169-B, RSA 169-C, [RSA 169-D] or any other law. The commissioner shall adopt rules, pursuant to RSA 541-A, relative to the eligibility of severely mentally disabled persons to receive state services and the service guarantees for clients in the state system.

380 Philbrook Center. Amend RSA 135-C:64, II to read as follows:

- II. Evaluation, care, and treatment of children under RSA 169-B[,] *or* 169-C, [and 169 D,] subject to the provisions of RSA 135-C:65.
- 36 381 Access of Records. Amend RSA 135-C:66 to read as follows:
- 37 135-C:66 Access of Records. Notwithstanding any other provisions of law, records regarding

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 114 -

children placed at Philbrook center pursuant to RSA 169-B[$_{7}$] or 169-C[$_{7}$ or 169-D] shall be exchanged between employees of the department to facilitate coordinated care for those children and their families. The confidentiality of such information shall be maintained according to applicable law.

382 County Reimbursement. Amend RSA 167:18-a, IV to read as follows:

 2

IV. Notwithstanding the procedures of paragraphs I-III of this section, no county shall be liable for total billings in fiscal year 2009 or fiscal year 2010 in an amount which would be greater than the amount of liability projected for that fiscal year using the methodology for determining county payments in former RSA 167:18-a, 167:18-b, and 167:18-f prior to its repeal together with the amount of liability projected for that fiscal year using the repealed methodology for determining county payments in RSA 169-B[-] *and* 169-C[-, and 169-D].

383 Delinquency; Liability for Expenses. Amend RSA 169-B:40, VI to read as follows:

- VI.(a) For the adoptive parent or prospective adoptive parent of a child in the custody of the state whose birth parents have consented to the adoption, relinquished their parental rights to the department, or the parental rights of whose birth parents were terminated pursuant to a petition brought by the department, authorized agency, or foster parent, pursuant to RSA 170-C:4, the state shall have no right of action against such adoptive parent or prospective adoptive parent for the expenses of services, placements, and programs provided pursuant to RSA 169-B[$_{7}$] or 169-C[$_{7}$ or 169-D] after the adoption.
- (b) If the department determines that the adoptive parent has been convicted of sexual or physical abuse of the adopted child pursuant to RSA 631 or 632-A, or the adoptive parent has misappropriated adoption subsidy moneys, the adoptive parent shall be responsible for payment for subsequent services, placements, and programs provided pursuant to RSA 169-B[,] *or* 169-C[, or 169-D] after the adoption. A determination of misappropriation is subject to the provisions of RSA 126-A:5, VIII.

384 Child Protection Act. Amend RSA 169-C:27, VI(a) to read as follows:

- VI.(a) For the adoptive parent or prospective adoptive parent of a child in the custody of the state whose birth parents have consented to the adoption, relinquished their parental rights to the department, or the parental rights of whose birth parents were terminated pursuant to a petition brought by the department, authorized agency, or foster parent, pursuant to RSA 170-C:4, the state shall have no right of action against such adoptive parent or prospective adoptive parent for the expenses of services, placements, and programs provided pursuant to RSA 169-B[$_{7}$] or 169-C[$_{7}$ or 169-D] after the adoption.
- (b) If the department determines that the adoptive parent has been convicted of sexual or physical abuse of the adopted child pursuant to RSA 631 or 632-A, or the adoptive parent has misappropriated adoption subsidy moneys, the adoptive parent shall be responsible for payment for subsequent services, placements, and programs provided pursuant to RSA 169-B[$_{7}$] **or** 169-C[$_{7}$ or 169-C[$_{7}$

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 115 -

- 1 D after the adoption. A determination of misappropriation is subject to the provisions of RSA 126-
- 2 A:5, VIII.
- 3 385 Court Ordered Placements. Amend RSA 169-F:1 to read as follows:
- 4 169-F:1 Purpose and Application of Chapter. This chapter shall apply to any court ordered
- 5 placement of any minor pursuant to RSA 169-B or any child pursuant to RSA 169-C [or RSA 169-D],
- 6 for the purposes of the effective implementation of any such placement.
- 7 386 Review of Dispositional Orders in Juvenile Cases. Amend RSA 169-G:6 to read as follows:
- 8 169-G:6 Quarterly Reports. The commissioner of the department of health and human services
- 9 shall make quarterly reports to the house committee on judiciary and family law and the house
- 10 finance committee containing statistical analysis on the use of [RSA 169 D and] voluntary service
- 11 programs. Such reports shall include, but not be limited to, the costs including transaction costs
- 12 incurred for services, programs, and placements provided, parental reimbursements collected, the
- 13 number of out-of-state placements and the costs of such placements, and a comparison of such with
- 14 the same statistics from the same quarter of the prior 2 fiscal years, and the number of appeals
- 15 taken to the review panel by the department and the results thereof. The first report shall be due
- 16 October 1, 1995.

19

22

23

- 17 387 Services for Children, Youth and Families; Juvenile Probation and Parole Officer. Amend
- 18 RSA 170-G:1, VI to read as follows:
 - VI. "Juvenile probation and parole officer" means those persons responsible for investigating
- and supervising juveniles referred to the department pursuant to RSA 169-B [and RSA 169-D].
- 21 388 Services for Children, Youth and Families. Amend RSA 170-G:4, II-a to read as follows:
 - II-a. Provide, through juvenile probation and parole officers, services for all children and
 - youth referred to it by the district courts pursuant to RSA 169-B[, and 169-D] and for all children
- 24 who are at risk of placement with the department in connection with [the child's need for services or]
- 25 juvenile delinquency.
 - 389 Services for Children, Youth and Families. Amend RSA 170-G:4, XVII to read as follows:
- 27 XVII. Establish rates for all services, placements and programs which are paid for by the
- department pursuant to RSA 169-B:40, 169-C:27, [169 D:29,] and any services required to be
- 29 provided by the department pursuant to paragraph II of this section. When educational aspects are
- 30 present in any service, placement or program subject to rate-setting by the department, rates for the
- 31 educational component shall be addressed jointly by the department and the department of
- 32 education. Publication of rates of reimbursement shall be exempt from the provisions of RSA 541-A.
- 33 390 Service for Children, Youth and Families. Amend RSA 170-G:4, XVIII to read as follows:
- 34 XVIII. Certify all providers of services, placements and programs which are paid for by the
- department pursuant to RSA 169-B:40, 169-C:27, [169-D:29,] and any services required to be
- 36 provided by the department pursuant to paragraph II of this section. Each certification issued for
- 37 this purpose shall have 2 components: one based upon standards of quality and performance, and

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 116 -

one based upon the need the state may have for such service, placement or program. When educational aspects are present in any service, placement or program subject to certification by the department, certification for the educational component shall be addressed jointly by the department and the department of education. The commissioner of the department of health and human services shall develop by rule an appeal process for providers of services, placements, and programs who have sought and been refused certification under this paragraph.

391 County Reimbursement. Amend RSA 170-G:5-a to read as follows:

 2

170-G:5-a County Reimbursement. County payments due under RSA 169-B:40[$_{7}$] and 169-C:27 [and 169-D:29] shall be paid to the department of health and human services on a monthly basis within 45 days' notice of the amount due to the state. Delinquent payments due under these chapters, with interest at the rate of 12 percent per annum, may be recovered by action in a court of competent jurisdiction against the political subdivision liable therefor or may, at the request of the state agency, be deducted from any other moneys payable to such subdivision by any department or agency of the state.

392 Services for Children, Youth and Families. Amend the introductory paragraph of RSA 170-G:8-a, I to read as follows:

I. The case records of the department consist of all official records, regardless of the media upon which they are retained, created by the department of health and human services in connection with a report received pursuant to RSA 169-C:29, or cases brought under RSA 169-B, 169-C, [169 D,] or 463, or services provided to the child or family without a court order pursuant to RSA 170-G:4, including intake and assessment reports, service or case plans, case logs, termination reports and a list of persons or entities providing reports to the department or services to the child or family. Such records do not include:

393 Study, Care, and Treatment of Inebriates. Amend RSA 172:15, V to read as follows:

V. Notwithstanding any other provisions of law, whenever a person under 18 years of age who is judged by a peace officer to be intoxicated or incapacitated and who has not been charged with a crime is taken into protective custody, the person's parent or guardian shall be immediately notified and such person may be held at a police station or a local jail or a county correctional facility in a room or ward separate from any adult or any person charged with juvenile delinquency until the arrival of his or her parent or guardian. If such person has no parent or guardian in the area, *alternative* arrangements shall be made to house [him or her according to the provisions of RSA 169 D:17] the minor.

394 Alcoholism and Alcohol Abuse. Amend RSA 172-B:3, V to read as follows:

V. Notwithstanding any other provisions of law, whenever a person under 18 years of age who is judged by a peace officer to be intoxicated or incapacitated and who has not been charged with a crime is taken into protective custody, if no needed treatment is available, his parent or guardian shall be immediately notified and such person may be held at a police station or a local jail or a

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 117 -

county correctional facility in a room or ward separate from any adult or any person charged with juvenile delinquency until the arrival of his parent or guardian. If such person has no parent or guardian in the area, *alternative* arrangements shall be made to house [him according to the provisions of RSA 169 D:17] the minor.

395 Protection of Persons from Domestic Violence. Amend RSA 173-B:5, IV to read as follows:

IV. No order made under this section shall supersede or affect any court order pertaining to the possession of a residence; household furniture; custody of children pursuant to RSA 169-B[$_7$] or 169-C[$_7$ or 169-D]; support or custody made under RSA 458; or custody of children of unwed parents as determined by a superior court, probate court, or family division court, or title to real or personal property.

396 Special Education. Amend RSA 186-C:13, III to read as follows:

 2

III. No school district shall be required to pay the expenses of the education program of a child adjudicated under RSA 169-B[-] or 169-C[-, or 169-D] except as provided by RSA 186-C. The sending district shall be notified of a court ordered placement of a child adjudicated under the provisions of RSA 169-B[-] or 169-C[-, or 169-D], and may submit recommendations to the court concerning the financial impact of the placement on the sending district and the appropriateness of the placement.

397 Special Education; Liability for Court Ordered Placements. Amend RSA 186-C:19-b, I(a) to read as follows:

- (a) As used in this section "children in placement for which the department of health and human services has financial responsibility" means all children receiving special education or special education and related services whose placements were made pursuant to 169-B[,] or 169-C[, or 169-D], except children at the youth development center and children placed at the youth services center maintained by the department of health and human services while awaiting disposition of the court following arraignment pursuant to RSA 169-B:13.
- 398 Special Education; Liability for Court Ordered Placements. Amend RSA 186-C:19-b, II(b) to read as follows:
- (b) The department of health and human services shall be liable for all court-ordered costs pursuant to RSA 169-B:40[$_{7}$] and 169-C:27[$_{7}$, and 169-D:29] other than for special education or special education and related services.

399 Legal Residence Required. Amend RSA 193:12, II(a)(2) to read as follows:

(2) In a divorce decree where parents are awarded joint decision making responsibility or joint legal custody, the legal residence of a minor child is the residence of the parent with whom the child resides. If a parent is awarded sole or primary residential responsibility or physical custody by a court of competent jurisdiction in this or any other state, legal residence of a minor child is the residence of the parent who has sole or primary residential responsibility or physical custody. If the parent with sole or primary physical custody lives outside the state of

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 118 -

- New Hampshire, the pupil does not have residence in New Hampshire. If the court order is for equal 2 or approximately equal periods of residential responsibility, the child's legal residence for school 3 attendance purposes shall be as stated in the order. If a child is in a court-ordered residential 4 placement, foster home, or group home pursuant to RSA 169-B, RSA 169-C, [RSA 169-D,] RSA 170-C, or RSA 463, residence shall be determined in accordance with RSA 193:27.
 - 400 Legal Residence Required. Amend RSA 193:12, II(c)(1) to read as follows:

1

5 6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

- (c)(1) If a parent with legal custody of a child moves from New Hampshire to another state while the child is in a court-ordered residential placement in this state or another state pursuant to RSA 169-B, RSA 169-C, [RSA 169-D] RSA 170-C, or RSA 463, the departments of education and health and human services shall make a written request of the receiving state to assume the programmatic and financial liability of the child's placement in this state or another state until physical custody of the child is returned to a parent or legal guardian. In this subparagraph, "receiving state" shall mean the state to which the child's parents move.
 - 401 Legal Residence Required. Amend RSA 193:12, V to read as follows:
- V. Except as provided in subparagraph II(b), nothing in this section shall limit or abridge the right of any child placed and cared for in any home for children, as defined in RSA 193:27, or of any child placed in the home of a relative of that child by the department of health and human services, or placed in the home of a relative or friend by a court pursuant to RSA 169-B, RSA 169-C, [RSA 169 D.] RSA 170-C, or RSA 463, to attend the public schools of the school district in which the home for children or home of the relative or friend in which a child is placed by the department of health and human services or by a court of competent jurisdiction is located, as provided in RSA 193:28.
 - 402 Legal Residence Required. Amend RSA 193:12, V-b to read as follows:
- V-b. Whenever a dispute arises among one or more school districts, the department of health and human services, or one or more of the previously mentioned parties, as to the residency of a child who is in the legal custody or guardianship of the department of health and human services, or who has been placed pursuant to a court order in a proceeding under RSA 169-B, RSA 169-C, [RSA 169-D, or RSA 463, the department of health and human services shall request in writing that the superintendents involved resolve the dispute. If the residency dispute remains unresolved 10 days after such request, the department of health and human services shall request that the commissioner of the department of education determine the residence of the child. The child shall be permitted to attend school in the district in which the child has been placed by the court or the department of health and human services pending the resolution of the residency dispute. Liability as to the cost of school attendance provided under this paragraph shall be determined by the commissioner of education.
- 403 Education for Children Placed in Homes for Children, Health Care Facilities, or State Institutions. Amend RSA 193:27, IV to read as follows:

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 119 -

IV. "Sending district" means the school district in which a child most recently resided other than in a home for children, the home of a relative or friend in which a child is placed by the department of health and human services or a court of competent jurisdiction pursuant to RSA 169-B, RSA 169-C, [RSA 169-D,] RSA 170-C, or RSA 463, health care facility, or state institution, if such child is not in the legal custody of a parent or if the parent resides outside the state; if the child is retained in the legal custody of a parent residing within the state, "sending district" means the school district in which the parent resides. For the purposes of this paragraph a parent shall not have legal custody if legal custody has been awarded to some other individual or agency, even if that parent retains residual parental rights. An award of legal custody by a court of competent jurisdiction, in this state or in any other state, shall determine legal custody under this para paragraph.

404 Right of Attendance. Amend the introductory paragraph of RSA 193:28 to read as follows:

193:28 Right of Attendance. Whenever any child is placed and cared for in any home for children, or is placed by the department of health and human services in the home of a relative or friend of such child pursuant to RSA 169-B, RSA 169-C, [RSA 169-D,] RSA 170-C, or RSA 463, such child, if of school age, shall be entitled to attend:

405 Safe School Zones. Amend RSA 193-D:7 to read as follows:

 2

193-D:7 Confidentiality. Notwithstanding any other provision of law, it shall be permissible for any law enforcement officer and any school administrator to exchange information relating only to acts of theft, destruction, or violence in a safe school zone regarding the identity of any juvenile, police records relating to a juvenile, or other relevant information when such information reasonably relates to delinquency or criminal conduct, suspected delinquency or suspected criminal conduct, or any conduct which would classify a pupil as [a child in need of services under RSA 169 D or] a child in need of protection under RSA 169-C.

406 Off Highway Recreational Vehicles; Owner/Operator Responsibilities. Amend RSA 215-A:19, IV(b) to read as follows:

- (b) Notwithstanding RSA 169-B [and RSA 169-D], any minor who violates a provision of this chapter shall not be considered a delinquent [or a child in need of services]. Any minor who violates a provision of this chapter shall be guilty of a violation and may be punished by a fine for each offense, may have his or her snowmobile and OHRV safety training certification suspended for up to 6 months, and may be required to complete community service or to complete additional OHRV safety training.
- 407 Snowmobiles; Owner/Operator Responsibilities. Amend RSA 215-C:34, IV(b) to read as follows:
- (b) Notwithstanding RSA 169-B [and RSA 169 D], any minor who violates a provision of this chapter shall not be considered a delinquent [or a child in need of services]. Any minor who violates a provision of this chapter shall be guilty of a violation and may be punished by a fine for

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 120 -

each offense, may have his or her snowmobile and OHRV safety training certification suspended for up to 6 months, and may be required to complete community service or to complete additional snowmobile safety training.

408 Division of Motor Vehicles; Identification Cards. Amend RSA 260:21, II(d) to read as follows:

(d) A notarized statement mailed to the department by registered mail by the department of health and human services verifying the applicant's name, age, and residence and that the applicant is or has been in the custody of the department of health and human services under RSA 463 or under the custody or legal supervision of the department of health and human services pursuant to a proceeding under RSA 169-B[-] or 169-C[-, or 169-D]. This subparagraph shall only apply to applicants under 21 years of age and over 18 years of age or, in the case of a person found delinquent, over 17 years of age. The department shall also accept such a statement that does not verify residence if the applicant provides a notarized statement verifying residence from a homeless shelter or agency or organization receiving federal or state funding for homeless services on the letterhead of the shelter, agency, or organization.

409 License Revocation. Amend RSA 263:56-b, I to read as follows:

1

 2

3

4

5

6 7

8

9

10

11

12

13

14

15

16

17

18 19

20

21

22

23

24

25

26

27

28

29

30 31

32

33

34

35

36

37

I. Any person who is not yet 21 years of age on the date of the incident, who is convicted, found to be delinquent under RSA 169-B, [or found to be in need of services under RSA 169-D,] for any offense involving the sale, possession, use, or abuse of alcohol or of controlled drugs as defined in RSA 318-B:1, VI, or of a controlled drug analog as defined under RSA 318-B:1, VI-a, may at the discretion of the court be subject to the revocation or denial of a driver's license or privilege to drive for not less than 90 days but not more than one year on the first finding or conviction under this paragraph, and not less than 6 months but not more than 2 years for a subsequent finding or conviction. Nothing in this section shall prevent the court from requiring any person subject to its provisions from successfully completing any alcohol or substance abuse education program in lieu of a loss or denial of driving license or privilege. The director, upon receipt of a notification from the court that the court has ordered the suspension of a person's license or driving privilege pursuant to this paragraph, shall forthwith issue a formal order of suspension and, in the case of denial of an application for a license, the period imposed shall begin on the date the person is eligible by age for the issuance of a license. Notwithstanding RSA 169-B:35 or any other law regarding confidentiality, any court which convicts or makes a finding that an offense described in this section has occurred involving a person who meets the age limits specified in this section shall forward a notice of such conviction or finding to the director. The director shall maintain the confidentiality of notices received.

410 License Revocation. Amend RSA 263:56-b, III to read as follows:

III. Any person who is not yet 18 years of age on the date of the incident, and who is convicted[,] **and** found to be delinquent under RSA 169-B[, or found to be in need of services under

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 121 -

RSA 169 D_i] for the offense of sale or possession with intent to sell controlled drugs as defined in RSA 318-B:1, VI or a controlled drug analog as defined under RSA 318-B:1, VI-a, shall be subject to revocation or denial of a driver's license or privilege to drive for a mandatory period of at least one year and a maximum period of up to 5 years. In the case of denial of an application for a license under this section, the period imposed shall begin on the date the person is eligible by age for the issuance of a license.

1

 2

3

4

5 6

7

8

9

10

11

12

13

14

15

1617

18

19

20

21

22

23

24

25

26

27

28

29

30

31 32

33

34

35

36

37

411 Third-Party Payment. Amend the introductory paragraph of RSA 415:18-p to read as follows:

415:18-p Third-Party Payment of Covered, Court-Ordered Services. The existence of a court order under RSA 169-B[,] or 169-C[, or 169-D] for a service, program, or placement that is covered under any insurance for the minor shall not be considered in determining qualification for thirdparty payment under such insurance. Benefits for such services shall be subject to the same dollar limits, deductibles, co-payments and co-insurance factors and to the terms and conditions of the policy or certificate, including any managed care provisions. However, the claimant or claimant's representative shall have 48 hours from the commencement of a court-ordered service, placement, or program to seek any pre-authorization, pre-certification, or referral required under the terms of the policy. The determination of these preservice claims for court-ordered services for a minor shall be made as soon as possible, taking into account the medical exigencies, but in no event later than 48 hours after receipt of the request and sufficient information, unless the claimant or claimant's representative fails to provide sufficient information to determine whether, or to what extent, benefits are covered or payable. In the case of such failure, the insurer shall notify the claimant or claimant's representative within 24 hours of receipt of the request and shall advise the claimant or claimant's representative of the specific information necessary to determine to what extent benefits are covered or payable. The claimant or claimant's representative shall be afforded a reasonable amount of time, taking into account the circumstances, but not less than 48 hours, to provide the specified information. Thereafter, notification of the claim determination shall be made as soon as possible, but in no case later than 48 hours after the earlier of:

412 Health Service Corporations. Amend the introductory paragraph of RSA 420-A:15-a to read as follows:

420-A:15-a Third-Party Payment of Covered, Court-Ordered Services. The existence of a court order under RSA 169-B[$_{7}$] or 169-C[$_{7}$ or 169-D] for a service, program, or placement that is covered under any insurance for the minor shall not be considered in determining qualification for third-party payment under such insurance. Benefits for such services shall be subject to the same dollar limits, deductibles, co-payments and co-insurance factors and to the terms and conditions of the policy or certificate, including any managed care provisions. However, the claimant or claimant's representative shall have 48 hours from the commencement of a court-ordered service, placement, or program to seek any pre-authorization, pre-certification, or referral required under the terms of the

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 122 -

policy. The determination of these preservice claims for court-ordered services for a minor shall be made as soon as possible, taking into account the medical exigencies, but in no event later than 48 hours after receipt of the request and sufficient information, unless the claimant or claimant's representative fails to provide sufficient information to determine whether, or to what extent, benefits are covered or payable. In the case of such failure, the insurer shall notify the claimant or claimant's representative within 24 hours of receipt of the request and shall advise the claimant or claimant's representative of the specific information necessary to determine to what extent benefits are covered or payable. The claimant or claimant's representative shall be afforded a reasonable amount of time, taking into account the circumstances, but not less than 48 hours, to provide the specified information. Thereafter, notification of the claim determination shall be made as soon as possible, but in no case later than 48 hours after the earlier of:

413 Health Maintenance Organizations. Amend the introductory paragraph of RSA 420-B:8-o to read as follows:

420-B:8-o Third-Party Payment of Covered, Court-Ordered Services. The existence of a court order under RSA 169-B[,] or 169-C[, or 169-D] for a service, program, or placement that is covered under any insurance for the minor shall not be considered in determining qualification for thirdparty payment under such insurance. Benefits for such services shall be subject to the same dollar limits, deductibles, co-payments and co-insurance factors and to the terms and conditions of the policy or certificate, including any managed care provisions. However, the claimant or claimant's representative shall have 48 hours from the commencement of a court-ordered service, placement, or program to seek any pre-authorization, pre-certification, or referral required under the terms of the policy. The determination of these preservice claims for court-ordered services for a minor shall be made as soon as possible, taking into account the medical exigencies, but in no event later than 48 hours after receipt of the request and sufficient information, unless the claimant or claimant's representative fails to provide sufficient information to determine whether, or to what extent, benefits are covered or payable. In the case of such failure, the insurer shall notify the claimant or claimant's representative within 24 hours of receipt of the request and shall advise the claimant or claimant's representative of the specific information necessary to determine to what extent benefits are covered or payable. The claimant or claimant's representative shall be afforded a reasonable amount of time, taking into account the circumstances, but not less than 48 hours, to provide the specified information. Thereafter, notification of the claim determination shall be made as soon as possible, but in no case later than 48 hours after the earlier of:

414 Managed Care Law. Amend the introductory paragraph of RSA 420-J:6-c to read as follows: 420-J:6-c Third-Party Payment of Covered, Court-Ordered Services. The existence of a court order under RSA 169-B[,] or 169-C[, or 169-D] for a service, program, or placement that is covered under any insurance for the minor shall not be considered in determining qualification for third-party payment under such insurance. Benefits for such services shall be subject to the same dollar

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 123 -

 2

limits, deductibles, co-payments and co-insurance factors and to the terms and conditions of the policy or certificate, including any managed care provisions. However, the claimant or claimant's representative shall have 48 hours from the commencement of a court-ordered service, placement, or program to seek any pre-authorization, pre-certification, or referral required under the terms of the policy. The determination of these preservice claims for court-ordered services for a minor shall be made as soon as possible, taking into account the medical exigencies, but in no event later than 48 hours after receipt of the request and sufficient information, unless the claimant or claimant's representative fails to provide sufficient information to determine whether, or to what extent, benefits are covered or payable. In the case of such failure, the insurer shall notify the claimant or claimant's representative within 24 hours of receipt of the request and shall advise the claimant or claimant's representative of the specific information necessary to determine to what extent benefits are covered or payable. The claimant or claimant's representative shall be afforded a reasonable amount of time, taking into account the circumstances, but not less than 48 hours, to provide the specified information. Thereafter, notification of the claim determination shall be made as soon as possible, but in no case later than 48 hours after the earlier of:

415 Uniform Child Custody Jurisdiction and Enforcement Act. Amend RSA 458-A:1, IV to read as follows:

- IV. "Child-custody proceeding" means a proceeding in which legal custody, physical custody, or visitation with respect to a child is an issue. The term includes a proceeding for divorce, separation, dissolution of civil union as defined by RSA 457-A, neglect, abuse, dependency, guardianship, paternity, determination of parental rights and responsibilities, termination of parental rights, and protection from domestic violence, in which the issue may appear. The term does not include a proceeding involving juvenile delinquency, [children in need of services as defined by RSA 169 D,] or contractual emancipation or enforcement under RSA 458-A:22 through RSA 458-A:38.
 - 416 Guardianship of Minors. Amend RSA 463:5, IV(c) to read as follows:
- (c) The existence of any pending adoption, juvenile proceedings, including those pursuant to RSA 169-B, 169-C, [169-D,] or 170-C, or other pending proceedings affecting the minor or the parents of the minor including, but not limited to, domestic violence, marriage dissolution, domestic relations, paternity, legitimation, custody, or other similar proceeding.
 - 417 Supreme Court; Court Fees. Amend RSA 490:26-a, II(b)(1) to read as follows:
- (1) Actions relating to children under RSA 169-B[,] and 169-C[, or 169-D].
- 418 Supreme Court; Validity of Faxed or Electronic Warrants and Orders. Amend RSA 490:27-a to read as follows:
 - 490:27-a Validity of Faxed or Electronic Warrants and Orders. Search warrants, arrest warrants, detention orders pursuant to RSA 169-B, placement orders pursuant to RSA 169-C [exercise RSA 169-D,] or domestic violence temporary and final orders may be applied for and issued by

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 124 -

- facsimile or electronic transmission. The original documents, including the warrant application, the 2 warrant, and the supporting affidavit must be received by the court having jurisdiction over the matter within 5 calendar days. The requesting agency shall forward a copy of the application, warrant, supporting affidavit and any other documents to the issuing judge or magistrate by the next business day. For purposes of this section, any oath required in the issuance of said warrants or orders may be taken by the judge or magistrate telephonically or by other means of telecommunication or electronic communication, and may include the use of an electronic signature. The issuing judge or magistrate shall be responsible for memorializing the substance of any oral
 - 419 Administrative Procedures Act. Amend RSA 541-A:21, VII to read as follows:

statements under oath supplementing the affidavit, as provided in RSA 595-A:4.

- VII. RSA 170-G:4, XVII, relative to the publication of rates for services, placements, and programs which are paid for by the department of health and human services pursuant to RSA 169-B:40[-] and RSA 169-C:27[-, and RSA 169-D:29] shall be exempt from RSA 541-A.
 - 420 Youth Services Center. Amend RSA 621-A:6 to read as follows:

- 621-A:6 Admission. Children, subject to proceedings in juvenile court, may be admitted to the youth services center for temporary detention while awaiting disposition of the court pursuant to RSA 169-B:14, for educational services pursuant to RSA 186-C, RSA 169-B, *or* RSA 169-C, [or RSA 169-D,] only upon prior approval of the commissioner.
 - 421 Children in Need of Services. Amend RSA 161:9 to read as follows:
 - 161:9 [Children in Need of Services] Contract Representation of Social Workers. When the department is a petitioner or respondent in contested cases involving [children in need of services,] children who are alleged to be neglected or abused[-] and in contested termination of parental rights cases or contested cases involving protective services for adults, the commissioner may, with the approval of the attorney general, contract with attorneys to represent social workers of the department appearing in such cases. The commissioner may compensate attorneys at a reasonable rate for such representation.
 - 422 Healthy Kids Report. The commissioner of health and human services shall report to the oversight committee on health and human services by January 1, 2012 on the options for health coverage for the population with income between 300 and 400 percent of federal poverty limits that is covered by the New Hampshire healthy kids corporation on the effective date of this section.
 - 423 Coverage for Certain Biologically-Based Mental Illnesses. Amend RSA 417-E:1, VI to read as follows:
 - VI. Nothing in this section shall be construed to affect any obligation to provide services to an individual under an individualized family service plan or an individualized education program, as required under the federal Individuals With Disabilities Education Act, *the state children's health insurance program authorized by 42 U.S.C. section 1397aa et seq.*, or the provision of services to an individual under any other federal or state law.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 125 -

1 424 Coverage for Treatment of Pervasive Developmental Disorder or Autism. Amend RSA 417-2 E:2, IV to read as follows:

- IV. Nothing in this section shall be construed to affect any obligation by a school district or the state of New Hampshire to provide services to an individual under an individualized family service plan or an individualized education program, as required under the federal Individuals With Disabilities Education Act, the state children's health insurance program authorized by 42 U.S.C. section 1397aa et seq., or the provision of services to an individual under any other federal or state law.
- 9 425 Repeal. RSA 170-F, relative to discretionary adoption subsidies for hard to place children, is repealed.
- 11 426 Assistance Program for 2-Parent Families with Dependent Children; Case-Load 12 Management. Amend RSA 167:77-e to read as follows:
 - 167:77-e Assistance Program for 2-Parent Families with Dependent Children. The department may establish a non-TANF, state-funded financial assistance program for 2-parent needy families with dependent children in which one parent is underemployed or unemployed. With the exception of parental underemployment or unemployment, client eligibility and program requirements and administration shall be in accordance with this chapter and the rules adopted under this chapter. [In order to meet the federal work participation rate and avoid federally imposed penalties, the commissioner may add additional groups of families to this state funded, financial assistance program as funding permits and also may transfer cases back to the TANF program, pursuant to rules adopted under RSA 541 A.]
 - 427 Employment Program Eligibility; Case-Load Management. Amend RSA 167:79, I(b) to read as follows:
 - (b) A needy child who is deprived of parental support or care by reason of unemployment or underemployment of a parent may receive assistance under TANF or under the state-funded assistance program in RSA 167:77-e. [In order to meet the federal work participation rate and avoid federally imposed penalties, the commissioner may add additional groups of families to the state funded assistance program in RSA 167:77 e as funding permits and transfer cases back to the TANF program, pursuant to rules adopted under RSA 541 A.]
 - 428 Emergency Assistance Program for Aid to Families with Dependent Children. Amend RSA 167:7, V to read as follows:
 - V. Subject to applicable federal regulations, the commissioner may establish criteria to operate a special needs program, [or to operate an emergency assistance program only for aid to families with dependent children,] subject to the amount of available funds in the budget of the department of health and human services.
- 36 429 New Paragraph; Public Assistance Eligibility. Amend RSA 167:6 by inserting after 37 paragraph IX the following new paragraph:

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 126 -

1 X.(a) For purposes hereof, an individual is ineligible for cash assistance benefits under the 2 aid to the needy blind, aid to the permanently and totally disabled, and old age assistance programs 3 for any month during which he or she is: 4 (1) Fleeing to avoid prosecution for a crime which is a felony under the laws of the place from which the individual flees, or which, in the case of the state of New Jersey, is a high 5 6 misdemeanor under the laws of that state; or 7 (2) Fleeing to avoid custody or confinement after conviction for a crime, or an 8 attempt to commit a crime, which is a felony under the laws of the place from which the individual 9 flees, or which, in the case of the state of New Jersey, is a high misdemeanor under the laws of that 10 state; or 11 (3) Violating any condition of probation or parole imposed under federal or state law. 12 (b) Suspension of benefit payments because an individual is a fugitive as described in 13 subparagraph (a)(1) or (a)(2) or a probation or parole violator as described in subparagraph (a)(3) is 14 effective on the first day of whichever of the following months is earlier: 15 The month in which a warrant or order for the individual's arrest or 16 apprehension, an order requiring the individual's appearance before a court or other appropriate 17 tribunal, such as a parole board, or a similar order is issued by a court or other duly authorized 18 tribunal on the basis of an appropriate finding that the individual: 19 (A) Is fleeing, or has fled, to avoid prosecution as described in subparagraph 20 (a)(1);21 (B) Is fleeing, or has fled, to avoid custody or confinement after conviction as 22 described in subparagraph (a)(2); 23 (C) Is violating, or has violated, a condition of his or her probation or parole as 24described in subparagraph (a)(3); or 25 (D) The first month during which the individual fled to avoid such prosecution, 26 fled to avoid such custody or confinement after conviction, or violated a condition of his or her 27 probation or parole, if indicated in such warrant or order, or in a decision by a court or other 28 appropriate tribunal. 29 (2) If benefits are otherwise payable, they shall be resumed effective on the first 30 month throughout which the individual is determined to be no longer fleeing to avoid such 31 prosecution, fleeing to avoid such custody or confinement after conviction, or violating a condition of 32 his or her probation or parole. 33 430 Department of Health and Human Services; Public Assistance; Definitions. Amend RSA 34 167:6, VI to read as follows:

VI. For the purposes hereof, a person shall be eligible for aid to the permanently and totally disabled who is between the ages of 18 and 64 years of age inclusive; is a resident of the state; and is disabled as defined in the federal Social Security Act, Titles II and XVI and the regulations adopted

35

36

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 127 -

1

 2

3

4

5 6

7

8

9

10

11

12

13

14

1516

17

18

19

20

21

22

23

 $\frac{24}{25}$

26

27

28

29

30

31

32

33

34

35

36 37 under such act, except that the minimum required duration of the impairment shall be 48 months, unless and until the department adopts a 12-month standard in accordance with RSA 167:3-j. In determining disability, the standards for "substantial gainful activity" as used in the Social Security Act shall apply, including all work incentive provisions including Impairment Related Work Expenses, Plans to Achieve Self Support, and subsidies. Notwithstanding any provision of law to the contrary, eligibility for cash assistance and medical assistance shall be conditioned upon the recipient filing an application or applications for any federal cash assistance benefits for which the individual may be entitled and pursuing any appeals available for those federal benefits. Cash assistance shall terminate upon a finding of clinical ineligibility for such federal benefits, except that any individual receiving cash assistance on June 30, 2011 shall only be ineligible for cash assistance upon a second finding of clinical ineligibility. Notwithstanding any provision of the law to the contrary, an individual who appeals the closure of cash assistance, pursuant to RSA 161:4, IV, for the reasons set forth in this paragraph, shall not continue to receive such cash assistance benefits during the pendency of such appeal. No person shall be eligible to receive such aid while receiving old age assistance, aid to the needy blind, or aid to families with dependent children.

431 Health and Human Services; Drug Rebates, Regular Care. Notwithstanding any provision of law to the contrary, funds collected into revenue source code 407041 Drug Rebates – Regular Care shall be deposited into a restricted revenue account to be used by the department of health and human services for expenditures in accounting unit 05-95-95-956010-6143 Pharmacy Services in an amount not to exceed \$4,690,000 in FY 2012, and \$5,506,000 in FY 2013. Revenue in excess of said amounts shall continue to be deposited as unrestricted revenue into the state general fund.

d32 Department of Health and Human Services, Outpatient Prospective Payment. The general court recognizes the need for increased transparency and uniformity in the Medicaid hospital outpatient reimbursement methodology. The commissioner of health and human services shall set the outpatient prospective payment system conversion factor to maintain compliance with 42 U.S.C. section 1396a(a)(30)(A) and RSA 126-A:3, VII(a) and ensuring the Medicaid program pays only the most favorable and acceptable rate for outpatient services. The commissioner shall have authority, consistent with RSA 126-A:3, VII(a), to propose reductions to the conversion factor so as not to exceed the outpatient appropriation for the biennium. In determining the adequacy of the reimbursement rate, the commissioner shall rely upon the findings of the biennial benchmarking report mandated by RSA 126-A:18-b.

433 Department of Health and Human Services; Merger of Bureau of Drug and Alcohol Services into the Bureau of Behavioral Health. Pursuant to the authority granted in RSA 126-A:3, I(b) and (c), and RSA 126-A:4, II, the commissioner of the department of health and human services shall transfer and incorporate the administrative unit responsible for the provision of substance abuse services into the bureau of behavioral health on or before September 1, 2011.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 128 -

1 434 Department of Health and Human Services; Division of Community Based Care, Bureau of 2 Behavioral Health. For the biennium ending June 30, 2013, no state or federal appropriations shall 3 be used by the department of health and human services for contracts with the Dartmouth 4 Psychiatric Research Center or the Behavioral Health Policy Institute. 435 Department of Health and Human Services; Position of Medical Director Suspended. The 5 position of medical director established by RSA 135-C:6, VI within the department of health and 6 7 human services is suspended for the biennium ending June 30, 2013. 8 436 Family Support Services. RSA 126-G, relative to family support services, is hereby 9 suspended for the biennium ending June 30, 2013. 10 437 ServiceLink Resource Centers. Notwithstanding any provision of law to the contrary, the 11 department of health and human service shall not allocate any state general funds to support 12 ServiceLink Resource Centers for the biennium ending June 30, 2013. 13 438 Funding for Alzheimer's Disease. Suspension. Notwithstanding any provision of law to the 14 contrary, the department of health and human services shall suspend funding for the Alzheimer's 15 disease and related disorders (ADRD) program for the biennium ending June 30, 2013. 439 Congregate Housing and Congregate Services. Congregate services provided pursuant to 16 17 RSA 161-F:37 and congregate housing provided under the Medicaid waiver pursuant to RSA 151-E are hereby suspended for the biennium ending June 30, 2013. 18 19 440 New Section; Health and Human Services; Home Health Aide Services for Children who are Medically Fragile or Children with Chronic Illness; Pilot Program. Amend RSA 126-A by inserting 20 21 after section 4-g the following new section: 22 126-A:4-h Home Health Aide Services for Children who are Medically Fragile or Children with 23 Chronic Illness; Pilot Program. 24 I. The parent of a child described in paragraph II may be authorized by the department to 25 provide home health aide services to his or her child if the parent: 26 (a) Is employed by a licensed home health agency; 27 (b) Is reimbursed through the Medicaid program for the care of his or her child only; and 28 (c) Meets the undue hardship standard in paragraph III. 29 II. A child is eligible for home health aide services if the child is medically fragile or has a 30 chronic illness and such child: 31 (a) Is aged birth to 19; 32 (b) Has a medical diagnosis of an acute onset medical condition or a chronic medical 33 condition; 34 (c) Requires a nursing facility or hospital level of care, as defined in RSA 167:3-g; 35 (d) Resides at home; and 36 Is determined eligible for the home health aide service through the use of a

37

standardized rating tool developed by the department.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 129 -

 2

- III. The department may authorize reimbursement to a parent providing home health aide services in the case of undue hardship. Subject to approval from the Centers for Medicare and Medicaid Services, this section shall apply only to families whose income is no greater than 200 percent of the federal poverty limit. Such reimbursement shall occur only when the department determines that the needs of the child, the unavailability of appropriate providers or suitable alternative care services, and cost efficiencies make utilization of a parent for the provision of such services necessary and appropriate. Reimbursement shall be limited to care that is medically necessary due to specific health needs and shall not be made for care generally expected and provided by parents to a child of similar age and developmental stage. The department shall not authorize reimbursement to a parent until a plan and rules adopted pursuant to RSA 541-A, are reviewed and approved by the oversight committee on health and human services, established in RSA 126-A:13.
- IV. The department shall establish a Medicaid reimbursement rate for home health aide services. Such reimbursement rate shall be based on the current average wage of personal care workers reimbursed through the Medicaid program and the cost of nursing supervision required by federal law for unskilled care. The annual expenditure for such service shall not exceed \$25,000 per child and the home health agency shall not retain more than 10 percent of the Medicaid reimbursement rate received for the home health aide service.
- V. No more than 10 Medicaid-eligible children may receive home health aide services under the program at any given time.
- VI. The department shall operate the program established in this section as a 3-year pilot program, beginning July 1, 2011, at the end of which time the department shall evaluate its success and recommend its continuation, expansion, or conclusion. The department of health and human services shall provide an annual report on the pilot program to the fiscal committee of the general court. The report shall be filed with the chairperson of the committee by July 1 of each year beginning July 1, 2012.
 - 441 Repeal. RSA 126-A:4-h, as inserted by section 450 of this act, is repealed.
- 442 New Subparagraph; Duties; Office of Reimbursements. Amend RSA 126-A:34 by inserting after subparagraph (f) the following new subparagraph:
- (g) Consistent with RSA 126-A:42, II, file a notice of lien with the register of deeds of the county in which the patient or resident of any of the institutions named in RSA 126-A:34 or at a public or private institution owns real property.
- 443 New Paragraph; Recovery of Expenses; Liens Allowed. Amend RSA 126-A:42 by inserting after paragraph I the following new paragraph:
- I-a. The department shall file with the register of deeds of the county in which the patient or resident or the spouse of the patient or resident, if any, owns real property, notice of the lien for reimbursement of expenses, as provided in RSA 126-A:37, after providing all owners of the real

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 130 -

- 1 property known to the department with prior notice and an opportunity for a hearing. Such notice of
- 2 lien shall contain the names of the patient or resident and that patient's or resident's spouse, if any.
- 3 All such liens shall continue until released by the department. The register of deeds shall keep a
- 4 suitable record of such notices of lien without charging any fee therefor and enter on the record an
- 5 acknowledgment of satisfaction or release upon written request from the department.
 - 444 Recovery of Expenses. Amend RSA 126-A:42, III to read as follows:
- 7 III. In an action by the state for recovery of the expenses of a patient or resident at any of
- 8 the institutions named in RSA 126-A:34 who is discharged from the institution, or is dead, the action
- 9 shall be brought within 6 years after the person's discharge or death. [An action by the state against
- 10 the estate of a patient or resident or against an estate legally chargeable for expenses as provided in
- 11 RSA 126 A:37 may not be brought unless the action is commenced within the time allowed for an
- 12 action against an administrator by RSA 556:5.] Notwithstanding RSA 556:5 or any other
- 13 provision of law to the contrary, the administrator of the estate of a patient or resident at
- any of the institutions named in RSA 126-A:34 or at a public or private institution shall be
- 15 conclusively presumed to have accepted a claim for reimbursement of expenses as provided
- in RSA 126-A:37 which is subject to the jurisdiction of the probate court unless, within 12
- 17 months from the initial grant of administration, the administrator commences an
- 18 equitable action in the superior court challenging the validity or amount of the
- 19 department's claim and lien.

6

- 20 445 New Section; Medical Assistance Recipient; Notice of Petition for Spousal Support. Amend
- 21 RSA 458 by inserting after section 19-a the following new section:
- 22 458:19-b Medical Assistance Recipient; Notice of Petition for Spousal Support.
- I. If the petitioner or respondent is a recipient of medical assistance under the state
- 24 Medicaid program, the petitioner shall serve the department of health and human services with a
- copy of any petition for spousal support filed under this chapter.
 - II. The department of health and human services shall have the opportunity to address the
- 27 court in any proceeding under this section if the court has concerns relative to:
 - (a) The impact on the recipient of any period of Medicaid ineligibility that would result
- 29 from the allocation of income or assets;
 - (b) Whether the ward has been the victim of a crime or has been or is at risk of being
- 31 abused, neglected, or exploited within the meaning of RSA 161-F:43; or
- 32 (c) The cost of the recipient's care to be paid by Medicaid as the result of the proposed
- 33 allocation of income or assets.
- 34 446 Estate and Income Planning by Guardian. Amend RSA 464-A:26-a, I and II to read as
- 35 follows:

26

28

- 36 I. The probate court may authorize the guardian of the estate to make lifetime gifts, to
- 37 allocate income, and/or to plan for the testamentary distribution of the ward's estate consistent

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 131 -

- with the ward's wishes. If the ward's wishes cannot be ascertained, the probate court may authorize the guardian of the estate to plan for the testamentary distribution of the ward's estate in order to minimize taxation or to facilitate distribution of the ward's estate to family, friends, or charities who would be likely recipients of gifts from the ward.
- II. Before authorizing a guardian to make lifetime gifts *or to allocate income*, the probate court shall consider the ward's present and anticipated future expenses for maintenance, support, and medical care, any current or future debts of the ward, and any duty or legal obligation of the ward to support a spouse or dependent family members.
- 447 Estate and Income Planning by Guardian. Amend the introductory paragraph and subparagraphs (a) and (b) of RSA 464-A:26-a, III to read as follows:
- III. The guardian of the estate shall petition the probate court for authorization to make lifetime gifts, *to allocate income*, and/or to plan for the testamentary distribution of the ward's estate. This petition shall include the following information:
 - (a) A description of the proposed action;

 2

- (b) The anticipated results including any income, estate, or inheritance tax savings, and, if the gift is being made in order to qualify the ward for Medicaid, [any resulting] whether the action will maximize payments by Medicaid for the ward's care or result in a period of Medicaid disqualification;
- 448 Estate and Income Planning by Guardian. Amend RSA 464-A:26-a, VI and VII to read as follows:
 - VI. The probate court, prior to authorizing a lifetime gift or an allocation of income to the ward's spouse, shall appoint a guardian ad litem if the proposed gift benefits the guardian personally or otherwise creates a potential conflict of interest between the ward's interests and the guardian's personal interests.
 - VII. The department of health and human services, *the* county attorney, and the department of justice shall be notified and shall have the opportunity to address the court in any proceeding under this section if the court has concerns relative to:
 - (a) The impact on the ward of any period of Medicaid ineligibility that would result from the proposed gift; [er]
 - (b) Whether the ward has been the victim of a crime or has been or is at risk of being abused, neglected, or exploited within the meaning of RSA 161-F:43; or
 - (c) The cost of the ward's care to be paid by Medicaid as the result of the proposed gift or income reallocation.
 - 449 Family Planning Accounting Unit; Funding Abortions Prohibited. Notwithstanding any provision of law to the contrary, the appropriation in accounting unit 05-95-90-902010-5530, family planning program class, and any other funds shall not be used for evaluation, assessment, consultation about, preparation for, or provision of an abortion.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 132 -

- 450 Local Aid to Assisted Persons. The provisions of RSA 165:1 shall be suspended for the biennium ending June 30, 2013. Local aid to assisted persons shall not decrease below the municipality's current year's level of spending unless decreased in correlation with either a decrease in demand or a decrease in cost for services.
- 451 Healthy Kids Board. Amend the introductory paragraph of RSA 126-H:3, I to read as follows:
- I. The powers of the corporation shall be vested in [13] 11 members for 3-year terms of office as follows:
 - 452 Healthy Kids Board. Amend RSA 126-H:3, II to read as follows:
 - II. The initial terms of office shall be as follows: the members in subparagraphs I(a), (g), and (j) shall serve for 2 years; the members in subparagraphs I(b), (h), (k), and (m) shall serve for 3 years; and the members in subparagraphs I(c), (i), and (l) shall serve for 4 years. The [other members] member in [subparagraphs I(d), (e) and (f)] subparagraph I(e) shall serve [terms] a term which [are] is coterminous with [their terms] his or her term in office. Two of the 4 members in subparagraph I(n) shall serve for 3 years, one shall serve for 2 years, and one shall serve for 4 years.
- 453 Repeal. The following are repealed:

1

 2

3

4

5

6 7

8

9

10

11

12

13

14

1516

17

18 19

 $\frac{20}{21}$

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

- I. RSA 126-H:3, I(f), relative to the commissioner of the department of health and human services.
 - II. RSA 126-H:3, I(d), relative to the commissioner of the department of education.
- 454 New Paragraph; Medicaid Managed Care. Amend RSA 126-A:5 by inserting after paragraph XVIII the following new paragraph:
- The commissioner shall employ a managed care model for administering the Medicaid program and its enrollees to provide for managed care services for all Medicaid populations throughout New Hampshire consistent with the provisions of 42 U.S.C. section 1396r-2. Models for managed care may include, but not be limited to, a traditional capitated managed care organization contract, an administrative services organization, an accountable care organization, or a primary care case management model, or a combination thereof, offering the best value, quality assurance, and efficiency, maximizing the potential for savings, and presenting the most innovative approach compared to other externally administered models. The department shall present the opportunities of the various models or combination of models to the fiscal committee of the general court with a recommendation for the best managed care model for New Hampshire, no later than July 15, 2011. Services to be managed within the model shall include, but not be limited to, all mandatory Medicaid covered services and may include, but shall not be limited to, care coordination, utilization management, disease management, pharmacy benefit management, provider network management, quality management, and customer services. After consultation with the fiscal committee of the general court, the commissioner shall issue a 5-year request for proposals to enter into a contract with the vendor or vendors that demonstrates the greatest ability to satisfy the state's need for

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 133 -

value, quality, efficiency, innovation and savings. The request for proposals shall be released no later than December 1, 2011. The vendor or vendors of the managed care model or combination of models demonstrating the greatest ability to satisfy the state's need for value, quality, efficiency, innovation, and savings shall be selected no later than March 1, 2012 with a final contract submitted to the governor and council as soon as practicable thereafter. After the bidding process, the commissioner shall establish a capitated rate based on the bids by the appropriate model for the contract that is full risk to the provider. The capitated rate shall be broken down into rate cells for each population including, but not limited to, the persons eligible for temporary assistance to needy families (TANF), aid for the permanently and totally disabled (APTD), breast and cervical cancer program (BCCP), home care for children with severe disabilities (HC-CSD), and those residing in nursing facilities. The capitated rate shall be approved by the fiscal committee of the general court. The managed care model or models' selected vendor or vendors providing the Medicaid services shall establish medical homes and all Medicaid recipients shall receive their care through a medical home. In contracting for a managed care model and the various rate cells, the department shall ensure no reduction in the quality of care of services provided to enrollees in the managed care model and shall exercise all due diligence to maintain or increase the current level of quality of care provided. The target date for implementation of the contract is July 1, 2012. The commissioner may, in consultation with the fiscal committee, adopt rules, if necessary, to implement the provisions of this paragraph. The department shall seek all necessary and appropriate waivers to implement the provisions of this paragraph.

- (b) The department shall ensure that all eligible Medicaid members are enrolled in the managed care model under contract with the department no later than 12 months after the contract is awarded to the vendor or vendors of the managed care model.
 - (c) For the purposes of this paragraph:

1

 2

3

4

5 6

7

8

9

10

11

12

13

14

15

16

17

18 19

20

21

22

23

24

25

26

2728

29

30

31

32

33

34

35

36

- (1) An "accountable care organization" means an entity or group which accepts responsibility for the cost and quality of care delivered to Medicaid patients cared for by its clinicians.
- (2) An "administrative services organization" means an entity that contracts as an insurance company with a self-funded plan but where the insurance company performs administrative services only and the self-funded entity assumes all risk.
- (3) A "managed care organization" means an entity that is authorized by law to provide covered health services on a capitated risk basis and arranges for the provision of medical assistance services and supplies and coordinates the care of Medicaid recipients residing in all areas of the state, including the elderly, those meeting federal supplemental security income and state standards for disability, and those who are also currently enrolled in Medicare.
- (4) A "primary care case management" means a system under which a primary care case management contracts with the state to furnish case management services, which include the

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 134 -

1 location, coordination and monitoring of primary health care services, to Medicaid recipients.

 2

3

4

5 6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30 31

32

33

34

35

36

- 455 Number of State Employee Positions Frozen; Certain Departments Required to Eliminate Positions.
 - I. For the biennium ending June 30, 2013, no new unclassified positions, non-classified positions, or classified positions at labor grade 30 or above shall be established or filled if a vacancy occurs, except with the approval of the fiscal committee of the general court. Any such unclassified, non-classified, or labor grade 30 or above classified position may be eliminated.
 - II. The department of administrative services, department of education, and the department of environmental services shall each eliminate 5 percent of the sum of unclassified, non-classified, and labor grade 30 or above classified positions on or before June 30, 2013.
 - 456 Reclassification of Positions. For the biennium ending June 30, 2013, the director of the division of personnel shall not approve any reclassification of classified positions which will result in an increase in pay, unless the director obtains a waiver for the specific position from the governor and council.
 - 457 Repeal; Meals and Rooms Tax Operator License Renewal Fee. RSA 78-A:4, II, relative to the renewal fee for an operator license for collection of meals and rooms taxes, and the waiver provisions therefor, is repealed.
 - 458 Licenses; Transfers of Animals and Birds. Amend RSA 437:3 to read as follows:
 - 437:3 Licenses. Applications for licenses shall be made annually in writing to the department accompanied by a license fee of [\$350] \$200. After January 1, the license fee shall be [\$175] \$100. If after inspection the department finds that the premises [7] and cages and facilities thereon meet the proper standards for health and sanitation and that their use will not result in inhumane treatment of said animals or birds, and proof is provided with the application that the zoning enforcement official of the municipality wherein such facility is to be maintained has certified that the facility conforms to the municipal zoning regulations, a license shall be issued. Licenses shall expire on June 30 following issue, and may be renewed on application to the department accompanied by a renewal fee of [\$350] \$200. Such licenses shall be in the form prescribed by the department, shall be publicly displayed at the premises covered by them, and shall be adjacent to animal display cages. Each such license shall be subject to revocation at any time by the department, if in the judgment of the department the conditions under which it was issued are not being maintained. Each licensee shall be inspected by an employee of the department or by a person appointed by the department no less frequently than every 6 months. Upon receipt of a written complaint alleging violation of this subdivision, the department shall investigate said complaint within a reasonable time. All license fees shall be deposited in the state treasury.
 - 459 Condominium Act; Application Fees. Amend RSA 356-B:51, VII to read as follows:
- VII. Each application shall be accompanied by a fee in an amount equal to [\$50] \$30 per unit, except that the initial application fee shall be not less than [\$600] \$300 nor more than [\$5,000]

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 135 -

- \$2,000, and the fee for any application for registration of additional units shall be not less than [\$400] \$200 nor more than [\$5,000] \$2,000.
- 3 460 Land Sales Full Disclosure Act; Application Fees. Amend RSA 356-A:5, VII to read as 4 follows:
 - VII. Every application shall be accompanied by a fee in an amount equal to [\$60] \$30 per lot, parcel, unit or interest, except that the initial application fee shall not be less than [\$600] \$300 nor more than [\$5,000] \$2,000, and the fee for any application for registration of additional lots, parcels, units or interests shall not be less than [\$400] \$200 nor more than [\$5,000] \$2,000.
- 9 461 Documentation of Marriages; Marriage License Fee. Amend RSA 457:29 to read as follows:
 - 457:29 Marriage License Fee. The fee for the marriage license shall be [\$50] \$45 to be paid by the parties entering into the marriage. The clerk shall forward \$38 from each fee to the department of health and human services for the purposes of RSA 173-B:15[, and \$5 to the state treasurer for deposit in the general fund]. The clerk shall retain the remaining \$7 as the fee for making the records of notice, issuing the certificate of marriage, and forwarding the [\$43] \$38 portion of the marriage license fee.
 - 462 New Paragraph; Impasse in Collective Bargaining. Amend RSA 273-A:12 by inserting after paragraph VII the following new paragraph:
 - VIII. For any collective bargaining agreement entered into by the parties after the effective date of this paragraph, if the impasse is not resolved at the time of the expiration of the parties' agreement, the terms of the collective bargaining agreement shall cease and all employees subject to the agreement shall become at-will employees whose salaries, benefits, and terms and conditions of employment shall be at the discretion of the employer.
 - 463 State Revenues; Intent of the House of Representatives. It is the intent of the house of representatives that revenue reductions resulting from tax and fee relief contained in the house adopted position of the following bills will be considered and supported to the extent that state revenues exceed the adopted revenue estimates of the house of representatives:
 - I. HB 37-FN-A, reestablishing the initial monthly gross charge exemption to the communications services tax.
- 29 II. HB 154 FN-A, increasing a threshold amount for taxation under the business enterprise 30 tax.
 - III. HB 166 FN-A, reducing the rate of the meals and rooms tax.
 - IV. HB 213-FN-A, reducing the rate of the business profits tax.
- Any additional state revenues realized beyond the supported reductions will be deposited in the revenue stabilization reserve account under RSA 9:13-e.
 - 464 Repeal. The following are repealed:

5 6

7

8

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

31

32

35

I. RSA 167:3-h, relative to coverage of services and items under the medical assistance program.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 136 -

1 II. RSA 167:3-c, XIV, relative to rulemaking for a review process for medically necessary 2 services. 3 465 Effective Date. I. Sections 8, 11, 12, 14, 15, 34, 48, 49, 85-87, 116-118, 283-284, 304, 317-321, 366-370, 440, 4 5 442-447, and 451-454 of this act shall take effect upon its passage. 6 II. Sections 286, 290, and 292 of this act shall take effect June 30, 2011. 7 III. Sections 149-151 and 153-161 of this act shall take effect July 1, 2011 at 12:01 a.m. 8 IV. Sections 28-31, 33, 44, 279-282, paragraphs II-III of section 285, section 315, and section 429 of this act shall take effect January 1, 2012. 9 10 V. Paragraph I of section 285 of this act shall take effect January 1, 2013. 11 VI. Sections 39-41 and 152 of this act shall take effect July 1, 2013. 12 VII. Section 205 of this act shall take effect as provided in section 204 of this act. VIII. Sections 373-421 of this act shall take effect September 30, 2011. 13 IX. Section 441 of this act shall take effect July 1, 2014. 14 15 X. Sections 96-101 of this act shall take effect October 1, 2011.

XI. The remainder of this act shall take effect July 1, 2011.

HB 2-FN-A-LOCAL – AS AMENDED BY THE HOUSE - Page 137 -

LBAO 11-1086 03/02/11

HB 2-FN-A-LOCAL - FISCAL NOTE

AN ACT relative to state fees, funds, revenues, and expenditures.

FISCAL IMPACT:

Due to time constraints, the Office of Legislative Budget Assistant is unable to provide a fiscal note for this bill at this time. When completed, the fiscal note will be forwarded to the House Clerk's Office.